

STOCK OPTIONS

To approve an Equity Based Long Term Incentive Plan under which the Compensation Committee can grant (a) Non-qualified Stock Options, (b) Stock Appreciation Rights, (c) Restricted Stock and (d) Deferred Stock. The Committee may elect to cash out all or part of the portion of any stock option that is being exercised by paying the optionee an amount, in cash or Common Stock, equal to the excess of the fair market value of the Common Stock that is the subject of the option over the option price times the number of shares of Common Stock subject to the option on the effective date of such cash out *(with a copy of the Equity Based Long Term Incentive Plan)*

2. AMENDMENT AND RESTATEMENT OF THE <NAME> CORPORATION EQUITY BASED LONG TERM INCENTIVE PLAN

The stockholders are asked to consider a vote upon a proposal to amend the <Name> Corporation Equity Based Long Term Incentive Plan ("20__ Plan"). The summary of its principal features which follows is subject to the specific provisions contained in the official text set forth in Appendix A to this Proxy Statement.

On <Date>, the Board of Directors adopted the 20__ Plan to give management the opportunity to receive stock option grants in lieu of cash bonuses under the Senior Executive Incentive Compensation Plan. The intent of the 20__ Plan is to increase the proportion of key employee compensation tied to stock ownership and to reduce the proportion payable in cash. On <Date>, 20__, the stockholders approved the Plan.

The Company believes that increased share ownership by key employees more closely aligns stockholder and employee interests by encouraging greater focus on long term growth and profitability of the Company and its Common Stock. The 20__ Plan is part of a continuing effort by the Company to broaden employee share ownership.

The 20__ Plan gives the Company the benefit of lower cash bonuses. The savings in compensation expenses and the tax benefits generated from awards under the Plan are designed to improve cash flow for the Company and minimize the dilative effect of the 20__ Plan.

An aggregate number of shares of Common Stock equal to 10% of the number of shares of Common Stock outstanding on the date that the amendments to the 20__ Plan are approved by the stockholders of the Company will be reserved for issuance pursuant to the 20__ Plan. On April 23, 20__, the stockholders approved an aggregate of 428,916 shares for issuance under the Plan. Based upon the number of shares expected to be outstanding on the date stockholders approve the amendments to the Plan, there will be <Number> shares available of issuance under the Plan, or an expected increase of <Number> shares.

The 20__ Plan is administered by the Compensation Committee of the Board of Directors ("Committee"). Officers and key employees of <Name> Corporation and <Name> Corporation who, in the opinion of the Committee, are responsible for or contribute to the management, growth and profitability of these companies are eligible to be granted awards under the 20__ Plan. However, no person who is a member of the Committee or who has served as a member of the Committee within the preceding year will be eligible for the grant of an award under the 20__ Plan.

A number of types of awards can be made under the 20__ Plan. A summary of these awards is set forth below

Stock Options. The 20__ Plan authorized the Committee to award options to purchase Common Stock at an exercise price determined by the Committee, which may not be less than 100% of the fair market value of such stock at the time the option is granted.

The 20__ Plan permits optionees, with the approval of the Committee, to pay the exercise price of options in cash, Common Stock (valued at its fair market value on the date of exercise) or a combination thereof.

Restricted Stock. The 20__ Plan authorizes the Committee to grant restricted Common Stock to individuals with such restriction periods as the Committee may designate. During the restriction period, the Committee may require that the Common Stock certificates evidencing restricted shares be held by the Company. Restricted Common Stock may not be sold, assigned, transferred, pledged or otherwise encumbered. Other than these restrictions on transfer and any other restrictions the Committee may impose, the participant will have all the rights of a holder of Common Stock,

Stock Appreciation Rights ("SARs"). The 20__ Plan authorized the Committee to grant SARs in conjunction with all or part of any stock option wanted under the 20__ Plan. An SAR entitles the holder to receive upon exercise the excess of the fair market value of a specified number of shares of Common Stock at the time of exercise over a specified price per share. Such amount will be paid to the holder in Common Stock (valued at its fair market value on the date of exercise), cash or a combination thereof, as the Committee may determine. An SAR may be granted as an alternative to a previously or contemporaneously granted nonqualified option. An SAR will entitle the optionee, in lieu of exercising the option, to receive the excess of the fair market value of a share of Common Stock on the date of exercise over the option price multiplied by the number of shares as to which the optionee is exercising the SAR. Since an SAR is an alternative to an option, the option will be canceled to the extent that the SAR is exercised and the SAR will be canceled to the extent the option is exercised.

Deferred Stock. The 20__ Plan authorizes the committee to grant deferred shares of Common Stock upon the attainment of specified performance goals of the participant or Common Stock, the performance of the subsidiary, division or department by which the participant is employed, or such other goals established by the Committee. Deferred shares of Common Stock may be granted either alone or in addition to options, SARs or restricted Common Stock. The Committee shall have the sole and complete authority to determine the duration of the period during which the receipt of Common Stock will be deferred and all other conditions of the awards. A participant may elect to further defer all or a portion of any such award in accordance with procedures established by the Committee.

Awards may be granted for such terms as the Committee may determine, provided that the term of a nonqualified option may not exceed ten years and one day from its date of grant. Awards will not be transferable, except by will and the laws of descent and distribution.

The Committee has broad authority to fix the terms and conditions of the individual agreements with participants. All awards granted under the 20__ Plan must comply with the applicable requirements of Rule 1.6b-3 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or any successor Rule.

The 20__ Plan may be amended, altered or discontinued by the Board of Directors, but no amendment, alteration or discontinuation shall be made which would (i) impair the rights of a holder of an award previously granted without the holder's consent or (ii) disqualify the Plan from the exemption provided by Rule 16b-3 under the Exchange Act. The 20__ Plan may not be amended without stockholder approval to the extent such stockholder approval is required by law, agreement or the rules or any exchange upon which the Common Stock is listed.

The 20__ Plan provided that in the event of any merger, reorganization, consolidation, re capitalization, spin-off, stock dividend, stock split, or other change in corporate structure or capitalization affecting the Common Stock, such substitution or adjustment shall be made in the aggregate number of shares reserved for issuance under the Plan, in the number and option price

of shares subject to outstanding stock options and SARs, and in the number of shares subject to other outstanding restricted stock awards granted under the 20__ Plan as may be determined to be appropriate by the Board of Directors, in its sole discretion. The 20__ Plan also provides that in the event of a change in control, as defined in the plan, (i) any stock options and SARs outstanding as of the date of the change in control, other than SARs which have not been outstanding for at least six months on such date, which are not then exercisable and vested shall become fully exercisable and vested and (ii) the restrictions and limitations applicable to restricted Common Stock and deferred Common Stock shall lapse and such restricted Common Stock and deferred Common Stock shall become free of all restrictions and fully vested.

The following discussion is intended only as a brief summary of the Federal Income tax rules relevant to stock options, SARs, restricted Common Stock and deferred Common Stock. The laws governing the tax aspects of awards are highly technical and such laws are subject to change in the future.

A. Non qualified Options and SARs. Upon the grant of a nonqualified option (with or without an SAR), the optionee will not recognize any taxable income and the Company will not be entitled to a deduction. Upon the exercise of such an option or an SAR, the excess of the fair market value of the shares acquired on the exercise of the option over the option price (the 'spread'), or the consideration paid to the optionee upon exercise of the SAR, will constitute compensation taxable to the optionee as ordinary income. In determining the amount of the spread or the amount of consideration paid to the optionee, the fair market value of the Common Stock on the date of exercise is used, except that in the case of an optionee subject to the six month short-swing profit recovery provisions of Section 16(b) of the Exchange Act (generally officers and directors of the Company) ("16(b) Persons"), the fair market value will be determined six months after the date on which the option was granted (if such date is later than the exercise date) unless such optionee elects to be taxed based on the fair market value at the date of exercise. Any such election (a "Section 83(b) election") must be made and filed with the IRS within 30 days after exercise in accordance with the regulations under Section 83(b) of the Code. The Company, in computing its Federal income tax, will be entitled to a deduction in an amount equal to the compensation taxable to the optionee.

B. Restricted Stock. A participant who is granted restricted Common Stock may make a Section 83(b) election to have the grant taxed as compensation income at the date of receipt, with the result that any future appreciation (or depreciation) in the value of the shares of Common Stock granted shall be taxed as capital gains (or loss) upon a subsequent sale of the shares. However, if the participant does not make a Section 83(b) election, then the grant shall be taxed as compensation income at the full fair market value on the date that the restrictions imposed on the shares expires, except in the case of a 16(b) Person in which case the fair market value will be determined six months after the date in which the restricted Common Stock was granted (if such date is later than the expiration date of the restrictions). Unless a participant makes a Section 83(b) election, any dividends paid on stock subject to the restrictions are compensation income to the participant and compensation expense to the Company. The Company is entitled to an income tax deduction for any compensation income taxed to the participant.

C. Deferred Stock. A recipient of an award of deferred Common Stock will not recognize taxable income until the applicable deferral period has expired and the recipient is in receipt of the Common Stock subject to the award or an equivalent amount of cash, at which time he will recognize compensation income equal to the full fair market value of the Common Stock on such date or the amount of cash paid to him. The Company, in computing its Federal income tax, will be entitled to a deduction in an amount equal to the compensation taxable to the recipient of an award at the time the deferral period expires.

The 20__ Plan is not limited as to time. Based upon the present number of key executives and management employees of the Company and its subsidiaries, it is not expected that more than 15 persons will be granted awards during the initial years of the 20__ Plan. In February 20__ (the

'Grant Date'), the Committee created separate stock grant targets under the 20__ Plan of a number of shares of Common Stock ("Targets") at the end of a five year period for three of the individuals listed in the Cash Compensation Table and for six other individuals; however, the actual number of shares of Common Stock to be issued with respect to each Target is a function of performance measurement. If, at the end of the five year period commencing on the Grant Date, the fair market value of Common Stock increases at a compound rate of 17% per year (the "Target Appreciation"), the Target number of shares will be issued to the participant. If the increase in fair market value is more or less, the Target will be adjusted proportionately up, subject to the limitation on the number of shares available under the 20__ Plan, or down, respectively. As of each anniversary of the Grant Date, a proportion of the Target will be earned based upon the appreciation in value of a share of Common Stock since the Grant Date as compared to the Target Appreciation. No portion of the Target Appreciation may be earned more than once.

In determining 20__ bonus compensation the Committee, in December 20__, set new but similar stock grant Targets for a new group of participants, some of which were included in the February 20__ group. Targets are forfeited upon termination of employment for reasons of cause, as defined in the 20__ Plan. In the event of a change in control, as defined in the 20__ Plan, the target awards will be converted to shares of Common Stock based upon the change in control price, also as defined in the 20__ Plan. The aggregate number of shares of Common Stock in Targets for each individual listed in the Cash Compensation Table who participated in the 20__ Plan is: <name>, <number> shares<name>, <number> shares; and <name>, <number> shares; to all Executive Officers as a group, <number> shares; and to all Employees as a group, <number> shares. As of the end of 20__ the individuals in the Cash Compensation Table have earned the following number of shares in their Targets: <name>, <number> shares; <name>, <number> shares; <name>, <number> shares; all Executive Officers as a group, <number> shares; and all Employees as a group, <number> shares. If the amendments had been in effect in 20__, there would have been no change in the compensation paid under the 20__ Plan in 20__. Future compensation under the 20__ Plan is indeterminable.

The following table summarizes the options granted to the persons identified under the 20__ Plan in 20__:

Name of Individual	Options Granted and Average Price Per Share

A summary of the significant differences between the 20__ Plan as it now exists and as amended are as follow&

1. The number of shares of Common Stock authorized to be issued under the 20__ Plan will be increased to 10% of the number of shares outstanding as of the date the amendments are approved by the stockholders, an expected increase of <number> shares.

2. Shares issued pursuant to awards under the 20__ Plan which are reacquired by the Company will not be available again for issuance under the 20__ Plan, except where the owner of the shares acquired no benefit of ownership.

3. The 20__ Plan, as amended, confirms the Committee's power to grant derivative securities, within the meaning of Rule 16b-3 of the Exchange Act, if their terms and conditions are not inconsistent with the provisions and purpose of the 20__ Plan described above and they will or might involve the issuance or sale of Common Stock or are measured in whole or part by the performance of Common Stock.

4. The 20__ Plan authorizes the Committee to grant SARs.

5. The 20__ Plan allows for the exercise of options live years after termination of employment for reasons of death and six years after termination of employment for reasons of disability or retirement, but in no event later than the option's term. Prior to this amendment, these periods were one year and three years, respectively.

The Board of Directors recommends you vote FOR the proposal to adopt the <Name> Corporation Equity Based Long Term 20__ Plan and your proxy will be so voted unless you specify otherwise.

<NAME> CORPORATION

EQUITY BASED LONG TERM INCENTIVE PLAN

SECTION 1. Purpose.~ Definitions.

The purpose of the Plan is to enable officers and key employees of the Company and its Affiliates, its subsidiaries and affiliates to participate in the Company's future and to enable the Company to attract and retain such persons by offering them proprietary interests in the Company. The Plan also provides a means through which the Company can attract and retain key employees of merit.

For purposes of the Plan, the following terms are defined as set forth below

(a) '*Affiliate*' means a corporation or other entity controlled by the Company and designated by the Committee as such.

(b) '*Award*' means a Stock Appreciation Right, Stock Option, Restricted Stock or Deferred Stock.

(c) '*Board*' means the Board of Directors of the Company.

(d) '*Cause*' means an act or acts of dishonesty by the optionee constituting a felony under applicable law and resulting or intending to result directly or indirectly in gain to or personal enrichment of the optionee at the Company's expense. Notwithstanding the foregoing, the optionee shall not be deemed to have been terminated for Cause unless and until there shall have been delivered to him a copy of a resolution, duly adopted by the affirmative vote of not less than a majority of the entire membership of the Board at a meeting of the Board called and held for that purpose (after reasonable notice to him has been given or has been made and an opportunity for him, together with his counsel, to be heard before the Board), finding that in the good faith opinion of the Board the optionee was guilty of conduct set forth above in the first sentence of this Section 2(d) and specifying the particulars thereof in detail.

(e) '*Change in Control*' and '*Change in Control Pike*' have the meanings set forth in Sections 10(h) and (c), respectively.

(f) '*Code*' means the Internal Revenue Code of 1986, as amended from time to time, and any successor thereto.

(g) '*Commission*' means the Securities and Exchange Commission or any successor agency.

(h) '*Committee*' means the Committee referred to in Section 3.

(i) '*Common Stock*' means common stock, par value \$0.50 per share, of the Company.

(j) '*Company*' means <Name> Corporation, a Delaware corporation.

(k) '*Deferred Stock*' means an award made pursuant to Section 8.

(l) '*Disability*' means permanent and total disability as determined under procedures established by the Committee for purposes of the Plan.

(m) “*Disinterested Person*” shall have the meaning set forth in Rule 16b-3(d)(3), as promulgated by the Commission under the Exchange Act, or any successor definition adopted by the Commission,

(n) “*Early Retirement*” means retirement from active employment with the Company or an Affiliate on or after attainment of age 55.

(o) “*Effective Date*” means the date specified by the Board at the time the Plan is approved by the Board.

(p) “*Exchange Act*” means the Securities Exchange Act of 1934, as amended from time to time, and any successor thereto.

(q) “*Fair Market Value*” means, except as otherwise provided in this Plan, the mean, as of any given date, between the highest and lowest reported sales prices of the Common Stock on the New York Stock Exchange Composite Tape or, if not listed on such exchange, any other national exchange on which the Common Stock is listed or on NASDAQ. If there is no regular public trading market for such stock, the Fair Market Value of the Common Stock shall be determined by the Committee in good faith.

(r) “*Normal Retirement*” means retirement from active employment with the Company or an Affiliate at or after age sixty-five (65).

(s) “*Plan*” means the <Name> Corporation Equity Based Long Term Incentive Plan, as set forth herein and as hereinafter amended from time to time.

(t) “*Restricted Stock*” means an award under Section 8.

(u) “*Retirement*” means Normal or Early Retirement.

(v) “*Rule Job-3*” means Rule 16b-3, as promulgated by the Commission under Section 16(b) of the Exchange Act, as amended from time to time,

(w) “*Stock Appreciation Right*” means a right granted under Section 7.

(x) “*Stock Option*” or “*Option*” means an option granted under Section 6.

(y) “*Termination of Employment*” means the termination of the participant’s employment with the Company or any Affiliate. A participant employed by an Affiliate of the Company shall also be deemed to incur a Termination of Employment if the Affiliate ceases to be an Affiliate and the participant does not immediately thereafter become an employee of the Company or another Affiliate.

In addition, certain other terms used herein have definitions given to them in the first place on which they are used.

SECTION 2. Plan Awards.

To carry out the purpose of the Plan, the Company and its Subsidiaries will from time to time enter into various arrangements with persons eligible to participate in the Plan and confer various benefits upon them. If their terms and conditions and the benefits conferred by them are not inconsistent with the provisions of the Plan, such arrangements are authorized under the Awards. The authorized categories of benefits for which Awards may be granted, which are more fully described elsewhere in this Plan, are Stock Options, Stock Appreciation Rights, Restricted Stock and any other benefits granted under the Plan that are not among those listed above but which (a) by their terms will or might involve the issuance or sale of Common Stock, or (b) are measured, in

whole or in part, by the value, appreciation, dividend yield or other features attributable to a specified number of shares of Common Stock.

An Award may confer one such benefit or two or more of them in tandem or in the alternative. Subject to the provisions of the Plan, any Award granted pursuant to the Plan shall contain such additional terms and provisions as those administering the Plan for the Company may consider appropriate. Among other things, any such Award may, but need not, also provide for the satisfaction of any applicable tax withholding obligation by the retention of shares to which the grantee would otherwise be entitled or by the grantee's delivery of previously owned shares or other property.

SECTION 3. Administration.

The Plan shall be administered by the Compensation Committee of the Board or such other committee of the Board, composed of not less than three (3) Disinterested Persons, each of whom shall be appointed by and serve at the pleasure of the Board. If at any time no Committee shall be in office, the functions of the Committee specified in the Plan shall be exercised by the Board.

The Committee shall have plenary authority to grant Awards to officers and key employees of the Company and its Affiliates.

Among other things, the Committee shall have the authority, subject to the terms of the Plan:

(a) to select the officers and key employees to whom Awards may from time to time be granted

(b) to determine whether and to what extent Stock Options, Stock Appreciation Rights, Restricted Stock and Deferred Stock or any combination thereof are to be granted hereunder;

(c) to determine the number of shares of Common Stock to be covered by each Award granted hereunder;

(d) to determine the terms and conditions of any Award granted hereunder (including, but not limited to, the share price, any vesting restriction or limitation and any vesting acceleration or forfeiture waiver regarding any Award and the shares of Common Stock relating thereto, based on such factors as the Committee shall determine);

(e) to adjust the terms and conditions, at any time or from time to time, of any Awards, including with respect to performance goals and measurements applicable to performance-based awards pursuant to the terms of the Plan;

(Q to determine under what circumstances an Award may be settled in cash or Common Stock under Sections 6(g) and 9(b)(i); and

(g) to determine to what extent and under what circumstances Common Stock and other amounts payable with respect to an award shall be deferred.

The Committee shall have the authority to adopt, alter and repeal such administrative rules, guidelines and practices governing the Plan as it shall, from time to time, deem advisable, to interpret the terms and provisions of the Plan and any Award issued under the Plan (and any agreement relating thereto) and to otherwise supervise the administration of the Plan.

The Committee may act only by a majority of its members then in office, except that the members thereof may authorize any one (1) or more of their number or any officer of the Company

to execute and deliver documents on behalf of the Committee.

Any determination made by the Committee pursuant to the provisions of the Plan with respect to any Award shall be made in its sole discretion at the time of the grant of the Award or, unless in contravention of any express term of the Plan, at any time thereafter. All decisions made by the Committee pursuant to the provisions of the Plan shall be final and binding on all persons, including the Company and Plan participants.

SECTION 4. Common Stock Subject to the Plan.

The total number of shares of Common Stock reserved and available for distribution pursuant to Awards under the Plan shall be equal to ten percent (10%) of the number of shares of Common Stock outstanding on the date the Plan is approved by the Stockholders of the Company. Such shares may consist, in whole or in part, of authorized and unissued shares or treasury shares.

Subject to Section 7(b)(iv), if any shares of Stock that have been optioned cease to be subject to a Stock Option, if any shares of Stock that are subject to any Award are forfeited or if any Award otherwise terminates without a payment being made to the participant in the form of Stock, such shares shall again be available for distribution in connection with Awards under the Plan; provided, the person holding such Award receives no benefits of ownership (within the meaning of Rule 16b-3) while holding such Award.

In the event of any merger, reorganization, consolidation, re capitalization, spin-off, stock dividend, stock split, extraordinary distribution with respect to the Common Stock or other similar change in corporate structure affecting the Common Stock, such substitution or adjustments shall be made in the aggregate number of shares reserved for issuance under the Plan, in the number and option price of shares subject to outstanding Stock Options and Stock Appreciation Rights, and in the number of shares subject to other outstanding Awards granted under the Plan as may be determined to be appropriate by the Board, in its sole discretion; provided, however, that the number of shares subject to any Award shall always be a whole number. Such adjusted option price shall also be used to determine the amount payable by the Company upon the exercise of any Stock Appreciation Right associated with any Stock Option.

SECTION 5. Eligibility.

Officers and key employees of the Company and its Affiliates (but excluding members of the Committee) who are responsible for or contribute to the management, growth and profitability of the business of the Company and its Affiliates are eligible to be granted Awards under the Plan.

SECTION 6. Stock Options.

(a) *Administration.* Stock Options may be granted either alone or in addition to other Awards granted under the Plan. The Committee shall determine the officers and key employees to whom, and the time or times at which grants of Stock Options will be made, the number of shares of Common Stock with respect to which Stock Options will be granted, the time or times within which such Stock Options will be subject to forfeiture, and any other terms and conditions of the Stock Options, in addition to those contained in Section 6(c). Any Stock Option granted under the Plan shall be in such form as the Committee may from time to time approve and the Committee shall have the authority to grant any optionee Stock Options. However, no Stock Options within the meaning of Section 422 of the Code may be granted under the Plan.

(b) *Option Agreements.* Stock Options shall be evidenced by option agreements, the terms and provisions of which need not be the same with respect to each Optionee. The grant of a Stock Option shall occur on the date the Committee by resolution selects an individual as a participant in any grant of Stock Options, determines the number of shares of Common Stock to be subject to

such Stock Option to be granted to such individual and specifies the terms and provisions of the option agreement. The Company shall notify a participant of any grant of a Stock Option, and a written option agreement or agreements shall be duly executed and delivered by the Company to the participant. Such agreement or agreements shall become effective upon execution by the participant.

(c) *Terms and Conditions.* Options granted under the Plan shall be subject to the Following terms and conditions and the relevant Option agreements shall contain such additional terms and conditions as the Committee shall deem desirable:

(i) *Option Price.* The option price per share of Common Stock purchasable under a Stock Option shall be set forth in the option agreement and shall be equal to the Fair Market Value of the Common Stock subject to the Stock Option on the date of grant.

(ii) *Option Term.* The term of each Stock Option shall be fixed by the Committee, but no Stock Option shall be exercisable more than the (10) years and one (1) day after the date the Stock Option is granted.

(iii) *Exercisability.* Subject to Section 6(c)(i) and 10(a)(i), Stock Options shall be exercisable at such time or times and subject to such terms and conditions as shall be determined by the Committee. If the Committee provides that any Stock Option is exercisable only in installments, the Committee may at any time waive such installment exercise provisions, in whole or in part, based on such factors as the Committee may determine.

In addition, the Committee may at any time accelerate the exercisability of any Stock Option.

(d) *Method of Exercise.* Subject to the provisions of this Section 6, Stock Options may be exercised, in whole or in part, at any time during the option period by giving written notice of exercise to the Company specifying the number of shares of Common Stock subject to the Stock Option to be purchased.

Such notice shall be accompanied by payment in full of the purchase price by certified or bank check or such other instrument as the Company may accept. If approved by the Committee payment in full or in part may also be made in the form of unrestricted Common Stock already owned by the optionee or Restricted Stock or Deferred Stock subject to an Award hereunder (based, in each case, on the Fair Market Value of the Common Stock on the date the Stock Option is exercised).

If payment of the option exercise price of a Non-Qualified Stock Option is made in whole or in part in the form of Restricted Stock or Deferred Stock, the number of shares of Stock to be received upon such exercise equal to the number of shares of Restricted Stock or Deferred Stock used for payment of the option exercise price shall be subject to the same forfeiture restrictions or deferral limitations to which such Restricted Stock or Deferred Stock was subject, unless otherwise determined by the Committee.

No shares of Common Stock shall be issued until full payment therefore has been made. Subject to any forfeiture restrictions or deferral limitations that may apply if a Stock Option is exercised using Restricted Stock or Deferred Stock, an optionee shall have all of the rights of a stockholder of the Company holding the class or series of Common Stock that is subject to such Stock Option (including, if applicable, the right to vote the shares and the right to receive dividends), when the optionee has given written notice of exercise, has paid in full for such shares, has given, if requested, the representation described in Section 10(a) and such shares have been recorded on the Company's official stockholder records as having been issued or transferred. No adjustment shall be made for cash dividends or other rights for which the record date is prior to the date such shares are recorded on the Company's official stockholder records as having been

issued or transferred, except as provided in Section 4.

(e) *Non-transferability of Options.* No Stock Option shall be transferable by the optionee other than by will or by the laws of descent and distribution, and all Stock Options shall be exercisable, during the optionee's lifetime, only by the optionee or by the guardian or legal representative of the optionee, it being understood that the terms 'holder' and 'optionee' include the guardian and legal representative of the optionee named in the option agreement and any person to whom an option is transferred by will or the laws of descent and distribution.

(0 Effect of Termination of Employment on Option.

(i) *By Reason of Death.* If an optionee's employment terminates by reason of death, any Stock Option held by such optionee may thereafter be exercised, to the extent then exercisable or on such accelerated basis as the Committee may determine, for a period of five (5) years (or such other period as the Committee may specify in the relevant option agreement) from the date of such death or until the expiration of the stated term of such Stock Option, whichever period is the shorter.

(ii) *By Reason of Disability.* If an optionee's employment terminates by reason of Disability, any Stock Option held by such optionee may thereafter be exercised by the optionee, to the extent it was exercisable at the time of termination or on such accelerated basis as the Committee may determine, for a period of six (6) years (or such shorter period as the Committee may specify in the relevant option agreement) from the date of such termination of employment or until the expiration of the stated term of such Stock Option, whichever period is the shorter; provided, however, that if the optionee dies within such six (6) year period (or such shorter period), any unexercised Stock Option held by such optionee shall, notwithstanding the expiration of such six (6) year (or such shorter) period, continue to be exercisable to the extent to which it was exercisable at the time of death for a period of twelve (12) months from the date of such death or until the expiration of the stated term of such Stock Option, whichever period is the shorter.

(iii) *By Reason of Retirement.* If an optionee's employment terminates by reason of Retirement, any Stock Option held by such optionee may thereafter be exercised by the optionee, to the extent it was exercisable at the time of such Retirement or on such accelerated basis as the Committee may determine, for a period of six (6) years (or such shorter period as the Committee may specify in the relevant option agreement) from the date of such termination of employment or until the expiration of the stated term of such Stock Option, whichever period is the shorter; provided, however, that if the optionee dies within such six (6) year (or such shorter) period any unexercised Stock Option held by such optionee shall, notwithstanding the expiration of such six (6) year (or such shorter) period, continue to be exercisable to the extent to which it was exercisable at the time of death for a period of twelve (12) months from the date of such death or until the expiration of the stated term of such Stock Option, whichever period is the shorter.

(iv) *Other Termination.* Unless otherwise determined by the Committee and set forth in the relevant option agreement, if an optionee incurs a Termination of Employment for any reason other than death, Disability or Retirement, any Stock Option held by such Optionee shall thereupon terminate, except that such Stock Option, to the extent then exercisable, may be exercised for the lesser of three (3) months from the date of such Termination of Employment or the balance of such Stock Option's term if such Termination of Employment of the optionee is involuntary and without Cause. Notwithstanding the foregoing, if an optionee incurs a Termination of Employment at or after a Change in Control, other than by reason of death, Disability or Retirement, any Stock Option held by such optionee shall be exercisable for the lesser of (x) six (6) months and one (1) day from the date of such Termination of Employment, and (y) the balance of such Stock Option's term.

(g) *Cashing Out of Option; Settlement of Spread Value in Stock.* On receipt of written notice of exercise, the Committee may elect to cash out all or part of the portion of any Stock Option to be exercised by paying the optionee an amount, in cash or Common Stock, equal to the excess of the Fair Market Value of the Common Stock that is the subject of the Option over the option price times the number of shares of Common Stock subject to the Option on the effective date of such cash out. Cash outs relating to Options held by optionees who are actually or potentially subject to Section 16(b) of the Exchange Act shall comply with the 'window period' provisions of Rule 16b-3, to the extent applicable, and the Committee may determine Fair Market Value based on the highest mean sales price of the Common Stock on any exchange on which the Common Stock is listed (or NASDAQ) on any day during such 'window period' under the pricing rule set forth in Section 8(b)(ii)(2).

(h) *Change in Control.* Notwithstanding any other provision of the Plan, upon a Change in Control, in the case of Stock Options other than Stock Options held by an officer or director of the Company (within the meaning of Section 16 of the Exchange Act) which were granted less than six (6) months prior to the Change in Control (which will be governed by the proviso to this sentence), during the sixty (60) day period from and after a Change in Control (the 'Exercise Period'), unless the Committee shall determine otherwise at the time of grant, an optionee shall have the right, whether or not the Stock Option is hilly exercisable, in lieu of the payment of the exercise price of the shares of Common Stock being purchased under the Stock Option and by giving notice to the Company, to elect (within the Exercise Period) to surrender all or part of the Stock Option to the Company and to receive cash, within thirty (30) days of such notice, in an amount equal to the amount by which the Change in Control Price per share of Common Stock on the date of such election shall exceed the exercise price per share of Common Stock under the Stock Option (the 'Aggregate Spread') multiplied by the number of shares of Common Stock granted under the Stock Option as to which the right granted under this Section 6(c)(viii) shall have been exercised; provided, however, that if the end of such sixty (60) day period from and after a Change in Control is within six (6) months of the date of grant of a Stock Option held by an optionee who is an officer or director of the Company (within the meaning of Section 16(b) of the Exchange Act), such Stock Option shall be cancelled in exchange for a cash payment to the optionee on the day which is six (6) months and one (1) day after the date of grant of such Option equal to the Aggregate Spread multiplied by the number of shares of Common Stock granted under the Stock Option.

SECTION 7. Stock Appreciation Rights.

(a) *Grant and Exercise.* Stock Appreciation rights may be granted in conjunction with all or part of any Stock Option granted under the Plan. Such rights may be granted either at or after the time of grant of such Stock Option. A Stock Appreciation Right shall terminate and no longer be exercisable upon the termination or exercise of the related Stock Option.

A Stock Appreciation Right may be exercised by an optionee in accordance with Section 6(b) by surrendering the applicable portion of the related Stock Option in accordance with procedures established by the Committee. Upon such exercise and surrender, the optionee shall be entitled to receive an amount determined in the manner prescribed in Section 6(b). Stock Options which have been so surrendered shall no longer be exercisable to the extent the related Stock Appreciation Rights have been exercised.

(b) *Terms and Conditions.* Stock Appreciation Rights shall be subject to such terms and conditions as shall be determined by the Committee, including the following:

(i) Stock Appreciation Rights shall be exercisable only at such time or times and to the extent that the Stock Options to which they relate are exercisable in accordance with the provisions of Section 5 and this Section 6; provided, however, that a Stock Appreciation Right shall not be exercisable during the first six months of its term by an optionee who is actually or potentially subject to Section 16(b) of the Exchange Act, except that this limitation shall not apply in the event of death or Disability of the optionee prior to the expiration of the six month period.

(ii) Upon the exercise of a Stock Appreciation Right, an optionee shall be entitled to receive an amount in cash, shares of Common Stock or both equal in value to the excess of the Fair Market Value of one share of Common Stock over the option price per share specified in the related Stock Option multiplied by the number of shares in respect of which the Stock Appreciation Right shall have been exercised, with the Committee having the right to determine the form of payment.

In the case of Stock Appreciation Rights relating to Stock Options held by optionees who are actually or potentially subject to Section 16(b) of the Exchange Act, the Committee:

(1) may require that such Stock Appreciation Rights be exercised only in accordance with the applicable 'window period' provisions of Rule 10b-3; and

(2) may provide that the amount to be paid upon exercise of such Stock Appreciation Rights during a rule 16b-3 'window period' shall be based on the highest mean sales price of the Stock on the New York Stock Exchange on any day during such "window period".

(iii) Stock Appreciation Rights shall be transferable only when and to the extent that the underlying Stock Option would be transferable under Section 5(e).

(iv) Upon the exercise of a Stock Appreciation Right, the Stock Option or part thereof to which such Stock Appreciation Right is related shall be deemed to have been exercised for the purpose of the limitation set forth in Section 4 on the number of shares of Stock to be issued under the Plan, but only to the extent of the number of shares covered by the Stock Appreciation Right at the time of exercise based on the value of the Stock Appreciation Right at such time.

SECTION 8. *Restricted Stock.*

(a) *Administration.* Shares of Restricted Stock may be awarded either alone or in addition to other Awards granted under the Plan. The Committee shall determine the officers and key employees to whom and the time or times at which grants of Restricted Stock will be awarded, the number of shares to be awarded to any participant, the time or times within which such Awards may be subject to forfeiture and any other terms and conditions of the Awards, in addition to those contained in Section 7(c).

The Committee may condition the grant of Restricted Stock upon the attainment of specified performance goals of the participant or of the Company or subsidiary, division or department of the Company for or within which the participant is primarily employed or such other factors or criteria as the Committee shall determine. The provisions of Restricted Stock Awards need not be the same with respect to each recipient.

(b) *Awards and Certificates.* Each participant receiving an Award of Restricted Stock shall be issued a certificate in respect of such shares of Restricted Stock. Such certificate shall be registered in the name of such participant and shall bear an appropriate legend referring to the terms, conditions, and restrictions applicable to such Award, substantially in the following form:

"The transferability of this certificate and the shares of stock represented hereby are subject to the terms and conditions (including forfeiture) of the <Name> Corporation Equity Based Long Term Incentive Plan and a Restricted Stock Agreement. Copies of such Plan and Agreement are on file at the offices of <Name> Corporation, <Address>."

The Committee may require that the certificates evidencing such shares be held in custody by the Company until the restrictions thereon shall have lapsed and that, as a condition of any Award of Restricted Stock, the participant shall have delivered a stock power, endorsed in blank, relating to the Stock covered by such Award.

(c) *Terms and Conditions.* Shares of Restricted Stock shall be subject to the following terms and conditions:

(i) *Restrictions.* Subject to the provisions of the Plan and the Restricted Stock Agreement referred to in Section 8(c)(vi), during a period set by the Committee, commencing with the date of such Award (the "Restriction Period"), the participant shall not be permitted to sell, assign, transfer, pledge or otherwise encumber shares of Restricted Stock. Within these limits, the Committee may provide for the lapse of such restrictions in installments and may accelerate or waive such restrictions, in whole or in part, based on service, performance of the participant or of the Company or the subsidiary, division or department for which the participant is employed or such other factors or criteria as the Committee may determine.

(ii) *Rights as Shareholder.* Except as provided in this paragraph (ii) and Section 8(c)(i), the participant shall have, with respect to the shares of Restricted Stock, all of the rights of a stockholder of the Company holding the class or series of Stock that is the subject of the Restricted Stock, including, if applicable, the right to vote the shares and the right to receive any cash dividends. Unless otherwise determined by the Committee and subject to Section 10(f) of the Plan, (i) cash dividends on the class or series of Common Stock that is the subject of the Restricted Stock shall be automatically deferred and reinvested in additional Restricted Stock, and (ii) non-cash dividends on the class or series of Common Stock that is the subject of the Restricted Stock payable in Common Stock shall be paid in the form of Restricted Stock of the same class as the Common Stock on which such dividend was paid.

(iii) *Forfeiture of Restricted Stock.* Except to the extent otherwise provided in the applicable Restricted Stock Agreement (referred to in Section 8(c)(vi)) and Sections 8(c)(i), 8(c)(iv) and 10(a)(ii), upon a participant's Termination of Employment for any reason during the Restriction Period, all shares still subject to restriction shall be forfeited by the participant.

(iv) *Waiver of Restrictions.* In the event of hardship or other special circumstances of a participant whose employment is involuntarily terminated (other than for Cause), the Committee shall have the discretion to waive in whole or in part any or all remaining restrictions with respect to such participant's shares of Restricted Stock.

(v) *Expiration of Restriction Period.* If and when the Restriction Period expires without a prior forfeiture of the Restricted Stock subject to such Restriction Period, unlegended certificates for such shares shall be delivered to the participant.

(vi) Each Award shall be confirmed by, and be subject to the terms of, a Restricted Stock Agreement.

SECTION 9. *Deferred Stock.*

(a) *Administration.* Deferred Stock may be awarded either alone or in addition to other Awards granted under the Plan. The Committee shall determine the officers and key employees to whom and the time or times at which Deferred Stock shall be awarded, the number of shares of Deferred Stock to be awarded to any participant, the duration of the period (the "Deferral Period") during which, and the conditions under which, receipt of the Common Stock will be deferred and any other terms and conditions of the Award, in addition to those contained in Section 9(b).

The Committee may condition the grant of Deferred Stock upon the attainment of specified performance goals of the participant or of the Company or subsidiary, division or department of the Company for or within which the participant is primarily employed or upon such other factors or criteria as the Committee shall determine. The provisions of Deferred Stock Awards need not be the same with respect to each recipient.

(b) *Terms and Conditions.* Deferred Stock Awards shall be subject to the following terms and

conditions:

(i) Subject to the provisions of the Plan and the Deferred Stock Agreement referred to in Section 9(b)(vii), Deferred Stock Awards may not be sold, assigned, transferred, pledged or otherwise encumbered during the Deferral Period. At the expiration of the Deferral Period (or Elective Deferral Period as defined in Section 9(b)(vi), where applicable), the Committee may elect to deliver (1) Stock or (2) cash equal to the Fair Market Value of such Stock to the participant for the shares covered by the Deferred Stock Award.

(ii) Unless otherwise determined by the Committee and subject to Section 13(f) of the **Plan**, amounts equal to any dividends declared during the Deferral Period on the class or series of Stock covered by the Deferred Stock Award, with respect to the number of shares covered by a Deferred Stock Award, will be awarded, automatically deferred and deemed to be reinvested in additional Deferred Stock.

(iii) Except to the extent otherwise provided in the applicable Deferred Stock Agreement and Sections 9(b)(iv), 9(b)(v) and 10(a)(ii), upon a participant's Termination of Employment for any reason during the Deferral Period, the rights to the shares still covered by the Deferred Stock Award shall be forfeited by the participant.

(iv) Based on service, performance of the participant or of the Company or the subsidiary, division or department for which the participant is employed or such other factors or criteria as the Committee may determine, the Committee may provide for the lapse of deferral limitations in installments and may accelerate the vesting of all or any part of any Deferred Stock Award and waive the deferral limitations for all or any part of such Award.

(v) Except to the extent otherwise provided in Section 10(a)(ii), in the event that a participant's employment is involuntarily terminated (other than for Cause), the Committee shall have the discretion to waive in whole or in part any or all remaining deferral limitations with respect to any or all of such participant's Deferred Stock.

(vi) A participant may elect to further defer receipt of the Deferred Stock payable under an Award (or an installment of an Award) for a specified period or until a specified event, subject in each case to the Committee's approval and to such terms as are determined by the Committee. Subject to any exceptions adopted by the Committee, such election must generally be made at least 12 months prior to completion of the Deferral Period for the Award (or for such installment of an Award).

(vii) Each Award shall be confirmed by, and be subject to the terms of, a Deferred Stock Agreement.

SECTION 10. *Change in Control Provisions.*

(a) *Impact of Event.* Notwithstanding any other provision of the Plan to the contrary, in the event of a Change in Control (as defined in Section 10(b)):

(i) Any Stock Appreciation Rights and Stock Options outstanding as of the date such Change in Control is determined to have occurred and not then exercisable and vested shall become fully exercisable and vested in the full extent of the original grant; provided, however, that, in the case of the holder of Stock Appreciation Rights who is actually subject to Section 16(b) of the Exchange Act, such Stock Appreciation Rights shall have been outstanding for at least six months at the date such Change in Control is determined to have occurred.

(ii) The restrictions and deferral limitations applicable to any Restricted Stock and Deferred Stock shall lapse, and such Restricted Stock and Deferred Stock shall become free of all restrictions and become fully vested and transferable to the full extent of the original grant.

(b) *Definition of Change in Control.* For purposes of the Plan, a “Change in Control” shall mean the happening of any of the following events:

(i) The acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Exchange Act (a ‘Person’) of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of thirty percent (30%) or more of either (1) the then outstanding shares of Common Stock of the Company or (2) the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors; provided, however, that the following acquisitions shall not constitute a Change in Control: (1) any acquisition directly from the Company; (2) any acquisition by the Company; (3) any acquisition by a Person including the participant or with whom or with which the participant is affiliated; (4) any acquisition by a Person or Persons one or more of which is a member of the Board or an officer of the Company or an affiliate of any of the foregoing on the Effective Date, (5) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any corporation controlled by the Company; or (6) any acquisition by any corporation pursuant to a transaction described in clauses (A), (B) and (C) of paragraph (iii) of this Section 8(b); or

(ii) During any period of twenty-four (24) consecutive months, individuals who, as of the beginning of such period, constituted the entire Board cease for any reason to constitute at least a majority of the Board, unless the election, or nomination for election, by the Company’s stockholders, of each new director was approved by a vote of at least two-thirds (2/3) of the Continuing Directors, as hereinafter defined, in office on the date of such election or nomination for election for the new director. For purposes hereof, ‘Continuing Director’ shall mean:

(a) any member of the Board at the close of business on the Effective Date; or

(b) any member of the Board who succeeded any Continuing Director described in clause (1) above if such successor’s election, or nomination for election, by the Company’s stockholders, was approved by a vote of at least two-thirds (2/3) of the Continuing Directors then still in office. The term ‘Continuing Director’ shall not, however, include any individual whose initial assumption of office occurs as a result of either an actual or threatened election contest (as such term is used in Rule 14a-11 of Regulation 14A of the Exchange Act) or other actual or threatened solicitation of proxies or consents by or on behalf of a person other than the Board.

(iii) Approval by the stockholders of the Company of a reorganization, merger or consolidation, in each case, unless, following such reorganization, merger or consolidation, (A) more than 60% of the then outstanding securities having the right to vote in the election of directors of the corporation resulting from such reorganization, merger or consolidation is then beneficially owned, directly or indirectly, by all or substantially all of the individuals and entities who were the beneficial owners of the outstanding securities having the right to vote in the election of directors of the Company immediately prior to such reorganization, merger or consolidation, (B) no Person (excluding the Company, any employee benefit plan (or related trust) of the Company or such corporation resulting from such reorganization, merger or consolidation and any Person beneficially owning, immediately prior to such reorganization, merger or consolidation, directly or indirectly, 30% or more of the then outstanding securities having the right to vote in the election of directors of the Company) beneficially owns, directly or indirectly, 30% or more of the then outstanding securities having the right to vote in the election of the corporation resulting from such reorganization, merger or consolidation, and (C) at least a majority of the members of the board of directors of the corporation resulting from such reorganization, merger are Continuing Directors at the time of the execution of the initial agreement providing for such reorganization, merger or consolidation; or

(iv) Approval by the stockholders of the Company of (A) a complete liquidation or dissolution of the Company or (B) the sale or other disposition of all or substantially all of the assets of the Company, other than to a corporation, with respect to which following such sale or other disposition, (1) more than 60% of the then outstanding securities having the right to vote in the election of directors of such

corporation is then beneficially owned, directly or indirectly, by all or substantially all of the individuals and entities who were the beneficial owners of the outstanding securities having the right to vote in the election of directors of the Company immediately prior to such sale or other disposition of such outstanding securities, (2) no Person (excluding the Company and any employee benefit plan (or related trust) of the Company or such corporation and any Person beneficially owning, immediately prior to such sale or other disposition, directly or indirectly, 30% or more of the outstanding securities having the right to vote in the election of directors of the Company) beneficially owns, directly or indirectly, 30% or more of the then outstanding securities having the right to vote in the election of directors of such corporation and (3) at least a majority of the members of the board of directors of such corporation are Continuing Directors at the time of the execution of the initial agreement or action of the Board providing for such sale or other disposition of assets of the Company.

(c) *Change in Control Price.* For purposes of the Plan, 'Change in Control Price' means the highest price per share (i) paid in any transaction reported on the New York Stock Exchange Composite or other national exchange on which such shares are listed or on NASDAQ, or (h) paid or offered in any bona fide transaction related to a potential or actual Change in Control of the Company at any time during the preceding sixty (60) day period as determined by the Committee.

SECTION 11. *Amendments and Termination.*

The Board may amend, alter, or discontinue the Plan, but no amendment, alteration or discontinuation shall be made which would (i) impair the rights of an optionee under a Stock Option or a recipient of a Stock Appreciation Right, Restricted Stock Award and Deferred Stock Award theretofore granted without the optionee's or recipient's consent, except such an amendment made to cause the Plan to qualify for the exemption provided by Rule 10b-3 or (ii) disqualify the Plan from the exemption provided by Rule 16b-3. In addition, no such amendment shall be made without the approval of the Company's stockholders to the extent such approval is required by law, agreement or the rules of any exchange upon which the Common Stock is listed or NASDAQ.

The Committee may amend the terms of any Award theretofore granted, prospectively or retroactively, but no such amendment shall impair the rights of any holder without the holder's consent except such an amendment made to cause the Plan or Award to qualify for the exemption provided by Rule 10b-3. The Committee may also substitute new Stock Options for previously granted Stock Options, including previously granted Stock Options having higher option prices.

Subject to the above provisions, the Board shall have the authority to amend the Plan to take into account changes in law and tax and accounting rules, as well as other factors necessary to administer the Plan in accordance with the intentions of the Company in establishing the Plan and to grant Awards which qualify for beneficial treatment under such rules without shareholder approval.

SECTION 12. *Unfunded Status of Plan*

It is presently intended that the Plan constitute an 'unfunded' plan for incentive and deferred compensation. The Committee may authorize the creation of trusts or other arrangements to meet the obligations created under the Plan to deliver Stock or make payments; provided, however, that, unless the committee otherwise determines, the existence of such trusts or other arrangements is consistent with the 'unfunded' status of the Plan.

SECTION 13. *General Provisions.*

(a) The Committee may require each person purchasing or receiving shares pursuant to an Award to represent to and agree with the Company in writing that such person is acquiring the shares without a view to the distribution thereof. The certificates for such shares may include any legend which the Committee deems appropriate to reflect any restrictions on transfer.

All certificates for shares of Common Stock or other securities delivered under the Plan shall be subject to such stock transfer orders and other restrictions as the Committee may deem advisable under the rules, regulations and other requirements of the Commission, any stock exchange upon which the Common Stock is then listed (or NASDAQ) and any applicable Federal or state securities law, and the Committee may cause a legend or legends to be put on any such certificates to make appropriate reference to such restrictions.

(b) Nothing contained in the Plan shall prevent the Company or an Affiliate from adopting other or additional compensation arrangements for its employees.

(c) The adoption of the Plan shall not confer upon any employee any right to continued employment nor shall it interfere in any way with the right of the Company or an Affiliate to terminate the employment of any employee at any time.

(d) No later than the date as of which an amount first becomes includible in the gross income of the participant for Federal income tax purposes with respect to any Award under the Plan, the participant shall pay to the Company, or make arrangements satisfactory to the Company regarding the payment of, any Federal, state, local or foreign taxes of any kind required by law to be withheld with respect to such amount. Unless otherwise determined by the Company, withholding obligations may be settled with Common Stock, including Common Stock that is part of the Award that gives rise to the withholding requirement. The obligations of the Company under the Plan shall be conditional on such payment or arrangements, and the Company and its Affiliates shall, to the extent permitted by law, have the right to deduct any such taxes from any payment otherwise due to the participant,

(e) At the time of grant, the Committee may provide in connection with any grant made under the Plan that the shares of Common Stock received as a result of such grant shall be subject to a right of first refusal pursuant to which the participant shall be required to offer to the Company any shares that the participant wishes to sell at the then Fair Market Value of the Common Stock, subject to such other terms and conditions as the Committee may specify at the time of grant.

(Q The reinvestment of cash dividends in additional Restricted Stock or Deferred Stock at the time of any dividend payment shall only be permissible if sufficient shares of Common Stock are available under Section 4 for such reinvestment (taking into account then outstanding Stock Options and other Plan Awards).

(g) The Committee shall establish such procedures as it deems appropriate for a participant to designate a beneficiary to whom any amounts payable in the event of the participant's death are to be paid.

(h) The Plan and all Awards made and actions taken thereunder shall be governed by and construed in accordance with the laws of the State of Delaware.

(i) In addition to such other rights of indemnification as they may have as members of the Board and to the extent permitted by law, the members of the Committee or the Committee shall be indemnified and held harmless by the Company against the reasonable expenses, including attorneys' fees, actually and necessarily incurred in connection with the defense of any action, suit or proceeding, or in connection with any appeal therein, to which they or any of them may be a party by reason of any action taken or any failure to act under or in connection with the Plan or any Option granted thereunder, and against all amounts paid by them in settlement thereof (provided such settlement is approved by legal counsel selected by the Company) as paid by them in satisfaction of a judgment in any action, suit or proceeding, except in relation to matters as to which it shall be adjudged in such action, suit or proceeding that such Committee or Committee Member is liable for gross negligence or gross misconduct in the performance of its or his duties; provided that, within 60 days after institution of any such action, suit or proceeding, the Committee or the Committee member shall offer the Company, in writing, the opportunity, at its own expense, to handle and defend the action, suit or proceeding.

(j) This Plan shall inure to the benefit of and be binding upon the Company and its successors and permitted assigns.

(k) A grant of any Award pursuant to the Plan shall not affect in any way the right or power of the Company to make adjustments, reclassifications, reorganizations or changes in its capital or business structures or to merge, consolidate, dissolve, liquidate, sell or transfer all or part of its business or its assets.

<Name> Corporation <Date>

To approve a Stock Incentive Plan under which the Compensation Committee can grant (a) Bonus Awards, (b) Incentive Stock Options, (c) Non-qualified Stock Options and (d) Stock Appreciation Rights. The Plan includes a UK Stock Option Sub-Plan which varies the terms on which options may be given by the corporation or any of its subsidiaries to officers and other key management employees who are employed in the United Kingdom (*with a copy of the Stock Incentive Plan*)

Proposal to Adopt 20__ Stock Incentive Plan

The Board of Directors recommends that the stockholders approve the adoption of the 20__ Stock Incentive Plan ("Plan") and the reservation of <number> shares of the Company's \$_____ par value common stock for use under the Plan. This Plan would replace the <Date> Stock Incentive Plan, which terminates March 26, 20__. A copy of the 20__ Plan is attached as Exhibit B to this Proxy Statement. The Company believes that stock ownership by key employees contributes to the development and maintenance of strong management. The Company has also determined to provide for the annual grant to each non-employee director of the Company then in office of options to acquire 2,000 shares of common stock. The purpose of such annual grants is to provide the non-employee directors with incentive compensation linked directly to increases in shareholder value.

The stockholders have approved, beginning in <Date>, several stock option plans. In <Date> stockholders approved the <Date> Stock Incentive Plan ("<Date> Plan") and in <Date> the stockholders approved the <Date> Stock Incentive Plan ("<Date> Plan"), each of which permitted the grant of stock options, the award of stock bonuses and the award of stock appreciation rights. As of January 18, 20__, <number> shares were covered by outstanding options under the <Date> Plan, <number> shares were covered by outstanding options under the <Date> Plan, <number> shares of restricted stock were outstanding under the <Date> Plan and awards for <number> stock units were outstanding under the <Date> Plan. Upon the termination of the <Date> Plan, no further stock options, stock bonus awards or stock appreciation rights may be granted under the <Date> Plan. Presently, no stock options, stock bonus awards or stock appreciation rights may be granted under the <Date> Plan. Awards and options which are outstanding on <Date>, 20__ will continue in effect in accordance with their terms, except that stock appreciation rights may be granted under the Plan with respect to outstanding options under the <Date> Plan and the <Date> Plan,

With the expiration of the <Date> Plan, the Board of Directors believes that it would be in the Company's best interest to adopt a new stock incentive plan. The 20__ Stock Incentive Plan is a three part program that provides for the grant of stock options, the award of cash or stock bonuses and the award of stock appreciation rights, each to be evidenced by written instruments delivered by the Company to each participant. The options granted to officers and other key management employees may be either options intended to qualify for federal income tax purposes as "incentive stock options" or options not intended.