with respect to such year multiplied by (y) a fraction, the numerator of which is the number of whole months elapsed from the beginning of such year to the date as of which the Term or this Agreement terminated or the last day as of which the Executive is entitled to receive payments of Base Salary, as applicable and the denominator of which is 12 A performance bonus or other bonus, if either or both are earned in accordance with this Agreement, shall be paid no later than March 31st of the

year next following the year with respect to which such bonus was earned The maximum bonus payable pursuant to this Section 3 2 shall be $1,000,000 with respect to any calendar year. The bonus payable hereunder on account of calendar years commencing after December 31, 1996 shall be subject to approval by the shareholders of the Company of the bonus plan described herein

3 3 Business Expenses The Company shall pay or reimburse the Executive for all reasonable expenses actually incurred or paid by the Executive during the Term in the performance of the Executive's services under this Agreement, upon presentation of expense statements or vouchers or such other supporting information as the Company customarily may require of its officers provided, however, that the maximum amount available for such expenses during any period may be fixed in advance by the Chairman, the Vice Chairman or the Chief Executive Officer of the Company

3 4 Vacation During the Term, the Executive shall be entitled to a vacation period or periods of four (4) weeks taken in accordance with the vacation policy of the Company during each year of the Term Vacation time not used by the end of a year shall be forfeited, except that one week of vacation pay may be "banked" in accordance with Company policy

3 5 Fringe Benefits During the Term, the Executive shall be entitled to all benefits for which the Executive shall be eligible under any qualified pension plan, 401(k) plan, non-qualified benefit restoration plan, group insurance or other so-called "fringe" benefit plan which the Company provides to its executive employees generally Such benefits include the right to the use of an automobile as is currently available to the Company's executive employees In addition, the Company shall "gross up" the income imputed to the Executive under federal and any applicable state income tax laws for his personal use of the Company-furnished automobile and for any life insurance furnished to the Executive, such that the Executive effectively will suffer no personal cost for such fringe benefits

4 Termination

4.1 Death If the Executive dies during the Term, the Term shall terminate forthwith upon the Executive's death and the Company shall have no obligation hereunder to make any payments to the