

**Macris, Michael**

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**From:** Macris, Michael  
**Sent:** Friday, June 14, 2002 1:59 PM  
**To:** Friedman, Bart  
**Subject:** Employment Agreements

The Employment Agreements of Doug and Dave allow a Good Reason termination (entitling them to the favorable severance benefits) if their base salary is reduced by the Company. To take advantage of this provision, they would have to give notice of termination within 180 days of the reduction. This provision would arguably not apply if the reduction in pay were voluntary. If Doug and Dave wished to preserve the right to leave on a Good Reason termination by reason of this reduction, they should obtain the written agreement of the Company that this is a reduction in pay falling within the definition of Good Reason and waiving the 180-day notice requirement in the case of this reduction. If they are concerned about the effect that the reduction would have on their other benefits, the Company's commitment to maintain other benefits on the same basis as if the salary had not been reduced could also be set forth in a written agreement with the Company.