

## Summary Description of the Dennis Corporation Stock Ownership Plan

The Board of Directors of Dennis Corporation adopted, the Dennis Corporation Stock Ownership Plan, effective July 1, 2010 (the "Plan"). The Plan gives eligible employees and board members of Dennis Corporation the opportunity to purchase Class B nonvoting shares of Dennis Corporation ("Shares"). The Plan is not subject to the U.S. Employee Retirement Income Security Act of 1974 ("ERISA") or Section 401(a) of the U.S. Internal Revenue Code of 1986, as amended (the "Code").

The following description of the Plan, in the form of questions and answers, is intended to outline for you and help you to better understand the provisions of the Plan. It is not intended to be a complete statement of the Plan or its operation, a copy of which is available upon request.

### ***1. WHAT IS THE PURPOSE OF THE PLAN?***

The Plan, by offering eligible employees and board members the opportunity to purchase Shares, is intended to encourage employee and board member participation in the ownership of Dennis Corporation.

### ***2. WHO IS ELIGIBLE TO PARTICIPATE IN THE PLAN?***

The Board of Directors of Dennis Corporation will annually designate which employees and board members are eligible to purchase Shares. Participation under the Plan is voluntary. There is no obligation to purchase Shares under the Plan.

### ***3. HOW DO I KNOW IF I AM ELIGIBLE TO PARTICIPATE IN THE PLAN?***

Employees and board members who have been designated as eligible to participate in the Plan will be notified of their opportunity to purchase Shares.

### ***4. HOW OFTEN WILL EMPLOYEES AND BOARD MEMBERS BE GIVEN THE OPPORTUNITY TO PURCHASE SHARES THROUGH THE PLAN?***

Eligible employees and board members will have an opportunity each year to purchase Shares through the Plan.

### ***5. HOW LONG WILL I HAVE TO DECIDE WHETHER TO PURCHASE SHARES?***

You will have one hundred twenty (120) days from the date you are notified that you are eligible to purchase Shares except as otherwise provided pursuant to Section 4.1(c) of the Plan.

## ***6. HOW MANY SHARES CAN I PURCHASE THROUGH THE PLAN?***

The Board of Directors will designate the maximum number of Shares that each eligible employee and board member may purchase through the Plan. The maximum number of Shares each eligible employee and board member may purchase may be different.

## ***7. WHAT WILL BE THE PRICE OF SHARES PURCHASED THROUGH THE PLAN?***

The "Purchase Price" per Share is determined by a formula designed to equal the fair market value of the Shares.

## ***8. HOW DO I PAY FOR SHARES PURCHASED THROUGH THE PLAN?***

You must pay Dennis Corporation for Shares purchased through the Plan with your own funds. However, the Board of Directors has the discretion to waive the payment of the "Purchase Price." In the event of such a waiver occurs, (a) such waiver shall be considered as a fee or compensation to you in an amount equal to the "Purchase Price" and (b) you shall be solely responsible for the payment of any tax generated therefrom. When you terminate employment with Dennis Corporation you must sell your Shares back to Dennis Corporation and Dennis Corporation is obligated to purchase your Shares.

## ***9. WHAT HAPPENS WHEN I PURCHASE SHARES?***

You will become a shareholder of Dennis Corporation and receive share certificates representing the purchase.

## ***10. WHAT ARE THE RIGHTS OF THE SHARES?***

As a stockholder of Dennis Corporation, you will have the right to receive all reports issued to stockholders, including annual reports, interim reports, and other materials. You will also have the right to receive dividends paid on Shares, when and if declared by the Board of Directors. As of the date of the adoption of the Plan, the Board of Directors of Dennis Corporation has never declared a dividend payable on any shares of stock and you should not anticipate any such dividend will be declared in the future in making a decision to purchase Shares under the Plan.

## ***11. DO THE SHARES HAVE VOTING RIGHTS?***

The Shares do not have any voting rights.

## ***12. WHAT HAPPENS IF I TERMINATE EMPLOYMENT?***

When you terminate employment with Dennis Corporation you must sell your Shares back to Dennis Corporation and Dennis Corporation is obligated to purchase your Shares.

***13. ARE THE SHARES TRANSFERRABLE?***

The Shares may not be sold, pledged, exchanged, or otherwise transferred to anyone other than Dennis Corporation.

***14. WHEN MAY I SELL MY SHARES?***

You may sell your Shares back to Dennis Corporation at any time.

***15. HOW DO I SELL MY SHARES?***

You can sell your Shares by contacting the Board of Directors. Dennis Corporation has the option to either pay for your Shares in a cash lump sum or to pay for your Shares in installments for up to three years.

***16. WILL MY SHARES INCREASE OR DECREASE IN VALUE?***

The value of your Shares is determined by a formula that is designed to correspond with the financial condition of Dennis Corporation. This is the same formula used to determine the purchase price for your Shares. The value of your Shares may increase or decrease over time depending on the operations and assets of Dennis Corporation.

***17. WHO ADMINISTERS THE PLAN?***

The Plan is administered by the Board of Directors of Dennis Corporation.

***18. HOW MANY SHARES ARE AVAILABLE UNDER THE PLAN?***

The maximum number of Shares that can be purchased under the Plan is 100,000 Class B nonvoting shares.

***19. WHAT IS THE EFFECT OF A STOCK SPLIT, STOCK DIVIDEND, ETC.?***

Proportional changes in the number of Shares subject to the Plan and in the calculation of the purchase price per Share may be made in the event of a stock dividend or stock split or certain other increases or decreases of or changes to outstanding Shares.

***20. HOW MAY THE PLAN BE CHANGED?***

The Board of Directors of Dennis Corporation may amend the Plan at any time and in any respect, subject in certain cases to the approval of the Dennis Corporation Class A voting shareholders.

**21. SHOULD I PARTICIPATE IN THE PLAN?**

The decision is up to you. Dennis Corporation officers, directors, and employees are not authorized to suggest what your personal decision should be. Accordingly, you should consider your own personal financial goals to determine whether buying stock fits in with your personal financial plans.

**22. HOW MAY I OBTAIN ADDITIONAL INFORMATION ABOUT THE PLAN?**

You may obtain additional information regarding the Plan by contacting \_\_\_\_\_ at the address below:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
(xxx)-xxx-xxxx

**STOCK PURCHASE AGREEMENT**

**Pursuant to**

**DENNIS CORPORATION  
STOCK OWNERSHIP PLAN**

This STOCK PURCHASE AGREEMENT (the "Agreement") is entered into as of the \_\_\_\_ day of \_\_\_\_\_, 20\_\_, between Dennis Corporation, a South Carolina corporation (the "Corporation"), and \_\_\_\_\_ (the "Purchaser").

**WHEREAS**, the Corporation's Board of Directors and shareholders, on \_\_\_\_\_, 2010, adopted the Dennis Corporation Stock Ownership Plan (the "Plan");

**WHEREAS**, the Purchaser is a valuable and trusted employee and/or director of the Corporation; and

**WHEREAS**, the Corporation desires to grant the Purchaser the opportunity to purchase certain Class B nonvoting stock of the Corporation in accordance with the terms of the Plan and this Agreement.

**NOW, THEREFORE**, in consideration of the premises and the mutual promises and agreement set forth herein, it is agreed as follows:

1. Purchase Grant and Exercise Period. The Corporation hereby grants to the Purchaser the right to purchase, pursuant to the terms and conditions of the Plan, and upon the terms and conditions therein and hereinafter set forth, an aggregate of up to \_\_\_\_\_ (\_\_\_\_\_) shares of the Corporation's Class B nonvoting stock (the "Offered Shares"). The Purchaser may purchase such Offered Shares no later than one hundred twenty (120) days after the date notice of the right to purchase the Offered Shares was sent to the Purchaser except as otherwise provided in Section 4.1(c) of the Plan (the "Purchase Deadline").

2. Purchase Price. Prior to the Purchase Deadline, the Purchaser shall be entitled to purchase the Offered Shares at \_\_\_\_\_ Dollars (\$\_\_\_\_\_) per share, which price

was determined pursuant to a formula provided in Section 4.1(b) of the Plan (the "Purchase Price"). Notwithstanding any other provision to the contrary, the Purchase Price is subject to:

- a. adjustment pursuant to, and upon the occurrence of the conditions set forth in, Section 4.1(b)(v) of the Plan and
- b. waiver by the Board of Directors pursuant to Section 4.3 of the Plan; provided, however, in the event such a waiver occurs: (i) such waiver shall be considered as a fee or compensation to Purchaser in an amount equal to the Purchase Price multiplied by the number of Offered Shares issued to Purchaser and (ii) Purchaser shall be solely responsible for the payment of any tax generated therefrom.

3. Method of Exercise of Purchase. The Purchaser may exercise the rights granted hereunder in whole or in part by giving written notice to the Corporation at its principal office, in substantially the form of the notice attached hereto as Exhibit A. The effective date of exercise is the date on which such notice is received by the Corporation. The notice must be accompanied by payment in full for the Offered Shares purchased. Payment shall be made in cash, which may be in the form of a check payable to the Corporation. Within thirty (30) days of receipt of such payment, subject to a check having cleared collection, the Corporation shall issue a certificate or certificates evidencing authorized fully-paid and nonassessable shares of Class B nonvoting stock of the Corporation in the amount for which payment is so made. The notice of exercise must be mailed or delivered no later than the Purchase Deadline. Purchaser shall have no rights as a stockholder with respect to the Offered Shares until payment of the Purchase Price and delivery of the Offered Shares as herein provided.

4. Non-transferability of Right to Purchase. Purchaser's rights granted hereunder shall be personal to Purchaser, shall be exercisable prior to the Purchase Deadline only by him, and may not be assigned or transferred, in whole or in part.

5. Investment Representations. The Offered Shares are not registered under the Securities Act of 1933, as amended, or under the securities laws of any state or other jurisdiction. Nothing in

this Agreement shall be construed to obligate the Corporation at any time to file or maintain the effectiveness of a registration statement under the Securities Act of 1933, as amended, or under the securities laws of any state or other jurisdiction, or to take or cause to be taken any action that may be necessary in order to provide an exemption from the registration requirements of the Securities Act of 1933 under Rule 144 or any other exemption.

6. Restrictions on Sale. Any Offered Shares purchased by Purchaser pursuant to this Agreement may not be sold or transferred to any third party, but may be sold back to the Corporation pursuant to the terms of the Plan.

7. Plan and Plan Interpretation as Controlling. The rights granted and the terms and conditions herein set forth are subject in all respects to the terms and conditions of the Plan, which are controlling. All determinations and interpretations of the Board of Directors which administers the Plan shall be binding and conclusive upon the Purchaser or his or her legal representative with regard to any question arising hereunder or under the Plan.

8. Dispute Resolution. Any dispute or disagreement that arises under, or as a result of, or pursuant to, this Agreement shall be determined by the Board in its absolute and uncontrolled discretion, and any such determination or other determination by the Board under or pursuant to this Agreement, and any interpretation by the Board of the terms of this Agreement, shall be conclusive as to all persons affected thereby.

9. Binding Effect. The parties understand that this Agreement shall be binding not only upon themselves, but also upon their heirs, executors, administrators, personal representatives, successors and assigns (including any transferee of a party hereto); and the parties agree, for themselves and their successors, assigns and representatives, to execute any instrument that may be necessary or desirable legally to effect such understanding.

10. Amendment. Neither this Agreement nor any of the terms and conditions herein set forth may be altered or amended orally, and any such alteration or amendment shall be effective only when reduced to writing and signed by each of the parties to this Agreement or their respective successors or assigns.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

**DENNIS CORPORATION**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**PURCHASER:**

\_\_\_\_\_  
[INSERT PURCHASER'S NAME]

Date: \_\_\_\_\_

**EXHIBIT A**

Stock Purchase Notice Form

Dennis Corporation

\_\_\_\_\_  
Columbia, SC \_\_\_\_\_

Dear Sir or Madam:

Pursuant to the provisions of the Stock Purchase Agreement dated \_\_\_\_\_, 2010 (the "Agreement"), which granted to me a right to purchase up to \_\_\_\_\_ shares of Class B nonvoting stock of Dennis Corporation. I hereby notify you that I elect to exercise my right and elect to purchase \_\_\_\_\_ shares of Class B nonvoting stock of Dennis Corporation (the "Purchased Shares") at the price specified therein. Full payment of the purchase price for the shares being purchased hereby is being made by delivery of the enclosed check payable to the order of Dennis Corporation in the amount of \$\_\_\_\_\_.

As a condition precedent to my purchase of the Purchased Shares, I hereby consent to be bound by all existing agreements related to the stock of the Corporation, including specifically (a) the Amended and Restated Bylaws of Dennis Corporation dated \_\_\_\_\_, 2010, as amended, (b) the Shareholders' Agreement dated \_\_\_\_\_, 2010, as amend, and (c) any other any written between Dennis Corporation and the shareholders of Dennis Corporation currently in effect.

Very truly yours,

\_\_\_\_\_  
[INSERT PURCHASER'S NAME]

**DENNIS CORPORATION  
STOCK OWNERSHIP PLAN**

**ARTICLE I  
PURPOSE; EFFECTIVE DATE; DEFINITIONS**

1.1 Purpose. The Plan is intended to secure for the Corporation and its shareholders the benefits of the incentive inherent in Stock ownership by the employees of the Corporation and Board Members that are not employees of the Corporation who are largely responsible for the Corporation's future growth and continued financial success and to afford such persons the opportunity to obtain or increase their proprietary interest in the Corporation and thereby have an opportunity to share in its success.

1.2 Effective Date. Subject to the approval of the Board, this Plan shall be effective on and after July 1, 2010.

1.3 Definitions. Throughout this Plan, the following terms shall have the meanings indicated:

(a) "Agreement" shall mean any Stock Purchase Agreement between the Corporation and an Employee.

(b) "Board" shall mean the Board of Directors of the Corporation.

(c) "Board Member" shall mean any member of the Board of Directors of the Corporation.

(d) "Code" shall mean the Internal Revenue Code of 1986, as amended, any successor revenue laws of the United States, and the rules and regulations promulgated thereunder.

(e) "Corporation" shall mean Dennis Corporation, a South Carolina corporation.

(f) "Employee" shall mean any person engaged or proposed to be engaged as an officer or employee of the Corporation.

(g) "Plan" shall mean this Dennis Corporation Stock Ownership Plan, as the same may be amended from time to time.

(h) "Stock" shall mean the Class B nonvoting, no par value, shares of the Corporation.

## **ARTICLE II ADMINISTRATION**

2.1 Board Administration. This Plan and the Stock awarded hereunder shall be interpreted, construed and administered by the Board in its sole discretion. An Employee or Board Member who has purchased Stock under the Plan may appeal to the Board in writing any decision or action of the Board with respect to the Plan that adversely affects the Employee or Board Member. Upon review of such appeal and in any other case where the Board has acted with respect to the Plan, the interpretation and construction by the Board of any provisions of this Plan or of any Agreement shall be conclusive and binding on all parties.

2.2 Powers. The Board shall have authority to permit an Employee or Board Member to purchase Stock pursuant to an Agreement providing for such terms (not inconsistent with the provisions of this Plan) as the Board may consider appropriate. Such terms shall include, without limitation, as applicable, the number of shares that may be purchased, the time within which such shares must be purchased and may include conditions (in addition to those contained in this Plan) on the vesting of all or any part of the Stock. In addition, the Board shall have complete discretionary authority to prescribe the form of Agreements; to adopt, amend and rescind rules and regulations pertaining to the administration of the Plan; and to make all other determinations necessary or advisable for the administration of this Plan. The express grant in the Plan of any specific power to the Board shall not be construed as limiting any power or authority of the Board. All expenses of administering this Plan shall be borne by the Corporation.

2.3 Good Faith Determinations. No member of the Board shall be liable for any action or determination made in good faith with respect to this Plan or any Stock purchased pursuant to the Plan.

**ARTICLE III**  
**ELIGIBILITY; SHARES SUBJECT TO PLAN**

3.1 Eligibility. The Board shall from time to time determine and designate the Employees and/or Board Members that may purchase Stock under this Plan and the number of shares of Stock that may be purchased by each such Employee or Board Member, subject to the approval of Daniel R. Dennis, III. In making any such determination, the Board may take into account the nature of services rendered by an Employee or Board Member, commissions or other compensation earned by the Employee or Board Member, the capacity of the Employee or Board Member to contribute to the success of the Corporation and any other factors that the Board may consider relevant, including whether an Employee is hard working, honest, loyal, trusted, and successful.

3.2 Shares Subject to this Plan. Subject to the provisions of Section 4.2 (relating to adjustment for changes in Stock), the maximum number of shares that may be issued under this Plan shall not exceed in the aggregate 100,000 shares of Stock. Such shares may be authorized and unissued shares or authorized and issued shares that have been reacquired by the Corporation. If any Stock granted under this Plan is reacquired by the Corporation, the Stock shall be available again for purposes of the Plan.

**ARTICLE IV**  
**PURCHASE OF STOCK**

4.1 Terms and Conditions of Purchase. Each Employee and Board Member who is permitted to purchase shares of Stock shall enter into an Agreement with the Corporation in a form specified by the Board and containing such provisions as the Board, in its sole discretion, shall from time to time approve consistent with this Plan. The Agreements need not be identical, but each Agreement shall include all of the following terms and conditions:

(a) Number of Shares. Each Agreement shall state the number of shares of Stock available for purchase.

(b) Purchase Price. The purchase price for each share of Stock available for purchase pursuant to this Plan shall be determined as follows:

(i) Definitions. For purposes of this section the following terms shall have the following meanings:

(1) "Average Net Service Revenue" shall be determined using the following formula:

The Corporation's operating revenues less Reimbursable Expenses (as hereinafter defined) and 60% reserve for accounts receivables that are in excess of 90 days past due, for the three (3) immediately preceding fiscal years

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Three (3)

(2) "Reimbursable Expenses" shall mean pass-through project costs including but not limited to postage, printing, mileage, lab testing fees, and consultants directly reimbursable by the Corporation.

(3) "Pratts Stats Multiple" shall mean the median sales price to sales ratio, expressed as a percentage (%), as shown by the prior fiscal year end search of the Pratts Stats database for private company sales transactions during the prior five (5) calendar years identified by SIC Code 8711 with company net sales of \$2 to \$17 million.

(4) "Debt/Lease Obligations" shall mean the principal outstanding amount of all interest-bearing debt obligations of the Corporation owed to lenders other than shareholders (and specifically excluding trade payables), together with any accrued but unpaid interest thereon, and including capital (and not operating) lease obligations owed to parties other than shareholders, but excluding all debt and capital lease obligations owed to parties relating to vehicles and real estate.

(ii) Purchase Price Formula. The purchase price for each share of Stock available for purchase pursuant to this Plan shall be determined each year at the annual meeting of the Shareholders, and applicable until the next annual meeting of the Shareholders, based on the following formula:

(Pratts Stats Multiple X Average Net Service Revenue)-  
Debt/Lease Obligations

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The cumulative number of Class A and Class B shares of  
the Corporation issued and outstanding

(iii) Notwithstanding the foregoing, the numerator of the formula in Section 4.1(b)(ii) shall not be less than the Corporation's accrual book value as of the end of the immediately preceding fiscal year.

(iv) In the event the Corporation merges with another entity, the formula set forth in Section 4.1(b)(ii) above shall account for each entities' prior financials with such adjustments as may be appropriate as determined by the Board of Directors based on valuation procedures used in the merger or other relevant factors.

(v) The purchase price determined pursuant to this Section 4.1(b) assumes that all shares of Stock offered for purchase to selected Employees and Board Members shall be fully purchased by the deadline set forth in Section 4.1(c). In the event less than all of the shares offered for purchase to such selected Employees and Board Members are not so purchased by one or more Employees or Board Members, the purchase price for the shares of Stock actually purchased must be adjusted under this Section 4.1(b).

(vi) The purchase price determined pursuant to this Section 4.1(b) shall be absolute, final and binding on all parties and shall be payable in United States dollars, in cash or certified funds and must be paid prior to the expiration of the purchase deadline set forth in Section 4.1(c).

(c) Purchase Deadline. The timeframe within which shares of Stock will be available for purchase and must be purchased by an Employee or Board Member shall not exceed one hundred twenty (120) days from the date of notice of a right to purchase stock is given to the Employee or Board Member; provided, however, that if shares of Stock are offered for purchase simultaneously to a group of Employees and/or Board Members, and one or more Employees or Board Members do not fully purchase all

shares of Stock offered to them requiring adjustment in the purchase price for the Stock under Section 4.1(b)(v), an additional twenty (20) days shall be added to the purchase price deadline hereunder.

(d) Existing Agreements. Each Agreement shall require an Employee or Board Member, as a condition of purchasing shares of Stock, to consent to be bound by all existing agreements related to the stock of the Corporation, including specifically any bylaws and written stockholders' or shareholders' agreement in effect at the time of purchase.

4.2 Recapitalization; Reorganization. Subject to any required action by the shareholders of the Corporation, the maximum number of shares of Stock that may be issued under this Plan pursuant to Section 3.2 above shall be adjusted, in each case, to the extent and in the manner the Board deems appropriate for any increase or decrease in the number of issued shares of the Corporation resulting from a reorganization, recapitalization, stock split, stock dividend, combination of shares, merger, consolidation, rights offering, subdivision or consolidation of shares or the payment of a stock dividend (but only on the Stock) or any other change in the corporate structure or shares of the Corporation.

(a) Subject to any action that may be required on the part of the shareholders of the Corporation, if the Corporation is the surviving corporation in any merger, and the timeframe to purchase shares of stock under any Agreement has not expired ("Outstanding Agreement"), the number of shares available for purchase under any Outstanding Agreement shall pertain to and apply to the securities or other consideration that a holder of the number of shares of Stock specified in the Outstanding Agreement would have been entitled to receive in the merger. A dissolution, liquidation or consolidation of the Corporation or a merger in which the Corporation is not the surviving corporation, other than a merger effected for the purpose of changing the Corporation's domicile, shall cause each Outstanding Agreement to terminate, provided that each holder shall, in such event, have the right immediately prior to such dissolution, liquidation, consolidation or merger to purchase shares of Stock pursuant to his or her Outstanding Agreement. In the case of a merger effected for the purpose of changing the Corporation's domicile, each Outstanding Agreement shall continue in effect in accordance

with its terms and shall apply or relate to the same number of shares of Stock of such surviving corporation as the number of shares of Stock to which it applied or related immediately prior to such merger, adjusted for any increase or decrease in the number of outstanding shares of Stock of the surviving corporation effected without receipt of consideration.

(b) In the event of a change in the Stock as presently constituted, which change is limited to a change of all of the authorized shares with par value into the same number of shares with a different par value or without par value, the shares resulting from any such change shall be deemed to be the Stock within the meaning of this Plan.

(c) The foregoing adjustments shall be made by the Board, whose determination shall be final, binding and conclusive.

4.3 Waiver of Purchase Price. Notwithstanding any other provision to the contrary, the Board shall have the discretion to waive any Employee's or Board Member's obligation to pay the purchase price set forth in Section 4.1 of this Plan. In the event such a waiver occurs: (a) such waiver shall be considered as a fee or compensation to such Board Member or Employee as the case may be in an amount equal to the purchase price for each share of Stock determined pursuant to Section 4.1 of this Plan multiplied by the number of shares of Stock issued to such Employee or Board Member and (b) such Board Member or Employee shall be solely responsible for the payment of any tax generated therefrom.

4.4 Other Terms and Conditions. Through the Agreements authorized under this Plan, the Board may impose such other terms and conditions, not inconsistent with the terms hereof as it deems advisable.

## **ARTICLE V SALE OF STOCK**

5.1 Restrictions on Sale of Stock. The Stock offered for purchase under this Plan is not transferrable or alienable except as provided in Section 5.2.

5.2 Sale of Stock to Corporation. Each Employee and Board Member who has purchased shares of Stock under this Plan may sell such shares back to the Corporation at any time. The following

requirements apply to the Corporation's purchase of shares of Stock:

(a) An Employee or Board Member desiring to sell shares of Stock back to the Corporation must submit a written request to the Board setting forth the number of shares to be sold;

(b) The Board shall determine the purchase price for the shares of Stock using the formula set forth in Section 4.1(b);

(c) Within ninety (90) days of the date the Employee or Board Member provides written notice to the Board of the Employee's or Board Member's desire to sell shares of Stock, the Corporation shall, as determined by the Board, either:

(i) purchase the tendered shares of Stock by a full cash payment; or

(ii) purchase the tendered shares of Stock by making a cash payment equal to twenty percent (20%) of the purchase price determined under Section 5.2(b) and issuing a note, bearing interest at the United States Prime Rate (as listed in the Eastern print edition of the Wall Street Journal®) and subject to a maximum term of three (3) years, for the balance of the purchase price.

5.3 Requirement to Sell Stock to Corporation. An Employee or Board Member must immediately tender any shares to the Corporation under the terms of Section 5.2 upon the termination of employment or resignation or removal from the Board, as the case may be. For purposes of this section an Employee will be considered to have terminated employment upon termination, retirement, or in the event the Employee is no longer a full time employee and is not anticipated to be a full time employee within six months, as determined by the Board.

## **ARTICLE VI MISCELLANEOUS**

6.1 Withholding Taxes. An Employee or Board Member entering into an Agreement pursuant to this Plan shall be conclusively deemed to have authorized the Corporation to withhold from the salary, commissions or other compensation of such

Employee or Board Member funds in amounts equal to any federal, state and local income, employment or other withholding taxes when and to the extent, if any, required by law; provided, however, that, in lieu of the withholding of federal, state and local taxes as herein provided, the Corporation may require that the Employee or Board Member pay the Corporation an amount equal to the federal, state and local withholding taxes on such income at the time such withholding is required or such other time as shall be satisfactory to the Corporation.

6.2 Amendment, Suspension, Discontinuance or Termination of Plan. The Board may from time to time amend, suspend or discontinue this Plan or revise it in any respect whatsoever for the purpose of maintaining or improving the effectiveness of this Plan as an incentive device, for the purpose of conforming this Plan to applicable governmental regulations or to any change in applicable law or regulations or for any other purpose permitted by law; provided, however, that no such action by the Board shall adversely affect any Option theretofore granted under this Plan without the consent of the holder so affected.

6.3 Governing Law. This Plan and all rights and obligations hereunder shall be construed in accordance with and governed by the laws of the State of South Carolina.

6.4 Designation. This Plan may be referred to in other documents and instruments as the "Dennis Corporation Stock Ownership Plan."

6.5 Indemnification of Board Members. In addition to such other rights of indemnification as they may have as directors, Board Members shall be indemnified by the Corporation against the reasonable expenses, including attorneys' fees, actually and necessarily incurred in connection with the defense of any investigation, action, suit or proceeding, or in connection with any appeal therefrom, to which they or any of them may be a party by reason of any action taken or failure to act under or in connection with this Plan and against all amounts paid by them in settlement thereof (provided such settlement is approved by independent legal counsel selected by the Corporation) or paid by them in satisfaction of a judgment in or dismissal or other discontinuance of any such investigation, action, suit or proceeding, except in relation to matters as to which it shall be adjudged in such investigation, action, suit or proceeding that

such Board member is liable for negligence or misconduct in the performance of his or her duties; provided that, within 60 days after institution of any such investigation, action, suit or proceeding, a Board member shall in writing offer the Corporation the opportunity, at its own expense, to handle and defend the same.

6.6 Reservation of Shares. The Corporation shall at all times during the term of this Plan reserve and keep available (and will seek or obtain from any regulatory body having jurisdiction any requisite authority in order to issue) such number of shares of its Stock as shall be sufficient to satisfy the requirements of this Plan. Inability of the Corporation to obtain from any regulatory body of appropriate jurisdiction authority considered by the Corporation to be necessary or desirable to the lawful issuance of any shares of its Stock hereunder shall relieve the Corporation of any liability in respect of the nonissuance or sale of such Stock as to which such requisite authority shall not have been obtained.

6.7 Stock Proceeds. The proceeds received by the Corporation from the sale of Stock pursuant to the Plan will be reflected as additional paid-in capital on the books and records of the Corporation.

6.8 No Obligation to Exercise. The Corporation does not require or expect any Employee or Board Member to purchase shares of Stock. No Employee or Board Member has any obligation to purchase shares of Stock.

6.9 Uncertificated Shares. Each Employee or Board Member who purchases Stock may, but need not, be issued a stock certificate in respect of the Stock so acquired. A "book entry" (i.e., a computerized or manual entry) shall be made in the records of the Corporation to evidence the issuance of shares of Stock to an Employee or Board Member where no certificate is issued in the name of the Employee or Board Member. Such Corporation records, absent manifest error, shall be binding on the Employee and Board Member. In all instances where the date of issuance of shares may be deemed significant but no certificate is issued in accordance with this Section 6.9, the date of the book entry shall be the relevant date for such purposes.

6.10 Other Actions. Nothing contained in the Plan shall be construed to limit the authority of the Corporation to exercise its corporate rights and powers, including, but not by way of limitation, the right of the Corporation to grant or assume options for proper corporate purposes other than under the Plan with respect to any employee or other person, firm, corporation or association.

6.11 ERISA Inapplicable. It is not intended for the Plan to be subject to the U.S. Employee Retirement Income Security Act of 1974 or Section 401(a) of the U.S. Internal Revenue Code of 1986, as amended.

6.12 Governing Law; Submission to Jurisdiction. This Plan and any Agreement entered into under the terms of this Plan shall be governed by and construed in accordance with the laws of the State of South Carolina.

6.13 Severability. The invalidity or unenforceability of any particular provision of this Plan shall not affect the other provisions hereof, and this Plan shall be construed in all respects as if such invalid or unenforceable provisions were omitted.

DENNIS CORPORATION

By: \_\_\_\_\_

Title: \_\_\_\_\_

\_\_\_\_\_  
Secretary

[seal]