

INCENTIVE BONUS PLAN AGREEMENT
FOR
THE CANOPY GROUP, INC.

This Incentive Bonus Plan Agreement (the "Plan") is hereby adopted, established, and entered into by and between the undersigned as of the 30th day of September, 1998, as provided below.

1. **Purpose.** The purpose of this Plan is to provide additional incentive and reward to certain key employees of The Canopy Group, Inc., a Utah corporation ("Canopy"). Canopy's business depends upon the continuing service and effort of said employees, all of whom contribute materially to the success of Canopy. Accordingly, Canopy desires to encourage said employees to continue providing such valuable services.
2. **Effective Date.** Subject to the approval of the Board of Directors of Canopy (the "Board"), this Plan shall be effective as of the 30th day of September, 1998.
3. **Administration.** The Plan shall be administered by the Board. The Board shall have the final authority to interpret and construe the terms of the Plan, and any agreements relating thereto. No member of the Board shall be liable for any action, interpretation or construction made in good faith with respect to the Plan. The Board may prescribe, amend, and rescind rules and regulations relating to the Plan and shall make all other determinations necessary or advisable for administration of the Plan. Decisions of the Board shall be binding and conclusive on all parties, including Canopy, its stockholders, and the Employees.
4. **Eligibility.** The employees eligible to participate in the Plan (collectively, the "Employees," and individually, the "Employee"), are designated on Exhibit "A," attached hereto and incorporated by reference herein. Additional participants may be designated at any time by the Board by amending Exhibit "A"; provided, however, absence special circumstances, an employee shall not be eligible to participate until he has been employed at least one year with Canopy. Furthermore, the participation of any new employee in any Bonus Amount may be modified from that specified in paragraph 6 as determined by the Board in its sole discretion. Notwithstanding the foregoing, no person shall be entitled to participate in this Plan unless such person is employed by Canopy at the time of the Triggering Event, as defined in paragraph 5, below. In the event a person is listed as an Employee on Exhibit A, but is no longer employed by Canopy at the time of the Triggering Event, whether voluntarily or involuntarily terminated, such person's portion of the Bonus Amount shall be forfeited and any amounts otherwise allocable to such person shall be retained by Canopy; provided, however, that the Board may in its sole discretion determine to make payments to an Employee, or to a beneficiary of such Employee, whose employment terminated because of death or disability. In the event that an Employee's portion of

the Bonus Amount is forfeited, the Board may in its sole discretion determine to designate an additional individual or individuals as Employees, and/or may allocate the forfeited position of the Bonus Amount among the Employees who have not forfeited as it deems appropriate.

5. **Calculation of Bonus Amount.** Bonuses under this plan shall be determined at such time as any of the Included Companies is sold or the investment of NFT in any of the Included Companies is exchanged for cash and/or readily tradeable marketable securities (the "Triggering Event"). The Included Companies shall include those entities designated on Exhibit B, attached hereto and by this reference incorporated herein (collectively the "Included Companies" and individually "Included Company"). Exhibit B may be amended by the Board to add additional Included Companies at any time by amending Exhibit B. The total amount to be paid as a bonus (the "Bonus Amount") upon each Triggering Event shall be five percent (5%) of the total amount of sales proceeds on the sale or exchange of the Included Company, less the total amount of investment plus debt that NFT and/or any affiliate of NFT has in the Included Company. Exhibit B sets forth the current investment, debt and accrued interest that NFT has in each of the Included Companies as of September 30, 1998, but the parties understand and agree that said amount shall be adjusted at the time of any Triggering Event to reflect additional investment, additional debt and additional accrued interest after said date. For purposes of this Agreement, the total amount of sales proceeds shall mean the cash and readily marketable securities received by Canopy in connection with any Triggering Event, with readily marketable securities being valued at their closing price on the date of the Triggering Event.

6. **Allocation of Bonus Amount.** The Bonus Amount as calculated in paragraph 5 shall be allocated among the employees based on the Board's determination of the Employee's involvement, effort and contribution to the success of the Included Company for which the sale or exchange has occurred. An initial recommendation for the allocation of the amounts under this paragraph 6(b) shall be made by the President of the Canopy and shall be reviewed, approved and/or modified by the Board in its sole discretion. Decisions of the Board with respect to the allocation of the amount under this paragraph 6(b) shall be binding and conclusive upon all parties, including Canopy, its stockholders and the Employees.

7. **Payment of Bonus.** The Bonus Amounts shall be paid the Employees in cash or marketable securities, with marketable securities being valued at their closing price on the day preceding the date of payment (the "Payout Date"). The Payout Date of a Bonus Amount to be paid to the Employees pursuant to this Plan shall be within 90 days of the Triggering Event for such Bonus Amount, unless the Board determines that it is necessary to postpone the Payout Date for a reasonable period of time until sufficient cash or readily tradeable marketable securities become available to pay the Bonus Amount, or for any other reasonable purposes determined by the Board. In the

event that a Payout Date is postponed beyond said 90 day period, the Bonus Amount shall earn interest commencing on the day that is ninety-one days after the Triggering Event at a rate equal to the Wall Street Journal prime rate on the day of the Triggering Event.

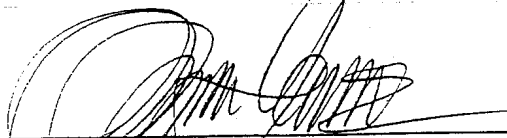
8. **Indemnification of Board.** Canopy shall indemnify, to the full extent permitted by law, each member of the Board who becomes liable in any civil action or proceeding with respect to decisions made relating to the Plan.
9. **Amendment and Termination of the Plan.** The Board may amend or modify the Plan in any respect whatsoever; provided, however, that such amendment or modification shall not affect any Bonus Amount with respect to which a Triggering Event has occurred without the consent of the persons affected by such action. In addition, the Board may freeze, suspend, or discontinue the Plan at any time in its sole discretion.
10. **Nontransferability.** The right and interest of an Employee in and to a bonus under this Plan shall not be transferable; provided, however, that if an Employee dies after a Triggering Event but prior to the Payout Date, the then the bonus earned by such deceased Employee shall be paid to the deceased Employee's beneficiary, as designated in writing in the form attached hereto as Exhibit "C"; provided further, however, that if the deceased Employee has not designated a beneficiary, then such amount shall be payable to the deceased Employee's estate.
11. **Limitations on Rights Created Under Plan.** No Employee, or any person claiming under or through an Employee, shall have any right or interest in this Plan unless and until such Employee or other person has complied with all of the terms and conditions of the Plan. The participation of an Employee in this Plan shall not impose upon Canopy any obligation to retain such person in its employ for any period or affect any rights which Canopy may have with respect to the termination of such person's employment. This Plan is intended to serve solely as a mechanism by which Canopy can calculate bonuses to reward the Employees, and shall not be construed to create any vested rights in the Employees in the stock or assets of Canopy or any of the Included Companies.
12. **Withholding of Taxes.** Prior to the payment of any Bonus Amount, each Employee shall pay or make provisions satisfactory to the Board for the payment of all federal, state, and local income taxes, or any other taxes that Canopy may be obligated to collect as a result of the payment of a bonus to such Employee.
13. **Governing Law.** This Plan shall be governed in accordance with the laws of the state of Utah.
14. **Cooperation.** Each of the parties to this Plan hereby agrees to cooperate in carrying

out the provisions of the Plan and the intent of Canopy in adopting the Plan.

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

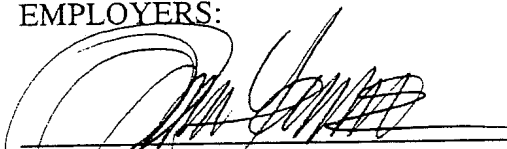
CANOPY:

THE CANOPY GROUP, INC., a Utah corporation

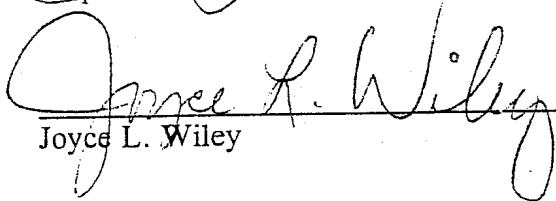
By 

Ralph J. Yarro, III

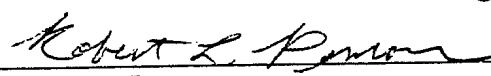
EMPLOYERS:



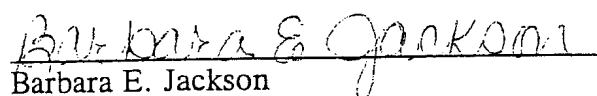
Ralph J. Yarro, III



Joyce L. Wiley



Robert L. Penrose



Barbara E. Jackson