

SECURITIES AND EXCHANGE COMMISSION

FORM DEF 14A

Definitive proxy statements

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FILER

**TURNER CORP**

CIK: **743475** | IRS No.: **133209884** | State of Incorpor.: **DE** | Fiscal Year End: **1231**  
Type: **DEF 14A** | Act: **34** | File No.: **001-08719** | Film No.: **94522104**  
SIC: **1540** General bldg contractors - nonresidential bldgs

Business Address  
375 HUDSON ST  
NEW YORK NY 10014  
2122296000

SCHEDULE 14A (RULE  
14A-101)

INFORMATION REQUIRED IN PROXY  
STATEMENT SCHEDULE 14A  
INFORMATION

PROXY STATEMENT  
PURSUANT TO SECTION 14(A)  
OF THE SECURITIES  
EXCHANGE ACT OF  
1934 (AMENDMENT NO. )

Filed by the registrant /  
/  
Filed by a party other than the  
registrant / /

Check the appropriate box:

/ / Preliminary proxy statement  
/X/ Definitive proxy statement  
/ / Definitive additional materials  
/ / Soliciting material pursuant to Rule 14a-11(c) or  
Rule 14a-12

- -----The Turner Corporation-----  
- -----  
(Name of Registrant as Specified in Its  
Charter

- -----The Turner Corporation-----  
- -----  
(Name of Person(s) Filing Proxy  
Statement)

Payment of filing fee (Check the appropriate box):  
/X/ \$125 per Exchange Act Rule 0-11(c)(1)(ii), 14a-  
6(i)(1), or 14a-6(j)(2).  
/ / \$500 per each party to the controversy pursuant to  
Exchange Act Rule  
14a-6(i)(3).  
/ / Fee computed on table below per Exchange Act Rules  
14a6(i)(4) and  
0-11.

(1) Title of each class of securities to which  
transaction applies:

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(2) Aggregate number of securities to which transaction applies:

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(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11:/1

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(4) Proposed maximum aggregate value of transaction:

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/ / Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the form or schedule and the date of its filing.

(1) Amount previously paid:

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(2) Form, schedule or registration statement no.:

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(3) Filing party:

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(4) Date filed:

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/1 Set forth the amount on which the filing fee is calculated and state how it was determined.

PROXYPROXYTHE TURNER CORPORATIONAnnual Meeting of Stockholders, May 13, 1994The undersigned hereby appoints Harold D. J. Parmelee and Ralph Beck and each of them as proxies with full power of substitution as attorneys and proxies for the undersigned to appear at the Annual Meeting of Stockholders of the Turner Corporation to be held on May

13, 1994 at 11:00 A.M. Eastern Daylight Saving Time, and at any adjournments thereof, and at that meeting to act for the undersigned and vote all shares of common stock of the Turner Corporation held in the name of the undersigned, with all the powers the undersigned have if personally present as follows: You are encouraged to specify your choices by marking the appropriate boxes, SEE REVERSE SIDE, but you need not mark any boxes if you wish to vote in accordance with the Board of Directors' recommendations. The Proxy Committee cannot vote your shares unless you sign and return this card. SEE REVERSE SIDE. Please mark your votes as in this example. 0108 If not otherwise specified, this proxy will be voted for the election of the nominees named in the proxy statement as directors. The Board of Directors recommends a vote FOR the below matters. 1. Election of Directors. (See reverse) o withhold authority to vote for an individual nominee, list that nominee's name on the line below: (Nominees: Walter G. Ehlers, Alfred T. McNeill, John O. Whitney) 2. In their discretion upon any other matter that may properly come before the meeting. Do you plan to attend the Annual Meeting? THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS. Please sign exactly as name appears hereon. Joint owners should each sign. When signing as attorney, executor, administrator, trustee or guardian, please give full title as such. SIGNATURE(S)  
DATE

THE TURNER CORPORATION Voting Instructions Solicited on Behalf of the Board of Directors of the Company for the Annual Meeting of Stockholders, May 13, 1994 To the Trustees Employee Stock Ownership Plan of The Turner Corporation The undersigned hereby directs State Street Bank and Trust Company, Trustee, to vote as stated herein all shares allocated to the account of the undersigned at the Annual Meeting of Stockholders to be held on May 13, 1994 at 11:00 A.M. Eastern Daylight Saving Time, and at any adjournments thereof, upon the matters set forth in the notice of such meeting. The Trustee shall vote as checked upon the following matters, more fully set forth in the Proxy Statement, and otherwise in their discretion. 1. Election of Directors, Nominees: Walter G. Ehlers, Alfred T. McNeill, John O. Whitney You are encouraged to specify your choices by marking the appropriate boxes, SEE REVERSE SIDE, but you need not mark any boxes if you wish to vote in accordance with the Board of Directors' recommendations. Your instructions cannot be accepted unless you sign and return this card. SEE REVERSE SIDE. Please mark your votes as in this example. 5184 If not otherwise specified, this Direction will be voted for the election of the nominees named in the proxy statement as directors. The Board of Directors recommends a vote FOR the

below matters.1. Election of Directors.(See reverse)To withhold authority to vote for an individual nominee, list that nomineeOs name on the line below: (Nominees: Walter G. Ehlers, Alfred T. McNeill, John O. Whitney)2. In their discretion upon any other matter that may properly come before the meeting.Do you plan to attend the Annual Meeting?THESE VOTIONG INSTRUCTIONS ARE SOLICITEDBY THE TRUSTEE OFTHE EMPLOYEE STOCK OWNERSHIP PLANPlease sign exactly as name appears hereon. SIGNATURE(S) DATE

THE TURNER CORPORATION  
375 Hudson Street  
New York, New York 10014

### Proxy Statement

ANNUAL MEETING OF STOCKHOLDERS  
May 13, 1994

This Proxy Statement is being furnished beginning April 11, 1994, in connection with the solicitation of proxies for use at the 1994 Annual Meeting of Stockholders of The Turner Corporation to be held at the time and place and for the purposes set forth in the attached notice.

### ELECTION OF DIRECTORS

The Company's directors who are elected by the holders of the Common Stock (voting together with the holders of the Company's Series B ESOP Convertible Preferred Stock) are divided into three classes. They serve three year terms, with the directors in one class being elected each year. The holder (or holders) of the Company's Series C 8-1/2% Convertible Preference Stock ("Series C Preferred Stock") have the right to elect three directors, who are in addition to the directors elected by the holders of the Common Stock and the Series B ESOP Convertible Preferred Stock.

At the 1994 Annual Meeting three directors are to be elected. Election of a director requires a majority of the votes cast. Because no minimum vote is required, shares which are present at the meeting but are not voted (whether due to abstentions or otherwise) will not directly affect the outcome of the election.

The Board of Directors' nominees for the three directorships, the directors who will continue in office and the directors expected to be elected by the holders of

the Corporation's Series C Preferred Stock are as follows:

Will Name and Age Expir	Principal Occupation and Other Directorships	Served as T e r m  Director Since  or During e the Period
Nominees for election as directors to serve until 1997:		
Walter G. Ehlers, 61 1997 (1)	Retired; President, Chief  Operating Officer and Trustee, Teachers Insurance and Annuity Association and College Retirement Equities Fund, 198488; Director of A.B. Chance Company; Neuberger & Berman -Advisors Management Trust; Crescent Jeweler, Inc.; Trustee of China Medical Board of New York, Inc.	1985
Alfred T. McNeill, 57 1997 (1)	Chairman and Chief Executive  Officer, The Turner Corporation	1985
John O. Whitney, 66 1997 (1)	Professor and Executive Director,  The Deming Center for Quality Management, Columbia Business School; Director of Brooks Fashion Stores, Inc.; Church & Dwight Co., Inc.; International Planning Forum and Advisory Board of the	1988

Navy Exchange System

Directors who will

continue in office:

Ellis T. Gravette, President, Ardath Associates,  
Jr., 68 (1) Inc.ation  
19841996

2

Name and Age

Principal Occupation  
and Other  
Directorships Served as  
Director Since  
or During  
the Period  
Term  
Will  
Expire Frederick W.  
Zuckerman, 59 Vice President  
and Treasurer IBM Corp.;  
Senior Vice President and  
Treasurer, RJR Nabisco,  
Inc., 1991-93; Vice  
President and Treasurer,  
Chrysler Corporation, 1981-

90; Director of The Japan Equity Fund; Meditrust; Anacomp; The Singarks, Inc., 1991-92; President and Chief Executive Officer, Ransburg Corporation (subsidiary of Illinois Tool Works, Inc.), 1988-92; Director of Fundamental Management Corp.; Elcotel Inc.; United States Olympic Committee

President, The Turner Corporation  
1990

1988  
1996

1995

Gordon A. Walker, 66 Chairman and Chief Executive  
1996

(1) Officer, Hollinee, Inc.; Former Chairman, President and Chief Executive Officer, U.S. Industries, Inc.; Director of Lincoln National Corporation 1984

2

Will Name and Age During Expir	Principal Occupation and Other Directorships	Served as Director Term Since or the e Period
--------------------------------------	---	---



Frederick W. 1995 Zuckerman, 59	Vice President and Treasurer IBM Corp.; Senior Vice President and Treasurer, RJR Nabisco, Inc., 1991-93; Vice President and Treasurer, Chrysler Corporation, 1981 90; Director of The Japan Equity Fund; Meditrust; Anacomp; The Singapore Fund; Northeast Federal Corp.; Northeast Savings Bank F.A. and NVR Corporation	1992
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Directors expected  
to be elected by

holders of Series  
C Preferred Stock:

Heinrich Baumann- 1995 Steiner, 52	Chairman and Managing Director, Karl Steiner Holding AG; Vice Chairman and Managing Director, Karl Steiner AG (an affiliate of Karl Steiner Holding AG)	1992
--	--	------

A. Gary Fieger, 66 1995	President, Fieger International; Former President and Chief Executive Officer of Hammerson Property Corporation and Vice President Tishman Realty & Construction Company	1992
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Peter K. Steiner, 48	Vice Chairman and Managing 1995 Director, Karl Steiner Holding AG; Chairman and Managing Director, Karl Steiner AG (an affiliate of Karl Steiner Holding AG)	1992
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\_\_\_\_\_  
(1)  
Member of the  
Executive Committee.

Non-employee members of the Board of Directors are paid annual fees of \$18,500, plus \$800 and travel expenses for each meeting attended. Non-employee chairmen of committees

of the Board of Directors receive additional annual fees of \$1,850. Employee members of the Board of Directors do not receive any directors' fees. During 1993, the Board of Directors held seven meetings. Each director attended at least 75% of the meetings of the Board of Directors and of each Committee of which he was a member.

The Committees of the Board of Directors include an Executive Committee, a Compensation and Stock Option Committee, an Audit Committee, a Nominating Committee, and a Real Estate Advisory Committee.

The members of the Executive Committee who are expected to continue to serve after the 1994 Annual Meeting are Messrs. McNeill (Chairman), Ehlers, Gravette, Parmelee, Walker and Whitney. The Executive Committee may exercise the authority of the Board during the intervals between the meetings of the Board, except in respect of certain matters specified in the Corporation's By-Laws. The Executive Committee did not meet during 1993.

The Compensation and Stock Option Committee, which is composed of Messrs. Walker (Chairman), Gravette, Moore, Whitney and Zuckerman, approves the salaries of all executive officers of The Turner Corporation (other than the Chairman and President, whose salaries are approved by the Board), makes or recommends awards under the Corporation's Executive Incentive Compensation Plan and authorizes the grant of stock options under the Corporation's stock option plans. The Committee also reviews senior management organizational plans. The Committee met four times in 1993.

The Audit Committee, which after the 1994 Annual Meeting will be composed of Messrs. Whitney (Chairman), Ehlers, Fieger, Gravette, Lomo, Moore and Steiner, recommends the firm of independent public accountants to act as the Corporation's independent auditors, confers with the Corporation's independent auditors as to the scope of their proposed audit, reviews the findings and recommendations of the independent auditors, reviews with the Corporation's internal audit and accounting personnel the Corporation's financial controls, procedures and practices, and reviews the Corporation's compliance with its operating policy statement. The Committee met four times during 1993.

The Nominating Committee, which after the 1994 Annual Meeting will be composed of Messrs. Moore (Chairman), Ehlers, McNeill, Parmelee and Whitney, selects and recommends nominees for directorships to the Board.

Pursuant to a resolution adopted by the Board in 1989, the Committee, in nominating members of the Board for reelection, will consider any material changes which have occurred in their employment relationships, memberships on other boards and other circumstances affecting their availability for and participation in board activities, and any material changes which have occurred in the Corporation's business or affairs. The Committee met once in 1993.

The Real Estate Advisory Committee, which after the 1994 Annual Meeting will be composed of Messrs. Gravette (Chairman), Ehlers, Fieger, McNeill, Parmelee and Walker, reviews plans and programs regarding real estate in which the Corporation had an ownership interest. The Committee met once in 1993.

As of March 28, 1994, the Corporation's directors (including nominees), its five highest paid executive officers (including its chief executive officer) and its directors and officers as a group beneficially owned the following numbers of shares of common stock of the Corporation:

Title of Class (5)	Name of Beneficial Owner	Amount and Nature of Beneficial Ownership (2)	Per cent of
Common Stock	Heinrich Baumann - Steiner	3,000 (3)	
Common Stock	Ralph Beck	21,103	
Common Stock	Herbert D. Conant (1)	12,272	
Common Stock	Walter G. Ehlers	10,000	
Common Stock	A. Gary Fieger	3,000	
Common Stock	Ellis T. Gravette, Jr.	11,500	
Common Stock	Donald R. Kerstetter	34,175	
Common Stock	Leif Lomo	4,000	
Common	Edward J. McMahon (1)	9,000	

Stock		
Common	Alfred T. McNeill	72,829
1.4%		
Stock		
Common	Charles H. Moore, Jr.	4,000
Stock		
Common	Harold J. Parmelee	59,763
1.2%		
Stock		
Common	Peter K. Steiner	1,623,500 (4)
24.2%		
Stock		
Common	Joseph V. Vumbacco	22,192
Stock		
Common	Gordon A. Walker	4,100
Stock		
Common	John O. Whitney	7,000
Stock		
Common	Frederick W.	4,000
Stock	Zuckerman	
Common	Directors and	
Stock	Officers as a Group	
	(25 persons)	1,988,596
28.5%		
		(4) (6)

(1) Because of the Company's policy that a director should not serve past the Annual Meeting following the director's seventieth birthday, Mr. Conant will not serve past the 1994 Annual Meeting and Mr. McMahon (who will have had his seventieth birthday before the 1995 Annual Meeting) decided not to run for re-election at the 1994 Annual Meeting.

(2) Includes shares issuable on exercise of currently exercisable stock options as follows: Ralph Beck, 17,300; Donald R. Kerstetter, 22,900, Alfred T. McNeill, 47,051; Harold J. Parmelee, 43,440; Joseph V. Vumbacco, 18,910, all non-employee directors, 3,000 each. Does not include 849,011 shares issuable on conversion of Series B ESOP Preferred shares or shares issuable on exercise of options which were not currently exercisable.

(3) Does not include 1,000,000 shares of common stock issuable on conversion of Series C Preferred Stock, 600,000 shares of common stock issuable on conversion of Series D Preferred Stock, which itself is issuable on conversion of an 8-1/2% Debenture, or 20,500 shares of Common Stock, held by Karl Steiner Holding AG. Heinrich Baumann-Steiner is the Chairman of Karl Steiner Holding

AG and his wife is the beneficial owner of 50% of the shares of that company.

(4) Includes 1,000,000 shares of common stock issuable on conversion of Series C Preferred Stock, 600,000 shares of common stock issuable on conversion of Series D Preferred Stock, which itself is issuable on conversion of an 8-1/2% Debenture, and 20,500 shares of Common Stock, held by Karl Steiner Holding AG. Peter K. Steiner is the Vice Chairman of Karl Steiner Holding AG and the beneficial owner of 50% of the shares of that company.

(5) Unless noted, less than 1%.

(6) Includes 249,039 shares issuable on exercise of currently exercisable outstanding stock options.

The following persons are known by the Corporation to have owned beneficially more than 5% of any of the Corporation's voting securities as of March 28, 1994.

Title of Class Percent of	Name and Address of Beneficial Owner	Amount and Nature of Beneficial Class Ownership
Common Stock 13.2%	The Turner Corporation Employees' Retirement Plan 375 Hudson Street New York, New York 10014	675,000
Common Stock	Dimensional Fund Advisors Inc. 6.68%(1) 1299 Ocean Avenue Santa Monica, California 90401	337,100
Common Stock 5.03%(1)	FMR Corporation 82 Devonshire Street  Boston, MA. 02109- 3614	257,000
Series B ESOP 100% Convertible Preferred Stock	The Turner Corporation Employee Stock Ownership Plan 375 Hudson Street New York, New York	849,011

Series C	Karl Steiner Holding	9,000
100%		
Preferred Stock	AG	(2)
	Hagenholzstrasse 60	
	CH-8050 Zurich	
	Switzerland	

(1) Information is from form 13G.

(2) The 9,000 shares of Series C Preferred Stock are convertible into 1,000,000 shares of Common Stock, which, based upon the shares outstanding on March 28, 1994, would be 16.4% of the outstanding Common Stock outstanding after conversion of all the Series C Preferred Stock. Karl Steiner Holding AG also owned 20,500 shares of Common Stock and a Debenture which is convertible into 6,000 shares of Series D Preferred Stock, which, if issued, would be convertible into 600,000 shares of Common Stock. If all the shares of Series C Stock and Series D Stock had been converted, on March 28, 1994, Karl Steiner Holding AG would have owned 24.2% of the outstanding Common Stock.

The shares of Series B ESOP Convertible Preferred Stock vote together with the Common Stock on all matters, including election of directors, with each share of Series B ESOP Convertible Preferred Stock entitled to one vote. The Series B ESOP Convertible Preferred Stock will constitute 14.3% of the shares entitled to vote in the election of directors.

The holders of the Series C Preferred Stock, voting separately, are entitled to elect three directors (declining to no directors if the outstanding Series C Preferred Stock is less than a specified portion of the outstanding voting stock on a fully diluted basis). While the holders of the Series C Preferred Stock are entitled to elect any directors, they cannot vote with regard to directors to be elected by the holders of the Common Stock. If the holders of the Series C Stock become no

longer entitled to elect directors as a separate class, they will be entitled to vote as part of the same class as the Common Stock and the Series B ESOP Convertible Preferred Stock, and will be entitled to 1,000 votes for each 9 shares of Series C Preferred Stock (a total of 1,000,000 votes for the entire 9,000 shares). The holders of the Series C Preferred Stock are at all times entitled to 1,000 votes for each 9 shares of Series C Preferred Stock with regard to all matters other than the election of directors. Peter K. Steiner, who is a director of the Corporation, is the Vice Chairman, and the beneficial owner of 50% of the shares of Karl Steiner Holding AG. Esther BaumannSteiner, who is the sister of Peter K. Steiner and the wife of Heinrich Baumann-Steiner, is the beneficial owner of the other 50% of the shares of Karl Steiner Holding AG. Mr. BaumannSteiner, who is a director of the Corporation, is the Chairman of Karl Steiner Holding AG.

Karl Steiner Holding AG acquired the 9,000 shares of Series C Preferred Stock from the Corporation in July 1992 for \$9 million. At the same time, it acquired 6,000 shares of Series D Preferred Stock from the Corporation for \$6 million. Shortly after that it exercised a contractual right to exchange the Series D Preferred Stock for an 8 1/2% Debenture of the Corporation in the principal amount of \$6 million. In connection with those transactions, Karl Steiner Holding AG and the Corporation executed an agreement which gives each of them options under certain circumstances to purchase or sell Preferred Stock or Common Stock from or to the other of them.

Karl Steiner Holding AG and the Corporation each owns 50% of Turner Steiner International S.A. ("TSI"), an entity they formed to engage in construction-related activities in most of the world, other than North and Central America, Switzerland, Germany, France, Austria and Japan. During 1993, the Corporation made employees and space available to TSI (for which the Corporation was paid \$200,000 plus reimbursement for out-of-pocket expenses), the Corporation guaranteed obligations of TSI with regard to a construction bond, a construction contract and letters of credit, and the Corporation from time to time made working capital loans to TSI (the amount of these loans was \$2,082,887), the Corporation sold to TSI for \$985,773, the right to receive the remainder of the payments which are made with regard to two construction projects, which prior to

that transaction were being built by TSI for the Corporation.

REMUNERATION OF EXECUTIVE OFFICERS

The following table sets forth the annual compensation, long-term compensation and all other compensation during each of the three years ended December 31, 1993, for the Corporation's chief executive officer and for the four additional executive officers who, together with the chief executive officer, comprised the five highest paid executive officers of the Corporation for the year ended December 31, 1993.

note!! footnotes in this table are the last row of the table!!SUMMARY  
COMPENSATION TABLE

Name and Principal Position (3)	Year	Annual Compensation		Long-Term Compensation			
		Salary	Bonus	Other Annual Compensation	Awards Restricted Stock	Payouts Securities Underlying LTIP	
Alfred T. McNeill	1993	\$400,000	\$0	NONE	\$1,908	18,000	NONE
Chairman	1992	365,497	75,000		2,041	3,000	
and Chief Executive	1993	000	10,125		1,952	6,000	



37,482							
Officer	91		(5)				
		365,					
		000					
Harold J.	19			NONE		13,000	NONE
Parmelee	93	315,	0		1,908		
44,872							
President	19	000	50,000			3,000	
(4)							
	92				2,041		
32,269							
	19	287,	8,100			6,000	
22,290							
	91	500	(5)		1,952		
		287,					
		500					
Donald R.	19			NONE		5,000	NONE
Kerstetter (6)	93	231,	0		1,908		
32,313							
Senior Vice		000					
(4)							
President							
Joseph V.	19			NONE			NONE
Vumbacco	93	220,	0		1,908	4,800	
15,314							
Senior Vice	19	000	32,000				
(4)							
President and	92				1,952	1,800	
13,905							
General Counsel	19	206,	6,075				
9,814							
	91	000	(5)		1,952	3,500	
		206,					
		000					
Ralph Beck	19			NONE			NONE
Senior Vice	93	207,	0		1,908	1,800	
23,805							
President and	19	000	27,000				
(4)							
Secretary	92				1,911	1,800	
18,810							
	19	198,	6,075				
13,766							
	91	000	(5)		1,952	3,500	
		198,					
		000					

(1)The Corporation has not granted any stock appreciation rights.

(2)Restricted Stock Awards consist of allocations under the Employee Stock Ownership Plan ("ESOP").The aggregate number of shares

allocated, as of December 31, 1993, to Messrs. McNeill, Parmelee, Kerstetter, Vumbacco and Beck was 465, 465, 465,

459 and 456 shares respectively, valued at \$8,370, \$8,370, \$8,370, \$8,262 and \$8,208 respectively.Dividends are used to pay the ESOP loan.

(3)Consists of matching contributions by the Corporation to its 401(k) plan, contributions to the Corporation's defined contribution retirement plan and supplemental payments to

retirement accounts.

(4)Estimated

(5) Consists of the market value at December 13, 1991 (\$6.75 per share) of shares issued in lieu of holiday salary supplements.

(6) Mr. Kerstetter became an officer of the Corporation in 1993. Prior to that, he was an executive officer of Turner

Construction Company, the Corporation's principal

subsidiary.

The following table sets forth certain information with regard to options granted during the fiscal year ended December 31, 1993 and potential realizable values. No stock appreciation rights (SARs) were granted during that year.

OPTION/SAR GRANTS IN LAST  
FISCAL YEAR

Individual Grants

Potential Realizable Value Assumed Annual	Number of Securities Underlying Options/SARs Granted	Percent of Total SARs Granted to Employees	Exercise or Base Price	Expiration	Rate of Stock Price Appreciation

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Name	(#)		in Fiscal Year	(\$/Sh)	Date	5% (\$)	10% (\$)
Alfred T. McNeill	18,000	14.57%	\$8.00	1/14/03	\$90,540	\$229,860	
Harold J. Parmelee	13,000	10.53%	\$8.00	1/14/03	\$65,390	\$166,010	
Don Kerstetter	5,000	4.05%	\$8.00	1/14/03	\$25,150	\$63,850	
Joseph V. Vumbacco	4,800	3.89%	\$8.00	1/14/03	\$24,144	\$61,296	
Ralph Beck	1,800	1.46%	\$8.00	1/14/03	\$9,054	\$22,986	

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regard to exercises of options and during 1993 and options and held at December 31, 1993.

note!! footnotes for this table are the last row of the table!!

AGGREGATED OPTION/SAR EXERCISES IN  
LAST FISCAL YEAR AND FISCAL YEAR-  
END  
OPTION/SAR VALUES

of	Number of Securities Underlying		Value
Money	Unexercised Options/SARs	Unexercised in-the	
Options/SARs	at		
	Fiscal Year- YearEnd (1)	at Fiscal End (2)	
	(\$)		
	(#)		
Exercisable (E) / Name	Shares Acquir	Value	Exercisable (
Unexercisable (U)	ed on	Realiz	E) /
	Excerc	ed (\$)	Unexercisabl
	ise		e (U)
	(#)		
	---	---	36,380 (E)
			0 (E)

Alfred T. McNeill			23,020 (U)	0 (U)
	—	—	30,940 (E)	0 (E)
Harold J. Parmelee			13,000 (U)	0 (U)
	—	—	17,900 (E)	0 (E)
Donald R. Kerstetter			5,000 (U)	0 (U)
	—	—	14,110 (E)	0 (E)
Joseph V. Vumbacco			4,800 (U)	0 (U)
	—	—	15,500 (E)	0 (E)
Ralph Beck			1,800 (U)	0 (U)

(1) The Corporation has not granted any SARs.

(2) All exercise prices were higher than the closing price of \$7.875 on December 31, 1993.

The Corporation or its subsidiaries have entered into change of control agreements with a number of their executive officers, including the executive officers named above. These agreements expire on June 30, 1996. They provide that in the event of "termination" (as defined) of an executive's employment after a "change of control" (as defined) of the Corporation, the executive will be entitled to receive a lump sum payment equal to 2.99 years' (in the case of four senior executives, including Mr. McNeill) or one year's (in the case of the other executives) compensation, including average bonus, as well as continued eligibility for certain employee welfare benefits.

#### Retirement Plans

Until March 31, 1991, the Corporation had The Employees' Retirement Plan (the "Retirement Plan") and a Retirement Benefit Equalization Plan under which an employee would receive retirement benefits under a formula based upon years of service, salary during the years preceding retirement and the Social Security wage base. Effective March 31, 1991, the Corporation curtailed the Retirement Plan, so that no years of service or salary past that date would be considered in determining retirement benefits. This froze the benefits employees who continued working for the Corporation past March 31, 1991 would receive under the Retirement Plan. The annual benefits Messrs. McNeill, Parmelee, Kerstetter, Vumbacco and Beck will receive under the Retirement Plan and the Retirement Benefit Equalization Plan, assuming retirements at age 65, will be \$119,330, \$90,030, \$98,751 \$22,276 and \$58,023 respectively.

Effective April 1, 1991, the Corporation instituted a new defined contribution retirement plan known as The Employees' Retirement Income Plan to succeed The Employees' Retirement Plan. Amounts contributed to this plan during 1992 and 1993 are included in the column captioned "All Other Compensation" on the Summary Compensation Table.

The Board of Directors voted at its November 1993

meeting to institute a new type of retirement benefit plan beginning January 1, 1994. No contribution to The Employees' Retirement Income Plan will be made with regard to the years after December 31, 1993. Effective January 1, 1994, The Employees' Retirement Plan will be amended and converted into a type of retirement plan known as a cash balance retirement plan. This Plan is incorporates features of the prior Employees' Retirement Income Plan along with attributes of a defined benefit type of plan.

In 1988 the Corporation entered into an agreement with Herbert D. Conant in connection with his retirement as Chairman and Chief Executive Officer pursuant to which he agreed to forego and waive his rights to payments of approximately \$4,455 per month for life under the Retirement Benefit Equalization Plan in exchange for the purchase on his behalf by the Corporation of an annuity which will pay him \$7,783 per month for a term of five years.

#### COMPENSATION COMMITTEE REPORT

To the Shareholders of The Turner Corporation

The purpose of this report is to describe the

compensation policies applied by the Compensation Committee of the Board of Directors of The Turner Corporation with regard to the Corporation's executive officers and the basis for the compensation of Alfred T. McNeill, the chief executive officer of the Corporation, for the year ended December 31, 1993.

In 1989, the Compensation Committee and the management of the Corporation undertook a review of the Corporation's policies for compensating its senior executives. With the approval of the Compensation Committee, the Corporation hired Towers Perrin to assist in this review. Representatives of Towers Perrin worked with the management to develop possible compensation programs, and then met privately with the Compensation Committee to discuss them.

As a result of the review, the Compensation Committee recommended, and the Board of Directors adopted, a four-pronged compensation program, designed to reward senior executives for both long-term and short-term achievements on behalf of the Corporation and its stockholders. The principal elements of this program were:

Base Salary - the fundamental compensation to a senior executive for fulfilling his or her job responsibilities.

Executive Incentive Compensation Plan - a reward for achieving or exceeding corporate and individual goals established with regard to each senior executive at the beginning of each year.

Stock Options - stock options enable key employees to profit from increases in the price of the Corporation's stock. The Corporation has had stock option plans since its shares first were sold to the public in 1969. However, in connection with the 1989 review, it was decided that stock options would be awarded uniformly to all officers of the Corporation and its subsidiaries holding similar positions.

Stockholder Gain Award Plan - each of the very senior officers of the Corporation was given the opportunity to receive substantial cash awards based upon the amount by which the price of the Corporation's stock at the end of 1992 exceeded \$30 per share, up to a maximum of \$50 per share (when



the Plan was adopted the price of the Corporation's stock was approximately \$14 per share). These possible cash awards were instead of higher levels of annual bonuses.

Based upon the advice received from Towers Perrin, the Compensation Committee concluded that the four-pronged program described above would enable the Corporation to retain capable senior executives while providing rewards for contributing toward enhancement of the Corporation's financial results and for increases in the price of its stock. Because the Corporation devotes substantial time and money to training key employees in matters relating to the construction industry, the Corporation's employees are constantly being sought by competing construction firms. Therefore, it is important that the Corporation's key employees be compensated at a level which will induce them to remain with the Corporation rather than accepting positions with competitors. Nonetheless, after having reviewed the recommendations of Towers Perrin, the Compensation Committee concluded that the compensation levels and incentives were not excessive (and indeed were somewhat modest) in view of the size and complexity of the Corporation's businesses.

Each year the Compensation Committee reviews recommendations from management as to base salaries of senior executives (other than the Chief Executive Officer and the President), total awards to senior executives under the Executive Incentive Compensation Plan and numbers of stock options to be awarded to executives in particular positions. It then makes recommendations to the entire Board as to the following year's salaries of the Chief Executive Officer and of the President, the total amount (as a percentage of the Corporation's earnings) to be awarded under the Executive Incentive Compensation Plan and the portions of that total amount to be allocated to the Chief Executive Officer and the President. In addition, it determines, without action of the Board, the following year's salaries of senior executives other than the Chief Executive Officer and the President, and the portion of the total amount awarded under the Executive Incentive Compensation Plan to be allocated to each of those senior executives.

The Corporation's stock did not reach \$30 per share by the end of 1992, and therefore no senior executives received any awards under the Stockholder Gain Award Plan. Management recommended to the Compensation Committee a new

plan under which no awards would be made unless the Common Stock reached \$38 per share by December 31, 1995 (representing an approximately 12% per annum increase over its price in 1989, when the current management took office). The Compensation Committee considered this "hurdle" price to be so high as to be nearly unattainable, and therefore believed that a Plan with that "hurdle" rate would provide little incentive to the Corporation's senior management. Other formulations were considered, and eventually the Compensation Committee recommended to the Board of Directors, and the Board of Directors adopted, a Stockholder Gain Award Plan under which, if during the 20 trading days before and after June 11, 1996, the price of the Common Stock averages at least \$20 per share, a group of senior executive officers designated by the Compensation Committee at that time will receive incentive compensation totaling 1.5% of the amount by which the total value of the outstanding Common Stock, based upon that average price, exceeds what it would have been at \$12 per share. However, the total amount of the incentive compensation may not exceed \$3 million.

Because the Corporation had profits in 1992 despite an extremely poor construction market, the Compensation Committee recommended, and the Corporation granted, the Chief Executive Officer and the Corporation's other senior executives increases in their 1993 salaries from 1992 levels. However, because the Corporation had a loss (after restructuring reserves) in 1993, no 1993 awards were made under the Executive Incentive Compensation Plan. Stock options were awarded during 1993 in accordance with the formula adopted in 1989. No additional stock options were awarded.

In 1988, the Corporation had entered into change of control agreements with a number of members of its senior management. These agreements provided that in the event that an executive's employment was "terminated" after a "change of control" of the Corporation, the executive would be entitled to receive a lump sum payment equal to five years' (in the case of five senior executives, including Mr. McNeill) or three years' (in the case of most other executives) salary as well as continued eligibility for certain employee welfare benefits. These agreements expired on December 31, 1992, but were extended for six months to give the Compensation Committee and the Board of Directors an opportunity to consider replacing them. In July, 1993, acting on a recommendation from the Compensation Committee, the Board of

Directors entered into new change of control agreements, which will run until June 30, 1996, under which, in the event of "termination" of an executive's employment after a "change of control," the executive will be entitled to receive a lump sum payment equal to 2.99 years' (in the case of four senior executives, including Mr. McNeill) or one year's (in the case of other executives) compensation, including average bonus, as well as continued eligibility for certain employee welfare benefits.

GORDON A. WALKER  
CHARLES H. MOORE, JR.                      ELLIS T.  
GRAVETTE, JR.  
JOHN O. WHITNEY                              FREDERICK  
W. ZUCKERMAN

The Turner Corporation

Comparison of Five - Year Cumulative Return:

Turner vs. AMEX and Construction and Real Estate Peer Group

Companies in Peer Groups weighted by market capitalization: indexed to 100 at December 31, 1988.  
Dividends reinvested over period.

The Turner Corporation has two business segments: Construction and Real Estate. The Construction Peer Group is made up of companies with market capitalizations of not more than \$500 million who are engaged primarily in providing construction/engineering services for business sectors other than home building and infrastructure: Guy F. Atkinson of California, Michael Baker Corp., CRSS Inc., Perini Corp., and Stone & Webster Inc. These are the same companies which made up the Construction Peer Group described in the proxy statement used in connection with the 1993 Annual Meeting. The Real Estate Peer Group is made up of all U.S. companies listed in the Standard & Poors database (2/94) which have been public for five years or more, have market capitalizations of not more than \$150 million, and whose principal business activity involves nonresidential real estate development. The Real Estate Peer Group has been changed from the previous year because two of the former peer group companies no longer meet the comparison criteria. In addition, the name of one company in the Real Estate Peer Group changed during the year. The Real Estate Peer Group is comprised of: Reading

INDEPENDENT PUBLIC ACCOUNTANTS

Arthur Andersen & Co. was appointed by the Board of Directors, with the recommendation of the Audit Committee, as independent public accountants to audit the accounts of the Corporation and its subsidiaries for 1993. A representative of Arthur Andersen & Co. is expected to be present at the Annual Meeting and will have an opportunity to make a statement if he or she desires to do so. That person will be available to answer appropriate questions.

Arthur Andersen & Co. rendered the following services to the Corporation in 1993: reading of unaudited quarterly financial information, assistance and consultation in connection with filings with the Securities and Exchange Commission and with various other governmental and regulatory agencies, consultation in connection with various tax and audit-related accounting matters and management consultation relating to the Corporation's Total Quality Management Program.

GENERAL

The enclosed proxy is solicited by the Board of Directors of The Turner Corporation to be voted at the 1994 Annual Meeting of Stockholders. All shares represented by proxies delivered prior to the meeting will be voted in the manner specified on the proxies. If no vote is specified, and the proxy does not show that the stockholder wants to abstain or for any other reason the shares are not to be voted, the proxy will be voted for the nominees for directorships named above. Any stockholder who signs and returns a proxy may revoke it at any time prior to the vote by notifying the Secretary in writing. A vote in person at the meeting will revoke a proxy as to the matters voted upon. However, the presence of a stockholder at the meeting will not revoke a proxy as to matters on which the stockholder does not vote in person.

The Board of Directors has no reason to believe that any nominee for a directorship will be unable to serve if elected. If any nominee should become unable to serve, proxies may be voted for the election of another person designated by the Board of Directors.

The Board of Directors knows of no other matters which may be presented for stockholder action at the meeting. If other matters do properly come before the meeting, the persons named in the proxies will have authority to vote in accordance with their judgment.

Stockholders of record at the close of business on March 28, 1994 will be entitled to vote at the meeting. At the close of business on March 28, 1994, the Corporation had outstanding 5,109,457 shares of Common Stock and 849,011 shares of Series B ESOP Convertible Preferred Stock. The Common Stock and the Series B Stock are voted as though they were a single class. Each share of Common Stock and each share of Series B Stock outstanding on March 28, 1994 is entitled to one vote.

In addition to the distribution of proxy material by mail, directors, officers and employees of the Corporation and its subsidiaries may solicit proxies by telephone or in person. The cost of all such solicitations will be borne by the Corporation. The Corporation will reimburse brokerage houses, custodians, nominees and fiduciaries for expenses in forwarding solicitation material to beneficial owners. The Corporation has retained D. F. King & Co. to assist in the solicitation of proxies. The fee of that firm is estimated not to exceed \$9,000 plus reimbursement for out-of-pocket costs and expenses.

#### NEXT ANNUAL MEETING

Proposals which security holders wish included in the proxy materials relating to the 1995 Annual Meeting must be received by The Turner Corporation by December 12, 1994.

By Order of the Board of  
Directors

THE TURNER CORPORATION

RALPH BECK

Secretary

April 11, 1994

THE TURNER CORPORATION WILL PROVIDE WITHOUT CHARGE A COPY

OF ITS ANNUAL REPORT ON FORM 10-K FOR 1993, EXCLUDING  
EXHIBITS, TO ANY PERSON ENTITLED TO VOTE OR TO DIRECT A  
VOTE AT THE 1994 ANNUAL MEETING OF STOCKHOLDERS UPON THE  
WRITTEN REQUEST OF ANY SUCH PERSON ADDRESSED TO THE  
SECRETARY OF THE TURNER CORPORATION AT THE ADDRESS  
SPECIFIED ON THE FIRST PAGE OF THIS PROXY STATEMENT.

April 25, 1994

Dear Stockholder:

Our records indicate that we have not yet received your  
proxy for the Annual Meeting to be held on May 13, 1994. A  
proxy card was mailed to you on  
April 11, 1994, together with a Notice of Annual Meeting,  
Proxy Statement and Annual Report.

We believe it is important that your views be represented at  
the meeting. We are, therefore, enclosing a duplicate proxy  
and urge you to sign, date and return it today in the  
enclosed return envelope.

If you have already forwarded your proxy card, we thank you  
for your cooperation.

Yours very truly,

THE TURNER CORPORATION

Ralph Beck  
Secretary  
RB:dtl

April 11, 1994

To Participants in the Employee Stock Ownership Plan:

As a participant in The Turner Corporation Employee Stock Ownership Plan, you have the right to direct the Trustee of the Plan, State Street Bank and Trust Company, as to the manner in which to vote your shares at the Company's Annual Stockholders Meeting on May 13, 1994. The instructions given by you will be held by the Trustee in strict confidence.

The enclosed Voting Instruction Card can be used to provide your instructions to the Trustee. This Card only covers the shares held in the Employee Stock Ownership Plan for which you are entitled to give direction and is not linked to any other shares of Company stock or related Proxy Cards concerning the Annual Meeting which you may receive.

Your voting direction will apply to those shares allocated to your account as well as to a proportionate number of the shares in the plan not yet allocated to any participant. If you own Turner Corporation Stock outside of the Employee Stock Ownership Plan, you will receive proxy materials covering these shares in a separate mailing.

Also enclosed is a Proxy Statement that explains the items which will be voted on at the Company's Annual Stockholders

Meeting. Please return your completed and signed Voting Instruction Card as quickly as possible, using the envelope provided. Your vote is important and you are encouraged to take advantage of this opportunity to direct the voting of your shares.

Ralph Beck  
Secretary

April 8, 1994

Securities and Exchange Commission  
Washington, D.C. 20549

Dear Sirs:

The Turner Corporation (the "Company") is filing electronically the definition proxy statement, form of proxy and form of instruction to ESOP trustee which the Company expects to send to security holders beginning April 11, 1994.

Very truly yours,

THE TURNER CORPORATION  
/s/ Ralph Beck

Secretary



