

**THE SECURITIES AND EXCHANGE COMMISSION'S 2006
EXECUTIVE COMPENSATION RULES**

**PREPARING THE EXECUTIVE COMPENSATION TABLES:
REQUIRED DISCLOSURE BY TYPE OF COMPENSATION**

September 2006

By W. Alan Kailer

This outline provides only a general overview of the SEC's requirements for tabular disclosure of executive compensation. It is not intended to provide legal advice. For questions concerning this outline, contact W. Alan Kailer, Jenkins & Gilchrist, Dallas, Texas (214) 855-4361.

Table of Contents

Page

Salary	1
Bonus	1
Bonus Stock	1
Signing or Retention Bonus	1
Stock Awards	2
Earnings on Stock Awards	3
Modifications or Waivers of Stock Awards	3
Stock Award Holdings	4
Stock Award Vesting	5
Stock Award Forfeiture	5
Shares available under Stock Award plans or arrangements	5
Option Awards	5
Earnings on Option Awards	7
Option Award Holdings.....	7
Transferred Option Awards	8
Reload Option Awards	9
Option Award Exercises.....	9
Repricing, Modifications or Waivers of Option Awards	9
Incentive Plan Awards	10
Modifications or Waivers of Incentive Plan Awards	12
Earnings on Non-Equity Incentive Plan Awards	12
Non-Equity Incentive Plan Holdings.....	12
Payouts of Non-Equity Incentive Plan Awards	12
Forfeitures of Non-Equity Incentive Plan Awards	13
Discount Stock	13
Deferred Compensation (including Defined Contribution Plans)	13
Payout of Deferred Compensation	14
Earnings on Deferred Compensation	15
Employee Contributions to Defined Contribution and Deferred Compensation Plans	16
Employer Contributions or Allocations under Defined Contribution Plans and Deferred Compensation Plans	16
Life, Health, Hospitalization, or Medical Reimbursement Plans	17
Relocation Plans and Assistance	17
All Other Compensation.....	17
Perquisites and Other Personal Benefits,	18
Tax Reimbursement Payments or “Gross-ups”	18
Severance and Change in Control Agreements and Provisions	19
Severance and Change in Control Payments.....	20
Pension or Defined Benefit Plan Benefits (including supplemental plans).....	20
Life Insurance for NEO’s or Director’s Benefit	22
“Total” Compensation	22
Employment agreements and arrangements with NEOs	22
Compensation tied to business combination	23
Compensation Paid by Third Parties	23
Compensation Paid Other than in U.S. Dollars	23
Director Fees and Other Director Compensation	24
Charitable gifts and legacy programs in director’s name	25
Compensation of Non-NEO Employees	25
Periods to be Reported.....	25
Compensation Paid by Predecessor or Successor.....	26
Change of Methodology in Calculating Amounts.....	26
Timing of Disclosure.....	26
Change from Officer to Director Status or from Director to Officer	27
Omission of Table or Column	27
Order of Presentation.....	27
Effective Date and Transition	27
Title of Tables	27
Key Definitions	28

REQUIRED DISCLOSURE BY TYPE OF COMPENSATION OR PLAN

Statements in italics are interpretations under the pre-2007 rules, which are presumed to apply to the new rules, but this presumption has not been confirmed by the SEC Staff

Compensation or Plan	Where Reported	S-K Item 402 Reference	Comments
Salary	SCT – Salary column	(c)(2)(iii)	<ul style="list-style-type: none"> - Disclose separately from Bonus - If amount earned in a given year is not calculable at the time of disclosure, a footnote must disclose that fact and provide the date the amount of salary or bonus is expected to be determined; when determined the amount and a new “Total” Compensation figure must be disclosed in a filing under Item 5.02(f) of Form 8-K. (c)(2)(iii) and (iv), Instruction 1. - Includes fair market value of stock and other non-cash items received as salary, except for equity-based or other non-cash amounts earned as deferred compensation. (c)(2)(iii) and (iv), Instruction 2. - If deferred, see “Deferred Compensation” - Compensation received by an NEO as a director of the registrant must be included in the SCT under the appropriate column and a footnote must identify and quantify such compensation using the categories in the Director Compensation Table. (c), Instruction 3. - <i>The Staff has commented that sales commissions paid should be included in the Salary column. Weigand at J-23</i>
Bonus	SCT – Bonus column	(c)(2)(iv)	<ul style="list-style-type: none"> - Disclose separately from Salary - As with all compensation, must be reported in year earned, rather than year paid, if different. (c)(2)(iii) and (iv), Instruction 1; see Adopting Release at text accompanying note 141. - Includable whether payable under formal plan or otherwise - Comments under “Salary” also apply to Bonuses - For distinction between Bonus and Incentive Plan compensation, see definitions of “Bonus” and “Incentive Plan” below.
Bonus Stock	SCT – Bonus column	(c)(2)(iv)	<ul style="list-style-type: none"> - <i>Unrestricted (bonus) stock and other non-cash bonus compensation is to be included in Bonus column, American Bar Association (Dec. 11, 1992) Q.3; Tel. Interp. Manual, J.10. Query the extent to which this interpretation continues to apply in light of (c)(2)(iii) and (iv), Instruction 2.</i>
Signing or Retention Bonus	SCT – Bonus column	(c)(2)(iv)	<ul style="list-style-type: none"> - <i>A one-time signing bonus must be reported in the Bonus column, 2001 JCEB, Q.12</i> - <i>Similarly, although not addressed by the rules or Staff interpretations, it would appear advisable to report the payment of a one-time retention bonus in the Bonus column for the year paid, even if the payment is tied to multiple years of service.</i>

<p>Stock Awards (including Restricted Stock, Restricted Stock Units, Phantom Stock, Phantom Stock Units, Common Stock Equivalent Units and similar, Non-Option Instruments)</p>	<p>SCT – Stock Awards column</p>	<p>(c)(2)(v)</p>	<ul style="list-style-type: none"> - Disclose the aggregate grant date fair value under FAS 123R - Includes awards that have been transferred (presumably, whether or not the transfer was for value) - Footnote to this column must disclose all assumptions made in the valuation, by cross-referencing to the discussion in registrant’s financial statements, footnotes to financial statements, or MD&A. (c)(2)(v) and (vi), Instruction 1. - This column includes Stock Awards made pursuant to equity incentive plans. Adopting Release at text accompanying note 147. - Includes Salary or Bonus deferred at the election of an NEO in the form of stock-based compensation, if not reported in the Salary or Bonus column for that year. (c)(2)(iii) and (iv), Instruction 2. There appears to be no reason that this same rule should not apply when the deferral is at the direction of the registrant. See “Deferred Compensation”. - Subsequent remeasurements of the value of a liability award under FAS 123R are not required to be disclosed unless they result from a modification of the award. Adopting Release at note 150.
	<p>and Grants of Plan-Based Awards table</p>	<p>and (d)</p>	<ul style="list-style-type: none"> - For awards other than pursuant to an equity incentive plan, the grant date and the number of shares of stock awarded during the year must be reported in this table - For awards pursuant to an equity incentive plan, see “Incentive Plan Awards” - The grant date determined pursuant to FAS 123R is required to be disclosed in this column. (d)(2)(ii); see Adopting Release at text accompanying note 66. - If the grant date of the award is different than the date on which the compensation committee takes action, a separate, adjoining column must be added showing such date - If more than one award is made to an NEO during the last completed year, a separate line must be used to disclose each award. (d), Instruction 1. - If awards are made during the year under more than one plan, the particular plan under which the award is made must be identified. (d), Instruction 1. - Tandem grants of an incentive plan award and a non-incentive plan award need only be reported in column applicable to non-incentive plan awards, with the tandem feature noted either by footnote or narrative. (d), Instruction 4. - The dollar amount of any consideration paid by an NEO for the award must be disclosed in a footnote to the appropriate column. (d), Instruction 5. - Materially modified awards are not required to be reported in this table. See Adopting Release at text accompanying note 241. - Awards that have been granted to and transferred by an NEO must be included in the total number of shares granted that are disclosed in this table, presumably whether or not the transfer was for value

	and Narrative	and (e)	- Narrative accompanying the tables must describe any material factors necessary to an understanding of the information disclosed, which may include an explanation of the material terms of any award (such as whether dividends will be paid on stock, a general description of the criteria applied in determining the amounts payable, any performance-based conditions to vesting, and the vesting schedule) and a description of any material modification of the award during the year
Earnings on Stock Awards	Not separately reported	–	- Because the value of the right to receive dividends is factored into the grant date fair value under FAS 123R, dividends or other earnings paid on Stock Awards are generally not required to be reported separately. See Adopting Release at text accompanying notes 163-165.
	or SCT – All Other Compensation column	or (c)(2)(ix)(G)	- However, when not factored into the grant date fair value reported for the year of grant, the dollar value of any dividends or other earnings paid on Stock Awards must be reported in the All Other Compensation column
Modifications or Waivers of Stock Awards	Narrative	(e)(1)(ii)	- Materially modified Stock Awards are not required to be reported in either the SCT or the Grants of Plan-Based Awards table. See Adopting Release at text accompanying note 241. - Narrative accompanying tables must describe each material modification or waiver during the last completed year (such as change of vesting or forfeiture, change of performance criteria, or waiver of performance targets or conditions to payout) - The standard of materiality that applies is that of Basic v. Levinson, and TSC Industries v. Northway. Adopting Release at note 253.

Stock Award Holdings	Outstanding Equity Awards at Fiscal Year-End table	(f)	<ul style="list-style-type: none"> - Number and either market or payout value of unearned and unvested Stock Awards held by each NEO at end of year under any equity incentive plan must be included in this table - Number and value of all other unvested Stock Awards held by each NEO at end of year must also be separately included in this table - Unlike Option Awards, it is not required to report each award on a separate line - The number of shares reported for awards under incentive plans (and the payout value if that amount rather than market value is reported) is to be based on achieving threshold performance goals, except that if the previous fiscal year's performance has exceeded the threshold, the disclosure is to be based on the next higher performance measure (target or maximum). If the award provides only for a single estimated payout, that amount is to be reported. If the target amount is not determinable, a representative amount based on the previous fiscal year's performance must be provided. (f)(2), Instruction 3. - Market value of non-incentive plan awards (or of incentive plan awards for which market value rather than payout value is reported) must be computed by multiplying year-end closing market price by number of shares held. (f)(2), Instruction 3. - Must include awards that NEO has transferred other than for value; any such award must be identified in a footnote, disclosing the nature of the transfer. (f)(2), Instruction 1. - Vesting dates of awards held at year end must be disclosed in footnotes to the columns in which the awards are reported. (f)(2), Instruction 2. - Awards under an equity incentive plan are to be reported in the column for equity incentive plan awards only until the relevant performance condition has been satisfied; thereafter, Stock Awards are to be reported in column for non-equity incentive plan awards until they vest, even if the award is subject to forfeiture conditions. (f)(2), Instruction 5.
	and Equity Compensation Plan table, column (a)	—	<ul style="list-style-type: none"> - Outstanding stock, for which shares have not been issued, should be reported in column (a) of the Equity Compensation Plan Information table. However, disclosure of outstanding shares of restricted or bonus stock is not required in this table because these shares are already outstanding and do not represent potential dilution. Item 201(d)

Stock Award Vesting	Option Exercises and Stock Vested table	(g)	<ul style="list-style-type: none"> - Number and value of Stock Awards that vested or were transferred for value during the year must be included in this table - Includes vesting or transfer of equity incentive plan awards - Value realized on vesting is the market price of underlying securities at vesting date; presumably without including any related payment by the registrant to the NEO such as gross-up payments. (g)(2), Instruction. - For any amount realized upon vesting for which receipt has been deferred, a footnote quantifying the amount and disclosing the terms of the deferral must be provided. (g)(2), Instruction. - Presumably, the number of shares vested is a single number reflecting the gross amount of shares to which the awards relate, without netting any shares surrendered to pay taxes.
Stock Award Forfeiture	Not reported	—	<ul style="list-style-type: none"> - No reporting of Stock Award forfeitures is required; however, Stock Awards that have been forfeited will no longer be included in the Outstanding Equity Awards at Fiscal Year-End table and, if shares forfeited again become available for grant, they will be included in the appropriate column of the Equity Compensation Plan table
Shares available under Stock Award plans or arrangements	Equity Compensation Plan table	—	<ul style="list-style-type: none"> - Information regarding number of securities available for future issuance is required in the Form 10-K and, when shareholder approval of any compensation plan is sought, in the proxy statement pursuant to Item 201(d)
Option Awards (including Stock Options, with or without Tandem SARs, Freestanding SARs and similar Option-Like Instruments)	SCT – Option Awards column	(c)(2)(vi)	<ul style="list-style-type: none"> - Disclose the aggregate grant date fair value under FAS 123R - Includes awards that have been transferred (presumably, whether or not the transfer was for value) - Footnote to this column must disclose all assumptions made in the valuation, by cross-referencing to the discussion in registrant’s financial statements, footnotes to financial statements, or MD&A. (c)(2)(v) and (vi), Instruction 1. - This column includes Option Awards made pursuant to equity incentive plans. Adopting Release at text accompanying notes 147-148. - The incremental value of any awards that were repriced or materially modified during the year must be reported in this column, computed as of the repricing or modification date in accordance with FAS 123R, (c)(2)(v) and (vi), Instruction 2. - Subsequent remeasurements of the value of a liability award under FAS 123R are not required to be disclosed unless they result from a modification of the award. Adopting Release at note 150. - Because the tables must report all compensation paid by any person to the NEO for services rendered to the registrant or its subsidiaries, options or other rights to purchase securities of the parent or subsidiary of the registrant should be reported in the same manner as options to purchase the registrant’s securities. (a)(2).

	and Grants of Plan-Based Awards table	and (d)	<ul style="list-style-type: none"> - Unlike the SCT, this table requires that Option Awards under equity incentive plans be reported separately from other Option Awards - For awards pursuant to an equity incentive plan, see “Incentive Plan Awards” - For awards other than pursuant to an equity incentive plan, the grant date, exercise price and number of shares underlying options awarded during the year must be reported in this table - The grant date determined pursuant to FAS 123R is required to be disclosed in this column. (d)(2)(ii); see Adopting Release at text accompanying note 66. - If the grant date of the award is different than the date on which the compensation committee takes action, a separate, adjoining column must be added showing that date - If the exercise price is less than the closing market price of the underlying security on the date of the grant, a separate, adjoining column must be added showing the closing market price on the date of the grant. Presumably this requirement applies only to awards made other than pursuant to an incentive plan. - If more than one award is made to an NEO during the last completed year, a separate line must be used to disclose each award. (d), Instruction 1. - If awards are made during the year under more than one plan, the particular plan under which the award is made must be identified. (d), Instruction 1. - Tandem grants need only be reported in column applicable to non-incentive plan awards, with the tandem feature noted either by footnote or narrative. (d), Instruction 4. - The dollar amount of any consideration paid by an NEO for the award must be disclosed in a footnote to the appropriate column. (d), Instruction 5. - If no market exists for the underlying stock, any formula prescribed for the security may be used to determine whether the exercise price is less than the closing market price. (d), Instruction 3. - When the exercise price is not the closing market price, the methodology for determining the exercise price must be disclosed either by a footnote or accompanying narrative. (d), Instruction 3. - Repriced or materially modified awards are not required to be reported in this table. See Adopting Release at text accompanying note 241. - Awards that have been granted to and transferred by an NEO must be included in the total number of shares underlying options granted that are disclosed in this table, presumably whether or not the transfer was for value
--	--	----------------	--

	and Narrative	and (e)	- Narrative accompanying the tables must describe any material factors necessary to an understanding of the information disclosed, which may include an explanation of the material terms of any award (such as whether dividends will be paid on underlying stock, a general description of the criteria applied in determining the amounts payable, any performance-based conditions to vesting, and the vesting schedule) and a description of any repricing or material modification of the award during the year - <i>The Commission is of the view that transferability of an option is a term that should be disclosed, but has not codified this position because in the future transferability may become a standard option feature. 1999 Release at III.D.2.</i>
Earnings on Option Awards	Not separately reported	-	- Because the value of the right to receive dividends is factored into the grant date fair value computed under FAS 123R, dividends or other earnings paid on Option Awards are generally not required to be reported separately. See Adopting Release at text accompanying notes 163-165.
	or SCT – All Other Compensation column	or (c)(2)(ix)(G)	- However, when not factored into the grant date fair value reported for the year of grant, the dollar value of any dividends or other earnings paid on Option Awards must be reported in the All Other Compensation column
Option Award Holdings	Outstanding Equity Awards at Fiscal Year-End table	(f)	- The exercise price, expiration date and number of securities underlying unearned and unvested Option Awards held by each NEO at end of year under any equity incentive plan must be included in this table, separated between exercisable and unexercisable options - The exercise price, expiration date and number of securities underlying all other unvested Option Awards held by each NEO at end of year must also be separately included in this table, separated between exercisable and unexercisable options - Each award must be reported on a separate line, except that multiple awards may be aggregated where the expiration date and the exercise price is identical. A single award consisting of a combination of options, SARs and/or similar instruments must be reported as separate awards with respect to each tranche with a different exercise price or expiration date. (f)(2), Instruction 4. - Must include awards that an NEO has transferred other than for value; any such award must be identified in a footnote, disclosing the nature of the transfer. (f)(2), Instruction 1. - Vesting dates of awards held at year end must be disclosed in footnotes to the columns in which the awards are reported. (f)(2), Instruction 2. - Awards under an equity incentive plan are to be reported in the column for equity incentive plan awards only until the relevant performance condition has been satisfied; thereafter, options are to be reported in column for non-equity incentive plan awards until they are exercised or expire, even if the option is subject to forfeiture conditions. (f)(2), Instruction 5.

	and Equity Compensation Plan table	—	- Information regarding number of securities subject to outstanding options, weighted average exercise price and number of securities available for future issuance is required in the Form 10-K and, when shareholder approval of any compensation plan is sought, in the proxy statement pursuant to Item 201(d). This information should not include “options” outstanding under an employee stock purchase plan for which the purchase period has not expired.
Shares available under Stock Option, SAR or other plans or arrangements	Equity Compensation Plan table	—	- Information regarding number of securities available for future issuance under any nonqualified plan, including employee stock purchase plans, is required in the Form 10-K and, when shareholder approval of any compensation plan is sought, in the proxy statement pursuant to Item 201(d)
Option Award Expirations or Terminations	Not reported	—	- No reporting of Option Award expirations or terminations is required; note, however, that Option Awards that have terminated will no longer be included in the Outstanding Equity Awards at Fiscal Year-End table
Transferred Option Awards	SCT – Option Awards column	(c)(2)(vi)	- Awards that have been granted to and transferred by an NEO must be included in the total value of awards granted that are disclosed in the SCT, presumably whether or not the transfer was for value <i>- The Staff is also of the view that reload options issued directly to transferees also should be reported in the same manner as reload options issued to the NEO. 1999 Release at III.D.1.</i>
	and Grants of Plan-Based Awards table	and (d)(1)	- Awards that have been granted to and transferred by an NEO must be included in the total number of shares underlying options granted that are disclosed in this table, presumably whether or not the transfer was for value
	and Outstanding Equity Awards at Fiscal Year- End table	and (f)	- This table must include awards that the NEO has transferred other than for value; any such award must be identified in a footnote, disclosing the nature of the transfer. (f)(2), Instruction 1.
	and Option Exercises and Stock Vested table	and (g)	- This table must report Option Awards that the NEO has transferred for value during the year. (g), Instruction.

Reload Option Awards	SCT – Option Awards column and Grants of Plan-Based Awards table	(c)(2)(vi) and (d)	- An exercise of reload options resulting in additional options being issued must be reported as a new grant in the tables. See Adopting Release at note 162 and accompanying text - <i>An exercise of reload options resulting in additional options being issued must be reported as a new grant even if the reload option is held by a transferee, 1999 Release at III.D.1.</i>
	and Narrative	and (e)	- A reload feature is also a material term of an award that should be described in the narrative accompanying the tables. See Reg. S-B Item 402(c)(4).
Option Award Exercises	Option Exercises and Stock Vested table	(g)	- The number of shares underlying Option Awards that were exercised or transferred for value during the year and the value realized must be included in this table - Includes exercises of equity incentive plan awards - Value realized is the difference between market price of underlying securities at exercise and exercise price, without including any related payment by the registrant to the NEO such as gross-up payments. (g)(2), Instruction. - For any amount realized upon exercise for which receipt has been deferred, a footnote must be provided quantifying the amount and disclosing the terms of the deferral. (g)(2), Instruction. - See also “Transferred Option Awards” - An exercise of reload options resulting in additional options being issued must be reported as a new grant in the tables. See Adopting Release at note 162 and accompanying text. <i>This is true even if the reload option is held by a transferee, 1999 Release, Part III.D.</i> - <i>Number of shares should be a single number reflecting the gross amount of shares to which the awards relate, without netting any shares surrendered to pay exercise price or taxes. Tel. Interp. Manual, J.19.</i> - <i>When a registrant’s initial public offering occurs after exercise or after the previous fiscal year end, the initial offering price may be used in lieu of exercise date or fiscal year-end fair market value in calculating value realized or year-end value of unexercised options, 1993 Release, Part IV.C.</i>
Repricing, Modifications or Waivers of Option Awards	SCT – Option Awards column	(c)(2)(vi)	- The incremental value of any awards that were repriced or materially modified during the year must be reported in this column, computed as of the repricing or modification date in accordance with FAS 123R, (c)(2)(v) and (vi), Instruction 2. - Subsequent remeasurements of the value of a liability award under FAS 123R are not required to be disclosed unless they result from a modification of the award. Adopting Release at note 150. - The standard of materiality that applies is that of Basic v. Levinson, and TSC Industries v. Northway. Adopting Release at note 253. - Repriced or materially modified awards are not required to be reported in Grants of Plan-Based Awards table. See Adopting Release at text accompanying note 241.

	and Narrative	and (e)(1)(ii)	- Narrative accompanying tables must describe each repricing, material modification or waiver during the last completed year (such as extension of exercise periods, change of vesting or forfeiture, change of performance criteria, or waiver of performance targets or conditions to payout)
Incentive Plan Awards	SCT – Non-Equity Incentive Plan Compensation column	(c)(2)(vii)	<ul style="list-style-type: none"> - For grants under an equity incentive plan, see “Stock Awards” or “Option Awards” - Grants of non-equity incentive plan awards are not reported in the SCT. See Adopting Release at text accompanying notes 135 and 170-173. - Amounts earned under a non-equity incentive plan must be reported for the year in which the relevant performance measure is satisfied, even if not payable until a later date. (c)(2)(vii), Instruction 1. - If an award has different tranches providing for separate performance criteria for periods within a multi-year performance measure, each tranche must be reported as earned with the applicable performance measure is satisfied. (c)(2)(vii), Instruction 1. - Amounts are not reportable again in the year when amounts are paid to the NEO. (c)(2)(vii), Instruction 1. - All earnings on non-equity incentive plan compensation must be identified and quantified in a footnote to this column, whether the earnings were paid during the year, payable during the period but deferred at the election of the NEO, or payable by their terms at a later date. (c)(2)(vii), Instruction 2.

	<p style="text-align: center;">and</p> <p style="text-align: center;">Grants of Plan-Based Awards table</p>	<p style="text-align: center;">and</p> <p style="text-align: center;">(d)</p>	<ul style="list-style-type: none"> - Requires disclosure of all incentive plan awards made during the year, including those that were also earned during the year. See definition of "Incentive Plan." - For non-equity incentive plan awards, the value of the estimated future payout upon satisfaction of the conditions, or the applicable range of estimated payouts, denominated in dollars, must be reported in this table - If non-equity incentive plan awards are denominated in units or other rights, a separate, adjoining column must be added quantifying the units or other rights awarded. (d), Instruction 6. - For equity incentive plan awards, the grant date, number of shares of stock or number of shares underlying options, or the applicable range of estimated payouts, denominated in number of shares, must be reported in this table - If the grant date of an equity award is different than the date on which the compensation committee takes action, a separate, adjoining column must be added showing that date - If the exercise price of an Option Award is less than the closing market price of the underlying security on the date of the grant, a separate, adjoining column must be added showing the closing market price on the date of the grant - Number or dollar amount of estimated future payout or range of estimated payouts, expressed as Threshold, Target and Minimum payout amounts, are required for all types of incentive plan awards. - If award provides only for a single actual or estimated payout amount, that amount is to be reported as the Target amount. (d), Instruction 2. - If the Target amount is not determinable, registrant must provide a "representative" amount based on performance during the last fiscal year (<i>e.g.</i>, amount of EPS increase experienced in prior year). (d), Instruction 2. - If more than one award is made to an NEO during the last completed year, a separate line must be used to disclose each award. (d), Instruction 1. - If awards are made during the year under more than one plan, the particular plan under which the award is made must be identified. (d), Instruction 1. - Tandem grants of an incentive plan award and a non-incentive plan award need only be reported in column applicable to non-incentive plan awards, with the tandem feature noted either by footnote or narrative. (d), Instruction 4. - The dollar amount of any consideration paid by an NEO for the award must be disclosed in a footnote to the appropriate column. (d), Instruction 5. - Materially modified awards are not required to be reported in this table. See Adopting Release at text accompanying note 241. - Includes awards that have been transferred. (d)(1). - <i>If plan does not specify threshold and maximum amounts, threshold and maximum amounts may be omitted, American Bar Association (Dec. 11, 1992) Q.5 . Tel. Interp. Manual, J.8.</i>
--	---	---	--

	and Narrative	and (e)(1)(iii)	- Narrative accompanying the tables must describe any material factors necessary to an understanding of the information disclosed, which may include an explanation of the material terms of any award (such as whether dividends will be paid on underlying stock, a general description of the criteria applied in determining the amounts payable, any performance-based conditions to vesting, and the vesting schedule) and a description of any repricing or material modification of the award during the year - <i>The Commission is of the view that transferability of an option is a term that should be disclosed, but has not codified this position because in the future transferability may become a standard option feature. 1999 Release at III.D.2.</i>
Modifications or Waivers of Incentive Plan Awards	Narrative	(e)	- For modifications, waivers or repricings of awards under equity incentive plans, see “Modifications or Waivers of Stock Awards” and “Repricing, Modifications or Waivers of Option Awards.” - Narrative accompanying tables must describe each material modification or waiver under a non-equity incentive plan during the last completed year (such as extension of exercise periods, change of vesting or forfeiture, change of performance criteria, or waiver of performance targets or conditions to payout)
Earnings on Non-Equity Incentive Plan Awards	SCT – Non-Equity Incentive Plan Compensation column	(c)(2)(vii)	- Earnings on outstanding non-equity incentive plan awards must be disclosed in this column in the year earned, even if not payable until a later date and even if deferred. (c)(2)(vii), Instruction 2. - Requirement is to disclose all earnings, not merely above-market portion. (c)(2)(vii), Instruction 2. - Once reported for the year earned, amounts are not reportable again in the year paid. (c)(2)(vii), Instruction 1. - Earnings must be separately identified and quantified in a footnote to this column, whether paid during the year, payable but deferred at the election of the NEO, or payable by their terms at a later date. (c)(2)(vii), Instruction 2. - If earnings are in the form of another type of disclosable compensation (e.g., restricted stock, options, deferred compensation), query whether the payment of that compensation must also be disclosed in the appropriate column or table?
Non-Equity Incentive Plan Holdings	Not Reported	–	- Unlike equity awards, there is no specific requirement to disclose outstanding awards under non-equity incentive plans, but registrants may wish to discuss these awards in the narrative under (e), to the extent material
Payouts of Non-Equity Incentive Plan Awards	SCT – Non-Equity Incentive Plan Compensation column	(c)(2)(vii)	- Amounts are reportable only for the year that the relevant performance measure is satisfied, even if not payable until a later date or subject to forfeiture conditions, and are not reportable again in the year when amounts are paid to the NEO. (c)(2)(vii), Instruction 1; see Adopting Release at text accompanying note 174.

Forfeitures of Non-Equity Incentive Plan Awards	Narrative	(e)	- Registrants are encouraged to use the narrative accompanying the tables to disclose material features that are not reflected in the tabular disclosure, including subsequent forfeitures of amounts reported in the table with respect to previous fiscal years. Adopting Release at text accompanying note 175.
Discount Stock (other than §423 Employee Stock Purchase Plans, DRIPs)	SCT – All Other Compensation column	(c)(2)(ix)(C)	- If the NEO purchased any security of the registrant or its subsidiaries from the registrant or its subsidiaries at a discount from the market price of the security at the date of purchase, then the compensation cost computed in accordance with FAS 123R must be reported in this column - No compensation is required to be disclosed if there is no compensation cost computed for the discounted securities purchase in accordance with FAS 123R. Adopting Release at note 221. - Disclosure required even if purchase is indirect, e.g., through deferral of salary or bonus rather than through direct purchase - <i>Presumably does not include restricted stock disclosed in Stock Awards column, even when purchased at a discount</i>
	or Not Reported		- No disclosure required if the discount is available generally, either to all security holders or to all salaried employees of the registrant, such as through an ESPP or DRIP.
Deferred Compensation (including Defined Contribution Plans)	SCT	(c)	- Salary, Bonus, Non-Equity Incentive Plan Compensation or All Other Compensation earned but deferred, whether at the election of an NEO or at the direction of the registrant (except as described in next paragraph), must be disclosed in the appropriate column for the year in which earned. (c), Instruction 4. - Salary or Bonus deferred at the election of an NEO in exchange for stock-based or other non-cash compensation need not be reported in the Salary or Bonus column if disclosed in the appropriate non-cash compensation column for that year, or if made pursuant to a non-equity incentive plan a footnote to those columns must state this fact and refer to the Grants of Plan-Based Awards table where the award is reported. (c)(2)(iii) and (iv), Instruction 2. There appears to be no reason that this same rule should not apply when the deferral is at the direction of the registrant. - Above-market or preferential earnings on compensation that is deferred on a basis that is not tax-qualified, including such earnings on nonqualified defined contribution plans, must be included in the Pension Value and Nonqualified Deferred Compensation Earnings column of the SCT
	or Grants of Plan-Based Awards table	or (d)	- Amounts deferred pursuant to a non-equity incentive plan must be disclosed in a footnote to the appropriate column of SCT and refer to the Grants of Plan-Based Awards table where the award is reported. (c)(2)(iii) and (iv), Instruction 2.

	and Nonqualified Deferred Compensation table	and (i)	- For any nonqualified plan under which an NEO may defer compensation, NEO contributions, registrant contributions, all earnings (not only above-market earnings), withdrawals for latest year and balance at end of year must be disclosed in this table - Footnote to table must quantify the extent to which amounts reported in this table are or were reported as compensation in the SCT, (i)(2), Instruction.
	and Narrative	and (e) (i)(3)	- Narrative must describe any material factors necessary to an understanding of each plan covered in this table, which may include: * the types of compensation permitted to be deferred, and any limitations on the extent to which deferral is permitted; * the measures of calculating interest or other plan earnings (including whether those measures are selected by the NEO or the company and the frequency and manner in which such selections may be changed), quantifying interest rates and other earnings measures applicable during the company's last fiscal year; and * material terms with respect to payouts, withdrawals and other distributions. - When plan earnings are calculated by reference to actual earnings of mutual funds or other securities, such as company stock, it is sufficient to identify the reference security and quantify its return. This disclosure may be aggregated to the extent the same measure applies to more than one NEO. Adopting Release at text following note 311.
Payout of Deferred Compensation	Option Exercises and Stock Vested table	(g)	- If compensation is deferred in the form of and reported in the year earned as Stock Awards or Option Awards, then amount realized on vesting or exercise is to be included in this table
	or SCT – Non- Equity Incentive Plan Compensation column	or (c)(2)(vii)	- If compensation is deferred in the form of and reported in the year earned in Grants of Plan-Based Awards table as non-equity incentive plan compensation, then the payout of compensation is to be reported in this column. - Distributions of nonqualified deferred compensation are not reportable in the All Other Compensation column of the SCT. Adopting Release at text following note 225.
	and Nonqualified Deferred Compensation table	and (i)	- The aggregate dollar amount of all withdrawals by and distributions to the executive during the registrant's last fiscal year under nonqualified deferred compensation plans must be reported in this table

<p>Earnings on Deferred Compensation</p> <p>(Including earnings under Defined Contribution Plans)</p>	<p>SCT – Pension Value and Nonqualified Deferred Compensation Earnings column</p>	<p>(c)(2)(viii)(B)</p>	<ul style="list-style-type: none"> - Above-market or preferential earnings on compensation that is deferred on a basis that is not tax-qualified, including such earnings on nonqualified defined contribution plans, must be included in this column of the SCT - Interest is above-market only if the rate of interest exceeds 120% of the most analogous applicable federal long-term rate, with compounding. For a discretionary reset of the interest rate, the requisite calculation must be made on the basis of the interest rate at the time of the reset. (c)(2)(viii), Instruction 2. - If the interest rates vary depending upon conditions such as a minimum period of continued service, the reported amount should be calculated assuming satisfaction of all conditions to receiving interest at the highest rate. (c)(2)(viii), Instruction 2. - Dividends on deferred compensation denominated in the registrant’s stock are preferential only if earned at a rate higher than dividends on the registrant’s common stock. (c)(2)(viii), Instruction 2. - Footnote or narrative disclosure may be provided explaining the registrant’s criteria for determining any portion considered to be above-market. (c)(2)(viii), Instruction 2. - The registrant must identify and quantify by footnote the separate amounts attributable to change in pension benefit present value and deferred compensation earnings included in this column. - There is no specific requirement to disclose earnings under qualified defined contribution plans, such as 401(k) plans - <i>Deferred compensation plan earnings are reportable even if the deferred compensation plan is unfunded and thus subject to risk of loss of principal. Tel. Interp. Man. Supp. 2S.</i>
	<p>and</p> <p>Nonqualified Deferred Compensation table</p>	<p>and</p> <p>(i)</p>	<ul style="list-style-type: none"> - All earnings, not merely above-market portion, on nonqualified deferred compensation during the last year must be reported in this table. See Adopting Release at text accompanying note 186. - Footnote to table must quantify the extent to which amounts reported in this table are or were reported as compensation in the SCT, (i)(2), Instruction. - There is no specific requirement to disclose earnings under qualified defined contribution plans, such as 401(k) plans

	and Narrative	and (e) and (i)(3)	<ul style="list-style-type: none"> - Narrative must describe any material factors necessary to an understanding of each plan covered in this table, which may include the types of compensation that may be deferred, the measures for calculating earnings on the deferred compensation and material terms of payouts, withdrawals and distributions - The narrative description of the measures used to calculate interest or other plan earnings may include whether those measures are selected by the NEO or the company and the frequency and manner in which such selections may be changed, and a quantification of interest rates and other earnings measures applicable during the company's last fiscal year. See Adopting Release at text accompanying note 187. - When plan earnings are calculated by reference to actual earnings of mutual funds or other securities, such as company stock, it is sufficient to identify the reference security and quantify its return. This disclosure may be aggregated to the extent the same measure applies to more than one NEO. Adopting Release at text following note 311.
Employee Contributions to Defined Contribution and Deferred Compensation Plans	SCT	(c)	<ul style="list-style-type: none"> - Included in Salary or Bonus amounts because deferred at election of executive. See "Deferred Compensation."
	and Nonqualified Deferred Compensation table	and (i)	<ul style="list-style-type: none"> - For any nonqualified plan under which an NEO may defer compensation, NEO contributions must be disclosed in this table - Footnote to table must quantify the extent to which amounts reported in this table are or were reported as compensation in the SCT, (i)(2), Instruction. - This disclosure is not required for qualified plans. Adopting Release at note 143.
Employer Contributions or Allocations under Defined Contribution Plans and Deferred Compensation Plans	SCT – All Other Compensation column	(c)(2)(ix)(E)	<ul style="list-style-type: none"> - See "Deferred Compensation." - Includes qualified as well as nonqualified defined contribution plans - Includes allocations as well as contributions - Must be reported whether amounts are vested or unvested - Amount for the latest year must be identified and quantified in a footnote if it exceeds \$10,000
	and Nonqualified Deferred Compensation table	and (i)	<ul style="list-style-type: none"> - For any nonqualified plan under which an NEO may defer compensation, registrant contributions must be disclosed in this table - Footnote to table must quantify the extent to which amounts reported in this table are or were reported as compensation in the SCT. (i)(2), Instruction.

Distributions from Defined Contribution Plans	Nonqualified Deferred Compensation table	(i)	- The aggregate dollar amount of all withdrawals by and distributions to an NEO during the registrant's last fiscal year under nonqualified deferred compensation plans must be reported in this table.
	or Not reported	or —	- The rules do not require disclosure of distributions from qualified defined contribution plans
Life, Health, Hospitalization, or Medical Reimbursement Plans	Not Reported	(a)(6)(ii)	- Registrants may omit information about these plans if the plans do not discriminate in scope, terms or operation, in favor of executive officers or directors and are generally available to all salaried employees; if plans discriminate in favor of executives or directors, then report as perquisites or life insurance under All Other Compensation; See "Perquisites and Other Personal Benefits" and "Life Insurance For NEO's or Director's Benefit." - Narrative disclosure may also be required in connection with descriptions of employment, consulting or severance agreements. See "Severance and Change in Control Agreements and Provisions", "Employment agreements and arrangements with NEOs" and "Director Fees and Other Director Compensation."
Relocation Plans and Assistance	SCT – All Other Compensation column	(c)(2)(ix)(A)	- Relocation payments are reportable as a Perquisite under the All Other Compensation column even if the plans are nondiscriminatory and available to all employees. See Adopting Release at text following note 210 and text accompanying notes 340-341.
All Other Compensation	SCT – All Other Compensation column	(c)(2)(ix)	- All compensation not properly reportable in any other column of the SCT generally must be reported in this column. See Adopting Release at note 198 for specific exceptions. - Each item other than perquisites must be identified and quantified in a footnote if the amount of the item for the latest year exceeds \$10,000. (c)(2)(ix), Instruction 3. - If the total value of all perquisites for the latest year is \$10,000 or more for any NEO, then each perquisite, regardless of its amount, must be identified by type. If perquisites and personal benefits for the latest year are required to be reported for an NEO, then each perquisite or personal benefit that exceeds the greater of \$25,000 or 10% of the total amount of perquisites and personal benefits for that NEO must be quantified and disclosed in a footnote. (c)(2)(ix), Instruction 4. - Consider presenting items included in this column in a supplemental table. See Adopting Release at text following note 542.

Perquisites and Other Personal Benefits,	SCT – All Other Compensation column	(c)(2)(ix)(A)	<ul style="list-style-type: none"> - The aggregate value of all perquisites received in any year must be disclosed unless that amount is less than \$10,000 for that year - If the total value of all perquisites for the latest year is \$10,000 or more for any NEO, then each perquisite, regardless of its amount, must be identified by type. (c)(2)(ix), Instruction 4. - If perquisites and personal benefits for the latest year are required to be reported for an NEO, then each perquisite or personal benefit that exceeds the greater of \$25,000 or 10% of the total amount of perquisites and personal benefits for that NEO must be quantified and disclosed in a footnote. (c)(2)(ix), Instruction 4. - Description of perquisites must identify the particular nature of the benefit received, rather than a generic description. <i>See</i> Adopting Release at text following note 204. - Perquisites must be valued on the basis of the aggregate incremental cost to the registrant and, for each perquisite for which footnote quantification is required, the registrant must explain in a footnote its methodology for computing the aggregate incremental cost. (c)(2)(ix), Instruction 4. - Gross-ups on perquisites must be separately included in the All Other Compensation column and separately identified and quantified as tax reimbursements even if the associated perquisites are not required to be separately quantified or not required to be included because the total of all perquisites is less than \$10,000. (c)(2)(ix), Instruction 4 - Personal use of a company plane is considered a perquisite and must be disclosed even if the Board determines that it is desirable for the executive to use the company plane for security reasons. Adopting Release at text following note 209; 2003 JCEB, Q.19(b). - To the extent the Standard Industry Fare Level (SIFL) rate prescribed by federal income tax rules is different than the actual incremental cost of the use it is not permissible to use SIFL rather than the incremental cost. Adopting Release at note 213; See 2003 JCEB, Q.19(a). - <i>Staff has commented that cash paid in lieu of accrued vacation is to be reported in the Salary column, Weigand at J-22</i>
Tax Reimbursement Payments or “Gross-ups”	SCT – All Other Compensation column	(c)(2)(ix)(B)	<ul style="list-style-type: none"> - Gross-ups on perquisites must be included in this column and separately identified and quantified as tax reimbursements even if the associated perquisites are not required to be separately quantified or not required to be included because the total of all perquisites is less than \$10,000. (c)(2)(ix), Instruction 4. - The same rule applies to gross-ups that relate to other types of compensation. Adopting Release at text following note 204.

<p>Severance and Change in Control Agreements and Provisions</p>	<p>Narrative</p>	<p>(j)</p>	<ul style="list-style-type: none"> - All such provisions in any employment, option, severance or other agreement or plan must be described, with no threshold, except that post-termination perquisites are subject to same thresholds that apply to perquisite disclosure in SCT, as described under “Perquisites and Other Personal Benefits”. (j), Instruction 2. - This requirement applies to any benefits triggered by a change in responsibilities, not only those triggered by a change of control. Adopting Release at note 313. - Narrative must describe the specific circumstances under severance and change-in-control provisions that trigger benefits, including perquisites and health benefits, describe and quantify estimated annual benefits that would be provided in each circumstance, describe how the benefit levels under the various triggering circumstances are determined, describe any material conditions to receipt of benefits and describe any other material aspects of the agreements, such as gross-up payments - If benefits are subject to conditions, describe conditions in sufficient detail to understand extent, for example, duration of noncompetition provisions and provisions regarding waiver of conditions - Registrants must provide quantitative disclosure under this requirement applying the assumptions that the triggering event took place on the last business day of the registrant’s last completed fiscal year, and the price per share of the registrant’s securities is the closing market price as of that date. (j), Instruction 1. - If uncertainties exist as to the provision of payments and benefits or the amounts involved, the registrant must make a reasonable estimate of the payment or benefit and material assumptions. (j), Instruction 1. - For purposes of quantifying health care benefits, the registrant must use the assumptions used for financial reporting purposes. (j), Instruction 2. - If the form and amount of any payment or benefit that would be provided is fully disclosed in the Pension Benefits table or the Deferred Compensation table, reference may be made to that disclosure. However, if the form or amount of any such payment or benefit would be enhanced or accelerated in connection with any triggering event, that enhancement or acceleration must be disclosed pursuant to this requirement. (j), Instruction 3 - When a triggering event has actually occurred for an NEO and that individual was not serving as an officer of the registrant at the end of the last completed fiscal year, only the benefits payable on that triggering event are required to be disclosed. (j), Instruction 4. - It is not necessary to provide information with respect to contracts, agreements, plans or arrangements that do not discriminate in scope, terms or operation, in favor of executive officers of the registrant and that are available generally to all salaried employees. (j), Instruction 5. - In addition to this disclosure, to the extent that payment of post-termination compensation is reported in the SCT, those payments must be addressed in the narrative required under (e) that accompanies the SCT. Adopting Release at text accompanying note 255. - Registrants are encouraged to provide this disclosure in a supplemental table. See Adopting Release at text following note 543.
--	------------------	------------	---

Severance and Change in Control Payments	SCT – All Other Compensation column	(c)(2)(ix)(D)	<p>- Any amount paid or accrued to an NEO in connection with any termination, retirement, resignation, severance or constructive termination, or a change in control must be reported in this column</p> <p>- Compensation paid as a result of a business combination, other than in connection with termination of employment or change-in-control, such as a retention bonus, acceleration of option or stock vesting periods, or performance-based compensation intended to serve as an incentive to enter into transaction is to be disclosed in the appropriate SCT column and in the other appropriate tables or narrative applicable to the type of compensation. Adopting Release at note 217.</p> <p>- Must be identified and quantified in a footnote if the amount for the latest year exceeds \$10,000. (c)(2)(ix), Instruction 3.</p> <p>- Any tax reimbursement, or gross-up, payment associated with the severance payment must be included in the total for this column, but separately identified and quantified as such in the footnotes. (c)(2)(ix)(B).</p> <p>- <i>If payments are to be made over a period of several years, the total amount payable over the period must be shown, 2001 JCEB, Q.14</i></p>
	and Narrative	and (e)(1)(i)	<p>- To the extent that payment of post-termination compensation is reported in the SCT, those payments must be addressed in the narrative required under (e) that accompanies the SCT. Adopting Release at text accompanying note 255.</p>
Pension or Defined Benefit Plan Benefits (including supplemental plans)	SCT – Change in Pension Value and Nonqualified Deferred Compensation Earnings column	(c)(2)(viii)	<p>- Aggregate change in the actuarial present value of the accumulated benefit under all defined benefit and actuarial pension plans (including cash balance and supplemental plans, but excluding defined contribution plans) from the prior year to the covered fiscal year must be included in this column</p> <p>- In calculating the amounts for this column, the registrant is to use the amounts reported or that would have been reported for the NEO in the Pension Benefits table for the applicable years. (c)(2)(viii), Instruction 1.</p> <p>- The registrant must identify and quantify by footnote the separate amounts attributable to pension accruals and deferred compensation earnings included in this column. Where change in the pension benefit present value is negative, it is to be disclosed by footnote but not be reflected in the sum reported in this column. (c)(2)(viii), Instruction 3.</p> <p>- Pension Benefits paid during a year are not reportable in the SCT, unless accelerated pursuant to a change of control. (c)(2)(ix), Instruction 2.</p>

	and Pension Benefits table	and (h)	<p>- This table must report the name of each plan under which the NEO receives benefits, the number of years of service credited to the NEO under the plan and the actuarial present value of the NEO's accumulated benefit under the plan (all computed as for the latest annual audited financial statements) and the dollar amount of any payments and benefits paid to the NEO during the year</p> <p>- This table applies to each plan that provides for specified retirement payments and benefits, or payments and benefits that will be provided primarily following retirement, including tax-qualified defined benefit plans and supplemental executive retirement plans, but excluding defined contribution plans. (h)(2), Instruction 1.</p> <p>- A separate row must be provided for each plan in which the NEO participates. (h)(2), Instruction 1.</p> <p>- In allocating the accrued benefit between tax qualified plans and related supplemental plans, apply the IRS limitations applicable to tax qualified plans that applied as of the pension plan measurement date. (h)(2), Instruction 3.</p> <p>- In calculating the present value of the NEO's benefit, the registrant must use the same assumptions used for financial reporting purposes, except that retirement age is to be assumed to be the normal retirement age as defined in the plan, or if not defined, the earliest time a participant may retire under the plan without any benefit reduction due to age. (h)(2), Instruction 2.</p> <p>- Accompanying narrative must disclose the valuation method and all material assumptions applied, or cross-reference to that discussion in the financial statements, footnotes to the financial statements, or the MD&A. (h)(2), Instruction 2.</p> <p>- Footnote disclosure must be provided if NEO's credited service under any plan differs from actual years of service, describing difference in years and benefits. (h)(2), Instruction 4.</p>
	and Narrative	and (e) and (h)(3)	<p>- Narrative must describe any material factors necessary to an understanding of each plan, which may include:</p> <ul style="list-style-type: none"> * The material terms and conditions of payments and benefits available, including the plan's normal retirement payment and benefit formula and eligibility standards, and the effect of the form of benefit elected on the amount of annual benefits. * If any NEO is currently eligible for early retirement under any plan, identification of the NEO and the plan, and a description of the plan's early retirement payment and benefit formula and eligibility standards. * The specific elements of compensation included in applying the payment and benefit formula, identifying each such element; * With respect to NEOs' participation in multiple plans, the different purposes for each plan; and * Registrant policies with regard to such matters as granting extra years of credited service.

Life Insurance for NEO's or Director's Benefit	SCT – All Other Compensation column or Director Compensation table	(c)(2)(ix)(F) or (l)(2)(vii)(H)	- The dollar value of any insurance premiums paid by, or on behalf of, the registrant during the year with respect to life insurance for the benefit of an NEO must be included in the All Other Compensation column of the SCT, or in the Director Compensation table if for the benefit of a director - Must be identified and quantified in a footnote if the amount exceeds \$10,000. (c)(2)(ix), Instruction 3. - All premiums are to be disclosed, not merely the amount attributable to the term insurance. Adopting Release at note 219.
	or Not reported	or (a)(6)(ii)	- If provided through nondiscriminatory group plan, see "Life, Health, Hospitalization and Medical Plans"
"Total" Compensation	SCT – Total Compensation column	(c)(2)(x)	- The sum of all dollar amounts reported in the other columns of the SCT is to be included in this column - Because this amount is merely an arithmetic sum of the other columns, it may vary from amounts the registrant views or otherwise discloses as an NEO's total compensation, for example in the Compensation Discussion and Analysis - Note that for purposes of determining the highest paid executive officers, this total is reduced by the amounts reported in the Change in Pension Value and Nonqualified Deferred Compensation Earnings column. (a)(3), Instruction 1.
Employment agreements and arrangements with NEOs	Narrative	(e)(1)(i)	- Material terms of each NEO's employment agreement or arrangement must be provided to the extent necessary to an understanding of the tabular disclosure - To the extent agreements contain severance or change of control provisions, see "Severance and Change in Control Agreements and Provisions."
Compensation for Overseas Assignments	–	(a)(3), Instruction 3	- It may be appropriate in limited circumstances for a registrant not to include an individual, other than its PEO or PFO, who is one of the registrant's most highly compensated executive officers due to the payment of amounts of cash compensation relating to overseas assignments attributed predominantly to such assignments.
Non-recurring Compensation	In appropriate table	–	- Unlike under former rules, compensation that is "not recurring and unlikely to continue" should be considered compensation for disclosure purposes. See Adopting Release at text accompanying notes 336-337.
Reimbursement of Legal Expenses	—	—	<i>The Staff takes the view that a company's reimbursement of legal expenses with respect to a lawsuit in which the officer was named as a defendant, in the officer's capacity as an officer of the company, is not disclosable under Item 402, but is disclosable pursuant to Item 404, Tel. Interp. Manual, J.48.</i> <i>- Reimbursement or payment of legal expenses incurred for matters personal to the executive, such as negotiation of an employment agreement, would appear to be a perquisite and required to be disclosed as such</i>

Compensation tied to business combination (other than severance or change-in-control payments)	SCT and other appropriate table	—	- Compensation paid as a result of a business combination, other than in connection with termination of employment or change-in-control, such as a retention bonus, acceleration of option or stock vesting periods, or performance-based compensation intended to serve as an incentive to enter into transaction is to be disclosed in the appropriate SCT column and in the other appropriate tables or narrative applicable to the type of compensation. Adopting Release at note 217.
Compensation Paid by Third Parties	—	(a)(2)	- All compensation to an NEO or director by any person for any services rendered to the registrant and its subsidiaries must be reported in the appropriate tables, even if disclosure is also required under a separate item, unless the compensation is specifically excluded from disclosure under Item 402. <i>- Options to purchase securities of parent or subsidiary must be reported in same manner as options to purchase reporting company's securities. Tel. Interp. Manual, J.18.</i>
Compensation Paid Other than in U.S. Dollars	—	(c)	- All compensation must be reported in dollars, and rounded to the nearest dollar. When compensation is paid in a different currency, a footnote must identify that currency and describe the rate and methodology used to convert the amounts to dollars. Instruction 2.
Compensation of Incoming or Departing Executives	—	(a)(4)	- If the PEO or PFO served in that capacity during any part of a fiscal year with respect to which information is required, information should be provided as to all compensation for the full fiscal year. If an NEO (other than the PEO or PFO) served as an executive officer of the registrant (whether or not in the same position) during any part of the fiscal year with respect to which information is required, information shall be provided as to all compensation of that individual for the full fiscal year. <i>- Compensation should not be annualized; only the actual amount paid is to be reported and used in determining the executive officers to be included. Tel. Interp. Manual, J.6. See also "Signing or Retention Bonus" and "Severance and Change of Control Payments."</i>
Compensation for Changed Fiscal Year	—	—	<i>- Disclosure must be provided for the CEO, CFO and the three highest paid executive officers who earned in excess of \$100,000 during the 12-month period ending on the new fiscal year. See Tel. Interp. Manual, J.7. In the first report for the transition period, as well as in later reports, the compensation is reported on a "stub-period" basis, and is not annualized or restated. In addition, compensation must be reported for the last three full fiscal years. Tel. Interp. Man. Supp., 6S.</i>

Director Fees and Other Director Compensation	Director Compensation table	(k)	<ul style="list-style-type: none"> - Compensation for the last year received by directors who are not NEOs must be included in the Director Compensation table, including annual fees, retainers, meeting fees, Stock Awards, Option Awards, earnings on equity awards, earnings under incentive plans, change in pension value and nonqualified deferred compensation earnings, all other compensation and total compensation - Stock and Option Awards are to be included at their grant date fair value computed under FAS 123R - Outstanding equity awards at year end must be disclosed in a footnote to the appropriate column for each director. (k)(2)(iii) and (iv), Instruction. - Earnings on non-equity incentive plans are to be included in Non-Equity Incentive Plan Compensation column - Compensation not covered by one of the specific columns is to be included in the All Other Compensation column - Types of compensation specified to be included in All Other Compensation column are substantially the same as for NEOs, with the addition of consulting fees and awards under director legacy or charitable awards programs - Rules for disclosure in the SCT of specific types of compensation paid to NEOs discussed in this outline also generally apply to disclosure of analogous director compensation in this table. (k), Instruction. - Each item included in All Other Compensation column, other than perquisites, must be identified and quantified in a footnote if the amount of the item for the latest year exceeds \$10,000. (k)(2)(vii), Instruction 2. - Perquisites are to be included in the All Other Compensation column, must be itemized if the aggregate value of all perquisites is \$10,000 or more for the latest year, and if individual perquisites are to be identified, each perquisite exceeding greater of \$25,000 or 10% of all perquisites must be quantified. (k)(2)(vii), Instruction 2. - Two or more directors may be grouped in a single row if all elements of their compensation are identical and the names of the directors for whom disclosure is presented is clear from the table. (k)(2), Instruction.
	and Narrative	(k)(3)	<ul style="list-style-type: none"> - Any factors necessary to an understanding of the compensation to directors must be described in narrative, including standard compensation arrangements and whether any director has a different compensation arrangement, identifying the director and describing the arrangement - Registrants are encouraged to present supplemental information in tabular format, if it facilitates understanding. See Adopting Release at text following note 543.
	or SCT	or (c)	<ul style="list-style-type: none"> - Compensation received by an NEO as a director of the registrant must be included in the SCT under the appropriate column and a footnote must identify and quantify such compensation using the categories in the Director Compensation table. 402(c), Instruction 3.

Charitable gifts and legacy programs in director's name	Director Compensation table	(k)(2)(vii)(G)	- The annual costs of payments and the promises of payments pursuant to director legacy and charitable award programs must be included in this table - The total dollar amount payable and other material terms of each such program must be provided in a footnote. (k)(2)(vii), Instruction 1.
Transactions with Directors or Executives	SCT or Narrative or Item 404 disclosure or Not reported	(a)(2); (c)(2)(ix)(A) or (b)(2)(v) or (g)	- All compensation to an NEO or director by any person for any services rendered to the registrant and its subsidiaries must be reported in the appropriate tables, even if disclosure is also required under a separate item, unless the compensation is specifically excluded from disclosure under Item 402. - In many cases, the transaction will constitute a perquisite or personal benefit to an executive that must be reported only if the threshold for perquisites is met (See "Perquisites and Other Personal Benefits"); therefore, items such as discounts on purchases of the registrant's goods would not be required to be reported unless the total of all perquisites exceeds the perquisite threshold - Consulting fees earned by directors must be disclosed as director compensation under (k)(2)(vii)(F). - Item 404 requires disclosure of certain transactions with officers, directors and related persons.
Stock Splits and Other Events Triggering Anti-Dilution Provisions	—	—	- In the event of stock splits or similar events, registrants may wish to adjust the number of shares and per share information for prior years in current disclosure to reflect the event
Compensation of Non-NEO Employees	Not Reported	—	- The Commission has proposed, but has not adopted, a requirement that large accelerated filers must disclose the total compensation and job description of up to three additional employees who are not executive officers or directors but who earn more than the NEOs. See Adopting Release at text following note 263.
Periods to be Reported	—	(c)	- Information for years prior to the last completed year is not required if the registrant was not a reporting company under section 13(a) or 15(d) of the Exchange Act at any time during that year, except that the registrant will be required to provide information for any such year if that information previously was required to be provided in response to a Commission filing requirement. Instruction 1. - See also "Effective Date and Transition."

Compensation Paid by Predecessor or Successor	Generally not reported	—	<p>- The Staff has indicated that the disclosure of compensation previously paid by a registrant “spun off” by another reporting company depends on the particular facts and circumstances. The “spun-off” registrant should consider whether it was a reporting company or a separate division before the spin-off, as well as its continuity of management. <i>Tel. Interp. Man. Supp.</i>, 3S.</p> <p>- The surviving company in a merger need not report on compensation paid by predecessor corporations that disappeared in the merger. <i>Tel. Interp. Manual</i>, J.4. However, a different result may apply in situations involving “an amalgamation or combination of companies.” <i>Id.</i> For example, when one company acquires another company controlled by a common shareholder and an executive officer of the acquired company becomes an executive officer of the acquiring company, the acquiring company should report the entire year’s compensation paid to the executive, even that paid by the acquired company before the acquisition. <i>Tel. Interp. Man. Supp.</i>, 4S.</p> <p>- A parent corporation would not pick up compensation paid to an employee of its subsidiary prior to the time the subsidiary became a subsidiary. <i>Tel. Interp. Manual</i>, J.4.</p>
Change of Methodology in Calculating Amounts	—	—	<p>-Although not addressed by the rules or Staff interpretations, if the method of computing any amounts included in the table has changed for any reason, such as changes in the method of valuing perquisites, registrants may wish to consider whether computations for prior years should be restated, even though this will result in different amounts than reported in the prior years’ filings</p>
Timing of Disclosure	—	—	<p>- A proxy statement mailed soon after the end of a fiscal year, such as for a special meeting, must include compensation for the most recently ended fiscal year; the only exception is that if the bonuses for the year have not yet been determined, the proxy statement may so indicate, <i>2001 JCEB</i>, Q.13.</p> <p>- If the amount of Salary or Bonus earned in a given year is not calculable at the time of disclosure a footnote must disclose that fact and provide the date the amount is expected to be determined; when determined the amount and a new “Total” Compensation figure must be disclosed in a filing under Item 5.02(f) of Form 8-K. (c)(2)(iii) and (iv), Instruction 1.</p>

Change from Officer to Director Status or from Director to Officer	SCT and Director Compensation table	(c) and (k)	<ul style="list-style-type: none"> - Under (a)(3)(iii) and (iv), compensation as an executive officer other than PEO or PFO must be disclosed only if the total compensation the individual received (including director fees) would place the individual among the three highest paid executive officers. - If the person was the CEO or CFO at any time during the year, compensation must be disclosed in the SCT in all events. (a)(3)(i), (ii); (a)(4). - If the person is included in the SCT then both the compensation received as an officer and the compensation as director must be included in the table and a footnote must identify and quantify compensation received as a director using the categories in the Director Compensation table. 402(c), Instruction 3. See “Director Fees and Other Director Compensation.” - If the person is not included in the SCT, then the compensation must be included in the Director Compensation table. See “Director Fees and Other Director Compensation.”
Omission of Table or Column	–	(a)(5)	- A table or column may be omitted if there has been no compensation awarded to, earned by, or paid to any of the NEOs or directors required to be reported in that table or column in any fiscal year covered by that table
Order of Presentation			- It appears that the Commission expects the disclosure to appear in exactly the order given in the rules, for example, with the CD&A immediately preceding the tables. See, e.g., Adopting Release at text before and after notes 48-49 and notes 71, 111.
Effective Date and Transition	–	Adopting Release at text accompanying notes 544-547	<ul style="list-style-type: none"> - For Forms 10-K and 10-KSB, compliance is required for fiscal years ending on or after December 15, 2006; - For proxy and information statements, compliance is required for any statements filed on or after December 15, 2006 that are required to include Item 402 and 404 disclosure for fiscal years ending on or after December 15, 2006; - For Securities Act registration statements and Exchange Act registration statements (including preeffective and post-effective amendments, as applicable), compliance is required for registration statements that are filed with the Commission on or after December 15, 2006 that are required to include Item 402 and 404 disclosure for fiscal years ending on or after December 15, 2006 - Companies are not required to “restate” disclosure for fiscal years for which they previously were required to apply the former rules. Only the most recent fiscal year will be required to be reflected in the SCT after the effective date, and information for years prior to the most recent fiscal year will not have to be presented at all. For subsequent year’s SCT, companies will be required to present only the most recent two fiscal years in the SCT, and for the next and all subsequent years will be required to present all three fiscal years in the SCT.
Title of Tables	–	(c), Instruction	- The applicable fiscal year must be specified in the title to each table

Key Definitions:

“1993 Release” means Rel. No. 33-7009, *Executive Compensation Disclosure; Securityholder Lists and Mailing Requests* (Aug. 6, 1993).

“1999 Release” means Rel. No. 33-7646, *Adoption of Amendments to Form S-8 related Rules Under the Securities Act, and Regulations S-K and S-B*, (Feb. 26, 1999).

“2001 JCEB” means Technical Session Between SEC Staff and American Bar Association Joint Committee on Employee Benefits (May 8, 2001).

“2003 JCEB” means Technical Session Between the SEC Staff and American Bar Association Joint Committee on Employee Benefits (May 6, 2003).

“Above-market earnings” is used as follows: Interest on deferred compensation is above-market only if the rate of interest exceeds 120% of the applicable federal long-term rate, with compounding (as prescribed under §1274(d) of the Internal Revenue Code) at the rate that corresponds most closely to the rate under the registrant’s plan at the time the interest rate or formula is set. In the event of a discretionary reset of the interest rate, the requisite calculation must be made on the basis of the interest rate at the time of such reset, rather than when originally established. If the applicable interest rates vary depending upon conditions such as a minimum period of continued service, the reported amount should be calculated assuming satisfaction of all conditions to receiving interest at the highest rate. Dividends (and dividend equivalents) on deferred compensation denominated in the registrant’s stock (“deferred stock”) are preferential only if earned at a rate higher than dividends on the registrant’s common stock. 402(c)(2)(viii), Instruction 2.

“Adopting Release” means Release No. 33-8732, *Executive Compensation and Related Person Disclosure* (_____, 2006).

“Bonus” means an award based on satisfaction of a performance target that was not pre-established and communicated, or the outcome of which is not substantially uncertain. Adopting Release at text accompanying notes 228-229. Because the applicability of Internal Revenue Code §162(m) also depends on whether the satisfaction of a performance condition is substantially uncertain, non-equity awards intended to comply with §162(m) will be reported in the SCT as Non-Equity Incentive Plan Compensation when earned rather than as Bonuses when awarded. Compare the definition of “Incentive Plan.”

“Closing market price” means the price at which the registrant’s security was last sold in the principal United States market for such security as of the date for which the closing market price is determined. Item 402(a)(6)(v).

“Date of grant” or “grant date” mean the grant date determined for financial statement reporting purposes pursuant to FAS 123R. Item 402(a)(6)(iv).

“Equity” is used to refer generally to stock and/or options. Item 402(a)(6)(i).

“Equity incentive plan” means an incentive plan or portion of an incentive plan under which awards are granted that fall within the scope of FAS 123R. Item 402(a)(6)(iii). Equity incentive plans include plans that have a performance or market condition, see definition of “Performance Condition.” Adopting Release at note 167.

“Executive Officer” is used as defined in Securities Act Rule 405 and Exchange Act Rule 3b-7: “the term ‘executive officer,’ when used with reference to a registrant, means its president, any vice president of the registrant in charge of a principal business unit, division or function (such as sales, administration or finance), any other officer who performs a policy making function or any other person who performs similar policy making functions for the registrant. Executive officers or other employees of subsidiaries may be deemed executive officers of the registrant if they perform such policy making functions for the registrant.” Therefore, as was formerly the case, a named executive officer may be an executive officer of a subsidiary or an employee of a subsidiary who performs such policy-making functions for the registrant. Adopting Release at note 327; Item 402(a)(3), Instruction 2.

“FAS 123R” means Financial Accounting Standards Board Statement of Financial Accounting Standards No. 123 (revised 2004), Share-Based Payment, as modified or supplemented. Item 402(a)(6)(iii)

“Incentive Plan” means any plan providing compensation intended to serve as incentive for performance to occur over a specified period, whether such performance is measured by reference to financial performance of the registrant or an affiliate, the registrant’s stock price, or any other performance measure. A compensation award is “intended to serve as an incentive for performance to occur over a specified period” if the outcome with respect to the relevant performance target is substantially uncertain at the time the performance target is established and the target is communicated to the executive. Item 402(a)(6)(iii); Adopting Release at text accompanying notes 228-229. Therefore, an award may be under an incentive plan (and reported as such, rather than as a Bonus) even if the specified period is less than one year. Compare the definition of “Bonus.”

“Incentive Plan Award” means an award provided under an incentive plan. Item 402(a)(6)(iii).

“Named Executive Officers” or “NEOs” means:

- (i) All individuals serving as the registrant’s principal executive officer or acting in a similar capacity during the last completed fiscal year (“PEO”), regardless of compensation level;
- (ii) All individuals serving as the registrant’s principal financial officer or acting in a similar capacity during the last completed fiscal year (“PFO”), regardless of compensation level;
- (iii) The registrant’s three most highly compensated executive officers other than the PEO and PFO who were serving as executive officers at the end of the last completed fiscal year; and
- (iv) Up to two additional individuals for whom disclosure would have been provided pursuant to paragraph (a)(3)(iii) of this Item but for the fact that the individual was not serving as an executive officer of the registrant at the end of the last completed fiscal year.

The determination as to which executive officers are most highly compensated is to be made by reference to total compensation for the last completed fiscal year (as required to be disclosed pursuant to paragraph (c)(2)(x) of Item 402) reduced by the amount required to be disclosed pursuant to paragraph (c)(2)(viii) of Item 402, provided, however, that no disclosure need be provided for any executive officer, other than the PEO and PFO, whose total compensation, as so reduced, does not exceed \$100,000. Item 402(a)(3) and Instruction 1.

“Non-equity incentive plan” means an incentive plan or portion of an incentive plan that is not an equity incentive plan. Item 402(a)(6)(iii).

“Option” means instruments such as stock options, stock appreciation rights and similar instruments with option-like features. Item 402(a)(6)(i). To the extent that awards of phantom stock, phantom stock units, common stock equivalents or other similar awards include option-like features, these awards must be reported as Option Awards. Adopting Release at note 146.

“Performance-based condition”, for purposes of the Grants of Plan-Based Awards table and accompanying narrative, include both performance conditions and market conditions, as those terms are defined in FAS 123R. Appendix E of FAS 123R, defines a performance condition as “a condition affecting the vesting, exercisability, exercise price or other pertinent factors used in determining the fair value of an award that relates to both (a) an employee’s rendering service for a specified (either explicitly or implicitly) period of time and (b) achieving a specified performance target that is defined solely by reference to the employer’s own operations (or activities). Attaining a specified growth rate in return on assets, obtaining regulatory approval to market a specified product, selling shares in an initial public offering or other financing event, and a change in control are examples of performance conditions for purposes of this Statement. A performance target also may be defined by reference to the same performance measure of another entity or group of entities. For example, attaining a growth rate in earnings per share that exceeds the average growth rate in earnings per share of other entities in the same industry is a performance condition for purposes of this Statement. A performance target might pertain either to the performance of the enterprise as a whole or to some part of the enterprise, such as a division or an individual employee.” An award also would be considered to have a performance condition if it is subject to a market condition, which is “a condition affecting the exercise price, exercisability, or other pertinent factors used in determining the fair value of an award under a share-based payment arrangement that relates to the achievement of (a) a specified price of the issuer’s shares or a specified amount of intrinsic value indexed solely to the issuer’s shares or (b) a specified price of the issuer’s shares in terms of a similar (or index of similar) equity security (securities).” An award that vests on an accelerated basis upon the occurrence of a change in control is not considered an award under an equity incentive plan if (a) the award contains no other performance or market conditions and (b) the award would otherwise vest based on the completion of a specified employee service period. (e)(1)(iii); Adopting Release at note 167.

“Perquisites” - The Commission believes that it is not appropriate for Item 402 to define perquisites or personal benefits, but has provided interpretive guidance that: “Among the factors to be considered in determining whether an item is a perquisite or other personal benefit are the following:

- An item is not a perquisite or personal benefit if it is integrally and directly related to the performance of the executive’s duties.
- Otherwise, an item is a perquisite or personal benefit if it confers a direct or indirect benefit that has a personal aspect, without regard to whether it may be provided for some business reason or for the convenience of the company, unless it is generally available on a non-discriminatory basis to all employees.” Adopting Release at text accompanying notes 208-211. See also the examples described in that discussion.

“Plan” includes, but is not limited to, the following: any plan, contract, authorization or arrangement, whether or not set forth in any formal document, pursuant to which cash, securities, similar instruments, or any other property may be received. A plan may be applicable to one person. Item 402(a)(6)(ii).

“Stock” means instruments such as common stock, restricted stock, restricted stock units, phantom stock, phantom stock units, common stock equivalent units or any similar instruments that do not have option-like features. Item 402(a)(6)(i).

“Stock Appreciation Rights” or “SARs” refers to SARs payable in cash or stock, including SARs payable in cash or stock at the election of the registrant or an NEO. Item 402(a)(6)(i).

“Tel. Interp. Manual” means Securities and Exchange Commission, Division of Corporation Finance, Manual of Publicly-Available Telephone Interpretations (July 1997).

“Tel. Interp. Man. Supp.” means Securities and Exchange Commission, Division of Corporation Finance, Manual of Publicly Available Telephone Interpretations Supplement, Rule 402 of Regulation S-K (March 1999).

“Weigand” means Weigand, Compilation of Comment Letters Issued by the Staff of the Securities and Exchange Commission Regarding Executive Compensation Disclosures (Aug. 8, 1993) and Compilation of Comment Letters Issued by the Staff of the Securities and Exchange Commission Regarding Executive Compensation Disclosures During the 1994 Proxy Season (Jan. 10, 1995).