
August 26, 2011

2011 Say on Pay Results: Russell 3000

Shareholder Voting and Responses to Proxy Advisers

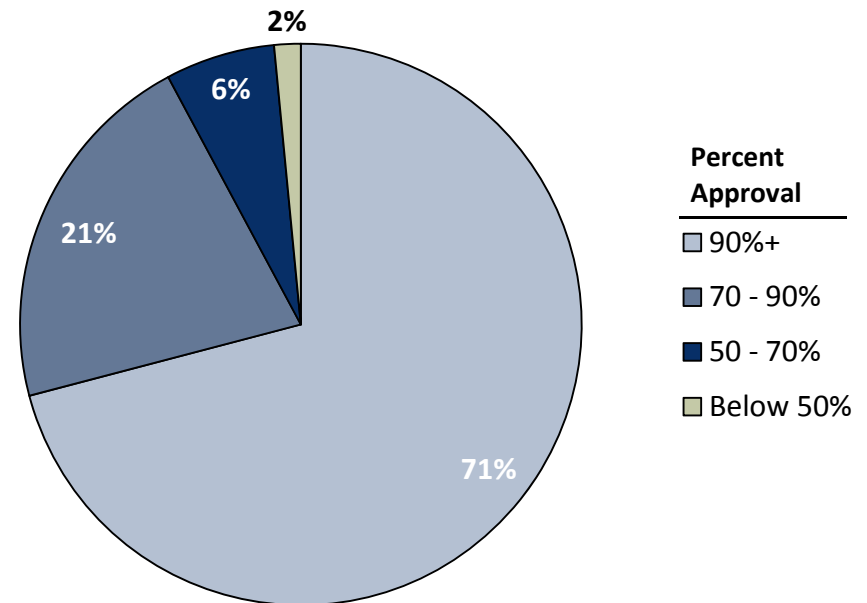
This report can be accessed at
<http://www.semlerbrossy.com/pages/htindex.php>



Summary – Say on Pay

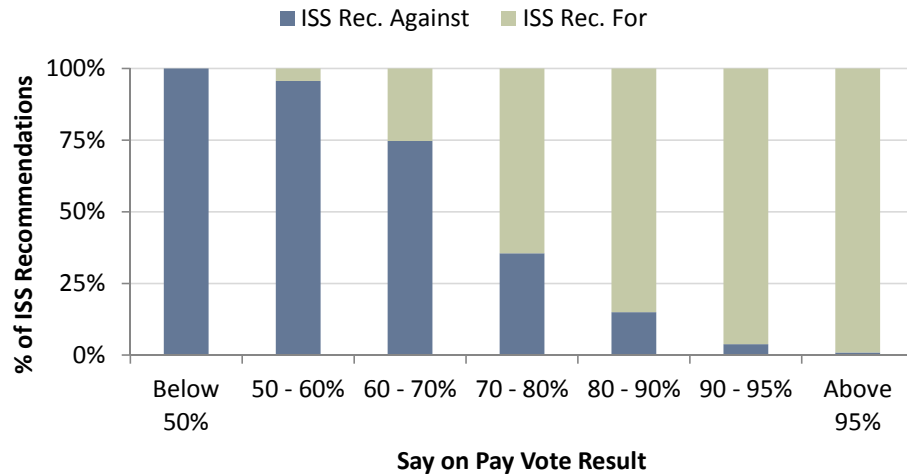
- 34 Russell 3000 companies failed to receive at least 50% of the Say on Pay vote (8 companies in the S&P 500)
- Nearly three-quarters of companies have passed Say on Pay with over 90% shareholder approval
- ISS has recommended that shareholders vote against Say on Pay at about 12.5% of the companies it has assessed
 - On average, shareholder support was 25% lower at these companies
 - Average approval with ISS ‘for’: 94%
 - Average approval with ISS ‘against’: 69%
- Approval of Say on Pay has been high across industries with only a few variations
 - Energy received the lowest shareholder support
 - Energy and Telecommunications received the highest proportion of ISS ‘against’ recommendations
 - Materials and Utilities received the lowest proportion of ISS ‘against’ recommendations

**Say on Pay Vote Results
(n=2235)**

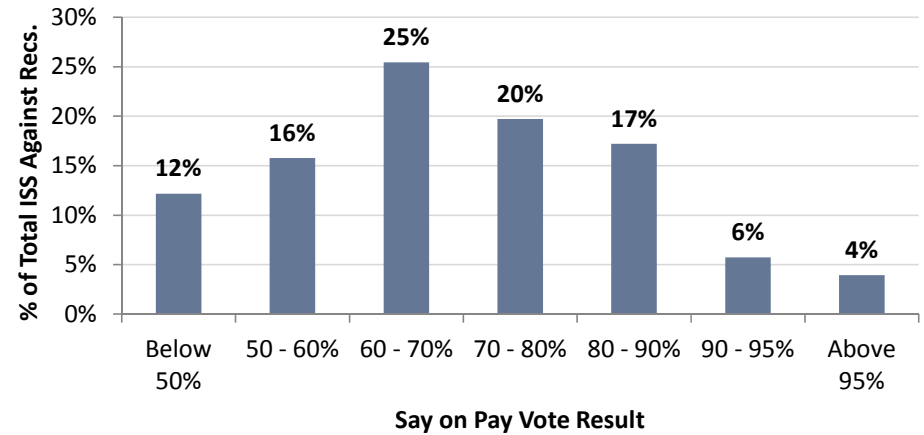


Say on Pay Vote Details

**Say on Pay Vote Breakdown
(n=2235)**



**Say on Pay Vote Results
When ISS Recommends Against
(n=279)**



Say on Pay Vote Details

Say on Pay Vote Results by Industry

Industry	Vote Result		ISS Recs.		
	Avg.	n=	For	Against	n=
Consumer Discretionary	91%	323	85%	15%	323
Consumer Staples	92%	72	88%	13%	72
Energy	86%	149	81%	19%	149
Financials	91%	517	87%	13%	517
Health Care	91%	302	89%	11%	302
Industrials	90%	328	89%	11%	328
Information Technology	91%	311	89%	11%	311
Materials	91%	116	92%	8%	116
Telecommunication Services	88%	33	79%	21%	33
Utilities	91%	84	93%	7%	84
All Industries	90.5%	2235	87.5%	12.5%	2235

Failed Say on Pay Vote Details

Company	Meeting Date	Revenue	S&P 500?	Vote Result	Above 1 & 3 Yr. GICS Median TSR?	Issues Cited by ISS		
						Pay for Performance	Problematic Pay Practices	Other
Blackbaud, Inc.	6/22/11	\$327		45%	No	Yes		
Monolithic Power Systems, Inc.	6/16/11	\$219		36%	No	Yes		
Freeport-McMoRan Copper & Gold Inc.	6/15/11	\$18,982	Yes	46%	Yes	Yes	Yes	
Premiere Global Services, Inc.	6/15/11	\$442		48%	No		No comment from ISS	
Nabors Industries Ltd.	6/7/11	\$4,175	Yes	43%	No	Yes		
Cadiz Inc.	6/2/11	\$1		38%	No	Yes		Yes
Tutor Perini Corporation	6/1/11	\$3,199		49%	No	Yes		
Constellation Energy Group, Inc.	5/27/11	\$14,340	Yes	39%	No	Yes		
BioMed Realty Trust, Inc.	5/25/11	\$385		46%	No		Yes	
Kilroy Realty Corporation	5/24/11	\$303		49%	No		Yes	
Superior Energy Services, Inc.	5/20/11	\$1,682		39%	Yes		Yes	Yes
The Talbots, Inc.	5/19/11	\$1,252		47%	No	Yes		
PICO Holdings, Inc.	5/13/11	\$32		39%	Yes	Yes		
Nutrisystem, Inc.	5/12/11	\$510		41%	No	Yes		
Helix Energy Solutions Group, Inc.	5/11/11	\$1,200		32%	No	Yes		
Hercules Offshore, Inc.	5/10/11	\$657		41%	No	Yes		
Masco Corporation	5/10/11	\$7,592	Yes	45%	No	Yes		
Curtiss-Wright Corporation	5/6/11	\$1,893		41%	No	Yes		
Intersil Corporation	5/4/11	\$822		44%	No	Yes		
Penn Virginia Corporation	5/4/11	\$254		41%	No	Yes		
Cincinnati Bell Inc.	5/3/11	\$1,377		30%	No	Yes		
NVR, Inc.	5/3/11	\$3,057		45%	Yes	Yes	Yes	
Stewart Information Services Corporation	4/29/11	\$1,667		49%	No	Yes		Yes
Janus Capital Group Inc.	4/28/11	\$1,016	Yes	40%	No		Yes	
M.D.C. Holdings, Inc.	4/27/11	\$959		34%	No	Yes		
Cogent Communications Group, Inc.	4/27/11	\$263		39%	Yes		Yes	
Navigant Consulting, Inc.	4/25/11	\$704		45%	No	Yes		
Stanley Black & Decker, Inc.	4/19/11	\$8,410	Yes	39%	Yes		Yes	Yes
Umpqua Holdings Corporation	4/19/11	\$558		36%	No	Yes		
Ameron International Corporation	3/30/11	\$503		41%	No	Yes	Yes	
Hewlett-Packard Company	3/23/11	\$126,033	Yes	48%	Yes		Yes	Yes
Shuffle Master, Inc.	3/17/11	\$201		45%	No		Yes	
Beazer Homes USA, Inc.	2/2/11	\$1,010		46%	No	Yes		
Jacobs Engineering Group Inc.	1/27/11	\$9,941	Yes	45%	No	Yes		
Count			8	34	7	25	11	5

Details on Say on Pay issues are provided where publically available from ISS



Summary – Say on Pay Frequency

- 81% of shareholder votes favored annual Say on Pay frequency, over four times as many as triennial
 - Small and mid-sized companies are more likely to gain approval of non-annual frequency
 - For large companies, annual frequency has become the standard
- More companies have recommended annual Say on Pay votes versus triennial votes (53.5% to 41%)
- Overall, nearly three-quarters of shareholder votes have supported the companies' frequency recommendation

Say on Pay Frequency Voting Results (n=2189)

	Voting Result					
	Annual		Biennial		Triennial	
Mgmt. Rec.	#	%	#	%	#	%
Annual	1167	100%	0	0%	4	0%
Biennial	41	73%	15	27%	0	0%
Triennial	524	58%	0	0%	379	42%
None	50	85%	1	2%	8	14%
Total	1782	81%	16	1%	391	18%

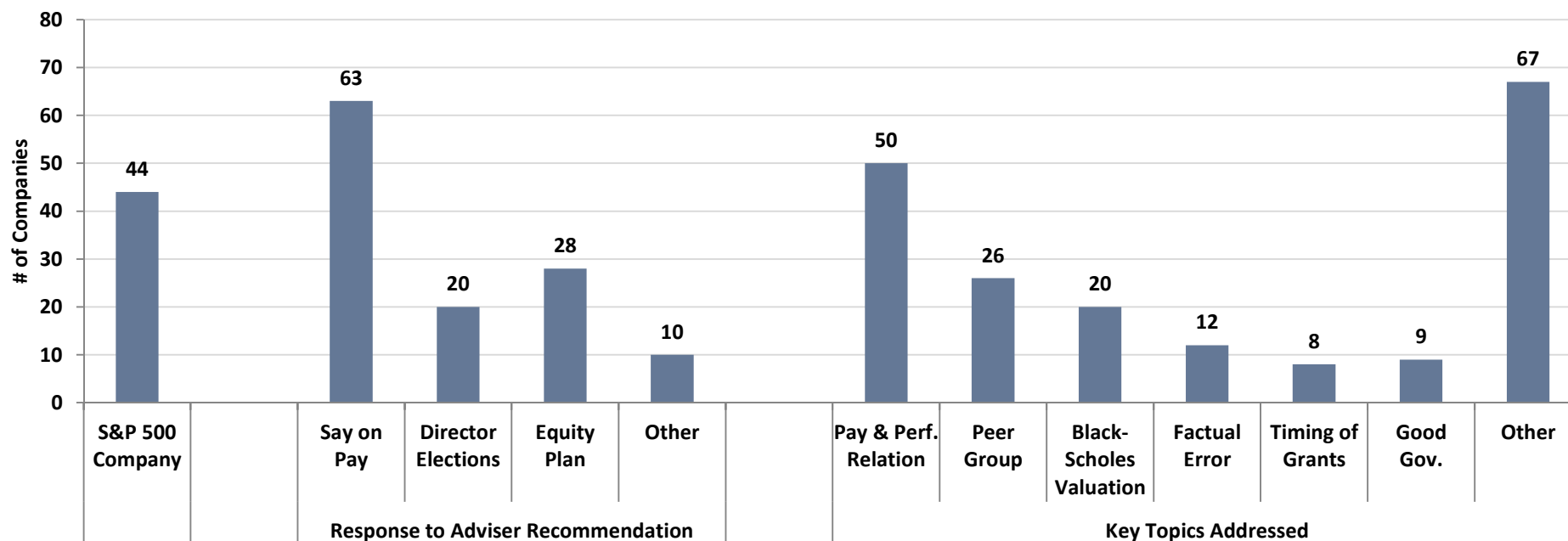
Note that TARP participants are required to hold annual Say on Pay votes; as such, some companies omitted frequency votes until TARP funds have been repaid.

Summary – Responses to ISS and Other Proxy Advisers

- At least 107 companies have released public filings in response to proxy advisers’ recommendations against Say on Pay, directors, equity plans, and other company-specific issues
 - Nearly half of the responses contest ISS’s pay and performance assessment of the company
 - Responses citing issues with the ISS’s assigned peer groups, Black-Scholes option valuation, and factual errors are also common

- Nearly all of the responses have been in the form of DEFA14As

Responses to Proxy Advisers (n=107)



Note: Individual categories do not sum to the total since company responses may cover multiple issues.
Effective 7/21/2011.

Responses to ISS and Other Proxy Advisers

Summary of Responses to Proxy Advisers (n=107)

7/21/2011

Company (Link to Filing)	Response to Adviser Recommendation							Key Topics Addressed						
	Revenue	S&P 500?	Filing Date	Say on Pay	Director Elections	Equity Plan	Other	Pay and Performance Relationship	Peer Group Comparators	Black-Scholes Valuation	Factual Error	Timing of Grants Skews Analysis	Good Governance	Other
McKesson Corp	\$112,084	Yes	7/12/11	Yes				Yes					Yes	
Oritani Financial Corp	\$111		7/8/11			Yes								Yes
Gasco Energy Inc	\$20		7/5/11			Yes								Yes
Stifel Financial Corp.	\$1,396		6/20/11			Yes								Yes
Lakeland Industries Inc	\$101		6/17/11				Yes				Yes			
Crocs Inc	\$790		6/15/11			Yes								Yes
Blackbaud Inc	\$327		6/10/11	Yes				Yes	Yes					
Cbeyond Inc	\$452		6/10/11	Yes				Yes						
Monolithic Power Systems Inc	\$219		6/10/11	Yes				Yes			Yes			Yes
GameStop Corp.	\$9,474	Yes	6/3/11	Yes				Yes					Yes	Yes
Scientific Games Corp	\$882		6/3/11				Yes							Yes
Freeport-McMoran Copper & Gold Inc.	\$18,982	Yes	6/2/11	Yes				Yes		Yes				Yes
Premiere Global Services Inc	\$442		6/2/11	Yes				Yes	Yes		Yes			
Alaska Communications Systems Group Inc	\$342		5/27/11			Yes							Yes	Yes
athenahealth Inc	\$246		5/27/11			Yes								Yes

Additional Notes

McKesson Corp	Notes strong financial and stock price performance along with recent changes made to compensation programs to align pay and performance
Oritani Financial Corp	Discloses 3 year share usage history, including 2011 data which had not been released before the special shareholder meeting to approve an equity plan
Gasco Energy Inc	Revises proxy materials describing outstanding and authorized shares to clarify situation and meet ISS guidelines
Stifel Financial Corp.	Argues that long vesting periods and a larger employee base from acquisitions contribute to high overhang rates
Lakeland Industries Inc	Argues that ISS erroneously categorized non-audit fees as "excessive" and points out the footnote in the proxy explaining the breakdown of fees
Crocs Inc	Makes a commitment to keep the burn rate within ISS standards over the next 3 years and discloses all currently outstanding equity
Blackbaud Inc	Notes declines in CEO compensation from 2007 to 2009 and reinforces the performance-based nature of SARs
Cbeyond Inc	Contends that changes emphasizing performance-based pay have already been made for 2011 and no options were awarded in 2009
Monolithic Power Systems Inc	Notes that no equity awards were made in 2009, negative discretion was used with 2010 bonus payments, and no positive bonus adjustments have ever been made
GameStop Corp.	Explains the transition process among three individuals that have held the CEO position in the last 2 years
Scientific Games Corp	Argues for an value-for-value option exchange including executives and directors in order to alleviate share reserve constraints
Freeport-McMoran Copper & Gold Inc.	Argues that bonus payouts stemmed from a record year and that ISS recommended for the approval annual incentive plan two years ago
Premiere Global Services Inc	Argues that target CEO compensation has not changed since 2005 when the last equity award was made to the CEO until this year
Alaska Communications Systems Group Inc	Argues that forfeited/underwater shares should not be counted against the burn rate and the plan does not authorize new shares, only adds shareholder friendly provisions
athenahealth Inc	Amends equity plan provisions and share counting to conform with ISS's policies

Responses to ISS and Other Proxy Advisers

Summary of Responses to Proxy Advisers (n=107)

7/21/2011

Company (Link to Filing)	Response to Adviser Recommendation							Key Topics Addressed						
	Revenue	S&P 500?	Filing Date	Say on Pay	Director Elections	Equity Plan	Other	Pay and Performance Relationship	Peer Group Comparators	Black-Scholes Valuation	Factual Error	Timing of Grants Skews Analysis	Good Governance	Other
Chesapeake Energy Corp	\$9,366	Yes	5/27/11	Yes	Yes		Yes	Yes					Yes	Yes
Amedisys Inc	\$1,634		5/26/11	Yes									Yes	Yes
Progenics Pharmaceuticals Inc	\$8		5/26/11			Yes								Yes
VCA Antech Inc	\$1,381		5/26/11	Yes	Yes			Yes						Yes
CME Group Inc	\$3,046	Yes	5/25/11	Yes				Yes	Yes					
Shuffle Master Inc	\$201		5/25/11	Yes										Yes
Staples Inc.	\$24,545	Yes	5/25/11	Yes				Yes	Yes					Yes
Chesapeake Lodging Trust	\$54		5/24/11	Yes										Yes
Masimo Corp	\$405		5/23/11	Yes			Yes	Yes	Yes	Yes	Yes			Yes
Anika Therapeutics Inc	\$56		5/20/11			Yes								Yes
PNM Resources Inc.	\$1,674		5/20/11			Yes								Yes
Vornado Realty Trust	\$3,110	Yes	5/20/11	Yes				Yes		Yes				
Hersha Hospitality Trust	\$285		5/19/11			Yes								Yes
Tri-Valley Corp	\$2		5/19/11		Yes						Yes			
Collective Brands Inc	\$3,376		5/17/11	Yes				Yes		Yes				

Additional Notes

Chesapeake Energy Corp	Notes steps taken in response to shareholder feedback and argues that ISS focuses on short term performance and an advisory vote on director compensation is not needed
Amedisys Inc	Argues that provisions in the CEO's newly revised agreement for a modified single-trigger severance provision does not justify disapproval of their pay program
Progenics Pharmaceuticals Inc	Amends equity plan to decrease number of requested shares
VCA Antech Inc	Argues that pay and performance are aligned when the SERP is excluded and that the CEO's transitional consulting arrangement is a business necessity
CME Group Inc	Argues that pay is aligned with earnings and notes that median CEO pay was lower than median pay for named executive officers in ISS's peer group
Shuffle Master Inc	After failing to receive 50% support for Say on Pay, amended an employment agreement containing "modified single trigger" change in control provisions
Staples Inc.	Argues that performance is aligned with realizable pay and that performance plan metrics are correlated with shareholder value
Chesapeake Lodging Trust	Amends employment agreements to remove excise tax gross-ups
Masimo Corp	Focuses on long-term value creation beyond 1 and 3 year TSR, offering historical and present indicators of performance; argues against majority director voting
Anika Therapeutics Inc	Amends equity plan to decrease number of requested shares
PNM Resources Inc.	Amends equity plan to align with ISS's proxy voting guidelines
Vornado Realty Trust	Argues that although performance metrics are not driven by formulas, they are aligned with company performance
Hersha Hospitality Trust	Amends equity plan to decrease number of requested shares
Tri-Valley Corp	Disputes that one director attended fewer than 75% of board meetings
Collective Brands Inc	Argues that a higher share of executives' pay is at risk than before and that ISS's methodology overstates options values

Responses to ISS and Other Proxy Advisers

Summary of Responses to Proxy Advisers (n=107)

7/21/2011

Company (Link to Filing)	Response to Adviser Recommendation							Key Topics Addressed						
	Revenue	S&P 500?	Filing Date	Say on Pay	Director Elections	Equity Plan	Other	Pay and Performance Relationship	Peer Group Comparators	Black-Scholes Valuation	Factual Error	Timing of Grants Skews Analysis	Good Governance	Other
Douglas Emmett Inc	\$565		5/17/11	Yes					Yes		Yes			Yes
Hawaiian Holdings Inc.	\$1,310		5/17/11		Yes						Yes			
Alexandria Real Estate Equities Inc.	\$487		5/16/11	Yes				Yes	Yes			Yes		
Cheesecake Factory Inc. (The)	\$1,659		5/16/11			Yes		Yes		Yes				
Xcel Energy Inc.	\$10,311	Yes	5/16/11				Yes							Yes
Dean Foods Co	\$12,123	Yes	5/13/11	Yes				Yes						Yes
ENSCO Plc	\$1,697		5/12/11	Yes										Yes
Superior Energy Services Inc.	\$1,682		5/12/11	Yes				Yes						
CryoLife Inc.	\$117		5/11/11	Yes				Yes						Yes
JPMorgan Chase & Co	\$115,475	Yes	5/11/11	Yes		Yes			Yes	Yes				
Level 3 Communications Inc	\$3,651		5/11/11	Yes		Yes		Yes						Yes
Questcor Pharmaceuticals Inc.	\$115		5/11/11			Yes								Yes
Sykes Enterprises Inc	\$1,159		5/11/11			Yes								Yes
Fuel Tech Inc	\$82		5/10/11				Yes			Yes				
Kenexa Corp	\$196		5/10/11			Yes								Yes

Additional Notes

Douglas Emmett Inc	Notes that ISS conceded to having incorrectly calculated average burn rate and incorrectly reported that the Company entered into new single trigger agreements
Hawaiian Holdings Inc.	Disputes that one director attended fewer than 75% of board meetings
Alexandria Real Estate Equities Inc.	Argues that ISS has drawn incorrect conclusions as a result of ignoring the one-year lag between their pay and performance, and using an unfit peer group
Cheesecake Factory Inc. (The)	Argues that their shareholder value transfer number is higher than ISS's cap because they tend to grant equity with longer vesting and terms
Xcel Energy Inc.	Encourages shareholders to support proposal to eliminate cumulative voting in director elections because it advantages shareholders with large holdings
Dean Foods Co	Argues that use of tax gross-ups is appropriate in the limited circumstances in which they use them and that 2010 pay reflects declining operating results
ENSCO Plc	Argues that relocation/expatriate allowances are consistent with industry practice and supportive of a global, mobile workforce
Superior Energy Services Inc.	Argues that payment of substantial non-performance based payments and benefits to two former execs represents a unique, one-time event, not ongoing practice
CryoLife Inc.	Argues that ISS's methodology overstates CEO pay increases by 4%
JPMorgan Chase & Co	Argues that above-median pay is not a valid basis for an against vote on Say on Pay and that burn-rate is more relevant than value transfer at this Company
Level 3 Communications Inc	Argues that actual payouts from the LTI program have been zero for some elements in recent years
Questcor Pharmaceuticals Inc.	Eliminates provision to re-price options without shareholder approval and argues that ISS has wrongly penalized it for share repurchases
Sykes Enterprises Inc	Amends equity plan to decrease number of requested shares
Fuel Tech Inc	Disagrees with ISS's methodology to evaluate the proposed value-for-value exchange program, noting their use of a binomial pricing model
Kenexa Corp	Amends equity plan to decrease number of requested shares

Responses to ISS and Other Proxy Advisers

Summary of Responses to Proxy Advisers (n=107)

7/21/2011

Company (Link to Filing)	Response to Adviser Recommendation							Key Topics Addressed						
	Revenue	S&P 500?	Filing Date	Say on Pay	Director Elections	Equity Plan	Other	Pay and Performance Relationship	Peer Group Comparators	Black-Scholes Valuation	Factual Error	Timing of Grants Skews Analysis	Good Governance	Other
Safeway Inc	\$41,050	Yes	5/10/11	Yes				Yes	Yes					
Amgen Inc.	\$15,053	Yes	5/9/11	Yes				Yes	Yes	Yes				Yes
Novellus Systems Inc.	\$1,349	Yes	5/9/11	Yes				Yes	Yes					Yes
Pinnacle Entertainment Inc.	\$1,098		5/9/11		Yes									Yes
Reinsurance Group of America Inc.	\$8,262		5/9/11			Yes								Yes
Schwab (Charles) Corp	\$4,474	Yes	5/9/11	Yes				Yes						Yes
Dr Pepper Snapple Group Inc	\$5,636	Yes	5/6/11	Yes										Yes
Exxon Mobil Corp	\$341,578	Yes	5/6/11	Yes				Yes	Yes					Yes
IRIS International Inc.	\$108		5/6/11			Yes								Yes
Westar Energy Inc.	\$2,056		5/6/11			Yes								Yes
Ashford Hospitality Trust Inc.	\$821		5/5/11			Yes		Yes	Yes	Yes				
OraSure Technologies Inc	\$75		5/5/11			Yes								Yes
Talbots Inc. (The)	\$1,252		5/5/11	Yes				Yes	Yes					
Aon Corp.	\$8,512	Yes	5/4/11			Yes			Yes					
Callon Petroleum Co/DE	\$90		5/4/11			Yes								Yes

Additional Notes

Safeway Inc	A second response argues that ISS should examine the actual rather than grant date value of equity when assessing pay and performance
Amgen Inc.	Argues that the Board does not have upward discretion to adjust annual cash incentive awards and that the sign-on bonus is justified
Novellus Systems Inc.	Argues that there is a max to their annual bonus program, LTI is pegged to more than one metric, and the pay differential between the CEO and NEOs is justified
Pinnacle Entertainment Inc.	Argues that one of the directors has attended all meetings since his service began
Reinsurance Group of America Inc.	Amended equity plan since ISS believes it allows for option re-pricing without shareholder approval
Schwab (Charles) Corp	Argues that 2010 CEO pay went down, compensation is heavily performance-based, and that the Company has delivered superior performance over 5 years
Dr Pepper Snapple Group Inc	Argues that the introduction of a newly hired executive into the current change in control program was necessary for internal equity
Exxon Mobil Corp	Argues that ISS's peer group is inappropriate, focused on short-term performance (1- and 3-Year TSR), and uses narrow performance criteria
IRIS International Inc.	Elaborates on the burn rate formula they have committed to the proxy disclosure
Westar Energy Inc.	Amends equity plan to decrease number of requested shares
Ashford Hospitality Trust Inc.	Argues that the comparison groups are not applicable and more broadly against ISS's shareholder value transfer test
OraSure Technologies Inc	Amends equity plan to decrease number of requested shares
Talbots Inc. (The)	Argues that pay is properly linked to performance given at-risk compensation and the CEO has not had a salary raise since 2007
Aon Corp.	Argues that burn rates are not out of line for its industry and are similar to closest competitors
Callon Petroleum Co/DE	Explains that although historical burn rates exceeded ISS's caps, many of these shares were forfeited

Responses to ISS and Other Proxy Advisers

Summary of Responses to Proxy Advisers (n=107)

7/21/2011

Company (Link to Filing)	Response to Adviser Recommendation							Key Topics Addressed						
	Revenue	S&P 500?	Filing Date	Say on Pay	Director Elections	Equity Plan	Other	Pay and Performance Relationship	Peer Group Comparators	Black-Scholes Valuation	Factual Error	Timing of Grants Skews Analysis	Good Governance	Other
Healthcare Realty Trust Inc	\$261		5/4/11	Yes				Yes	Yes		Yes			
Morgan Stanley	\$37,392	Yes	5/4/11	Yes		Yes		Yes	Yes					Yes
Principal Financial Group Inc.	\$9,059	Yes	5/4/11	Yes	Yes				Yes	Yes				Yes
QEP Resources Inc	\$2,246	Yes	5/4/11	Yes	Yes									Yes
WellPoint Inc	\$58,802	Yes	5/4/11											Yes
J. C. Penney Company Inc.	\$17,759	Yes	5/3/11	Yes				Yes	Yes	Yes		Yes		Yes
OM Group Inc	\$1,197		5/2/11		Yes									Yes
Sempra Energy	\$9,003	Yes	5/2/11		Yes									Yes
Endurance Specialty Holdings Ltd	\$1,918		4/29/11			Yes								Yes
Liberty Property Trust	\$759		4/29/11		Yes									Yes
Bank of America Corp	\$134,194	Yes	4/28/11		Yes									Yes
First Industrial Realty Trust Inc.	\$294		4/28/11			Yes								Yes
Gilead Sciences Inc	\$7,949	Yes	4/28/11	Yes				Yes		Yes				
Stillwater Mining Co	\$556		4/28/11		Yes									Yes
Sunrise Senior Living Inc	\$1,410		4/28/11	Yes				Yes						

Additional Notes

Healthcare Realty Trust Inc	Argues that actuarial pension should not be included in pay for performance analysis
Morgan Stanley	Argues that pay decreased in 2010, coupled with performance, and dilution rates are low and more equity is needed for deferral programs preferred by regulators
Principal Financial Group Inc.	Argues for the independence of one director and explains differences in ISS's peer group compared to the company's group
QEP Resources Inc	Explains need for shareholder rights plan after spin-off and legacy excise tax gross-ups from the former parent company, which will be reviewed in 2011
WellPoint Inc	Argues against shareholder proposals supported by ISS to reincorporate in Delaware and require an independent Board chair
J. C. Penney Company Inc.	Argues that TSR should be measured as of their January FYE given the retail season
OM Group Inc	Argues for the independence of one director
Sempra Energy	Argues that one director is not overcommitted as ISS contends
Endurance Specialty Holdings Ltd	Explains that additional shares are not being requested and that ISS's shareholder value transfer calculation is distorted as a result of stock repurchases
Liberty Property Trust	Argues for the independence of one director
Bank of America Corp	Argues for the independence of one director
First Industrial Realty Trust Inc.	Amends the equity plan to explicitly forbid re-pricing
Gilead Sciences Inc	Argues for strong operational and financial performance over the last 5 years and that CEO compensation decreased from 2009 to 2010
Stillwater Mining Co	Admits a clerical error that incorrectly casts one of their board directors as non-independent
Sunrise Senior Living Inc	Argues that the CEO bonus was warranted given the successful turnaround and that re-signing awards should be excluded

Responses to ISS and Other Proxy Advisers

Summary of Responses to Proxy Advisers (n=107)

7/21/2011

Company (Link to Filing)	Response to Adviser Recommendation							Key Topics Addressed						
	Revenue	S&P 500?	Filing Date	Say on Pay	Director Elections	Equity Plan	Other	Pay and Performance Relationship	Peer Group Comparators	Black-Scholes Valuation	Factual Error	Timing of Grants Skews Analysis	Good Governance	Other
Alcoa Inc	\$21,013	Yes	4/27/11	Yes									Yes	
Assured Guaranty Ltd	\$1,430		4/22/11	Yes			Yes	Yes		Yes				
Gap Inc. (The)	\$14,664	Yes	4/22/11	Yes		Yes		Yes						
Occidental Petroleum Corp	\$19,045	Yes	4/22/11		Yes									Yes
Umpqua Holdings Corp	\$558		4/22/11	Yes				Yes	Yes	Yes				
ConocoPhillips	\$175,752	Yes	4/21/11	Yes										Yes
Federal Realty Investment Trust	\$546		4/21/11	Yes				Yes	Yes					
Rockville Financial Inc	\$85		4/21/11		Yes									Yes
Illinois Tool Works Inc.	\$15,870	Yes	4/20/11		Yes									Yes
Allstate Corp (The)	\$31,311	Yes	4/19/11	Yes	Yes			Yes		Yes				Yes
Alterra Capital Holdings Ltd	\$1,414		4/19/11				Yes							Yes
Cambrex Corp	\$227		4/16/11	Yes	Yes			Yes	Yes		Yes	Yes		
Navigant Consulting Inc.	\$704		4/15/11	Yes				Yes				Yes		
Snyders-Lance Inc	\$982		4/15/11		Yes						Yes			Yes
Standard Register Co (The)	\$668		4/15/11		Yes	Yes		Yes	Yes	Yes	Yes			

Additional Notes

Alcoa Inc	Discusses recent governance improvements and notes that its one year performance period for LTI will increase as the markets stabilize
Assured Guaranty Ltd	Removes tax gross-ups and single trigger vesting upon change in control vesting; also explains that CEO compensation declined from 2009 to 2010
Gap Inc. (The)	Preemptive explanation of pay for performance and equity plan provisions in DEFA14A
Occidental Petroleum Corp	Argues that the executive chairman and CEO structure serves succession planning, noting that it is not set in stone
Umpqua Holdings Corp	After the company failed to receive majority support for Say on Pay, it disputes ISS's claims of a pay and performance disconnect
ConocoPhillips	Disputes ISS's assessment that additional years of credited pension service and excise tax gross-ups are poor pay practices
Federal Realty Investment Trust	Argues that ISS's performance and compensation comparison groups are inappropriate references
Rockville Financial Inc	Contents that only independent directors have the ultimate decision regarding director nominations and that the committee structure has been changed for 2011
Illinois Tool Works Inc.	Explains the 2010 attendance record of one board member
Allstate Corp (The)	Argues that ISS did not consider dividend changes which affected option values; explains decision to alter the implementation of a shareholder proposal for special meetings
Alterra Capital Holdings Ltd	Argues against ISS's recommendation against the company's independent auditor
Cambrex Corp	Argues that ISS's analysis does not consider pay reductions during the recession
Navigant Consulting Inc.	Enhanced disclosure of 2011 awards shows significant year-over-year decreases in CEO compensation
Snyders-Lance Inc	Argues for the independence of two directors
Standard Register Co (The)	Argues that ISS's analysis does not consider pay reductions during the recession or changes to the dividend, affecting option values

Responses to ISS and Other Proxy Advisers

Summary of Responses to Proxy Advisers (n=107)

7/21/2011

Company (Link to Filing)	Response to Adviser Recommendation							Key Topics Addressed						
	Revenue	S&P 500?	Filing Date	Say on Pay	Director Elections	Equity Plan	Other	Pay and Performance Relationship	Peer Group Comparators	Black-Scholes Valuation	Factual Error	Timing of Grants Skews Analysis	Good Governance	Other
Zimmer Holdings Inc.	\$4,220	Yes	4/15/11	Yes				Yes		Yes				
Pfizer Inc	\$67,791	Yes	4/14/11	Yes										Yes
Sunoco Inc.	\$34,915	Yes	4/14/11				Yes							Yes
Teleflex Inc	\$1,802		4/13/11	Yes										Yes
Allegheny Technologies Inc	\$4,048	Yes	4/12/11	Yes				Yes	Yes					
Coca-Cola Enterprises Inc.	\$6,714	Yes	4/12/11				Yes							Yes
Equifax Inc.	\$1,860	Yes	4/12/11	Yes										Yes
Harsco Corp	\$3,039		4/12/11	Yes				Yes			Yes	Yes		
Unisys Corp	\$4,020		4/12/11	Yes				Yes						
General Electric Co	\$149,060	Yes	4/7/11	Yes				Yes		Yes				
Northern Trust Corp	\$4,026	Yes	4/1/11	Yes				Yes	Yes					
Safeway Inc	\$41,050	Yes	4/1/11	Yes				Yes		Yes				
Hewlett-Packard Co	\$126,033	Yes	3/11/11	Yes	Yes									Yes
Walt Disney Co (The)	\$38,063	Yes	3/2/11	Yes							Yes		Yes	Yes
Headwaters Inc	\$655		2/22/11	Yes				Yes	Yes		Yes	Yes	Yes	

Additional Notes

Zimmer Holdings Inc.	Argues for the inconsistency of ISS's option valuation method with SEC and FASB standards
Pfizer Inc	Explains rationale for separation agreement with former CEO, including non-competition and non-solicitation agreements
Sunoco Inc.	Argues that a shareholder proposal requesting pro-rata change-in-control vesting is highly uncommon and misaligned with the interests of management and shareholders
Teleflex Inc	Discusses equity awards and severance benefits paid to former CEO
Allegheny Technologies Inc	Argues that discretionary bonus was based on challenging performance goals (positive earnings) given industry performance
Coca-Cola Enterprises Inc.	Recommends a vote against "say on severance" proposal by Teamsters
Equifax Inc.	Addresses relocation package for CIO and gross-up on home loss protection
Harsco Corp	Argues for challenging EVA targets and timing of grants (with stub/transition grants) skews ISS analysis
Unisys Corp	Pay-for-performance test does not coincide with CEO's tenure and the increased option value is driven by stock price (constant number of shares)
General Electric Co	Argues that ISS's analysis does not consider pay reductions during the recession
Northern Trust Corp	Emphasizes the recent company performance and the pay elements that are performance-based
Safeway Inc	Pre-emptive challenge in proxy; rigorous analytical disclosure aimed at refuting ISS pay and performance test
Hewlett-Packard Co	Primarily discusses CEO's involvement in board selection with reference to pay-for-performance
Walt Disney Co (The)	Addresses ISS mistakes surrounding gross-ups and performance-based equity
Headwaters Inc	Argues that gross-ups were inaccurately characterized as new agreements and CEO compensation was miscalculated due to timing of grants

Responses to ISS and Other Proxy Advisers

Summary of Responses to Proxy Advisers (n=107)

7/21/2011

Company (Link to Filing)	Response to Adviser Recommendation							Key Topics Addressed						
	Revenue	S&P 500?	Filing Date	Say on Pay	Director Elections	Equity Plan	Other	Pay and Performance Relationship	Peer Group Comparators	Black-Scholes Valuation	Factual Error	Timing of Grants Skews Analysis	Good Governance	Other
Tyco International Ltd	\$17,016	Yes	2/22/11	Yes				Yes		Yes			Yes	
Jacobs Engineering Group Inc.	\$9,941	Yes	1/21/11	Yes				Yes						

Additional Notes

Tyco International Ltd	Argues (counter to ISS policy) that options are performance based and compares ISS's valuation of options to value of restricted stock
Jacobs Engineering Group Inc.	Explains rationale for one-time retention grant to CEO

