

**XYZ Company**

2005 EXECUTIVE COMPENSATION TALLY

Summary for: Mr. Big  
Age: 50

Length of service: 10.5 yrs.

Position/Title: Top Dog  
Position Tenure: 6.0 yrs.

<b>A. Total Direct Compensation</b>	Granted in 2005 at Target	Realized in 2005	
Salary Rate	\$1,000,000 current rate	\$950,000	
Short-Term Incentive	\$1,000,000	\$1,250,000	earned for 2005 performance; paid in early 2006
Total Annual Compensation	\$2,000,000	\$2,200,000	
Total Long-Term Incentive	\$3,825,000 annualized	\$2,900,000	option exercise gain; stock grant vesting; performance plan earnout
<b>TOTAL</b>	<b>\$5,825,000</b>	<b>\$5,100,000</b>	
<b>B. Retirement Benefits</b>	Annual Company Cost	Benefit Value at FYE	Estimated Value at Retirement
Qualified Plans	\$10,000	\$434,266	\$1,362,478
SERP	\$6,000	\$4,946,394	\$11,040,839
DCP	\$0	\$600,000	\$600,000
<b>TOTAL</b>	<b>\$16,000</b>	<b>\$5,980,660</b>	<b>\$13,003,318</b>
<b>C. Other Income &amp; Benefits</b>	Annual Company Cost	FY 2005 Value to Exec	Policy Value
Dividend & Div Equivalents	\$2,000	\$2,000	
Financial Planning	\$10,000	\$10,000	
Supplemental Life	\$5,000		\$1,000,000 face value of policy
Supplemental Long-Term Disability	\$5,000		\$1,643,551 present value
Supplemental Health	\$5,000	\$7,500	
<b>TOTAL</b>	<b>\$27,000</b>	<b>\$19,500</b>	
<b>D. Perquisites</b>	Annual Company Cost	FY 2005 Personal Use	
Transportation (incl. private plane)	\$42,000	\$12,000	
Lodging	\$0	\$0	
Entertainment (incl. clubs)	\$100,000	\$30,000	
Personal productivity & security	\$7,500	\$2,500	
Company goods/services	\$5,000	\$5,000	
Charitable activities	\$0	\$0	
Other	\$0	\$0	
<b>TOTAL</b>	<b>\$154,500</b>	<b>\$49,500</b>	
<b>E. Equity Holdings</b>	Shares	FYE Value	
Total current equity holdings	<b>260,000</b>	<b>\$5,720,000</b>	includes options, restricted stock and direct ownership
<b>F. Contract Obligations</b>	Non-CIC	CIC	
For Cause	\$5,980,660	\$5,980,660	
Not for Cause	\$11,695,660	\$17,102,991	
Good Reason	\$11,695,660	\$17,102,991	
Voluntary	\$6,550,660	\$6,550,660	
Retirement	\$6,550,660	\$6,550,660	
Disability	\$6,550,660	\$6,550,660	
Death	\$6,550,660	\$6,550,660	

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Mr. Big

**A. Total Direct Compensation**

	<u>Granted</u>	<u>Annualized</u> yrs	<u>Fiscal Year</u> <u>Realized</u>
<b>• Current Annual Compensation</b>			
– Salary	\$1,000,000.00 (a)	\$1,000,000.00	\$950,000.00
– Short-Term Incentive	\$1,000,000.00 (b)	\$1,000,000.00	\$1,250,000.00 (c)
<b>TOTAL</b>	<b>\$2,000,000.00</b>	<b>\$2,000,000.00</b>	<b>\$2,200,000.00</b>
<b>• Long-term - Granted</b>			
– Time-vesting awards			
.. Restricted Stock/RSUs	\$2,000,000.00 (d)	\$2,000,000.00	
.. Stock Options/SARs	\$700,000.00 (e)	\$700,000.00	
– Performance-vesting awards			
.. Restricted Stock/RSUs	\$100,000.00 (f)	\$100,000.00	
.. Stock Options/SARs	\$25,000.00 (g)	\$25,000.00	
.. Cash-based awards	\$3,000,000.00 (h)	3 \$1,000,000.00	
<b>TOTAL</b>	<b>\$5,825,000.00</b>	<b>\$3,825,000.00</b>	
<b>• Long-term - Realized</b>			
– Restricted Stock/RSUs vesting			\$1,250,000.00 (i)
– Stock Options/SARs exercised			\$650,000.00 (j)
– Cash-based awards earned/paid			\$1,000,000.00 (k)
<b>TOTAL</b>			<b>\$2,900,000.00</b>
 <b>TOTAL DIRECT COMPENSATION</b>	 <b><u>\$7,825,000.00</u></b>	 <b><u>\$5,825,000.00</u></b>	 <b><u>\$5,100,000.00</u></b>

(a) Year-end salary rate, effective as of \_\_\_\_\_

(b) Represents target bonus opportunity

(c) Earned for fiscal year performance; paid \_\_\_\_\_

(d) Number of shares granted: 100,000

Grant date stock price: \$20.00

(e) Number of options granted: 100,000

Option exercise price: \$20.00

Grant date stock price: \$20.00

Option value ratio: 35.00%

(f) Represents target award opportunity

Target stock price: \$20.00

(g) Represents target award opportunity

Target stock option value: \$5.00

(h) Represents total target award opportunity for 3 year performance period

(i) Number of shares vested: 50,000

Vesting date stock price: \$25.00

(j) Number of options exercised: 50,000

Wtd. avg. exercise price: \$12.00

Stock price at exercise: \$25.00

(k) Represents \_\_\_\_\_

	<b>Variable Incentive Opportunity Range</b>		
	Minimum	Target	Maximum
(b) <b>Short-Term Incentive</b> (% of salary)	50%	100%	200%
<b>LT Performance Plans</b>			
Restricted Stock (# shares)	2,500	5,000	10,000
(f) Restricted Stock (\$ value)	\$50,000.00	\$100,000.00	\$200,000.00
Stock Options (# options)	2,500	5,000	10,000
(g) Stock Options (\$ value)	\$12,500.00	\$25,000.00	\$50,000.00
LT Cash Plan (% of salary)	150%	300%	600%
(h) LT Cash Plan (\$ value)	\$1,500,000.00	\$3,000,000.00	\$6,000,000.00

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Mr. Big

	Annual Company Cost/Accrual	Est. Value at FYE	Est. Value at Retirement
<b>B. Retirement Benefits</b>			
• Defined Benefit Plans (a)			
– Qualified Retirement Plan	\$3,000.00	\$244,266.35	\$1,172,478.48 (b)
– SERP	\$6,000.00	\$4,946,393.60	\$11,040,839.04 (b)
<b>TOTAL</b>	<b>\$9,000.00</b>	<b>\$5,190,659.95</b>	<b>\$12,213,317.52</b>
• Defined Contribution Plans (c)			
– Qualified Plan(s)	\$7,000.00	\$190,000.00	\$190,000.00 (d)
– Non-Qualified Deferred Compensation	\$0.00	\$600,000.00	\$600,000.00 (d)
<b>TOTAL</b>	<b>\$7,000.00</b>	<b>\$790,000.00</b>	<b>\$790,000.00</b>
	<b>\$16,000.00</b>	<b>\$5,980,659.95</b>	<b>\$13,003,317.52</b>

(a) Defined Benefit assumptions

	Qualified Plan			SERP	
	Current	Retirement		Current	Retirement
Age	50	65	Age	50	65
Full yrs of service	10	24	Yrs of service credit	15	30
Final Average Pay	\$210,000.00	\$210,000.00	Final Average Pay	\$1,750,000.00	\$1,750,000.00
Replacement ratio	20.0%	48.0%	Replacement ratio	30.0%	60.0%
Early Retirement Haircut	50.0%	0.0%	Early Retirement Haircut	15.0%	0.0%
Annual Benefit	\$21,000.00	\$100,800.00	Annual Benefit	\$446,250.00	\$1,050,000.00
Lump Sum PV	\$244,266.35	\$1,172,478.48	Lump Sum PV	\$5,190,659.95	\$12,213,317.52

(b) Assumes current pay levels

(c) Defined Contribution assumptions

	Qualified Plan(s)			NQDC	
	This Year	Acct Balances		This Year	Acct Balances
Individual Contributions	\$14,000.00	\$100,000.00	Individual Contributions	\$100,000.00	\$450,000.00
Company Contributions	\$7,000.00	\$50,000.00	Company Contributions	\$0.00	\$0.00
Interest Earnings	\$9,000.00	\$40,000.00	Interest Earnings	\$45,000.00	\$150,000.00
<b>Total</b>	<b>\$30,000.00</b>	<b>\$190,000.00</b>		<b>\$145,000.00</b>	<b>\$600,000.00</b>

(d) Represents fiscal year end account balances

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Mr. Big

**C1. Other Income**

• Dividend income on restricted stock, performance shares, etc.			\$2,000.00
• Company contribution to qualified plans (401K, profit-sharing, etc.)			\$7,000.00
• Non-qualified deferred compensation earnings			
– Company contributions (other than interest earnings)			\$0.00
– Excess interest earnings			\$18,000.00
§ Actual rate of return:	10.00% (a)	\$45,000.00	
§ Market rate of return:	6.00%	\$27,000.00	
<b>TOTAL</b>			<b><u>\$27,000.00</u></b>

**C2. Special Benefits**

	Annual Company Cost/Accrual	Estimated Value
• Financial Planning	\$10,000.00	\$10,000.00
• Supplemental Life	\$5,000.00	\$1,000,000.00 (b)
• Supplemental LTD	\$5,000.00	\$1,643,550.81 (c)
• Supplemental Health	\$5,000.00	\$7,500.00 (d)
• Other:		
<b>TOTAL</b>	<b><u>\$25,000.00</u></b>	

- (a) Is rate of return guaranteed? (Y/N)            Y
- (b) Death benefit:                                    1 times salary
- (c) Monthly benefit:                                60% of salary
- Months covered:                                36 months
- (d) Full reimbursement for any out-of-pocket expenses

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Mr. Big

	Annual Company Cost/Accrual			Estimated Value to Exec	Continued Post-Retirement?
	Total	Business	Personal		
<b>D. Perquisites</b>					
• Private aircraft usage	\$30,000.00	\$25,000.00	\$5,000.00	\$10,000.00	N
• Automobile and related expenses (insurance, maintenance, etc.)			\$0.00		N
– Car/driver			\$0.00		
– Company automobile			\$0.00		
– Car allowance	\$12,000.00	\$10,000.00	\$2,000.00	\$2,000.00	
• Lodging/Commuting (company apartment, ongoing commuting expenses, etc.)			\$0.00		N
• Meals & Entertainment	\$50,000.00	\$50,000.00	\$0.00	\$0.00	Y (a)
• Clubs (initiation fees, dues, expenses, etc.)			\$0.00		
– Luncheon/Social			\$0.00		
– Country club	\$50,000.00	\$20,000.00	\$30,000.00	\$30,000.00	Y (a)
– Health club			\$0.00		
• Security Systems/Personnel			\$0.00		
– System costs (installation, maintenance, monthly fees, etc.)			\$0.00		Y (b)
– Personnel (e.g., bodyguards, etc.)			\$0.00		N
• Home office equipment (computer, fax, phones, etc.)	\$7,500.00	\$5,000.00	\$2,500.00	\$2,500.00	Y (b)
• Discount on company goods & services	\$5,000.00	\$0.00	\$5,000.00	\$5,000.00	Y (c)
• Charitable Activities (donations, tickets, etc.)			\$0.00		N
• Other _____			\$0.00		

(a) Continued for duration of non-executive Chairman service

(b) Mr. Big may keep equipment; company will not reimburse monthly charges post-termination

(c) Retains benefit for life

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Mr. Big

**E1. Current Equity Holdings**

	<u>Shares</u>	<u>FYE Value</u>	
Options			
Vested	30,000	\$570,000	\$6.00 Avg exercise price
Unvested	50,000	\$650,000	\$12.00 Avg exercise price
LTIP Restricted Stock			
Unvested	15,000	\$375,000	\$25.00 FYE stock price
RSUs in 401(k)/DCP			
Vested	50,000	\$1,250,000	\$25.00 FYE stock price
Unvested	5,000	\$125,000	\$25.00 FYE stock price
Direct Ownership			
Personal	100,000	\$2,500,000	\$25.00 FYE stock price
Immediate Family	10,000	\$250,000	\$25.00 FYE stock price
<b>TOTAL</b>	<b><u>260,000</u></b>	<b><u>\$5,720,000</u></b>	

**E2. Ownership Guidelines**

Current Ownership Requirement	\$5,000,000	5.0 times base salary
Holdings for SOG	\$4,000,000	160,000 shares (a)
Executive in compliance?	<b>No</b>	

**E3. Career Equity Awards**

	<u>Shares</u>	<u>Value at</u>
	<u>Granted</u> (b)	<u>Vesting/Exercise</u>
Options	750,000	\$7,000,000
Restricted Stock (LTIP)	250,000	\$4,500,000
401(k)/DCP	15,000 (c)	\$250,000
<b>TOTAL</b>	<b><u>1,015,000</u></b>	<b><u>\$11,750,000</u></b>

(a) Shares counted toward ownership guidelines include: vested RSUs held in Company 401(k) and DCP plans, and direct shares owned by executive and immediate family members

(b) Total of all shares/options granted to executive while an employee of the Company

(c) Company contributions only. Does not include shares/RSUs acquired through executive's voluntary investment decisions

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Mr. Big

**F. Cost of Contractual or Program/Policy Commitments**

	Cash Severance	(a)	Benefits Continuation	(b)	Equity Value	(c)	DB/DC Value		Total
• Course of Business									
– Severance									
.. For Cause	\$0.00		\$0.00		\$0.00		\$5,980,659.95		\$5,980,659.95
.. Not for Cause	\$4,000,000.00		\$120,000.00		\$1,595,000.00 (d)		\$5,980,659.95		\$11,695,659.95
.. Good Reason	\$4,000,000.00		\$120,000.00		\$1,595,000.00 (d)		\$5,980,659.95		\$11,695,659.95
.. Voluntary	\$0.00		\$0.00		\$570,000.00 (e)		\$5,980,659.95		\$6,550,659.95
.. Retirement	\$0.00		\$0.00		\$570,000.00 (e)		\$5,980,659.95		\$6,550,659.95
.. Disability	\$0.00		\$0.00		\$570,000.00 (e)		\$5,980,659.95		\$6,550,659.95
.. Death	\$0.00		\$0.00		\$570,000.00 (e)		\$5,980,659.95		\$6,550,659.95
– Restrictive Covenants									
– Other Material Provisions									

	Cash Severance	(a)	Benefits Continuation	(b)	Equity Value	(c)	DB/DC Value	Gross-up	Total
• Change in Control									
– Severance									
.. For Cause	\$0.00		\$0.00		\$0.00		\$5,980,659.95	\$0.00	\$5,980,659.95
.. Not for Cause	\$6,000,000.00		\$180,000.00		\$1,595,000.00 (d)		\$7,327,990.51 (f)	\$2,000,000.00	\$17,102,990.51
.. Good Reason	\$6,000,000.00		\$180,000.00		\$1,595,000.00 (d)		\$7,327,990.51 (f)	\$2,000,000.00	\$17,102,990.51
.. Walk-away	\$6,000,000.00		\$180,000.00		\$1,595,000.00 (d)		\$7,327,990.51 (f)	\$2,000,000.00	\$17,102,990.51
.. Voluntary	\$0.00		\$0.00		\$570,000.00 (e)		\$5,980,659.95	\$0.00	\$6,550,659.95
.. Retirement	\$0.00		\$0.00		\$570,000.00 (e)		\$5,980,659.95	\$0.00	\$6,550,659.95
.. Disability	\$0.00		\$0.00		\$570,000.00 (e)		\$5,980,659.95	\$0.00	\$6,550,659.95
.. Death	\$0.00		\$0.00		\$570,000.00 (e)		\$5,980,659.95	\$0.00	\$6,550,659.95
– Other Material Provisions									

(a) Cash severance provisions:

- 2 times target cash compensation for non-change in contro
- 3 times target cash compensation for change in contro

(b) Benefits continuation:

- Estimated monthly cost: \$5,000.00
- 24 month continuation for non-change in contro
- 36 month continuation for change in contro

(c) Value of equity holdings:

				<u>FYE Value</u>
Unvested restricted stock	15,000	FYE stock price	\$25.00	\$375,000.00
Vested stock options	30,000	Avg exercise price	\$6.00	\$570,000.00
Unvested stock options	50,000	Avg exercise price	\$12.00	\$650,000.00

(d) Vesting on all outstanding equity is accelerat

(e) Unvested equity is forfeited

(f) 3 additional years of service credit to the SERP; no early retirement haircu

Yrs of service credit	18
Final Average Pay	\$1,750,000.00
Replacement ratio	36.0%
Early Retirement Haircut	0.0%
Annual Benefit	\$630,000.00
Lump Sum PV	\$7,327,990.51