

**A "Must" Conference
for Directors and their Advisors
October 12, 2006**

Via Nationwide Video Webcast

**The New
CD&A**
Why This Conference is a "Must"!!

3rd Annual Executive Compensation Conference: Meeting The New Standards

What Every Director (and Counsel) Needs To Know – And Do – Now!

October 12, 2006

Nationwide Live Video/Audio Webcast

HEIGHTENED IMPORTANCE: This major one-day conference has taken on heightened importance now that the SEC's new executive compensation rules are out. Now that everyone is focused on the new CD&A and the need to address the compensation committee's *analysis* of CEO and NEO compensation—and to explain the process and the *tools* that compensation committees are utilizing, the Conference has become a "must" for anyone who has any role in the preparation or review of proxy statements.

With directors—as well as those executives, lawyers, and consultants who review or prepare this year's proxy disclosures—about to face greater scrutiny than ever before—attendance at this year's conference truly is a "must."

Bonus! Those who come to Las Vegas to attend live in person are able to take advantage of a special rate to attend the three-day NASPP 14th Annual Conference (with 40+ timely compensation and disclosure-related panels and a private bash with "Huey Lewis & the News!") from October 11-13, which includes the "3rd Annual Executive Compensation Conference." With over 1500 attendees year after year, many practitioners find this to be the most practical conference available all year!

Who Should Attend: Every director (not just compensation committee members) and every participant in the process—including CEOs, CFOs, HR heads, lawyers, corporate secretaries, accountants and consultants. Every person responsible for implementing executive and equity compensation plans or who counsels or advises boards, audits records, prepares minutes—and **everyone who will be involved this year in preparing or reviewing the upcoming proxy disclosures.**

Where: You have two choices: you can attend the Conference at Caesars Palace Las Vegas or via Nationwide Live, Video Webcast to desktops, boardrooms and conference rooms.

[If you plan to attend in Las Vegas, make your reservations for Caesars Palace as soon as possible online or call 800-634-6661. Be sure to mention the CompensationStandards.com/NASPP

Accredited by:



[Note: Attendance at this critical Conference will not only satisfy ISS requirements, but may be the best form of D&O insurance a director could have.]

CompensationStandards.com

What Your Colleagues are Saying:

“On CompensationStandards.com, the checklists and samples have been invaluable, particularly the sample tally sheets and internal pay equity examples. I am embarrassed to say that I had to explain to the rest of my compensation committee what internal pay equity was.” – **Compensation Committee Chair, Fortune 500 company**

“Wow! Now that is what I call director education. On CompensationStandards, the practical guidance is so unbelievable, I can’t imagine what the 3rd Annual Conference will bring!” – **General Counsel, Russell 2000 company**

“In an area that has no detailed regulatory parameters, I have struggled for years to advise compensation committees as to what they should do. By gathering the collective guidance from 75 top compensation experts, you have done me an incredible service and I thank you!” – **Partner, Midwest Law Firm**

“Last year we rescheduled our October board meeting around your conference – and we will do the same this year too. Great conference!” – **Lead Director, Major Corporation**

Agenda for “3rd Annual Executive Compensation Conference”

7:30 – 8:00 Special Audio Presentation (for attendees that don’t want to start so early, listen to this special session anytime after the conference on CompensationStandards.com)

Director Liability and Responsibilities: Exposure in 2006-2007

With directors’ executive compensation responsibilities in the spotlight, our experts will focus on when a director might now incur personal liability for executive compensation actions—and inactions—and what questions and actions directors should be addressing now.

Speakers: Professor **Charles Elson**, Director, University of Delaware Center for Corporate Governance; **John Olson**, Gibson Dunn & Crutcher

8:00 – 8:10 Opening Remarks – John Olson, Gibson, Dunn & Crutcher and **Jesse Brill**, Chair of CompensationStandards and NASPP Chair

8:10 – 8:25 Keynote – Ira Millstein, Weil Gotshal & Manges LLP

8:25 – 9:15 Meeting the New Standards: What Compensation Committees (and Consultants and Counsel) Should Now Be Doing

Learn from these respected board advisors what actions every director now needs to focus on, understand and do; what every committee should be asking from its consultants, lawyers, company’s HR department and other staff; and how the compensation committee should review CEO compensation.

Speakers: **Fred Cook**, Frederic W. Cook & Co.; **John Olson**, Gibson, Dunn & Crutcher

9:15 – 9:30 Break

9:30 – 10:45 What Now Needs to Be Disclosed in the Proxy Statement

Now that new SEC disclosure requirements will be in place for the upcoming proxy season, disclosure practices are changing dramatically. Learn how to meet the SEC’s new requirements for more detail and specificity in compensation disclosures, including specific examples; how directors will need to take greater responsibility, including new board—and CEO/CFO—action items (among them, reviewing and approving disclosures and representations about all aspects of the CEO/NEO’s package); including:

- the new CD&A disclosures (the “big sleeper”) – the latest guidance
- ongoing perk developments
- deferred compensation plans’ annual interest income and accumulated total amount
- SERPs and other retirement benefits and severance/change in control arrangements
- tally of total compensation, wealth accumulation and internal pay equity

Also learn why the CD&A should include a statement that all compensation arrangements were reviewed and tallied up and deemed not excessive and what compensation contracts and arrangements need to be filed with the SEC—when, where and how.

No director or advisor should miss this critical session. This will be the one session that advisors will want to furnish to every director!

Speakers: **Ron Mueller**, Gibson, Dunn & Crutcher; **Mark Borges**, Mercer Human Resources Consulting

10:45 – 11:15 Break

11:15 – 12:30 “The Consultants Speak” on What You Need to Do Now

Hear candid guidance from the top consultants about where we have gone astray—and how to make the necessary fixes. These experienced experts will share changes you can implement to restore integrity to the process—and to avoid liability for directors and their advisors.

Speakers: Pearl Meyer, Steven Hall & Partners; **George Paulin**, Frederic W. Cook & Co.; **Douglas Friske**, Towers Perrin; **Mike Kesner**, Deloitte Consulting LLP

12:30 – 1:45 Lunch

1:45 – 2:30 How to Devise and Utilize the Appropriate Tally Sheets

Many companies have implemented tally sheets and are grappling with “what do we do now with the results?” Learn what practices are being adopted with respect to both developing tally sheets and taking action once the tally sheets are prepared—and hear a host of practice pointers on how to get the greatest value from your tally sheets.

Speakers: Mike Kesner, Deloitte Consulting LLP; **Joe Rich**, Pearl Meyer & Partners

2:30 – 3:00 How to Create and Implement a Wealth Accumulation Table: What Directors Now Need to Address

A key companion to the tally sheet is the new “wealth accumulation table.” Factoring in wealth accumulation has now become a “must” in order for directors to make informed decisions. Learn how to implement this critical tool so that boards can more accurately assess the amount of compensation that they have already granted and to take the appropriate actions once the table is prepared, including making the new disclosures that will now be required in the new CD&A regarding wealth accumulation.

Speakers: Douglas Friske, Towers Perrin; **Mike Halloran**, Mercer Human Resources Consulting; **Pearl Meyer**, Steven Hall & Partners

3:00 – 3:30 Break

3:30 – 4:15 What Still Needs Fixing: Pay-for-Performance; Annual Option Grant Practices; Post-Retirement Provisions and More

Under the SEC’s new rules, directors will now need to focus on the new disclosures and assessments that will need to be addressed and explained in the new CD&A. Everyone is talking about pay-for-performance—but implementing it is not as easy as you would think. Critics and respected consultants are calling for boards to revisit annual grant practices and post-retirement provisions—learn what boards (and CEOs) need to do now.

Speakers: Don Delves, The Delves Group; **Diane Doubleday**, Mercer Human Resources Consulting; **Brian Foley**, Brian Foley & Company, Inc.

4:15 – 4:45 Why—and How to—Implement Internal Pay Equity

Traditional benchmarking practices have been widely criticized—and for good reason. Learn why respected consultants are advocates of internal pay equity methodologies as a better benchmark—and how to actually implement this growing practice.

Speakers: Fred Cook, Frederic W. Cook & Co.; **Blair Jones**, Semler Brossy

4:45 – 5:15 How to Fix Outstanding CEO Pay Packages and Agreements

Learn about: obligations to re-examine and modify existing arrangements; fixing and adding “cause” provisions and clawbacks; ways to address current excessive compensation and how to have a difficult conversation about rolling back pay; how to implement meaningful holding periods for outstanding equity compensation; and how to avoid traps for the unwary director when negotiating employment contracts and other compensation arrangements.

Speakers: Michael Melbinger, Winston & Strawn; **Tim Sparks**, Compensia

Bonus! In addition to the jam-packed agenda above, the Conference will include a number of additional panels that will be available via audio webcast. Due to time limitations, they won’t be played in Las Vegas—but will be archived to be viewed at any time. These panels include:

- “**How to Handle Executive Compensation Activism**” featuring Pat McGurn and Martha Carter of Institutional Shareholder Services
- “**The Institutional Investor’s New Focus on Executive Compensation: What It Means For You**” featuring Paul Hodgson of The Corporate Library
- “**How to Establish Strategic Pay Packages**” featuring Mark Van Clieaf

Keep Your Directors Out of Hot Water—Practical Guidance on CompensationStandards.com!

CompensationStandards.com is widely recognized as the essential “one stop” resource for responsible executive compensation guidance. All of this practical information is available to anyone who registers for the October 12th Conference.

To help us develop the practical and responsible guidance on this site, we formed an Executive Compensation Task Force—consisting of the top “thought leaders” in the area of executive compensation. This unprecedented Task Force includes 75 of the top compensation lawyers, compensation consultants and compensation critics.

This Task Force has contributed hundreds of practice pointers—with more being added daily! Experts answer compensation questions posted in our Q&A Forum and all the latest director liability and litigation developments are in the Compensation Litigation Portal. The site also contains hundreds of expert memos, media articles and sample documents—all devoted to practical guidance for directors and their advisors.



Do Not Procrastinate

With heightened stakes resulting from this year’s new proxy disclosures—and the new obligations and actions that directors will be held accountable for—do not be caught flat-footed.

Many boards do not yet appreciate how much review of current practices and arrangements should be undertaken now—and how the new CD&A proxy statement disclosures are looming as a huge potential source of exposure for directors—as well as CEOs and CFOs.

The “Catch Up Now” section of the CompensationStandards.com home page provides the essentials that every director should be reading right now.

Please do not delay: • Calendar the October 12 Conference on all your directors’ calendars.
• Provide your directors with the “Catch Up Now” materials today. • Enter your FIRMWIDE access to CompensationStandards.com today!

ACCESS NOW: For the essential October 12th conference—and to gain immediate access to the wealth of resources available now on CompensationStandards.com—we offer the following alternatives so that everyone involved in the compensation process will have access to all the critical, practical guidance that you need now and in the days ahead:

1. Yes, I will attend in Las Vegas:

- \$495 per person for CompensationStandards.com members
 - \$995 per person, non-member rate (Note, non-members qualify for the member rate by entering a no-risk trial below)
- FREE to attendees of the NASPP Annual Conference (Go to NASPP.com to register.)

2. Yes, I will attend via the video webcast:

- \$495 per person for CompensationStandards.com members
 - \$995 per person, non-member rate
- \$995 Unlimited use by all persons in a single office location—for CompensationStandards.com member companies/firms with an Unlimited license for CompensationStandards.com.
 - \$2195 for Unlimited use by all persons in a single office location, non-member rate
- \$1250 Firmwide use by all persons in multiple locations—for companies/firms with a Firmwide license for CompensationStandards.com.
 - \$3295 for Firmwide multiple locations, non-member rate

Why You Need a Firmwide—Unlimited Users—License: With the stakes so high now, many companies and law firms are taking advantage of our Firmwide license—so that all your outside directors and staff can access the many resources on CompensationStandards.com **NOW.** (Even if you have an existing membership to CompensationStandards.com, you can upgrade to a firmwide.)

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Do Not Delay!

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