

1 for your MICP award, your manager would also make
2 a recommendation for your LTI award.

3 Q Do you remember what the specific
4 factors are under that program?

5 A No.

6 Q Is there a plan document that sets
7 out what those specific factors are?

8 A There is a plan document for the LTI
9 program and that plan document, very similar to
10 the MICP plan, would have a list of financial
11 factors which could be used for that program.

12 Q How is it determined which of those
13 financial factors are actually to be used and in
14 what calculation to determine what potential
15 bonuses are under that plan?

16 A The CFO and the CEO would make a
17 recommendation to the human capital committee of
18 the board of directors, and the board of directors
19 or the human capital committee of the board would
20 approve the financial factors as well as the
21 weightings for those -- for the LTI program.

22 Q Do you have any knowledge about what
23 the range of available bonuses under the LTI
24 program are?

25 A Depending on the job level, the --

1 the range could be anywhere from approximately
2 \$10,000 at an AVP level to the CEO who can earn up
3 to typically today it's approximately 350 percent
4 of his salary.

5 Q When are those paid out or stocks
6 granted?

7 A The stock is granted on the date of
8 the human capital committee which is typically in
9 late February after the calendar year is over.
10 Once the stock award is granted, it has a vesting
11 period and that vesting period is currently
12 ratably over three years, a third, a third, a
13 third.

14 Q Okay. The -- when I asked how much
15 the eligible amount of stock was, you gave it to
16 me in terms of dollars as opposed to shares of
17 stock. Is that a dollar amount based on -- at
18 what point do they figure out how many shares of
19 stock it is? On the date that it's issued or at
20 the end of the calendar year? How does that work?

21 A Okay. Let me make one correction.
22 AVPs receive a type of deferred cash as opposed to
23 stock. And then VPs and above would receive
24 stock, some sort of stock award.

25 The number of shares is determined on