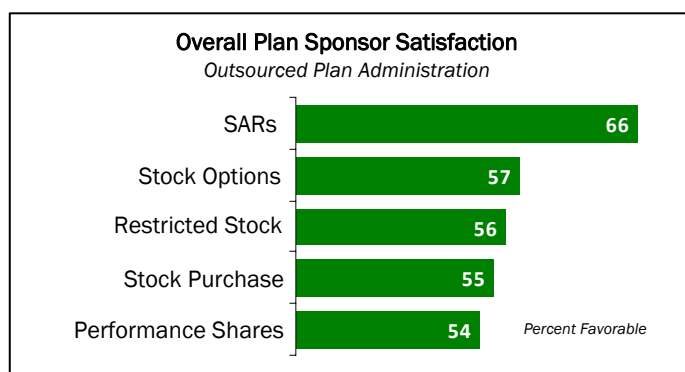


EQUITY COMPENSATION PLAN ADMINISTRATION STUDY

OCTOBER 2008

Four hundred and seventy-two plan sponsors participated in Group Five's sixth Benchmarking Study of plan sponsor satisfaction with Equity Plan Administration. In the most comprehensive study to date, the sponsors rated their satisfaction with the administration of 1,310 equity compensation plans, including stock options, restricted stock/units, performance shares, stock appreciation rights, and stock purchase plans.

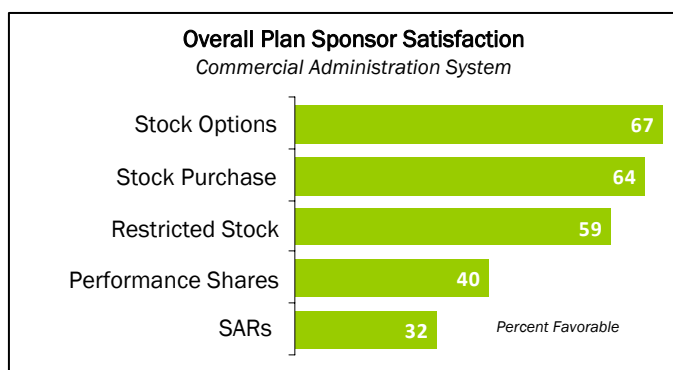
Plan sponsors who outsourced all or part of their plan administration were most satisfied with the administration of their stock appreciation rights plans with 66% of sponsors giving a favorable rating. Satisfaction with full or partial outsourcing of administration of all other plans was statistically the same with stock option plans rated at 57% favorable followed by restricted stock plans at 56%, stock purchase plans at 55% and performance shares plans at 54%. The study included ten equity plan



administrators: AST Equity Plans Solutions, BNY Mellon, Charles Schwab, Computershare, E*Trade, Fidelity, Merrill Lynch, Smith Barney, Solium, and UBS.

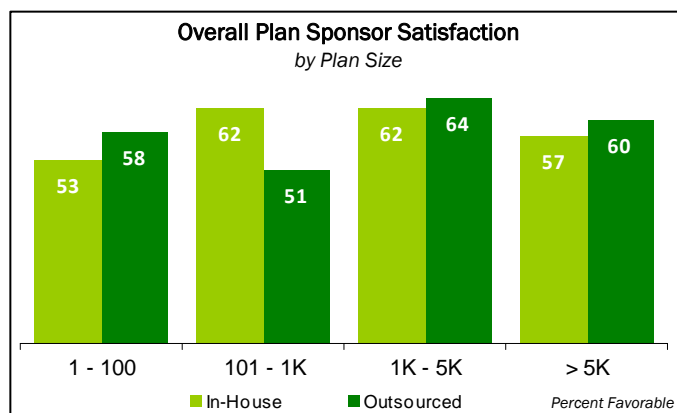
Plan sponsors who use commercial record-keeping systems to perform their own plan administration in-house are most satisfied with their commercial system's ability to support stock option plans with a 67% favorable rating. Satisfaction with

commercial systems to administer stock purchase plans was second highest rated at 64% followed by restricted stock plans at 59%, and performance shares



at 40%. Administration of stock appreciation rights plans using a commercial record-keeping system were lowest rated at 32% favorable. The commercial systems included in the study were: EASi, Equity Edge, Express Options, Express Stock Purchase, and TWP.

Of the 1,310 plans sponsored by the study respondents, 62% had participants in more than one country. The number of plan participants varied with 28% of plans having less than 100 participants, 41% with between 100 and 1,000 participants, 20% with between 1,000 and 5,000 participants and 11% having more than 5,000 participants. The chart below shows plan sponsor favorable satisfaction by plan size.



2008 Equity Compensation Plan Administration Study

The two Client Satisfaction Ranking charts that follow show the percentage of favorable responses for 1) each of the commercial systems used by the study respondents to administer their equity compensation plans and 2) each of the outsourced plan administrators used by the study respondents. A favorable response is a 4 or 5 rating on a five point scale with 5 being very satisfied and 1 being very dissatisfied.

Computershare's (now Transcentive's) Express Options was the highest rated commercial system used by the study respondents with 68% favorable. E*Trade's Equity Edge was second highest rated with a 61% favorable rating. These two systems are, by far, the most widely used systems for in-house plan administration.

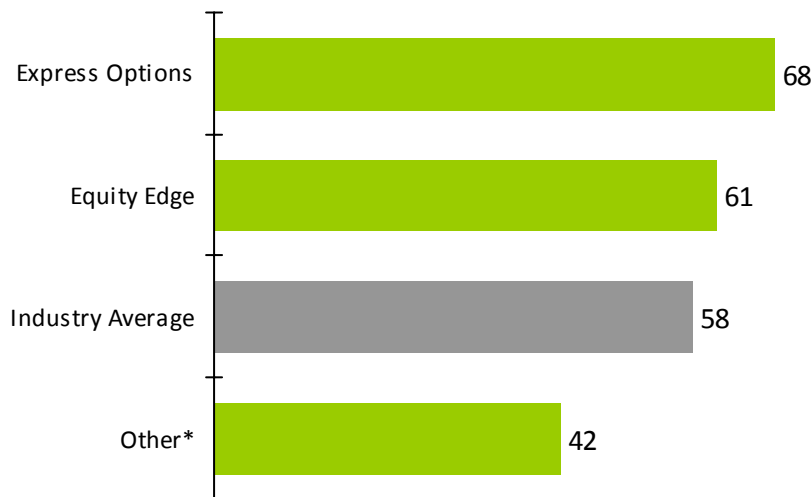
Plan sponsors who outsource all or part of their equity compensation plan administration rated Smith Barney the highest in plan sponsor satisfaction with a 68% favorable rating. UBS had the second highest plan sponsor satisfaction with a 66% favorable rating. The next highest rated are Fidelity, E*Trade, and Merrill Lynch with plan sponsor satisfaction ratings of 62, 60, and 57 percent, respectively.

The plan sponsor ratings for both commercial systems and outsourced plan administration on average are essentially identical at 58% and 56% favorable, respectively. The biggest factor keeping both commercial systems and outsourced administrators from achieving higher ratings is the pace of change in equity compensation plan design coupled with legal and regulatory changes.

Equity Compensation Plan — In-house Administration

Client Satisfaction Ranking

(based on percent favorable response)

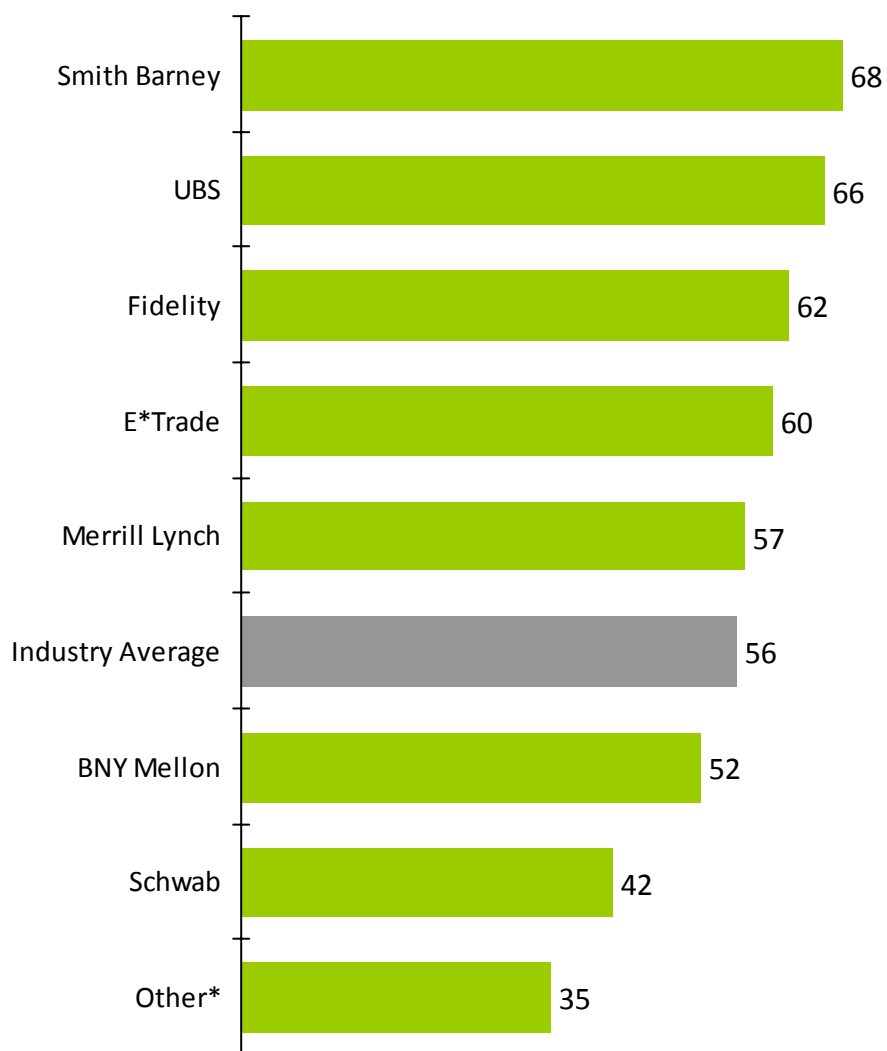


Based upon 397 overall satisfaction ratings provided by the 472 study respondents for in-house commercial administration systems.

** Included in the study but not shown due to small sample size are: EASi, Equity Focus, Option Trax, TWP, PeopleSoft, Excel and others.*

Equity Compensation Plan — Full and Partial Outsourced Administration Client Satisfaction Ranking

(based on percent favorable response)



Based upon 878 overall satisfaction ratings provided by the 472 study respondents for full or partial outsourced plan administration.

** Included in the study but not shown due to small sample size are: AST Equity Plan Solutions, Computershare, Global Shares, SGVestia, Solium, and Wells Fargo.*

2008 Equity Compensation Plan Administration Study

Of the 1,310 plans rated by the 472 survey respondents, 68% have their plan administration either fully or partially outsourced. The following chart shows the breakdown of the 472 study respondents by their plan types, in-house or outsourced administration, number of responses for each type of administration, and the percent of plans which are international.

Plan	Admin	Responses	International Plans
Stock Options	In-house	139	63%
	Out-sourced	294	69%
Stock Purchase	In-house	61	57%
	Out-sourced	184	55%
Restricted Stock	In-house	130	50%
	Out-sourced	243	68%
Performance Shares	In-house	68	47%
	Out-sourced	117	57%
Stock Appreciation Rights	In-house	21	62%
	Out-sourced	53	74%

In general, plan sponsor satisfaction ratings for outsourced plan administration are at the same level as plan sponsor satisfaction ratings for in-house commercial systems. In addition plan sponsor satisfaction is basically the same whether a plan is domestic or international. The most satisfied subgroup of plan sponsors are those plan sponsors with plans with between 1,000 and 5,000 participants who outsource administration with 64% favorable. The least satisfied group are those plan sponsors who outsource administration of plans with 100 to 1,000 participants.

Plan sponsors who fully or partially outsource plan administration rated their administrators highest in the following areas:

- ✓ Transaction execution for plan participants - 69%
- ✓ Accessibility of account support staff - 66%
- ✓ Responsiveness of account support staff - 65%

Plan sponsors rated their administrators lowest in the following areas:

- ✓ Plan reporting - 40%
- ✓ Plan valuation support - 42%
- ✓ Service to international plan participants - 43%

Plan sponsors who use a commercial system to administer their plans in-house rated their systems highest in the following areas:

- ✓ System security - 71%
- ✓ Overall ease of use - 70%
- ✓ System reliability - 69%

Plan sponsors rated their commercial systems lowest in the following areas:

- ✓ Technical support - 40%
- ✓ Support for international grants - 43%
- ✓ Taxation support - 48%

About the study . . .

The Group Five study of client satisfaction with equity compensation plan administration services and systems was based on responses from companies from June through September 2008.

The sample of companies was taken from Group Five's databases and public sources. Clients from the largest service providers were targeted for the survey. At each company, the survey was to be completed by the person most familiar with the performance of the service provider. Job titles of participants included VP Human Resources, Employee Benefits Manager, Senior Benefits Administrator, Stock Plan Administration Manager, etc. The completed study included 472 responses from companies sponsoring 1,310 different equity compensation plans. Each response received equal weighting regardless of the number of plan participants.

In theory, in 95 cases out of 100, overall results based on such samples will differ by no more than three percentage points in either direction from what would have been obtained by receiving responses from all companies. The potential sampling error for smaller subgroups is larger.

In addition to sampling error, the practical differences of conducting any survey can introduce other sources of error. Differences in wording and order of questions, for instance, can lead to somewhat varying results.

The information in this report is not an endorsement of any company by Group Five, Inc.