

**17 CFR Parts 228, 229, and 240**

[Release No. 33-7032; 34-33229]

RIN 3235-AF92

58 FR 63010 11/29/93

**Executive Compensation Disclosure;  
Securityholder Lists and Mailing  
Requests**

**AGENCY:** Securities and Exchange  
Commission.

**ACTION:** Final rules.

**SUMMARY:** The Securities and Exchange Commission ("Commission") has adopted several refinements of, and technical changes to, the executive compensation disclosure requirements applicable to proxy and information statements, registration statements and periodic reports under the Securities Exchange Act of 1934 ("Exchange Act"), and to registration statements under the Securities Act of 1933 ("Securities Act"). These amendments are intended to make compensation disclosure clearer, more comprehensive and more useful to shareholders. The release also addresses related questions that have arisen under the proxy rules.

**DATES:** Effective Date: These rules are effective November 29, 1993.

**Transition Provisions:** The new rules are effective November 29, 1993, and any registrant may use the amended rules at any time thereafter.

To facilitate a smooth transition, however, the following transitional provisions will be allowed by the Commission. Registrants are required to comply with the new rules for: (1) Any new registration statement under the Securities Act, and any new registration statement or periodic report under the Exchange Act filed on or after January 1, 1994; and (2) any new proxy or information statements filed on or after January 1, 1994, except that proxy or information statements filed with respect to the annual election of directors by registrants whose current fiscal year ends on or after December 15, 1993 are required to comply with the amended rules whenever filed.

**FOR FURTHER INFORMATION CONTACT:** Gregg W. Corso, Paula Dubberly, Brian L. Henry or Thomas D. Twedt at (202) 272-3097, Division of Corporation Finance, Securities and Exchange Commission, 450 Fifth Street NW., Washington, DC 20549.

**SUPPLEMENTARY INFORMATION:** The Commission has adopted amendments to Item 402 of Regulation S-K<sup>1</sup> and

corresponding amendments to Item 402 of Regulation S-B,<sup>2</sup> as well as to Item 10 of Schedule 14A.<sup>3</sup> These amendments modify the executive compensation disclosure requirements applicable to proxy and information statements,<sup>4</sup> registration statements and periodic reports under the Exchange Act,<sup>5</sup> and to registration statements under the Securities Act.<sup>6</sup>

**I. Introduction**

In October 1992, the Commission adopted extensive revisions to its rules governing disclosure of executive compensation in proxy and information statements as well as other Commission filings.<sup>7</sup> In August 1993, the Commission reported on the results of the review by the Division of Corporation Finance ("Division") of filings during the initial proxy season after adoption of the new rules.<sup>8</sup> Based on that review, the Commission proposed for comment several refinements to the executive compensation disclosure requirements,<sup>9</sup> and certain technical amendments to such disclosure rules and the proxy rules. The amendments are being adopted, substantially as proposed.<sup>10</sup>

The Division plans to review the proxy statements of those registrants requested during the 1993 proxy season to make changes in future filings, as well as proxy statements of additional registrants. To manage the review process to minimize delay in clearing preliminary proxy material, the staff may review definitive proxy statements even where the statement is filed in preliminary form. Registrants that wish to assure that any comments on their executive compensation disclosure are received prior to delivery of the proxy statement to shareholders may request

<sup>1</sup> 17 CFR 228.402. Throughout this release, whenever the requirements of Regulation S-K are addressed, the discussion is also applicable to analogous items of Regulation S-B.

<sup>2</sup> 17 CFR 240.14a-101, Item 10.

<sup>3</sup> Throughout this release, any reference to proxy statement shall include an information statement required under Regulation 14C.

<sup>4</sup> 15 U.S.C. 78a et seq.

<sup>5</sup> 15 U.S.C. 77a et seq.

<sup>6</sup> Release No. 33-6962 (October 16, 1992) (57 FR 48126), as corrected in Release No. 33-6966 (November 9, 1992) (57 FR 53985).

<sup>7</sup> Release No. 33-7009 (August 6, 1993) (58 FR 42682) ("Proposing Release").

<sup>8</sup> Id.

<sup>9</sup> The changes from the proposed rules include conforming changes to the Option/SARs column headings in all the applicable tables and clarification that the changes in instruction 9 to Item 402(c) apply to the binomial pricing model. The Commission received 40 letters of comment, which may be inspected and copied at the Commission's Public Reference Room, 450 Fifth Street NW., Washington, DC 20549, File No. S7-23-93.

staff review of their executive compensation disclosure prior to filing with the Commission. In order to ensure adequate time for staff review, drafts must be submitted to the attention of John Bernas, Securities and Exchange Commission, 450 Fifth Street NW., Mail Stop 3-7, Washington, DC 20549 at least 20 days before the date comments are necessary.<sup>11</sup> In order to review the draft, the staff would have to be provided all of the disclosure required by Items 402 and 404 of Regulation S-K and Item 10 of Schedule 14A. Submission of the entire draft proxy statement would not be necessary.

**II. Amendments to Item 402 of  
Regulation S-K and Item 10 of  
Schedule 14A**

**A. Persons Covered**

Item 402(a)(3) previously required compensation disclosure of the CEO and each of the four most highly paid executive officers (whose compensation exceeded \$100,000) employed at fiscal year end. Finding that these requirements provided an incomplete picture of the registrant's compensation package when highly paid executives departed prior to fiscal year end, the Commission proposed to amend the rule to apply as well to any person who served as CEO during the latest fiscal year and any other executive officer who departed during such year but whose reportable salary and bonus would place them in the group of four highest paid executive officers. In determining the salary and bonus reportable, the amounts to be included are those paid, earned or accrued. The amounts are not to be annualized for the period after departure.

Comments received on the proposal ranged from those who suggested the rule cover more executives to those who not only opposed but suggested reducing the named executives to three. Several of the commenters suggested that the departed executives be included but that the total number remain at five; some suggested that only departed CEOs be added to the table. After review of the comments, the Commission has determined that the proposal strikes the right balance and is adopting the revisions as proposed.<sup>12</sup>

<sup>11</sup> Registrants submitting this information electronically should use the document tag "CORRESP," which will ensure that the information remains non-public. The designated staff contact should be informed of such an electronic submission.

<sup>12</sup> Items 402(a)(3)(i) and (iii) of Regulation S-K (17 CFR 229.402(a)(3)(i) and (iii)).

<sup>1</sup> 17 CFR 229.402.

### B. Restricted Stock Portfolio Information

The proposal to require all registrants to disclose year-end restricted stock holdings regardless of whether any such grants occurred during the period covered by the Summary Compensation Table was supported by most commenters. The amendment is adopted, as proposed.<sup>13</sup>

### C. Grant-Date Present Value

Based on its experience with the disclosures made with respect to grant date valuations, the Commission proposed to require disclosure of specified assumptions and adjustments underlying a calculation using the Black-Scholes or binomial pricing model. The proposal reflected both the importance of the assumptions underlying the valuation as well as the clarity of the disclosure provided by those registrants that voluntarily disclosed assumptions during the last proxy season.

Most commenters acknowledged the importance of the information. Some expressed concern over the potential liability. The Commission notes that the option value is a projection of a financial item entitled to safe harbor protections, as are the underlying assumptions.<sup>14</sup> The amendment is adopted as proposed.<sup>15</sup>

### D. Performance Graph: Weighting of Self-Constructed Indices

When registrants use a self-constructed peer group index or a market capitalization index in the performance graph, the returns of each component company must be weighted according to their respective stock market capitalization.<sup>16</sup> Most commenters expressed strong support for the proposal to change the timing of the weighting from the end to the beginning of the period, as providing a more accurate measurement of total return. The amendment has been adopted, as proposed.

### E. Technical Amendments

The Commission has adopted substantially as proposed the following technical amendments to clarify the application of Item 402 and to correct certain inconsistencies in the rules.

- The instruction to the Summary Compensation Table requiring restricted

<sup>13</sup> Instruction 2 to Item 402(b)(2)(iv) of Regulation S-K (17 CFR 229.402(b)(2)(iv)).

<sup>14</sup> Rule 175(c)(1) and (c)(4) (17 CFR 230.175(c)(1) and (c)(4)); Rule 3b-6(c)(1) and (c)(4) (17 CFR 240.3b-6(c)(1) and (c)(4)).

<sup>15</sup> Instruction 9 to Item 402(c) of Regulation S-K (17 CFR 229.402(c)).

<sup>16</sup> See Instruction 5 to Item 402(l) of Regulation S-K (17 CFR 229.402(l)).

stock portfolio information has been revised to clarify that such holdings should be valued using the stock value at year end.<sup>17</sup>

- The caption to column (b) to the Options Grants Table now reads: "Number of Securities Underlying Options/SARs Granted."<sup>18</sup> In addition, conforming changes were made to the appropriate captions in the Summary Compensation Table,<sup>19</sup> the Option Exercise Table<sup>20</sup> and the Ten-year Option/SAR Repricings Table<sup>21</sup>.

- It also has been clarified that estimated future payouts in the Long-Term Incentive Plan Awards Table may be provided in dollars or in shares.<sup>22</sup>

- Disclosure regarding defined benefit or actuarial plans shall include the relationship of covered compensation to the annual compensation reported in the Summary Compensation Table.<sup>23</sup>

- The instructions to the performance graph have been revised to clarify that registrants must assume a fixed investment, stated in dollars (e.g., \$100), in the stocks and indices plotted.<sup>24</sup>

- Instruction 3 to Item 10 of Schedule 14A<sup>25</sup> now correctly references paragraphs (a) or (b) to Rule 14a-6<sup>26</sup> for the appropriate time to file.

### III. Other Issues

As part of the October 1992 proxy rule revisions, the Commission adopted certain amendments affecting the presentation of matters on the form of proxy.<sup>27</sup> Rule 14a-4 was revised to require an "unbundling" of groups of related matters in the form of proxy.<sup>28</sup> The amended rule requires that each separate matter be clearly and impartially identified<sup>29</sup> and that the form of proxy provide for a separate vote on each matter presented.<sup>30</sup>

Companies have asked whether in the case of shareholder approval of amendments to an existing

<sup>17</sup> Instruction 2(a) of Item 402(b)(2)(iv) (17 CFR 229.402(b)(2)(iv)).

<sup>18</sup> Item 402(c)(1) of Regulation S-K, column (b) (17 CFR 229.402(c)(1)).

<sup>19</sup> Item 402(b)(1) of Regulation S-K, column (g) (17 CFR 229.402(b)(1)).

<sup>20</sup> Item 402(d)(1) of Regulation S-K, column (d) (17 CFR 229.402(d)(1)).

<sup>21</sup> Item 402(i)(3)(i) of Regulation S-K, column (c) (17 CFR 229.402(i)(3)(i)).

<sup>22</sup> Item 402(e)(2)(iv) of Regulation S-K (17 CFR 229.402(e)(2)(iv)).

<sup>23</sup> Item 402(f)(1)(ii)(A) of Regulation S-K (17 CFR 229.402(f)(1)(ii)(A)).

<sup>24</sup> Instruction 2 to Item 402(l) of Regulation S-K (17 CFR 229.402(l)).

<sup>25</sup> 17 CFR 240.14a-101 (Schedule 14A, Item 10).

<sup>26</sup> 17 CFR 240.14a-6.

<sup>27</sup> Release No. 34-31326 (October 22, 1992) (57 FR 48276).

<sup>28</sup> *Id.* at section H (57 FR 48276, 48287).

<sup>29</sup> Rule 14a-4(a) (17 CFR 240.14a-4(a)).

<sup>30</sup> Rule 14a-4(b)(1) (17 CFR 240.14a-4(b)(1)).

compensation plan, the "separate matter" referred to in Rule 14a-4 applies to each amendment to the plan or only the plan as amended. Registrants have been advised that it is appropriate to provide for a single vote on the plan, as amended, rather than a vote on each amendment in a given plan.

There have also been questions about the need to file in preliminary form a proxy statement related to the amendment of an existing compensation plan pursuant to Rule 14a-6(a).<sup>31</sup> As noted in the release adopting the amendments to the rules under section 16 of the Exchange Act,<sup>32</sup> proposals to amend an existing employee benefit plan do not require a registrant to file the proxy or information statement in preliminary form.<sup>33</sup> This interpretation is being codified in a companion release.<sup>34</sup>

Finally, questions have been raised as to the need for the Compensation Committee Report to address the deductibility of executive compensation under the new provisions of the Internal Revenue Code.<sup>35</sup> The report should in its discussion of executive compensation policies<sup>36</sup> address the registrant's policy with respect to qualifying compensation paid to its executive officers for deductibility under section 162(m) of the Internal Revenue Code.<sup>37</sup>

### IV. Cost-Benefit Analysis

No specific data were provided in response to the Commission's request regarding the costs and benefits of these amendments. The Commission believes that the benefits to be gained by amending the executive compensation disclosure rules to require registrants to provide the enhanced information to shareholders as well as to clarify the disclosure requirements outweighs the costs associated with implementing these proposals.

### V. Summary of Final Regulatory Flexibility Analysis

A final regulatory flexibility analysis has been prepared regarding the amendments in accordance with 5 U.S.C. 604. A copy of the analysis may be obtained from Thomas D. Twedt, Division of Corporation Finance, U.S.

<sup>31</sup> Rule 14a-6(a) (17 CFR 240.14a-6(a)).

<sup>32</sup> 15 U.S.C. 78p.

<sup>33</sup> Rule 14a-6 (a) and (b) (17 CFR 240.14a-6 (a) and (b)) and Release 34-28869 (February 8, 1991) (56 FR 7242) at note 244.

<sup>34</sup> Release No. 34-33232 (November 22, 1993).

<sup>35</sup> Omnibus Budget Reconciliation Act of 1993, Pub. L. No. 103-66, Title XIII (August 10, 1993).

<sup>36</sup> See Item 402(k)(1) of Regulation S-K (17 CFR 229.402(k)(1)).

<sup>37</sup> 26 U.S.C. 162(m).

Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549. A summary of the corresponding Initial Regulatory Flexibility Analysis appears at 58 FR 42892 (Securities Act Release No. 7009).

**VI. Effective Date**

The amendments are effective upon publication in the Federal Register, in accordance with the Administrative Procedure Act, which allows for effectiveness in less than 30 days after publication, *inter alia*, "as provided by the agency for good cause found and published with the rule." 5 U.S.C. 553(d)(3). There is good cause for the amendments to become effective immediately in order to assure that this improved disclosure will be in place for the 1994 proxy season.

Some registrants have indicated an interest in being able to satisfy the revised executive compensation requirements as soon as possible. Immediate effectiveness will afford them that option.

For other registrants, the Commission has provided transition provisions. Registrants are required to comply with the new rules for: (1) Any new registration statement under the Securities Act, and any new registration statement or periodic report under the Exchange Act filed on or after January 1, 1994; and (2) any new proxy or information statements filed on or after

January 1, 1994, except that proxy or information statements filed with respect to the annual election of directors by registrants whose current fiscal year ends on or after December 15, 1993 are required to comply with the amended rules whenever filed.

**VII. Statutory Basis**

The amendments contained herein are being adopted pursuant to sections 3(b), 6, 7, 8, 10, and 19(a) of the Securities Act and sections 12, 13, 14(a), 15(d) and 23(a) of the Exchange Act.

**List of Subjects in 17 CFR Parts 228, 229 and 240**

Reporting and recordkeeping requirements, Securities.

**Text of Amendments**

In accordance with the foregoing, Title 17, chapter II of the Code of Federal Regulations, is amended as follows:

**PART 228—INTEGRATED DISCLOSURE SYSTEM FOR SMALL BUSINESS ISSUERS**

1. The authority citation for part 228 continues to read as follows:

**Authority:** 15 U.S.C. 77e, 77f, 77g, 77h, 77j, 77k, 77s, 77aa(25), 77aa(26), 77ddd, 77eee, 77ggg, 77hhh, 77jjj, 77nnn, 77sss, 78l, 78m, 78n, 78o, 78w, 78ll, 80a-8, 80a-29, 80a-30, 80a-37, 80b-11, unless otherwise noted.

2. By amending § 228.402 by revising paragraph (a)(2); the table following paragraph (b)(1); paragraph (b)(2)(iv)(B); Instruction 2 to Instructions to Item 402(b)(2)(iv); the table following paragraph (c)(1); paragraph (c)(2)(ii); the table following paragraph (d)(1); paragraph (d)(2)(iv); and paragraph (e)(2)(iv) to read as follows:

**§ 228.402 (Item 402) Executive compensation.**

- (a) \* \* \*
- (2) *Persons covered.* Disclosure shall be provided pursuant to this item for each of the following (the "named executive officers"):
  - (i) All individuals serving as the registrant's chief executive officer or acting in a similar capacity during the last completed fiscal year ("CEO"), regardless of compensation level;
  - (ii) The registrant's four most highly compensated executive officers other than the CEO who were serving as executive officers at the end of the last completed fiscal year; and
  - (iii) Up to two additional individuals for whom disclosure would have been provided pursuant to paragraph (a)(2)(ii) of this item but for the fact that the individual was not serving as an executive officer of the registrant at the end of the last completed fiscal year.

\* \* \* \* \*

(b) \* \* \*

(1) \* \* \*

**SUMMARY COMPENSATION TABLE**

Name and principal position	Year	Annual compensation			Long term compensation			
		Salary (\$)	Bonus (\$)	Other annual compensation (\$)	Awards		Payouts	
					Restricted stock award(s) (\$)	Securities underlying options/SARs (#)	LTIP payouts (\$)	All other compensation (\$)
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
CEO .....	---							
A .....	---							
B .....	---							
C .....	---							
D .....	---							

(2) \* \* \*

(iv) \* \* \*

(B) The sum of the number of securities underlying stock options granted, with or without tandem SARs,

and the number of freestanding SARs (column (g)); and

\* \* \* \* \*

Instructions to Item 402(b)(2)(iv)

1. \* \* \*

2. The registrant shall, in a footnote to the Summary Compensation Table (appended to column (f), if included), disclose:

a. The number and value of the aggregate restricted stock holdings at the end of the last completed fiscal year. The value shall be

calculated in the manner specified in paragraph (b)(2)(iv)(A) of this item using the value of the registrant's shares at the end of the last completed fiscal year;

b. For any restricted stock award reported in the Summary Compensation Table that will vest, in whole or in part, in under three years from the date of grant, the total number

of shares awarded and the vesting schedule; and

c. Whether dividends will be paid on the restricted stock reported in column (f).

\* \* \* \* \*

(c) \* \* \*

(1) \* \* \*

OPTION/SAR GRANTS IN LAST FISCAL YEAR  
[Individual Grants]

Name (a)	Number of securities underlying options/SARs granted (#) (b)	Percent of total options/SARs granted to employees in fiscal year (c)	Exercise or base price (\$/Sh) (d)	Expiration date (e)
CEO .....				
A .....				
B .....				
C .....				
D .....				

(2) \* \* \*

(ii) number of securities underlying option/SARs granted (column (b)).

(d) \* \* \*

(1) \* \* \*

\* \* \* \* \*

AGGREGATED OPTION/SAR EXERCISES IN LAST FISCAL YEAR AND FY-END OPTION/SAR VALUES

Name (a)	Shares acquired on exercise (#) (b)	Value realized (\$) (c)	Number of securities underlying unexercised options/SARs at FY-end (#) Exercisable/Unexercisable (d)	Value of unexercised in-the-money options/SARs at FY-end (\$) Exercisable/Unexercisable (e)
CEO .....				
A .....				
B .....				
C .....				
D .....				

(2) \* \* \*

(iv) The total number of securities underlying unexercised options and SARs held at the end of the last completed fiscal year, separately identifying the exercisable and unexercisable options and SARs (column (d)); and

\* \* \* \* \*

(e) \* \* \*

(2) \* \* \*

(iv) For plans not based on stock price, the dollar value of the estimated payout, the number of shares to be awarded as the payout or a range of estimated payouts denominated in dollars or number of shares under the award (threshold, target and maximum amount) (columns (d) through (f)).

\* \* \* \* \*

**PART 229—STANDARD INSTRUCTIONS FOR FILING FORMS UNDER SECURITIES ACT OF 1933, SECURITIES EXCHANGE ACT OF 1934 AND ENERGY POLICY AND CONSERVATION ACT OF 1975—REGULATION S-K**

3. The authority citation for part 229 continues to read in part as follows:

**Authority:** 15 U.S.C. 77e, 77f, 77g, 77h, 77j, 77k, 77s, 77aa(25), 77aa(26), 77ddd, 77eee, 77ggg, 77hhh, 77iii, 77jjj, 77nnn, 77sss, 78c, 78i, 78j, 78l, 78m, 78n, 78o, 78w, 78ll(d), 79e, 79n, 79t, 80a-8, 80a-29, 80a-30, 80a-37, 80b-11, unless otherwise noted.

4. By amending § 229.402 by revising paragraph (a)(3); the table following paragraph (b)(1); paragraph (b)(2)(iv)(B); Instruction 2 to Instructions to Item 402(b)(2)(iv); the table following paragraph (c)(1); paragraph (c)(2)(ii); Instruction 9 to Instructions to Item 402(c); the table following paragraph

(d)(1); paragraph (d)(2)(iv); paragraph (e)(2)(iv); paragraph (f)(1)(ii)(A); the table following paragraph (i)(3)(i); paragraph (i)(3)(ii)(C); and Instruction 2 and Instruction 5 to Instructions to Item 402(l) to read as follows:

**§ 229.402 (Item 402) Executive compensation.**

(a) \* \* \*

(3) *Persons covered.* Disclosure shall be provided pursuant to this item for each of the following (the "named executive officers"):

(i) All individuals serving as the registrant's chief executive officer or acting in a similar capacity during the last completed fiscal year ("CEO"), regardless of compensation level;

(ii) The registrant's four most highly compensated executive officers other than the CEO who were serving as executive officers at the end of the last completed fiscal year; and

(iii) Up to two additional individuals for whom disclosure would have been provided pursuant to paragraph (a)(3)(ii) of this item but for the fact that the

individual was not serving as an executive officer of the registrant at the end of the last completed fiscal year.  
\* \* \* \* \*

(b) \* \* \*  
(1) \* \* \*

**SUMMARY COMPENSATION TABLE**

Name and principal position  (a)	Year  (b)	Annual compensation			Long term compensation			
		Salary (\$)  (c)	Bonus (\$)  (d)	Other annual compensation (\$)  (e)	Awards		Payouts  LTIP payouts (\$)  (h)	All other compensation (\$)  (i)
					Restricted stock award(s)  (f)	Securities underlying options/SARs (#)  (g)		
CEO .....	---							
A .....	---							
B .....	---							
C .....	---							
D .....	---							

(2) \* \* \*  
(iv) \* \* \*  
(B) The sum of the number of securities underlying stock options granted, with or without tandem SARs, and the number of freestanding SARs (column (g)); and  
\* \* \* \* \*

Instructions to Item 402(b)(2)(iv)

1. \* \* \*  
2. The registrant shall, in a footnote to the Summary Compensation Table (appended to column (f), if included), disclose:  
a. The number and value of the aggregate restricted stock holdings at the end of the last completed fiscal year. The value shall be calculated in the manner specified in paragraph (b)(2)(iv)(A) of this item using the value of the registrant's shares at the end of the last completed fiscal year;

b. For any restricted stock award reported in the Summary Compensation Table that will vest, in whole or in part, in under three years from the date of grant, the total number of shares awarded and the vesting schedule; and  
c. Whether dividends will be paid on the restricted stock reported in column (f).  
\* \* \* \* \*  
(c) \* \* \*  
(1) \* \* \*

**OPTION/SAR GRANTS IN LAST FISCAL YEAR**

Name  (a)	Individual grants				Potential realizable value at assumed annual rates of stock price appreciation for option term		Alternative to (f) and (g): grant date value
	Number of securities underlying options/SARs granted (#)  (b)	Percent of total options/SARs granted to employees in fiscal year  (c)	Exercise of base price (\$/Sh)  (d)	Expiration date  (e)	5% (\$)	10% (\$)	Grant date present value \$  (f)
					(f)	(g)	
CEO .....							
A .....							
B .....							
C .....							
D .....							

(2) \* \* \*  
(ii) Number of securities underlying option/SARs granted (column (b)).  
\* \* \* \* \*

Instructions to Item 402(c).

9. Where the registrant chooses to use the grant-date valuation alternative specified in paragraph (c)(2)(vi)(B) of this item, the valuation shall be footnoted to describe the valuation method used. Where the registrant has used a variation of the Black-Scholes or binomial option pricing model, the description shall identify the use of such

pricing model and describe the assumptions used relating to the expected volatility, risk-free rate of return, dividend yield and time of exercise. Any adjustments for non-transferability or risk of forfeiture also shall be disclosed. In the event another valuation method is used, the registrant is required to

describe the methodology as well as any material assumptions.

(d) \* \* \*

(1) \* \* \*

\* \* \* \* \*

**AGGREGATED OPTION/SAR EXERCISES IN LAST FISCAL YEAR AND FY-END OPTION/SAR VALUES**

Name	Shares acquired on exercise (#)	Value realized (\$)	Number of securities underlying unexercised options/SARs at FY-end (#) Exercisable/Unexercisable	Value of unexercised in-the-money options/SARs at FY-end (\$) Exercisable/Unexercisable
(a)	(b)	(c)	(d)	(e)
CEO .....				
A .....				
B .....				
C .....				
D .....				

(2) \* \* \*  
 (iv) The total number of securities underlying unexercised options and SARs held at the end of the last completed fiscal year, separately identifying the exercisable and unexercisable options and SARs (column (d)); and  
 \* \* \* \* \*  
 (e) \* \* \*  
 (2) \* \* \*  
 (iv) For plans not based on stock price, the dollar value of the estimated payout, the number of shares to be

awarded as the payout or a range of estimated payouts denominated in dollars or number of shares under the award (threshold, target and maximum amount) (columns (d) through (f)).  
 \* \* \* \* \*  
 (f) *Defined Benefit or Actuarial Plan Disclosure*  
 (1) \* \* \*  
 (ii) \* \* \*  
 (A) The compensation covered by the plan(s), including the relationship of such covered compensation to the annual compensation reported in the

Summary Compensation Table required by paragraph (b)(2)(iii) of this item, and state the current compensation covered by the plan for any named executive officer whose covered compensation differs substantially (by more than 10%) from that set forth in the annual compensation columns of the Summary Compensation Table;  
 \* \* \* \* \*  
 (i) \* \* \*  
 (3)(i) \* \* \*

**TEN-YEAR OPTION/SAR REPRICINGS**

Name	Date	Number of securities underlying options/SARs repriced or amended (#)	Market price of stock at time of repricing or amendment (\$)	Exercise price at time of repricing or amendment (\$)	New exercise price (\$)	Length of original option term remaining at date of repricing or amendment
(a)	(b)	(c)	(d)	(e)	(f)	(g)

(ii) \* \* \*  
 (C) The number of securities underlying replacement or amended options or SARs (column (c));  
 \* \* \* \* \*  
 (I) \* \* \*  
**Instructions to Item 402(I)**  
 \* \* \* \* \*  
 2. In constructing the graph:  
 (a) The closing price at the measurement point must be converted into a fixed investment, stated in dollars, in the registrant's stock (or in the stocks represented by a given index), with cumulative returns for each subsequent fiscal year measured as a change from that investment; and  
 (b) Each fiscal year should be plotted with points showing the cumulative total return as of that point. The value of the investment as of each point plotted on a given return line

is the number of shares held at that point multiplied by the then-prevailing share price.  
 \* \* \* \* \*  
 5. If the registrant uses a peer issuer(s) comparison or comparison with issuer(s) with similar market capitalizations, the identity of those issuers must be disclosed and the returns of each component issuer of the group must be weighted according to the respective issuer's stock market capitalization at the beginning of each period for which a return is indicated.  
**PART 240—GENERAL RULES AND REGULATIONS, SECURITIES EXCHANGE ACT OF 1934**  
 5. The authority citation for part 240 continues to read in part as follows:  
 Authority: 15 U.S.C. 77c, 77d, 77g, 77j, 77s, 77eee, 77ggg, 77nnn, 77sss, 77ttt, 78c, 78d, 78i, 78j, 78l, 78m, 78n, 78o, 78p, 78s,

78w, 78x, 78ll(d), 79q, 79t, 80a-20, 80a-23, 80a-29, 80a-37, 80b-3, 80b-4 and 80b-11, unless otherwise noted.  
 \* \* \* \* \*  
 6. By amending § 240.14a-101 by revising Instruction 3 to Item 10 of Schedule 14A to read as follows:  
**§ 240.14a-101 Schedule 14A. Information required in proxy statement.**  
**SCHEDULE 14A INFORMATION**  
 \* \* \* \* \*  
 Item 10. *Compensation Plans.*  
 \* \* \* \* \*  
**Instructions**  
 \* \* \* \* \*  
 3. If the plan to be acted upon is set forth in a written document, three copies thereof shall be filed with the Commission at the time copies of the proxy statement and form

of proxy are first filed pursuant to paragraph  
(a) or (b) of § 240.14a-6.

\* \* \* \* \*

Dated: November 22, 1993.

By the Commission.

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 93-29110 Filed 11-26-93; 8:45 am]

BILLING CODE 8010-01-P

[REDACTED]

[REDACTED]

[REDACTED] : [REDACTED]  
[REDACTED] : [REDACTED]  
[REDACTED] : [REDACTED]  
[REDACTED] : [REDACTED]  
[REDACTED] : [REDACTED]  
[REDACTED] : [REDACTED]

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