
***SOCIAL ISSUES IN SELECTED RECENT
MERGERS AND ACQUISITIONS TRANSACTIONS***

2004-2013 SUPPLEMENT

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February 11, 2013

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SIMPSON THACHER & BARTLETT LLP

**SOCIAL ISSUES IN SELECTED RECENT MERGERS AND ACQUISITIONS TRANSACTIONS
2004-2013 SUPPLEMENT**

This memorandum is a supplement of an earlier memorandum (the “April 2004 Memorandum”), attached as Exhibit I, prepared by attorneys at Simpson Thacher & Bartlett LLP, that addressed social issues in selected 2003 and early 2004 mergers and acquisitions transactions (and which in turn updated a prior memorandum covering earlier periods). Readers should review the April 2004 Memorandum for a substantive review of the issues and concepts applicable to this analysis.

In the recent high profile stock-for-stock deals, there are a limited number of transactions described by the parties as a “merger of equals,” and those that use the label not only often include cosmetic provisions like joint names and split headquarters to accentuate the equality, but also include provisions addressing certain governance-related social issues — namely that the board of directors of the successor is split more evenly between the constituent companies, and the roles of CEO and executive or non-executive chairman are often divided between the acquirer’s CEO or chairman and the target’s CEO or chairman. The avoidance of true “power sharing” has continued throughout the last decade, although some instances of defined succession have occurred. The Sprint/Nextel transaction in 2004 and Bank of New York/Mellon Financial transaction in 2006 included provisions for CEO succession to the role of chairman after certain periods of time.¹ The Sprint/Nextel and Bank of New York/Mellon Financial governance structures were protected by requiring super-majority action by the board of directors to fire the CEO or chairman. While the use of CEO/chairman “defined succession” had seemed to atrophy since 2006, perhaps because of the impracticability of tying the directors’ hands in leadership situations, there was a small resurgence in 2009-2011. Four deals that we reviewed, the UAL/Continental Airlines merger, RRI Energy/Mirant merger, Northeast Utilities/N STAR merger and AMB Property/ProLogis merger, all described below, use a succession provision for their top management roles (including the CEO role in RRI Energy/Mirant), which indicates that some type of power sharing arrangement is again seen to resolve some of the social issues in a “merger of equals” situation.² One of these deals, the AMB Property/ProLogis merger, even saw the reemergence of co-CEOs as the initial step of a defined succession plan. Conversely, 2012 did not continue the resurgence, as the transactions surveyed did not typically provide for defined succession or a co-CEO structure, and in only one transaction – the merger between Leucadia National Corporation and the Jefferies Group, Inc. – did the CEO of the target take on a greater role at the combined company than his counterpart at the acquirer.

¹ In the Sprint/Nextel transaction, the Sprint CEO became CEO of the combined company and the Nextel CEO was given the role of executive chairman, with a clear succession for Sprint’s CEO to succeed to the role of chairman after three years. In the Bank of New York/Mellon Financial transaction, the Mellon Financial CEO became CEO of the combined company and the Bank of New York CEO was given the role of executive chairman, with a clear succession for Mellon Financial’s CEO to succeed to the role of chairman after eighteen months.

² See also the 2009 The Black and Decker Corporation/The Stanley Works deal described below where Stanley’s CEO became the combined company CEO and the Black and Decker CEO became the combined company executive chairman, but only for a period of three years.

While in the past decade parties only occasionally described the transaction as a “merger of equals” regardless of the post merger structure of the combined entity, the years 2009-2011 saw a relative increase in that label, with eight announced transactions in our sample pool where either the parties labeled it as such in the initial press release or categorized it as such in contemporaneous statements. Out of the announced strategic transactions that we reviewed involving equity as a currency (in whole or in part) over the past four years, the significant transactions described by the parties as a “merger of equals” were the Live Nation, Inc./Ticketmaster Entertainment transaction announced on February 10, 2009, the RRI Energy, Inc./Mirant Corporation transaction announced on April 11, 2010, the UAL Corporation/Continental Airlines, Inc. transaction announced on May 2, 2010, the Northeast Utilities/N STAR Inc. transaction announced on October 16, 2010, the AMB Property Corporation/ProLogis transaction announced on January 31, 2011, the ultimately terminated Deutsche Börse AG/NYSE Euronext transaction announced on February 15, 2011³, the Holly Corporation/Frontier Oil Corporation transaction announced on February 22, 2011 and the Allied World Assurance Company Holdings, AG/Transatlantic Holdings, Inc. transaction announced on June 12, 2011.^{4,5} While none of the announced strategic transactions in 2012 were

³ The press release announcing the Deutsche Börse/NYSE Euronext transaction did not categorize it as a “merger of equals”, but on the day the transaction was announced NYSE Euronext and Deutsche Börse held a joint investor conference call. In the transcript of the investor call, Duncan Niederauer, the CEO of NYSE Euronext stated, “Reto [the CEO of Deutsche Börse] and I have never called it an acquisition. It is a merger of equals. It is a business combination.”

⁴ The Allied World Assurance Company Holdings, AG/Transatlantic Holdings, Inc. transaction was terminated by the parties on September 15, 2011. Pursuant to the terms of the agreement, however, the current chairman, president and CEO of Allied World was to serve as the president and CEO of the combined company, and Transatlantic’s non-executive chairman was to serve as the non-executive chairman of the board of the combined company for the first year following the closing of the merger. Transatlantic’s current president and CEO was to retire upon the closing of the transaction. Allied World shareholders were to hold 42%, and Transatlantic shareholders 58%, of the stock of the combined company on a pro forma basis. The 11 member board was to be split with five Allied World directors and six Transatlantic directors. The transaction offered shareholders of Transatlantic a 16% premium based on the closing share price on June 10, 2011 (the last trading day before public announcement of the merger). On July 12, 2011, Validus Holdings, Ltd announced that it had delivered a proposal to Transatlantic to combine the businesses through a merger (Validus withdrew its exchange offer on November 28, 2011). Transatlantic subsequently entered into an agreement to be acquired by Alleghany Corporation, announced November 21, 2011, pursuant to which three independent directors from Transatlantic’s board joined the board of Alleghany upon the completion of the transaction.

The Grey Wolf/Basic Energy Services transaction, announced on April 21, 2008, which was later withdrawn by the parties, was also described by the parties as a merger of equals. Under the terms of the agreement, the current Grey Wolf Chairman, president and CEO was to take on the role of chairman of the combined company while the current president and CEO of Basic Energy was to become the CEO of the combined company. Grey Wolf shareholders were to hold 54% of the stock and Basic Energy shareholders 46% of the stock of the combined company on a pro forma basis. Representation on the nine member board was to be nearly split with five former Grey Wolf directors and four former Basic Energy directors. The transaction offered shareholders’ of Basic Energy a premium of 8.5% over the price of the stock on the last trading day prior to the execution of the merger agreement. The transaction was terminated on July 15, 2008, after Grey Wolf’s shareholders did not approve the merger agreement. Grey Wolf was subsequently acquired by Precision Drilling Trust after it made an unsolicited offer for the company. In the merger agreement ultimately signed between Grey Wolf and Precision Drilling Trust, Grey Wolf obtained the right to appoint three of the 12 board members of the combined company.

⁵ Interestingly, all of the “merger of equals” transactions we reviewed from 2011 were announced in the first half of

described by the parties as a “merger of equals” and a premium was paid in every instance, a number of these transactions did have certain power sharing characteristics, as discussed further below.

The Live Nation, Inc./Ticketmaster Entertainment transaction was effectuated through a tax-free stock swap transaction, in which neither party received a premium. The combined entity boasted an enterprise value of approximately \$2.5 billion at the time the deal was announced, with Live Nation and Ticketmaster Entertainment shareholders each owning approximately 50% of the combined company. The board of the combined company, named Live Nation Entertainment, was divided equally, with each party holding seven of the fourteen board seats. Post-closing, Barry Diller, the former chairman of the board of Ticketmaster Entertainment, served as chairman of the board of the combined company, Michael Rapino, the former CEO of Live Nation, served as CEO and president of the combined company, and Irving Azoff, the former CEO of Ticketmaster, served as executive chairman of the combined company.⁶

Likewise, in the UAL Corporation/Continental Airlines, Inc. transaction, described by the parties as a “merger of equals,” the combined company, now known as United Continental Holdings, Inc., evenly shared 14 board seats, with two additional seats reserved for union directors required by United’s charter. Glenn Tilton, the chairman, president and CEO of United, became the non-executive chairman of the combined company through the second anniversary of the closing, which was on May 2, 2012. Jeff Smisek, Continental’s chairman, president and CEO became CEO of the combined company and a director. In addition, Mr. Smisek succeeded to the role of executive chairman of the board on December 31, 2012, replacing Mr. Tilton in that capacity. Continental shareholders held approximately 55% of the combined company and United shareholders 45% after the transaction.

The self-described “merger of equals” between Northeast Utilities and N STAR Inc. included a succession provision for Thomas J. May, N STAR’s chairman and CEO, to assume the role of chairman after 18 months, in addition to his role as president and CEO of the combined company until that time. Upon the closing of the merger, which occurred on April 10, 2012, Mr. May became president and CEO of Northeast Utilities, and Charles W. Shivery, chairman and CEO of Northeast Utilities, became the non-executive chairman of the combined company’s board of trustees. The 14-member board of trustees was divided evenly between the two companies, and the new Northeast Utilities has dual headquarters in Hartford, Connecticut and Boston, Massachusetts. At the time of closing, the combined entity had a market capitalization of approximately \$12 billion.

Exemplifying true “power sharing”, albeit for a limited period, the “merger of equals” between AMB Property Corporation and ProLogis provided for co-CEOs for an initial period following the completion of the merger. Hamid R. Moghadam, CEO of AMB, and Walter C.

the year, with all but one (the subsequently terminated Allied World Assurance Company Holdings, AG/Transatlantic Holdings, Inc. transaction) having been announced in January or February of 2011.

⁶ Mr. Diller resigned as chairman of the board on September 28, 2010, but continued to serve as a director of the combined company. Effective January 24, 2011, Mr. Diller resigned from the board.

Rakowich, CEO of ProLogis, both served as co-CEOs until the end of 2012. On December 27, 2012, the company announced that, effective December 31, 2012, Mr. Rakowich would retire from his position as a member of the board of directors and co-CEO, and effective January 1, 2013, Mr. Moghadam became the sole CEO of the combined company, named ProLogis. During the period while the two served as co-CEOs, Mr. Moghadam also served as chairman of the board of the combined company and Mr. Rakowich as chairman of the board's executive committee. This defined succession plan was protected by provisions in the bylaws of the combined company, which required the affirmative vote of at least 75% of the independent directors to remove either Mr. Moghadam or Mr. Rakowich (or appoint any other person) as co-CEO prior to December 31, 2012 or to remove Mr. Moghadam (or appoint any other person) as CEO or chairman prior to December 31, 2014. Perhaps in an effort to avoid the confusion that often resulted from the co-CEO structures of the late 1990s, the parties delineated the responsibilities of each as co-CEO: Mr. Moghadam being primarily responsible for shaping the company's vision, strategy and private capital franchise, and Mr. Rakowich being primarily responsible for operations, integration and optimizing the merger synergies. The board of the combined company consisted of eleven members, with six designated by ProLogis and five designated by AMB, and a former ProLogis board member serving as lead independent director. The transaction had a value of approximately \$17 billion at the time it was completed, and former ProLogis equity holders held approximately 60%, with former AMB equity holders owning approximately 40%, of the equity of the combined company. The company's corporate headquarters are located in San Francisco, California (AMB's headquarters), and the company's operations headquarters are located in Denver, Colorado (ProLogis' headquarters).

As previously discussed, the proposed but ultimately terminated Deutsche Börse AG/NYSE Euronext transaction, while not described as a "merger of equals" in the initial press release, was described as such by Duncan Niederauer, the CEO of NYSE Euronext, in a joint investor conference call held the day the transaction was announced. The proposed transaction contained certain of the power-sharing features common in the "merger of equals" transactions of the past few years, although it appeared that Deutsche Börse would initially be paying a premium for the NYSE Euronext shares.⁷ Mr. Niederauer was expected to become the CEO of the combined company with Reto Francioni, CEO of Deutsche Börse, becoming the chairman of the combined company. The combined company would have had dual headquarters in Frankfurt, Germany and New York, New York. Following completion of the transaction, it was expected that Deutsche Börse stockholders would own 60% of the combined company, with NYSE Euronext shareholders expected to own 40%. The board would be comprised of 17 members, with the chairman and CEO being

⁷ Deutsche Börse's business would have been brought under a holding company through an exchange offer with an exchange ratio of one holding company share for each Deutsche Börse share, and NYSE Euronext's business would have been brought under the holding company through a merger with an exchange ratio of 0.47 of a holding company share for each NYSE Euronext share. The parties disclosed that the NYSE Euronext board considered that the exchange ratios implied that NYSE Euronext shareholders would receive a premium on their shares of approximately 10% on the basis of the closing price of the NYSE Euronext and Deutsche Börse shares as of February 8, 2011 (the date prior to public reports regarding a possible business combination), assuming that each holding company share had a value equal to \$78.55, which was the closing price of one Deutsche Börse share on February 8, 2011 converted into U.S. dollars based on a specified exchange rate.

joined by nine directors designated by Deutsche Börse and six directors designated by NYSE Euronext.

However, on February 1, 2012, almost one-year after the announcement of the transaction, the European Commission announced it was blocking the proposed Deutsche Börse AG/NYSE Euronext deal on antitrust grounds. Deutsche Börse AG and NYSE Euronext terminated the merger agreement, leaving NYSE Euronext to continue exploring other possibilities for a potential merger. Eleven months later it announced it was planning to merge with IntercontinentalExchange, Inc. (“ICE”), an exchange from Atlanta, Georgia. In contrast to the original merger between the NYSE and Euronext in 2006, as well as the proposed merger with Deutsche Börse, this transaction was not presented as a “merger of equals.” Even though the combined company will maintain dual headquarters in New York and Atlanta, ICE’s directors will comprise most of the board with 11 seats, whereas NYSE Euronext’s members will occupy only four. Jeffrey Sprecher, ICE’s Chairman and CEO, will continue in such roles at the combined company, whereas Mr. Niederauer will become the combined company’s president as well as the CEO of the NYSE Group. Former ICE shareholders are expected to own 64% of the combined company, with NYSE Euronext’s shareholders owning the other 36%. The purchase price represents a premium of 37.7% over NYSE Euronext’s closing share price the day before the transaction was announced.

More typical of the “classic” “merger of equals” transactions of the past few years, the Holly Corporation and Frontier Oil Corporation self-described “merger of equals” incorporated very typical “classic” “merger of equals” social and structural elements and no premium was paid. Michael Jennings, the former chairman, president and CEO of Frontier, became president and CEO of the combined company, which took the name “HollyFrontier Corporation”, and Matthew Clifton, the former chairman and CEO of Holly, became the executive chairman of the combined company. Frontier and Holly each designated seven of the directors of the combined company upon completion of the transaction. The combined company was expected to have an enterprise value of \$7 billion at the time the transaction was announced, with Holly’s former shareholders owning approximately 51%, and Frontier shareholders approximately 49%, of the combined company.

Hinting at the difficulties to which defined succession (and the power sharing challenges it can create) can lead, one “merger of equals” transaction from the last few years saw its defined succession plan get derailed after completion of the transaction. In the RRI Energy, Inc./Mirant Corporation merger, the identified CEO successor left the company before the stated succession occurred. Under the terms of the agreement, Edward R., Muller, chairman and CEO of Mirant, became the chairman and CEO of the combined company, now known as GenOn Energy, Inc., until his retirement in 2013. Upon Mr. Muller’s retirement in 2013, Mark M. Jacobs, former president and CEO of RRI Energy, was to take over as CEO of GenOn Energy. In the interim, Mr. Jacobs was to serve as president and chief operating officer of the combined company and as a member of its board of directors. While Mr. Jacobs held these positions following the closing of the transaction on December 3, 2010, GenOn Energy announced on August 24, 2011 that Mr. Jacobs was leaving the company and stepping down as a director as well. Additional information regarding the reasons for his departure was not provided, but it is at a minimum an example of the difficulties that can be encountered in sustaining defined succession arrangements. The board of GenOn Energy was

divided evenly, with each party holding five of the 10 board seats. The combined company had a pro forma market capitalization at the time the deal was announced of \$3.1 billion, with Mirant stockholders owning approximately 54% of the equity of the combined company and RRI Energy stockholders owning approximately 46% of the equity of the combined company.⁸

It is not only a “merger of equals” scenario that can highlight the complexities of power sharing. The most dramatic example of this in 2012 was the merger between Duke Energy Corporation and Progress Energy, Inc, two utility companies based in North Carolina. Under the terms of the merger agreement, Jim Rogers, Duke Energy’s CEO, was to become the executive chairman of the combined company, while Bill Johnson, Progress Energy’s CEO and president, was expected to continue as CEO and president of the combined company. However, a majority of the board seats of the combined company – eleven out of eighteen – were reserved for former members of Duke’s board, with the remaining seven allocated to Progress Energy’s former directors. Upon the consummation of the merger, Duke’s shareholders were expected to own approximately 63% of the combined company, with Progress Energy’s shareholders holding the remaining 37%. Only hours after the board of the combined company had elected Mr. Johnson as CEO and president, it then took the unusual step of ousting him through another vote and installed Mr. Rogers. The decision proved controversial. One Progress Energy board member, in a letter to the Wall Street Journal, said he did not believe a single Progress Energy director would have voted for the transaction if they had known that Mr. Rogers would shortly thereafter be at the helm again. A number of senior Progress Energy managers, including Mark Mulhern, its chief financial officer and the combined company’s chief administrative officer, resigned in protest, and regulators in North Carolina commenced their own inquiries into whether they had been misled. Under the terms of a recently announced settlement with the regulators, Mr. Rogers has agreed to step down at the end of 2013.

Although not described by the parties as a “merger of equals”, the past few years did see some other transactions in which power sharing occurred between the parties in the combined company. The 2011 Exelon Corporation/Constellation Energy Group, Inc. transaction contained elements of power sharing, despite the fact that following completion of the merger Exelon shareholders were expected to own approximately 78%, and Constellation shareholders approximately 22%, of the combined company. Mayo A. Shattuck III, chairman, president and CEO of Constellation, went on to become executive chairman of the combined company, and Christopher M. Crane, president and chief operating officer of Exelon, became president and CEO of the combined company. John W. Rowe, the CEO of Exelon, retired upon completion of the merger. The combined company’s board was expected to have sixteen members, comprised of twelve Exelon

⁸ On April 30, 2012, it was announced that GenOn Energy itself would be party to a merger, this time with NRG Energy, Inc. This transaction, however, was not billed as a “merger of equals,” and GenOn Energy was clearly the target. The combined company retained the name NRG Energy, GenOn Energy directors comprised only one-quarter of the new company’s board, and NRG shareholders would own 71% of the combined company, with the remaining 29% to be owned by GenOn Energy shareholders. Furthermore, NRG’s chairman and CEO would both remain in their respective roles, while Mr. Muller joined the NRG board as vice chairman. Nonetheless, the combined company retained its dual headquarters, with its financial and commercial headquarters in Princeton, NJ and its operational headquarters in Houston, TX.

directors and four Constellation directors.⁹ Constellation shareholders would receive a premium of approximately 12.5% premium over the closing price of Constellation common stock as of April 27, 2011 (which was the last trading day prior to the execution of the merger agreement).

Similarly, the proposed merger of the Jefferies Group, Inc. with Leucadia National Corporation, has a number of characteristics indicating a degree of power sharing is contemplated. Announced in late 2012, the transaction provides that Jefferies continue to operate in its current form as a subsidiary of Leucadia, which, prior to the merger, was the Jefferies Group's biggest shareholder. Although the proposed transaction has not been presented as a "merger of equals", Leucadia's Registration Statement on Form S-4 filed in connection with the transaction on December 6, 2012 makes reference to Citi, one of Jefferies' financial advisors, surveying mergers of equals for the purpose of analyzing premiums.¹⁰ Furthermore, Richard Handler, Jefferies' chairman and CEO, will, in addition to retaining his titles, also become Leucadia's CEO as well as one of its directors. Leucadia's current president, Joseph Steinberg, is to become the chairman of the board of the combined company, and will continue to work in an executive capacity at Leucadia. In addition, the board of the combined company is expected to be comprised of eight members of Leucadia's board, and six members of Jefferies' board.

The 2009 Black and Decker Corporation/The Stanley Works transaction contained some structural indications of a merger of equals, but lacked critical others. On the merger of equals side of the ledger, following the close of the transaction, ownership of the combined company was split almost equally with The Stanley Works shareholders owning approximately 50.5% of the shares of the combined company and Black & Decker shareholders holding approximately 49.5% of the shares. The combined company operates under the new name of Stanley Black & Decker. Although the headquarters of the combined company are in New Britain, Connecticut, the company maintains a large presence in Towson, Maryland, the former headquarters of Black & Decker, by maintaining the headquarters of the power tools division there. On the non-merger of equals side, quite powerfully, Stanley paid a 22.1% premium for the Black and Decker shares based on the October 30, 2009 closing price. Management control is mixed, with the balance of power shared for at least a three year period from the transaction's closing, with the Stanley side taking over thereafter. Stanley holds nine seats on the combined company's board of directors while Black & Decker holds only six seats, disproportionate to the stock ownership. The chairman and CEO of Stanley is president and CEO of the combined company and the chairman, president and CEO of Black & Decker is executive chairman of the combined company but only for a period of three years following the close of the transaction.

⁹ Upon completion of the transaction, Mr. Shattuck and three independent Constellation directors will join Exelon's fifteen person board. By the end of 2012, the board will have 16 members, with certain Exelon directors expected to retire.

¹⁰ The S-4 indicates that Citi selected "equal board" merger of equals transactions based on advice from Jefferies that Leucadia's board would have a similar makeup, as well as the fact that the second merger agreement provided that half of the seats on the Leucadia Nominating and Corporate Governance Committee would be allocated to independent directors selected by Leucadia and the other half by Jefferies.

The 2010 Biovail Corp./Valeant Pharmaceuticals International, Inc. transaction contains mixed signals as to which entity is the true acquirer in the transaction. The press release announcing the transaction fails to identify either party as the acquirer or to identify the transaction as a merger of equals and merely states that the two companies have agreed to merge. Both FactSet Mergers and Westlaw Business report Biovail as the acquirer and Valeant as the target, but certain of the structural attributes of the transaction might suggest otherwise. For example, in terms of operational control, Valeant seems to be the acquirer as Valeant's chairman and CEO J. Michael Pearson became the CEO of the combined company, while Bill Wells, the CEO of Biovail, became the non-executive chairman of the combined company.¹¹ Furthermore, Valeant seems to have paid a 15% premium to Biovail stockholders based on a calculation of the stock prices over the 10 trading days ending June 21, 2010. In addition, the combined company maintains the Valeant name (although the headquarters will be in Mississauga, Ontario, the headquarters of Biovail). The shareholder split is roughly equal with former Biovail stockholders holding 50.5% of the combined company to 49.5% of the combined company for former Valeant stockholders, and the 11 member board was split equally with each party having five directors with the remaining director an independent Canadian resident director.

Three other 2008-2009 stock-for-stock transactions of note with respect to power sharing are the Xerox Corporation/Affiliated Computer Services, Inc. transaction, the Fidelity National Information Services, Inc./Metavante Technologies, Inc. transaction, and the CenturyTel/Embarq transaction. Xerox announced an agreement to acquire Affiliated Computer Services on September 29, 2009. Although the transaction resulted in Affiliated Computer Services shareholders owning approximately 34% of the combined company, there was no change to the Xerox board of directors (including any representation from the ACS side to the Xerox board of directors) or management following the transaction. The parties announced that the two companies, at least initially, would not be integrated following the close of the transaction, and that Affiliated Computer Services would operate as a stand-alone organization led by Lynn Blodgett, the current president and CEO of Affiliated Computer Services, who would report to the CEO of Xerox, Ursula Burns. Affiliated Computer Services was branded ACS, a Xerox Company.

The Fidelity National Information Services/Metavante Technologies, Inc. transaction is also interesting from the standpoint of the target CEO stepping up in the transaction. Frank Martire, chairman and CEO of Metavante, the acquired company, whose stockholders held 43.7% of the combined company, became the president and CEO of the combined company following the close of the transaction. William Foley II, the chairman of FIS, the acquiror, continued in that role following the close of the transaction. FIS maintained control of the nine member board of directors with only three of the members being former members of the Metavante board of directors.¹²

¹¹ On December 13, 2010, Valeant announced that Mr. Wells had resigned from the board to pursue other interests.

¹² See also the Leucadia/Jefferies transaction discussed earlier for another example of the target's CEO playing a greater than typical role in the combined company and the Duke Energy/Progress Energy transaction for an example of where the target's CEO was supposed to have a greater than typical role in the combined company.

Similarly, in the CenturyTel/Embarq transaction announced on October 27, 2008, without any suggestion of “merger of equals” being used, the smaller company, CenturyTel, was the de facto acquirer. CenturyTel’s shareholders only obtained ownership of 34% of the stock of the combined company on a pro forma basis with the remaining 66% held by former Embarq shareholders; however, the CEO and chairman of CenturyTel assumed the role of CEO of the combined company, while the non-executive chairman of Embarq assumed the role of non-executive chairman of the combined company and the CEO of Embarq assumed the role of executive vice-chairman of the combined company. The combined CenturyTel announced another transaction on April 22, 2010, in which it was to acquire Qwest Communications.¹³ Despite the relatively large 49.5% ownership by the target company Qwest’s shareholders, CenturyTel retains 14 of the 18 seats on the board of directors, and its CEO and chairman has remained in power. Qwest shareholders received an approximately 15% premium over Qwest’s closing stock price on April 21, 2010.

Attached as Annex A is a chart providing an overview of how social issues were resolved in many of the largest stock-for-stock transactions (where both parties are public and the target is a US company) of 1998, attached as Annex B is a chart from 2003/2004 and attached as Annex C is a chart from 2004-2012.

Similarly, in the Thomson Corporation and Reuters Group PLC transaction announced on May 15, 2007, the target CEO took over the management of the combined company and there was no stated ongoing process for succession. In the transaction Reuters was acquired for cash and stock consideration representing a 43% premium over the closing share price of Reuters on May 3, 2007 (the last trading date prior to the announcement that the two companies were discussing a transaction). The companies announced that, upon the closing of the transaction, Richard J. Harrington, the then current President and CEO of Thomson, intended to retire and Tom Glozer, the then current CEO of Reuters, would become CEO of the combined entity, to be renamed Thomson-Reuters Corporation.

¹³ CenturyTel, now known as CenturyLink, Inc., announced on April 27, 2011 that it had agreed to acquire SAVVIS, Inc.

SOCIAL ISSUES IN SELECTED

2003 and 2004 MERGERS AND ACQUISITIONS TRANSACTIONS

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April 26, 2004

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SIMPSON THACHER & BARTLETT LLP

SOCIAL ISSUES IN SELECTED 2003 AND 2004 MERGERS AND ACQUISITIONS TRANSACTIONS

This memorandum revisits an earlier memorandum, prepared by attorneys at Simpson Thacher & Bartlett LLP, that addressed social issues in selected 1998 mergers and acquisitions transactions. The past fifteen months have seen a modest resurgence of stock-for-stock, multi-billion dollar megadeals after a two-year decline in merger and acquisition activity. Despite a relatively slow first half of 2003, the second half of 2003 and the first few months of 2004 have showed activity levels not seen since 2000. Many merger and acquisition professionals credit this rebound of M&A activity to the strengthened stock market, improved earnings and greater CEO confidence.

While the issues of price and premium are key terms in any public transaction, the resolution of important social issues is often key to reaching a meeting of the minds in high profile stock-for-stock transactions. These social issues include such matters as the name of the combined entity, the location of its headquarters, the composition of the combined board and, most importantly, who will lead the combined company after the closing of the transaction. For both worthy and less noble reasons, these social issues, particularly who will lead the combined company after the transaction, often play significant roles in determining whether the negotiations for stock-for-stock transactions proceed or fall apart. A legitimate reason for a board to focus upon which CEO (and other executives) will lead the combined company is that the success of a transaction (e.g., realization of cost and/or revenue synergies) is dependent on effective leadership. Members of the boards of the constituent parties can also be properly concerned that their continuing role on the board of the combined company is critical to ensuring that the rationale for the combination is realized. Of course, any action by a CEO or board in negotiating social issues would not be proper to the extent primarily driven by an entrenchment motive.

One difference between the high profile transactions that were the subject of this memorandum and the 1998 transactions that we analyzed is the relative absence of “merger of equals” transactions. This may reflect the investor disappointment with a number of high profile “merger of equals” or lingering skepticism as to the ability of merger partners to achieve the synergies upon which such deals are predicated.¹ In 2003 and so far in 2004, only three of the largest announced deals were either self-styled or cast in published reports as “mergers of equals”: Biogen/IDEC Pharmaceuticals, St. Paul/Travelers, and Anthem/WellPoint.² Of that group, only the

¹ One of the most notable “merger of equals” of the late 1990s was that of Daimler-Benz and Chrysler, creating DaimlerChrysler. The press release and related disclosure touted the transaction as a “merger of equals”. Kirk Kerkorian, who was a Chrysler shareholder, subsequently [unsuccessfully] sued DaimlerChrysler claiming that he was denied a premium because of the companies’ use of the “merger of equals” label, notwithstanding that Daimler-Benz executives allegedly admitted in private that they were acquiring Chrysler.

² There was a sizable difference in the relative values of the transactions analyzed in 1998 and analyzed in our 2003-2004 list. The value of the smallest deal in our 1998 list was \$9 billion. The smallest on the current list is valued at just under \$1.5 billion, and a \$9 billion transaction would have placed sixth on this year’s list. While we have not done the empirical research, an issue worth further exploration is whether larger transactions are more likely to be characterized as

IDEC/Biogen transaction provided for the board of the combined entity to be split evenly between directors from the two companies. The St. Paul/Travelers transaction provides for a combined board with a 12/11 split in Travelers' favor, even though St. Paul is much smaller than Travelers. That transaction, however, contemplates that the CEO of St. Paul, the smaller entity, will lead the combined company after a brief transition period. In the Anthem/WellPoint transaction, Anthem will control the board with eleven seats out of a total of nineteen seats. The JP Morgan/Bank One and Fisher/Apogent transactions are two other transactions in which membership of the board of directors of the combined entity is split evenly between directors of the combining companies, but neither the parties to those deals nor press reports characterized the respective deals as a "merger of equals".

In contrast, in many of the transactions in the late 90's the combining companies went to great lengths to characterize their transactions as "mergers of equals" regardless of whether the companies were of comparable size or whether their stockholders would own approximately the same percentage of the combined company after the transaction closed.³ In many instances, the phrase "merger of equals" appears to have been used, and the related social issues addressed, to create the perception, and perhaps the reality, that neither party was acquiring the other. While a true "merger of equals" is often an ideal rather than a reality, the manner in which these social issues are addressed is often a function of the parties' desire to reach the ideal. To be sure, sometimes a transaction is styled as a "merger of equals" to address the lack of a premium. Our list in 1998 included three deals that did not provide for a premium while the number in 2003-2004 was only two.

The chart attached as Annex B provides an overview of how social issues were resolved in many of the largest stock-for-stock transactions (where both parties are public) of the past fifteen months (the chart from 1998 is attached as Annex A). Aside from premium, the most critical social issue in assessing the extent to which one party is the acquiror is the allocation of management responsibility for leading the combined company. In general terms, the twenty-four selected stock-for-stock mergers from the past fifteen months can be divided into three categories, although in some cases a deal may have aspects of more than one category:

(i) **Traditional Acquisition:** In this type of transaction, the target company's Chairman/CEO was given no role or a secondary role in the combined entity. For example, he or she serves as Vice-Chairman of the combined entity and/or as chief executive of a business or division of the combined entity (e.g., the business or division which he or she brought to the combination). The acquiring company's Chairman/CEO, however, runs the combined entity and is responsible for setting its overall policies and goals. Moreover, the board is not evenly split and

"merger of equals" and/or to be dependent on the successful resolution of "social issues".

³ Seven of the transactions from the 1998 list were described as a "merger of equals" by the parties. In our current list, the number is only one. While the use of labels can be arbitrary, other data confirms the trend. On our 1998 list there were eight transactions with a split board while in 2003-2004 there were only four.

the headquarters and name of the combined company is the same as the acquiror.⁴ Most of the deals on our current list fall in this category and consist of Bank of America/FleetBoston, First Data Corp./Concord EFS, North Fork Bank/Greenpoint, Manulife/John Hancock, Caremark/Advance PCS, Devon Energy/Ocean Energy, Juniper/NetScreen, BB&T/First Virginia Banks, Kerr-McGee/Westport, UnitedHealth Group/Mid-Atlantic Medical Services as well as UnitedHealth Group/Oxford, Lehman/Neuberger, Lyondell Chemicals/Millennium Chemicals, National City Corp/Provident Financial, EMC/Documentum, PeopleSoft/J.D. Edwards, Yahoo!/Overture Services and Fisher/Apogent.

(ii) **Defined Succession:** In this type of transaction, there was a specified post-closing succession plan put in place whereby the Chairman/CEO of one entity initially holds the top executive position and the Chairman/CEO of the other is designated as the successor to that position at a pre-determined point in time. The JP Morgan/Bank One, Anthem/WellPoint, St. Paul/Travelers and Regions Financial/Union Planters transactions all had defined succession plans. This type of plan provides for continuity of management and, by deciding in advance on the timing and terms of succession, a more effective and timely integration of the merging companies' operations. A number of these defined succession plans could only be altered with a supermajority vote of the Board (e.g., JP Morgan/Bank One, Anthem/Wellpoint and Regions Financial/Union Planters). The potential disadvantage of this structure is that it somewhat commits a corporation into a CEO choice years in advance (subject to change by board action) despite a potential change in circumstances. In addition, both the initial and the successor CEOs need to cooperate effectively in order to avoid, among other issues, the perception of the initial CEO having "lame duck" status. The "lame duck" issue can be somewhat mitigated with true power sharing arrangements as set forth below.

(iii) **Power Sharing:** In the late 1990's, power sharing was often achieved with Co-CEO positions. This structure may have been used, in part, to "seal the deal" on social issues. The Co-CEO management structure is now, however, largely discredited: at best a transitional measure and at worst breeding management confusion and infighting. None of the surveyed transactions over the past fifteen months provided for a Co-CEO management structure. Nonetheless, seven of the twenty-four transactions that we surveyed from the past fifteen months utilized some form of power sharing structure. This typically consisted of one CEO becoming CEO of the combined company and one becoming Chairman of the

⁴ Although the traditional acquisition transactions did not provide for split boards, even most of the transactions under this category provided for some representation on the combined board for the acquired company. Only four transactions on the entire 2003-4 list provided for no board representation for one of the constituent parties.

Board.⁵ This type of power sharing is a more stable arrangement than Co-CEOs, because, among other reasons, it contemplates less “sharing”. Sometimes the power sharing is limited in time. In the defined succession transactions involving Anthem/WellPoint, St. Paul/Travelers and Regions Financial/Union Planters, one of the constituents party’s CEO is slated to be the Chairman of the combined entities but only for one or two years, following which time they are expected to retire from the position and at which time the other party’s CEO would take that position as well. In some cases, this arrangement of specifying a departure date has the potential of diminishing the influence of the soon to retire Chairman particularly if, among other reasons, the Chairman and the CEO fail to mutually support each other. This issue is mitigated in the IDEC/Biogen, Bank of America/FleetBoston, JP Morgan/Bank One, and New York Community/Roslyn Bancorp transactions because the CEO who was initially designated as Chairman (or who subsequently becomes Chairman pursuant to a plan of succession) remains as Chairman for an unspecified period.

The absence of self styled merger of equals and Co-CEO positions in recent high profile stock-for-stock transactions may reflect a recognition of the difficulties in managing without clear leadership at the top. Interestingly, very few companies implement the Co-Chairman/Co-CEO concept on their own in the absence of a significant business combination transaction. While the most important factor in judging the absence of blockbuster “merger of equals” may be the disappointing financial track record of a number of these transactions, the trend towards more traditional acquisitions that we have observed in large stock-for-stock transactions (or at least a modification of the type that was used) may also be reflective of the difficulty of the power sharing arrangements (e.g., Co-CEO) that were used in the heyday of merger of equals transactions in the late nineties.

⁵ In the IDEC/Biogen transaction, the power sharing arrangement was accentuated by designating the Chairman as an “Executive Chairman”.

SOCIAL ISSUES IN SELECTED ANNOUNCED 1998 M&A TRANSACTIONS WITH U.S. TARGET COMPANIES

Size	Acquiror	Target	Name of Combined Entity	Date Announced	Premium Paid ⁽¹⁾	Approximate Percentage Ownership of Combined Entity	Composition of Board of Directors	Chairman/ CEO	Succession Provision for Chairman/ CEO	Headquarters
\$79 billion	Exxon Corporation	Mobil Corporation	Exxon Mobil Corporation	12/1/98	Yes	70% - Exxon 30% - Mobil	19 members: 13 – Exxon 6 - Mobil (including Chairman/CEO of Mobil as Vice Chairman).	Chairman/CEO of Exxon will be the Chairman, CEO and President of Exxon Mobil. Mobil's Chairman/CEO will be Vice Chairman of Exxon Mobil.	No	Irving, TX (Exxon)
\$73 billion	Travelers Group Inc.	Citicorp	Citigroup Inc.	4/5/98	Yes	50% each	24 members evenly split, with 11 outside Directors from the prior Boards of each company. ⁽²⁾	Chairman/ CEO of Travelers and Chairman/ CEO of Citicorp will serve as Co-Chairmen/ Co-CEOs of Citigroup.	No	New York, NY (Citicorp)

Size	Acquiror	Target	Name of Combined Entity	Date Announced	Premium Paid ⁽¹⁾	Approximate Percentage Ownership of Combined Entity	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$63 billion	SBC Communications Inc.	Ameritech Corp.	SBC Communications Inc.	5/11/98	Yes	56% - SBC 44% - Ameritech ⁽³⁾	At the effective time, up to 5 members of the Ameritech Board may become members of the SBC Board, including Ameritech's Chairman/CEO. ⁽⁴⁾	Chairman/CEO of SBC will remain in his position. Ameritech's Chairman/CEO will remain as Chairman/CEO of Ameritech.	No	San Antonio, TX (SBC)
\$62 billion	Nations Bank Corporation	BankAmerica Corporation	BankAmerica Corporation	4/10/98	No	54% - NationsBank 46% - BankAmerica	20 directors: 11 – NationsBank 9 – BankAmerica	CEO of NationsBank will be Chairman/CEO of BankAmerica Corporation and the Chairman/CEO of BankAmerica will be the President of BankAmerica Corporation.	Board's stated intention was that BankAmerica's CEO would become Chairman/CEO of BankAmerica Corporation upon retirement of NationsBank's Chairman/CEO. ⁽⁵⁾	Charlotte, NC (NationsBank)

Size	Acquiror	Target	Name of Combined Entity	Date Announced	Premium Paid ⁽¹⁾	Approximate Percentage Ownership of Combined Entity	Composition of Board of Directors	Chairman/ CEO	Succession Provision for Chairman/ CEO	Headquarters
\$54 billion	AT&T Corp.	Tele-Communications Inc.	AT&T Corp.	6/24/98	Yes	75% - AT&T 25% - TCI	TCI's Chairman will join the AT&T Board.	AT&T's Chairman/CEO will remain in his position after the transaction. TCI's Chairman will run the television programming unit of AT&T.	No	New York, NY (AT&T)
\$53 billion	Bell Atlantic Corporation	GTE Corporation	To be decided at the effective time of the merger.	7/28/98	No	57% - Bell Atlantic 43% - GTE	Evenly split.	Chairman/CEO of GTE will serve as Chairman/Co-CEO of combined company and CEO of Bell Atlantic will serve as President/ Co-CEO of the combined company.	On June 30, 2002, CEO of Bell Atlantic will become the sole CEO, and on June 30, 2004, the sole Chairman.	New York, NY (Bell Atlantic)

Size	Acquiror	Target	Name of Combined Entity	Date Announced	Premium Paid ⁽⁴⁾	Approximate Percentage Ownership of Combined Entity	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$48 billion	British Petroleum Company p.l.c.	Amoco Corporation	BP Amoco p.l.c.	8/11/98	Yes	60% - BP 40% - Amoco	22 members: 13 - BP (7 non-executives) 9 - Amoco (7 non-executives)	BP's CEO will be CEO of BP Amoco. BP's Chairman and Amoco's Chairman/CEO will be Co-Chairmen of BP Amoco. Amoco's Chairman/CEO will be the Deputy Chairman of the management committee.	Chairman/CEO of Amoco will remain an Executive Director (deputy Chairman of the management committee) until his retirement in the first half of 2000.	London, England (BP) ⁽⁶⁾
\$40 billion	Daimler-Benz AG	Chrysler Corporation	Daimler Chrysler AG	5/7/98	Yes	58% - Daimler-Benz 42% - Chrysler	Supervisory Board & Management Board evenly split. ⁽⁷⁾	For three years after the effective time, CEO of Daimler-Benz and Chairman/CEO of Chrysler will be Co-Chairmen/Co-CEOs of the Management Board.	Chairman/CEO of Chrysler will retire three years after the effective time of the merger.	Dual corporate headquarters in Stuttgart, Germany (Daimler-Benz) and Auburn Hills, Michigan, USA (Chrysler)

Size	Acquiror	Target	Name of Combined Entity	Date Announced	Premium Paid ⁽¹⁾	Approximate Percentage Ownership of Combined Entity	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$36 billion	American Home Products Corporation	Monsanto Company	Undecided ⁽⁸⁾	5/31/98	No	65% - AHP 35% - Monsanto	22 evenly split.	Chairman/CEO of AHP and the Chairman /CEO of Monsanto will be Co-Chairmen/Co-CEOs of the combined entity.	No	Madison, NJ (AHP)
\$34 billion	Norwest Corporation	Wells Fargo & Company	Wells Fargo & Company	6/7/98	Yes	47.5% - Norwest 52.5% - Wells Fargo	Up to 28 evenly split.	Norwest's Chairman/CEO will be the President/CEO of Wells Fargo & Company. Wells Fargo's Chairman/CEO will be the Chairman of Wells Fargo & Company.	No	San Francisco, CA (Wells Fargo)
\$30 billion	Banc One Corporation	First Chicago NBD Corporation	Bank One Corporation	4/10/98	Yes	59.9% - Banc One 40.1% - First Chicago	22 evenly split, including Chairman/CEO of each company and 5 designees from each company.	First Chicago's CEO will be Chairman of Bank One Corporation and BancOne's CEO will be CEO/President of Bank One Corporation.	No	Chicago, IL (First Chicago)

Size	Acquiror	Target	Name of Combined Entity	Date Announced	Premium Paid ⁽¹⁾	Approximate Percentage Ownership of Combined Entity	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$22 billion	Berkshire Hathaway, Inc.	General Re Corporation	Berkshire Hathaway, Inc.	6/19/98	Yes	81.8% - Berkshire Hathaway 18.2% - General Re	General Re's Chairman/CEO will join the Berkshire Hathaway Board.	Berkshire Hathaway's Chairman will remain in his position after the transaction.	No	Omaha, NE (Berkshire)
\$18 billion	American International Group, Inc.	SunAmerica Inc.	American International Group, Inc.	8/20/98	Yes	83.7% - AIG 16.3% - SunAmerica	19 members: 17 – AIG 2 – SunAmerica	AIG's Chairman/CEO will remain in his position after the transaction.	No	New York, NY (AIG)
\$15 billion	Washington Mutual, Inc.	H.F. Ahmanson & Company	Washington Mutual, Inc.	3/17/98	Yes	65% - WAMU 35% - Ahmanson	3 Ahmanson Board members will join the WAMU Board.	Chairman/CEO and President of WAMU will remain in his position. Ahmanson's CEO will serve as an officer of WAMU for a year after the effective time of the transaction.	No	Seattle, WA (WAMU)

Size	Acquiror	Target	Name of Combined Entity	Date Announced	Premium Paid ⁽¹⁾	Approximate Percentage Ownership of Combined Entity	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$14 billion	McKesson Corporation	HBO & Company	McKesson HBOC, Inc.	10/17/98	Yes	40% - McKesson 60% - HBOC	10 evenly split.	HBOC's Chairman/CEO will be the Chairman of McKesson HBOC and President/CEO of McKesson will retain the same position in McKesson HBOC.	No	San Francisco, CA (McKesson) ⁽⁹⁾
\$13 billion	USA Waste Services, Inc.	Waste Management, Inc.	Waste Management, Inc.	3/10/98	Yes	40% - USA Waste 60% - Waste Management	14 evenly split.	Chairman/CEO of Waste Management will be non-executive Chairman of Waste Management, Inc. for a 12 month term and Chairman/CEO of USA Waste will be CEO of Waste Management, Inc. and Chairman upon the retirement of Waste Management's Chairman.	No	Houston, TX (USA Waste)

Size	Acquiror	Target	Name of Combined Entity	Date Announced	Premium Paid ⁽¹⁾	Approximate Percentage Ownership of Combined Entity	Composition of Board of Directors	Chairman/ CEO	Succession Provision for Chairman/ CEO	Headquarters
\$13 billion	The Kroger Co.	Fred Meyer Inc.	The Kroger Co.	10/19/98	Yes	62% - Kroger 38% - Fred Meyer	19 directors: 13 - Kroger 6 - Fred Meyer ⁽¹⁰⁾	Chairman of Kroger will be Chairman/CEO of Kroger. ⁽¹¹⁾	No	Cincinnati, OH (Kroger)
\$13 billion	Scottish Power PLC	PacifiCorp	ScottishPower	12/7/98	Yes	64% - ScottishPower 36% - PacifiCorp ⁽¹²⁾	13 directors: 10 – ScottishPower 3 – PacifiCorp ⁽¹³⁾	ScottishPower's Chairman will remain in his position and ScottishPower's CEO will remain in his position after the transaction. ⁽¹⁴⁾	No	Glasgow, Scotland. (ScottishPower)
\$12 billion	Albertson's Inc.	American Stores Company	Albertson's Inc.	8/3/98	Yes	59% - Albertson's 41% - American Stores	20 directors: 15 - Albertson's 5 - American Stores	Chairman/CEO of Albertson's will remain in his position after the transaction. Chairman/ CEO of American Stores will be vice chairman of Albertson's.	No	Boise, ID (Albertson's)

Size	Acquiror	Target	Name of Combined Entity	Date Announced	Premium Paid ⁽¹⁾	Approximate Percentage Ownership of Combined Entity	Composition of Board of Directors	Chairman/ CEO	Succession Provision for Chairman/ CEO	Headquarters
\$11 billion	Tyco International Ltd.	AMP	Tyco International Ltd.	11/22/98	Yes	N/A	AMP's Chairman/CEO will join the Tyco Board. ⁽¹⁵⁾	The management of Tyco will remain the same after the merger. AMP's Chairman/ CEO will continue as President of AMP.	No	Exeter, NH (Tyco)
\$11 billion	AT&T Corp.	Teleport Communications Group Inc.	AT&T Corp.	1/8/98	Yes	N/A	AT&T Board will remain the same after the transaction.	Chairman/CEO of AT&T remained in his position after the merger. Chairman/CEO of Teleport will become an executive vice president of AT&T.	No	New York, NY (AT&T)

Size	Acquiror	Target	Name of Combined Entity	Date Announced	Premium Paid ⁽¹⁾	Approximate Percentage Ownership of Combined Entity	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$9 billion (Cash)	Deutsche Bank AG	Bankers Trust Corporation	Deutsche Bank AG	11/30/98	Yes	N/A	Bankers Trust's Chairman/CEO will join Deutsche Bank's Supervisory Board.	Deutsche Bank's CEO will remain in his position after the merger. Chairman/CEO of Bankers Trust will assume operative responsibility jointly with Deutsche Bank's CEO.	No	Frankfurt, Germany (Deutsche Bank)
\$9 billion	Compaq Computer Corporation	Digital Equipment Corporation	Compaq Computer Corporation	1/26/98	Yes	85.1% - Compaq 14.9% - Digital	No change to Compaq's Board as a result of the transaction.	Compaq's President/CEO will remain in his position after the transaction.	No	Houston, TX (Compaq)
\$9 billion	Northern Telecom Limited	Bay Networks, Inc.	Northern Telecom Limited	6/15/98	Yes	79% - Northern Telecom 21% - Bay Networks	Chairman/CEO of Bay Networks will join Northern Telecom's Board.	Northern Telecom's President/CEO will be the CEO of Northern Telecom and Bay Networks' CEO will be the President of Northern Telecom after the transaction.	No	New Brunswick, Canada (Northern Telecom)

Source: Size, and "Acquiror" and "Target" characterizations from *Securities Data Corporation*

1. Premium information is based on the offer price relative to the closing price of target's common stock prior to the announcement of the transaction and does not factor out any run up in the price of target's common stock prior to such announcement.
2. Subsequently, the number of directors was reduced to a total of 18, with 9 coming from each party.
3. Ownership percentages are prior to SBC completing its merger with SNET.
4. The SBC Board consisted of 12 members at the time of the announcement.
5. Chairman/CEO of BankAmerica resigned on October 23, 1998.
6. Amoco's head office in Chicago will be the headquarters for BP Amoco's North American refining, marketing and transportation business and is expected to be the worldwide headquarters for the chemicals business.
7. Initially the Supervisory Board will consist of 12 members, six recommended by each of Chrysler and Daimler-Benz. Subsequently, the Board will consist of 20 members, five recommended by each of Chrysler and Daimler-Benz, with the other 10 being employee representatives. For a period of not less than 2 years after the effective time, the current chairman of Daimler-Benz Supervisory Board will continue as chairman of the DaimlerChrysler Supervisory Board. The Management Board will consist of 18 members (eight members from Chrysler, eight from Daimler-Benz and two further members).
8. Transaction was terminated on October 13, 1998.
9. Atlanta will be the headquarters for the McKesson HBOC's healthcare information business.
10. If the board of directors of the combined entity is reduced below 13 members, only 5 representatives of Fred Meyer will be elected to the board.
11. Fred Meyer's chairman will become chairman of the executive committee of Kroger's after the merger and Fred Meyer's vice chairman will become vice chairman and chief operating officer of Kroger.
12. The percentage ownership is before allowance for any share buyback by ScottishPower. ScottishPower intends to implement a share buyback program of up to approximately \$835 million following approval by both sets of shareholders, but prior to completion of the transaction.
13. The Chairman/CEO of PacifiCorp will join the ScottishPower as deputy Chairman, together with two non-executive directors from PacifiCorp. The PacifiCorp will be reconstituted as an executive only, chaired by the current CEO of ScottishPower with ScottishPower having the majority of the seats.
14. The Managing Director of Power Systems at ScottishPower will become the new CEO of PacifiCorp. PacifiCorp's CEO will jointly chair an interim joint executive committee with ScottishPower's CEO to handle transition matters.
15. On April 1, 1999 AMP announced that its Chairman/CEO would resign effective April 30, 1999, after completion of the merger with Tyco International Ltd. He will not stand for election to Tyco's Board.

SOCIAL ISSUES IN SELECTED ANNOUNCED 2003 and early 2004 M&A TRANSACTIONS WITH U.S. TARGET COMPANIES

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Composition of Board of Directors	Chairman/ CEO	Succession Provision for Chairman/ CEO	Headquarters
\$3.38 billion	BB&T Corporation	First Virginia Banks, Inc.	BB&T Corporation	January 21, 2003	Yes	84.1% - BB&T 15.9% - First Virginia	BB&T to appoint three First Virginia designees to its board	John Allison, Chairman and CEO of BB&T, will remain Chairman and CEO	None	Winston-Salem, NC (BB&T)
\$5.30 billion	Devon Energy Corporation	Ocean Energy, Inc	Devon Energy Corporation	February 24, 2003	Yes ²	68% - Devon 32% - Ocean	13 Members 9 – Devon 4 – Ocean	Larry Nichols, Chairman, president and CEO of Devon, will retain the Chairman and CEO position James Hackett, chairman, president and CEO of Ocean, will become President and COO of Devon ³	None	Oklahoma City, OK (Devon)

¹ Source: GSI Online.

² The premium was negligible (approximately 3.6%).

³ Devon announced on December 3, 2003 that Jim Hackett was resigning as President and COO of Devon to become the CEO of Anadarko Petroleum Corporation.

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Composition of Board of Directors	Chairman/ CEO	Succession Provision for Chairman/ CEO	Headquarters
\$6.98 billion	First Data Corporation	Concord EFS, Inc.	First Data Corporation	April 2, 2003	Yes	79% - First Data Corporation 21% - Concord EFS	10 members 9 – First Data 1 – Concord	Charlie Fote, Chairman and CEO of First Data Corporation, will remain Chairman and CEO	None	Greenwood Village, CO (First Data Corporation)
\$1.54 billion	PeopleSoft, Inc.	J.D. Edwards & Company	PeopleSoft, Inc.	June 2, 2003	Yes	75% - PeopleSoft 25% - J.D. Edwards	8 members 7 – PeopleSoft 1 – J.D. Edwards	Craig Conway, President and CEO of PeopleSoft, will remain President and CEO	None	Pleasanton, CA (PeopleSoft)
\$6.78 billion	IDEC Pharmaceuticals Corporation	Biogen, Inc.	Biogen IDEC Inc.	June 23, 2003	Yes ⁴	50.5% - IDEC 49.5% - Biogen	12 members 6 – IDEC 6 – Biogen	William Rastetter, IDEC's CEO, will serve as Executive Chairman James Mullen, Biogen's Chairman and CEO, will serve as CEO	None	Cambridge, MA (Biogen)

⁴ The premium was negligible (approximately 2%).

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Composition of Board of Directors	Chairman/ CEO	Succession Provision for Chairman/ CEO	Headquarters
\$1.57 billion	New York Community Bancorp, Inc.	Roslyn Bancorp	New York Community Bancorp, Inc.	June 27, 2003	Yes ⁵	70% - New York Community 30% - Roslyn Bancorp.	11 members 6- New York Community 5 – Roslyn	Joseph Ficalora, President and CEO of New York Community, will remain as President and CEO Joseph Mancino, President and CEO of Roslyn, will become Co-Chairman	None	Westbury, NY (New York Community)
\$1.45 billion	Yahoo! Inc.	Overture Services Inc.	Yahoo! Inc.	July 14, 2003	Yes	Not available	No change to Yahoo!. board as a result of this transaction	Terry Semel, Chairman and CEO of Yahoo!, will remain Chairman and CEO	None	Sunnyvale, CA (Yahoo!)
\$2.93 billion	Lehman Brothers Holdings Inc.	Neuberger Berman Inc.	Lehman Brothers Holdings Inc.	July 22, 2003	Yes	87.7% - Lehman 12.3% - Neuberger	No change to the Lehman Brothers board as a result of this transaction	Richard S. Fuld, Chairman and CEO of Lehman Brothers, to remain Chairman and CEO Jeff Lane, president and CEO of Neuberger, will become Vice Chairman of Lehman and Chairman of Neuberger	None	New York, NY (Lehman)

⁵ Based on the final exchange ratio, New York Community paid a nominal 2.6% premium to Roslyn's closing price on June 25, 2003, approximately a day or so before reports that a transaction was imminent. The exchange ratio, however, represented a slight nominal discount to Roslyn's share price at the close on June 26, 2003, the last day of trading before the announcement and subsequent to such reports.

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Composition of Board of Directors	Chairman/ CEO	Succession Provision for Chairman/ CEO	Headquarters
\$4.96 billion	Caremark Rx, Inc.	AdvancePCS Inc.	Caremark Rx, Inc.	September 2, 2003	Yes	58% - Caremark 42% - AdvancePCS	14 members 11 – Caremark 3 – AdvancePCS	Mac Crawford, Chairman and CEO of Caremark, will remain Chairman and CEO	None	Nashville, TN (Caremark)
\$10.36 billion	Manulife Financial Corporation	John Hancock Financial Services, Inc.	Manulife Financial Corporation	September 28, 2003	Yes	58% - Manulife 42% - John Hancock	5 current John Hancock directors, will join Manulife's board (which currently has 13 members)	Dominic D'Alessandro, the CEO of Manulife, to remain CEO	None	Toronto, Canada (Manulife)
\$1.57 billion	EMC Corp.	Documentum Inc.	EMC Corp.	October 14, 2003	Yes	93.4% - EMC 4.6% - Documentum	No change to EMC board as a result of this transaction	Joe Tucci, President and CEO of EMC, will remain President and CEO Dave DeWalt, Documentum CEO, will operate Documentum as a software division of EMC	None	Pleasanton, CA (EMC)

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Composition of Board of Directors	Chairman/ CEO	Succession Provision for Chairman/ CEO	Headquarters
\$47.83 billion	Bank of America Corporation	FleetBoston Financial Corporation	Bank of America Corporation	October 27, 2003	Yes	72% - Bank of America 28% - FleetBoston	19 members 12 – Bank of America 7 – FleetBoston	Kenneth Lewis, Chairman and CEO of Bank of America, to be CEO Charles Gifford, Chairman and CEO of FleetBoston, to be Chairman	None	Charlotte, NC (Bank of America)
\$2.98 billion	UnitedHealth Group	Mid-Atlantic Medical Services, Inc.	UnitedHealth Group	October 27, 2003	Yes	94% - UnitedHealth 6% - Mid-Atlantic	No change to UnitedHealth board as a result of this transaction	William McGuire, Chairman and CEO of UnitedHealth, will remain Chairman and CEO of the new company	None	Minneapolis, MN (UnitedHealth Group)
\$15.56 billion	Anthem, Inc.	WellPoint Health Networks Inc.	WellPoint Health Networks Inc.	October 27, 2003	Yes	47% - Anthem 53% - WellPoint	19 members 11 – Anthem (6 independent) 8 – WellPoint (5 independent)	Larry C. Glasscock, Chairman and CEO of Anthem, will be President and CEO Leonard D. Schaffer, Chairman and CEO of WellPoint, will be Chairman	By the second anniversary of the completion of the merger, Leonard D. Schaeffer will retire as Chairman and Larry C. Glasscock will succeed him ⁶	Indianapolis, IN (Anthem)

⁶ The surviving entity's by-laws provide that an 80% board vote is necessary to deny Mr. Glasscock the Chairman position.

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Composition of Board of Directors	Chairman/ CEO	Succession Provision for Chairman/ CEO	Headquarters
\$16.01 billion	The St. Paul Companies, Inc.	Travelers Property Casualty Corp.	St. Paul Travelers Companies, Inc.	November 17, 2003	No	34% - St. Paul 66% - Travelers	23 members 11 – St. Paul 12 – Travelers	Jay Fishman, Chairman and CEO of St. Paul, to become CEO Robert I. Lipp, Chairman and CEO of Travelers, to become Chairman	Mr. Fishman to become Chairman, January 1, 2006 which will be the retirement date of Mr. Lipp	St. Paul, MN (St. Paul)
\$57.40 billion	JP Morgan Chase & Co.	Bank One Corporation	JP Morgan Chase & Co.	January 14, 2004	Yes	58% - JP Morgan 42% - Bank One	16 members (14 outside directors) 8 – JP Morgan 8- Bank One	William Harrison, Chairman and CEO of JP Morgan Chase, to be Chairman and CEO Jamie Dimon, Chairman and CEO of Bank One, to be President and COO	Mr. Dimon is to succeed Mr. Harrison as CEO in 2006, with Mr. Harrison remaining as Chairman ⁷	New York, NY (JP Morgan)
\$7.14 billion	Regions Financial Corp.	Union Planters Corp.	Regions Financial Corp.	January 23, 2004	No	59% - Regions 41% - Union Planters	26 members Regions – 13 seats Union – 13 seats	Carl Jones, Chairman and CEO of Regions, will be the CEO until June 2005 and Chairman until June of 2006	Jackson Moore, Chairman and CEO of Union, will succeed Mr. Jones as CEO in 2005 and Chairman in 2006 Mr. Moore will serve as President until he becomes CEO ⁸	Birmingham, AL (Regions)

⁷ The surviving entity's by-laws provide that a 75% board vote is necessary to prevent Mr. Dimon from succeeding Mr. Harrison.

⁸ The surviving entity's by-laws provide that a 66-2/3% board vote is necessary to deny Mr. Moore either of the CEO or, later, the Chairman position.

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Composition of Board of Directors	Chairman/ CEO	Succession Provision for Chairman/ CEO	Headquarters
\$3.83 billion	Juniper Networks	NetScreen Technology	Juniper Networks	February 9, 2004	Yes	75.5% - Juniper 24.5% - NetScreen	Juniper to appoint one board member designated by NetScreen	Scott Kriens, Chairman and CEO of Juniper, to remain Chairman and CEO Robert Thomas, CEO of Netscreen, to become head of the combined company's security division	None	Sunnyvale, CA (Juniper)
\$6.13 billion	North Fork Bancorporation, Inc.	GreenPoint Financial Corp.	North Fork Bancorporation, Inc.	February 16, 2004	Yes ⁹	54% - North Fork 46% - GreenPoint	15 members 10 – North Fork 5 – GreenPoint	John Adam Kanas, Chairman and CEO of North Fork, will be Chairman and CEO	None	Melville, NY (North Fork)
\$2.13 billion	National City Corporation	Provident Financial Group	National City Corporation	February 17, 2004	Yes	92% - National City 8% - Provident Financial	1 member of Provident's board will join National City's board	David Daberko, Chairman and CEO of National City, will remain Chairman and CEO	None	Cleveland, OH (National City)

⁹ Based on the final exchange ratio, North Fork paid a nominal 14% premium to GreenPoint's closing price on February 3, the day before the news broke that GreenPoint had hired Keefe, Bruyette & Woods and Lehman Brothers to find a buyer. The exchange ratio, however, represented a slight nominal discount to GreenPoint's share price at the close on February 13, the last day of trading before the announcement, due to a run-up in GreenPoint's stock after news of a potential sale was released.

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Composition of Board of Directors	Chairman/ CEO	Succession Provision for Chairman/ CEO	Headquarters
\$3.98 billion	Fisher Scientific International, Inc.	Apogent Technologies, Inc.	Fisher Scientific International, Inc.	March 17, 2004	Yes	57% - Fisher 43% - Apogent	10 members 5 – Fisher 5 – Apogent	Paul Montrone, Chairman and CEO of Fisher, will continue as Chairman and CEO Frank Jellnick, Chairman and CEO of Apogent, will become Chairman Emeritus of the combined company	None	Hampton, NH (Fisher)
\$2.41 billion	Lyondell Chemical Co.	Millennium Chemicals Inc.	Lyondell Chemical Co.	March 29, 2004	Yes	72% - Lyondell 28% - Millennium	2 independent members of Millennium's board will join Lyondell's board	Dan F. Smith, President and CEO of Lyondell, will continue as President and CEO	None	Houston, TX (Lyondell)
\$3.36 billion	Kerr-McGee Corp	Westport Resources Corp.	Kerr-McGee	April 7, 2004	Yes	67% - Kerr-McGee 33% - Westport	10 members 9 – Kerr-McGee 1 – Westport	Luke Corbett, Chairman and CEO of Kerr-McGee, will remain Chairman and CEO	None	Oklahoma City, OK (Kerr-McGee)
\$5.77 billion	UnitedHealth Group	Oxford Health Plans Inc.	UnitedHealth Group	April 26, 2004	Yes	92% - UnitedHealth 8% - Oxford	No change to UnitedHealth board as a result of this transaction	William McGuire, Chairman and CEO of UnitedHealth, will remain Chairman and CEO of the new company	None	Minneapolis, MN (UnitedHealth Group)

SOCIAL ISSUES IN SELECTED ANNOUNCED 2004 THROUGH 2012 M&A TRANSACTIONS WITH U.S. TARGET COMPANIES THAT INCLUDED STOCK AS A COMPONENT OF CONSIDERATION

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Described by Parties as an MOE	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$36.30 billion ²	Sprint Corp.	Nextel Communications, Inc.	Sprint Nextel Corp.	December 15, 2004	Yes	50% - Sprint 50% - Nextel	Yes	14 members 7 – Sprint (50%) 7 – Nextel (50%)	Gary D. Forsee, Chairman and CEO of Sprint, to be CEO ³ Timothy M. Donahue, President and CEO of Nextel, to be Executive Chairman ⁴	Gary D. Forsee to become Chairman on the earlier of the third anniversary of the completion of the merger or a vacancy in the Chairmanship.	Reston, VA (Nextel) (Executive); Overland, KS (Sprint) (Operational)

¹ Source: Westlaw Business (previously GSI Online). According to Westlaw Business, size is the total value of consideration paid by the acquirer, excluding fees and expenses. The dollar value includes the amount paid for all common stock, common stock equivalents, preferred stock, debt, options, assets, warrants, and stake purchases made within six months of the announcement date of the transaction. Liabilities assumed are included in the value if they are publicly disclosed. Preferred stock is only included if it is being acquired as part of a 100% acquisition. If a portion of the consideration paid by the acquirer is common stock, the stock is valued using the closing price on the last full trading day prior to the announcement of the terms of the stock swap. If the exchange ratio of shares offered changes, the stock is valued based on its closing price on the last full trading date prior to the date of the exchange ratio change. The number of shares at date of announcement is used for the purposes of calculations.

² Consideration included a cash element capped at approximately \$2.8 billion.

³ The CEO may only be removed from office upon a greater than two-thirds vote of the combined board of directors.

⁴ The Executive Chairman may only be removed from office upon a greater than two-thirds vote of the combined board of directors.

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Described by Parties as an MOE	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$13.03 billion	Symantec Corp.	VERITAS Software Corp.	Symantec Corp.	December 16, 2004	Yes	60% - Symantec 40% - VERITAS	No	10 members 6 – Symantec (60%) 4 – VERITAS (40%)	John W. Thompson, Chairman and CEO of Symantec, to be Chairman and CEO Gary L. Bloom, Chairman, President and CEO of VERITAS to be Vice Chairman and President.	None.	Cupertino, California (Symantec)
\$12.19 billion	Exelon Corporation	Public Service Enterprise Group Incorporated ⁵	Exelon Electric & Gas	December 20, 2004	Yes	68% - Exelon 32% - PSEG	No	18 members 12 – Exelon (67%) 6 – PSEG (33%)	John W. Rowe, Chairman, President and CEO of Exelon, to be President and CEO. E. James Ferland, Chairman, President and CEO of PSEG, to be non-executive Chairman until his retirement in 2007.	John W. Rowe will become Chairman following E. James Ferland's retirement.	Chicago, IL (Exelon)
\$17.35 billion	May Department Stores Co.	Federated Department Stores Inc.	Federated Department Stores Inc.	February 28, 2005	Yes	Federated - 64% May - 36%	No	10 members 8 – Federated (80%) 2 – May (20%)	Terry Lundgren, Chairman, President and CEO of Federated, with remain Chairman, President and CEO of Federated	None	New York, NY and Cincinnati, OH (Federated)

⁵ Deal was terminated.

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Described by Parties as an MOE	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$3.05 billion	American Tower Corp.	SpectraSite Inc.	American Tower Corp.	May 4, 2005	Yes	59% - American Tower 41% - SpectraSite	No	10 members 6 – American Tower (60%) 4 – SpectraSite (40%)	Jim Taiclet, Chairman and CEO of American Tower, to be Chairman and CEO Steve Clark, President and CEO of SpectraSite, to join board of American Tower	None	Boston, MA (American Tower)
\$9.35 billion	Duke Energy Corp.	Cinergy Corp.	Duke Energy Corp.	May 9, 2005	Yes	76% - Duke 24% - Cinergy	No	15 members 10 – Duke Energy (67%) 5 – Cinergy (33%)	Paul Anderson, Chairman and CEO of Duke Energy, to be Chairman James Rogers, President, Chairman and CEO of Cinergy, to be CEO	None	Charlotte, NC (Duke)
\$7.48 billion ⁶	Lincoln National Corporation	Jefferson Pilot Corporation	Lincoln National Corporation	October 10, 2005	Yes	61% - Lincoln 39% - Jefferson	Yes	15 members 8 – Lincoln (53%) 7 – Jefferson (47%)	Jon Boscia, Chairman and CEO of Lincoln, to be Chairman and CEO Dennis Glass, President and CEO of Jefferson Pilot, to be President and COO	None	Philadelphia, PA (Lincoln)

⁶ Consideration included a cash element representing approximately 25% of the total consideration.

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Described by Parties as an MOE	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$66.82 billion	AT&T Inc.	BellSouth Corp.	AT&T Inc.	March 6, 2006	Yes	62% - AT&T 38% - BellSouth	No	3 directors of BellSouth board to be added to AT&T board	Edward E. Whitacre Jr. Chairman and CEO of AT&T, to be CEO Duane Ackerman, Chairman and CEO of BellSouth, to be Chairman and CEO of former BellSouth operations for transitional one year period	None	San Antonio (AT&T)
\$14.29 billion	Alcatel SA	Lucent Technologies, Inc.	To be determined	April 2, 2006	Yes	60% - Alcatel 40% - Lucent	Yes	14 members 6 – Alcatel (43%) 6 – Lucent (43%) 2 – new outside directors (14%)	Patricia Russo, chairman and CEO of Lucent, to be CEO. Serge Tchuruk, Chairman and CEO of Alcatel, to be Non-Executive Chairman.	None	Paris, France (Alcatel)
\$11.9 billion	Thermo Electron Corporation	Fisher Scientific International Inc.	Thermo Fisher Scientific Inc.	May 8, 2006	Yes	61% - Fisher 39% - Thermo	No	8 members 5 – Thermo (62.5%) 3 – Fisher (37.5%)	Marijn E. Dekkers, President and CEO of Thermo, to be President and CEO. Paul M. Meister, vice Chairman of the board of Fisher, to be Chairman.	None.	Waltham, MA (Thermo)

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Described by Parties as an MOE	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$9.82 billion	Regions Financial Corp.	AmSouth Bancorporation	Regions Financial Corp.	May 25, 2006	No	62% - Regions 38% - AmSouth	Yes	21 members ⁷ 12 – Regions (57%) 9 – AmSouth (43%)	Jackson W. Moore, Chairman, President and CEO of Regions, to be Chairman. ⁸ C. Dowd Ritter, Chairman, President and CEO of AmSouth, to be President and CEO.	None	Birmingham, AL (Regions and AmSouth)
\$22.80 billion	CVS Corp.	Caremark RX Inc.	CVS/Caremark Corporation	November 1, 2006	Yes ⁹	54.5% - CVS 45.5% - Caremark	Yes	50% – CVS 50% – Caremark	Mac Crawford, Chairman, President and CEO of Caremark, will become Chairman of CVS/Caremark. Tom Ryan, Chairman, President and CEO of CVS, will become President and CEO of CVS/Caremark.	None	Woonsocket, RI (CVS) Pharmacy services business based in Nashville, TN (Caremark) for at least the first three years.
\$5.10 billion	LSI Logic Corp.	Agere Systems Inc.	LSI Logic Corporation	December 4, 2006	Yes	52% - LSI 48% - Agere	No	9 members 6 – LSI (67%) 3 – Agere (33%)	Abhi Talwalkar, President and CEO of LSI, will remain CEO of LSI.	None	Milpitas, CA (LSI)

⁷ The merger agreement permits the parties to agree, prior to closing, to add one additional director each.

⁸ Removal of the CEO or Chairman as directors of the combined corporation requires a 75% vote of the full combined board.

⁹ The premium was negligible (approximately 6.4%).

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Described by Parties as an MOE	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$16.50 billion	Bank of New York Co. Inc.	Mellon Financial Corp.	The Bank of New York Mellon Corporation	December 4, 2006	n/a ¹⁰	63% - Bank of NY 37% - Mellon	Yes	18 members 10 – Bank of NY (56%) 8 – Mellon (44%)	Thomas Renyi, chairman and CEO of Bank of NY, will become executive chairman of The Bank of New York Mellon Corporation. Robert Kelly, president, chairman and CEO of Mellon, will become CEO of The Bank of New York Mellon Corporation and will succeed Mr. Renyi.	Robert Kelly will succeed Thomas Renyi as chairman after 18 months ¹¹	New York, NY (Bank of NY)
\$4.27 billion	Abitibi-Consolidated Inc.	Bowater Incorporated	AbitibiBowater Inc.	January 29, 2007	No	52% - Bowater 48% - Abitibi-Consolidated	Yes	14 members 7 – Bowater (50%) 7 – Abitibi-Consolidated (50%)	John W. Weaver, President and CEO of Abitibi-Consolidated, will become Executive Chairman of AbitibiBowater. David J. Paterson, Chairman, President and CEO of Bowater, will become President and CEO of AbitibiBowater.	None	Montreal, Quebec (Abitibi-Consolidated)

¹⁰ “Top hat” structure.

¹¹ Removal of chairman, CEO or president requires a 75% vote of the full combined board.

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Described by Parties as an MOE	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$2.07 billion	Universal Compression Holdings Inc.	Hanover Compressor Co.	Exterrrean Holdings, Inc.	February 5, 2007	n/a ¹²	53% - Hanover 47% - Universal	Yes	10 members 5 – Hanover (50%) 5 – Universal (50%)	Stephen Snider, President, CEO and Chairman of Universal, will become President and CEO of Exterrrean. Gordon Hall, Chairman of Hanover, will become Chairman of Exterrrean.	None	Houston, TX (both parties)
\$4.53 billion	State Street Corporation	Investors Financial Services Corp.	State Street Corporation	February 5, 2007	Yes ¹³	83% - State Street 17% - Investors Financial	No	No change	Ronald Logue will remain CEO and Chairman of State Street. Kevin Sheehan, CEO and Chairman of Investors Financial, will become a consultant to State Street.	None	No change

¹² “Top hat” structure.

¹³ Approximate 38.5% premium over the closing price of Investors Financial stock on February 2, 2007.

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Described by Parties as an MOE	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$4.66 billion	Vulcan Materials Company	Florida Rock Industries Inc.	Vulcan Materials Company	February 19, 2007	Yes ¹⁴	88% - Vulcan 12% - Florida Rock	No	Added 1 Florida Rock director	No change at Vulcan John Baker II, President and CEO of Florida Rock, will become a director of Vulcan. Thompson Baker II, VP of Florida Rock, will become President of the Florida Rock division.	None	No change
\$4.57 billion	SIRIUS Satellite Radio Inc.	XM Satellite Radio Holdings Inc.	SIRIUS Satellite Radio Inc.	February 20, 2007	Yes ¹⁵	50% - SIRIUS 50% - XM	Yes	12 members 5 – SIRIUS (42%) 5 – XM (42%) 1 – General Motors (8%) 1 – American Honda (8%)	Mel Karmazin, CEO of SIRIUS, will continue to be CEO of SIRIUS. Gary Parsons, Chairman of XM, will become Chairman of SIRIUS.	None	New York, NY (Sirius)

¹⁴ Approximate 45% premium over the closing price of Florida Rock stock on February 16, 2007.

¹⁵ Approximately 21.7% above the closing price of XM stock on February 16, 2007.

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Described by Parties as an MOE	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$7.15 billion	Hologic, Inc.	Cytoc Corporation	Hologic, Inc.	May 21, 2007	Yes ¹⁶	55% - Cytoc 45% - Hologic	No	11 members 6 – Hologic (55%) 5 – Cytoc (45%)	John Cumming, Chairman and CEO of Hologic, will continue to be CEO of Hologic. Patrick Sullivan, Chairman, President and CEO of Cytoc, will become Chairman of Hologic. Dr. Jay A. Stein, chairman emeritus, director and chief technical officer of Hologic, will continue to be chairman emeritus and chief technical officer of Hologic.	None	Hologic corporate offices to be located in Bedford, MA (Hologic) Headquarters of Cytoc business to be in Marlborough, MA (Cytoc)

¹⁶ Approximately 32.5% above the closing price of Cytoc stock on May 18, 2007.

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Described by Parties as an MOE	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$6.80 billion	Wachovia Corporation	A.G. Edwards Inc.	Wachovia Corporation	May 31, 2007	Yes ¹⁷	96% - Wachovia 4% - A.G. Edwards	No	No change to Wachovia's board.	No change at Wachovia Corporation. David Luderman will continue to be President and CEO of Wachovia Securities, LLC. ¹⁸ Robert Bagby, Chairman and CEO of A.G. Edwards, will become Chairman of Wachovia Securities, LLC.	None	Wachovia corporate offices to be located in Charlotte, NC (Wachovia) Headquarters of Wachovia Securities to be located in St. Louis, MO (A.G. Edwards)
\$5.36 billion	Plains Exploration & Production Company	Pogo Producing Company	Plains Exploration & Production Company	July 17, 2007	Yes ¹⁹	66% - Plains 34% - Pogo	No	9 members 7 – Plains (78%) 2 – Pogo (22%)	James Flores will continue to be Chairman, President and Chief Executive Officer of Plains.	None	Houston, TX (both parties)

¹⁷ Approximately 16% above the closing price of A.G. Edwards stock on May 30, 2007.

¹⁸ Existing investment bank and brokerage subsidiary of Wachovia Corporation.

¹⁹ Approximately 15.3% above the closing price of Pogo common stock on July 13, 2007.

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Described by Parties as an MOE	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$17.07 billion	Transocean Inc.	GlobalSantaFe Corporation	Transocean Inc.	July 23, 2007	No	66% - Transocean 34% - GlobalSantaFe	Yes	14 members 7 – Transocean (50%) 7 – GlobalSantaFe (50%)	Robert Long will continue to be CEO of Transocean. Jon Marshall, President and CEO of GlobalSantaFe, will become President and COO of Transocean. Robert Rose, Chairman of GlobalSantaFe, will become Chairman of Transocean.	None	Houston (both parties)
\$1.08 billion	Fifth Third Bancorp	First Charter Corporation	Fifth Third Bancorp	August 16, 2007	Yes ²⁰	95% - Fifth Third 5% - First Charter	No	No change	No change at Fifth Third. Robert James, Jr., President and CEO of First Charter, will become President and CEO of a Fifth Third affiliate in Charlotte, NC (First Charter's location).	None	Cincinnati, OH (Fifth Third)

²⁰ Approximately 53.1% above the closing price of First Charter common stock on August 15, 2007.

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Described by Parties as an MOE	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$8.64 billion	Toronto-Dominion Bank	Commerce Bancorp	Toronto-Dominion Bank	October 2, 2007	Yes ²¹	90% - Toronto-Dominion 10% - Commerce	No	No change	No change at Toronto-Dominion. Dennis DiFlorio, Chairman of Commerce, and Bob Falese, President and CEO of Commerce, will continue to run Commerce.	None	No change
\$7.50 billion	National Oilwell Varco Inc.	Grant Prideco, Inc.	National Oilwell Varco Inc.	December 17, 2007	Yes ²²	86% - National Oilwell 14% - Grant Prideco	No	No change	No change	None	Houston, TX (both parties)
\$9.75 billion	Ingersoll-Rand Company Limited	Trane Inc.	Ingersoll-Rand Company Limited	December 17, 2007	Yes ²³	86% - Ingersoll-Rand 14% - Trane	No	Ingersoll Rand to add 2 Trane directors	No change	None	Hamilton, Bermuda (Ingersoll Rand)

²¹ The premium was negligible (approximately 6.6%).

²² Approximately 22%.

²³ Approximately 28.5% above the closing price of Trane on December 14, 2007.

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Described by Parties as an MOE	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$4.1 billion	Bank of America Corporation	Countrywide Financial Corporation	Bank of America Corporation	January 11, 2008	Yes ²⁴	97% - Bank of America 3% - Countrywide	No	No change	No change	None	Charlotte, NC (Bank of America)
\$1.5 billion	JPMorgan Chase & Co.	The Bear Stearns Companies, Inc.	JPMorgan Chase & Co.	March 16, 2008	No ²⁵	99% - JPMorgan 1% - Bear Stearns	No	No change	No change	None	New York, NY
\$11.1 billion	CME Group, Inc.	NYMEX Holdings, Inc.	CME Group, Inc.	March 17, 2008	Yes ²⁶	81.4% - CME 18.6% - NYMEX	No	33 members 30 - CME (91%) 3 - NYMEX (9%)	No change	None	Chicago, IL (CME Group)

²⁴ Approximately 37.9% based on January 9, 2008 closing price.

²⁵ Represents an approximately 93% discount to the closing price of Bear Stearns stock on March 14, 2008 based on initial consideration by JPMorgan of \$2 per share of Bear Stearns stock. On March 24, 2008, the parties announced revised terms in which each share of Bear Stearns stock would receive \$10, representing a discount of approximately 67% to the closing price of Bear Stearns stock on March 14, 2008.

²⁶ Approximately 5% over the closing price of NYMEX stock on March 14.

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Described by Parties as an MOE	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$2.92 billion	Delta Air Lines, Inc.	Northwest Airlines Corporation	Delta Air Lines, Inc.	April 14, 2008	Yes ²⁷	51.1% - Delta 48.9% - Northwest	No	13 members 7 - Delta (54%) 5 - Northwest (38%) 1 - Air Line Pilots Association (8%)	No change	None	Atlanta, GA (Delta)
\$1.6 billion ²⁸	Grey Wolf, Inc.	Basic Energy Services, Inc.	Grey Wolf, Inc.	April 21, 2008	Yes ²⁹	54% - Grey Wolf 46% - Basic Energy	Yes	9 members 5 - Grey Wolf (56%) 4 - Basic Energy (44%)	Tom Richards, Grey Wolf's Chairman, President and CEO, was to become Chairman of the combined company. Ken Huseman, Basic Energy's President and CEO, was to become CEO of the combined company.	None	Houston, TX (Grey Wolf)

²⁷ Approximately 16.8% based on April 14, 2008 closing price.

²⁸ The transaction was terminated on July 15, 2008, after Grey Wolf's shareholders did not approve the merger agreement. Grey Wolf was subsequently acquired by Precision Drilling Trust after it made an unsolicited offer for the company.

²⁹ Basic Energy shareholders received an 8.5% premium over the stock price of Basic Energy on the last day of trading prior to the execution of the merger agreement.

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Described by Parties as an MOE	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$1.8 billion	Stone Energy Corporation	Bois d'Arc Energy, Inc.	Stone Energy Corporation	April 30, 2008	No ³⁰	72% - Stone 28% - Bois d'Arc	No	No change	No change	None	Lafayette, LA (Stone)
\$3.0 billion	Smith International, Inc.	W-H Energy Services, Inc.	Smith International, Inc.	June 3, 2008	Yes ³¹	93% - Smith 7% - W-H Energy	No	No change	No change	None	Houston, TX (Smith)
\$2.1 billion	Willis Group Holdings Limited	Hilb, Rogal & Hobbs Company	Willis Group Holdings Limited (North American operations renamed Willis HRH)	June 8, 2008	Yes ³²	85.6% - Willis 14.4% - Hilb, Rogal & Hobbs	No	No change	No change	None	London (Willis)

³⁰ Approximately a 4% discount to closing price of Bois d'Arc stock on April 29, 2008.

³¹ Approximately 9.4% over the closing price of W-H Energy stock on June 2, 2008.

³² 48.9% over the closing price of HRH shares on June 6, 2008.

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Described by Parties as an MOE	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$1.8 billion	Precision Drilling Trust	Grey Wolf, Inc.	Precision Drilling Trust	June 10, 2008	Yes ³³	75% - Precision Drilling 25% - Grey Wolf	No	12 Members 9 - Precision Drilling (75%) 3 - Grey Wolf (25%)	No change	None	Calgary, Alberta, Canada (Precision Drilling)
\$6.4 billion	Invitrogen Corporation	Applied Biosystems Inc.	Life Technologies Corporation	June 12, 2008	Yes ³⁴	55% - Invitrogen 45% - Applied Biosystems	No	12 Members 9 - Invitrogen (75%) 3 - Applied Biosystems (25%)	No change	None	Carlsbad, California (Invitrogen)
\$6.49 billion	Republic Services, Inc.	Allied Waste Industries, Inc.	Republic Services, Inc.	June 23, 2008	Yes ³⁵	48% - Republic 52% - Allied	No	11 Members 6 - Republic (55%) 5 - Allied (45%)	No change	None	Phoenix, AZ (Allied)

³³ 25.2% premium over Grey Wolf's unaffected stock price before Precision's previous public announcements regarding its desire to acquire Grey Wolf.

³⁴ Approximately 17% over the closing price of Applied Biosystem's stock on June 11, 2008.

³⁵ Approximately 17% based on the average closing price of Allied's stock for the 30 days prior to June 12, 2008.

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Described by Parties as an MOE	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$4.5 billion ³⁶	Bunge Limited	Corn Products International, Inc.	Bunge Limited	June 23, 2008	Yes ³⁷	79% - Bunge 21% - Corn Products	No	12 Members 11 - Bunge (92%) 1 - Corn Products (8%)	No change	None	White Plains, NY
\$3.3 billion	Ashland Inc.	Hercules Incorporated	Ashland Inc.	July 11, 2008	Yes ³⁸	85.75% - Ashland 14.25% - Hercules	No	No Change	No change	None	Covington, KY (Ashland)

³⁶ On November 10, 2008, the Board of Bunge Limited voted to terminate the merger agreement citing the decision of the Corn Products Board to withdraw its recommendation of support for the merger.

³⁷ 30.5% based on the closing price on June 20, 2008.

³⁸ Approximately 38% based on the closing prices of the common stock of Hercules and Ashland on July 10, 2008.

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Described by Parties as an MOE	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$9.8 billion ³⁹	Cleveland-Cliffs Inc.	Alpha Natural Resources, Inc.	Cliffs Natural Resources Inc.	July 16, 2008	Yes ⁴⁰	60% - Cleveland Cliffs 40% - Alpha	No	12 Members 10 – Cleveland Cliffs (83%) 2 – Alpha (17%)	No change	None	Cleveland, Ohio
\$8.7 billion	Teva Pharmaceutical Industries, Ltd.	Barr Pharmaceuticals, Inc.	Teva Pharmaceutical Industries, Ltd.	July 18, 2008	Yes ⁴¹	92.7% - Teva 7.3% - Barr	No	No change	No change	None	Petach Tikva, Israel (Teva)

³⁹ On November 18, 2008, the companies terminated their merger agreement, with Cleveland Natural Resources (f/k/a Cleveland-Cliffs) agreeing to pay Alpha Natural Resources \$70 million as a termination fee (\$30 million less than their agreement required). The friendly deal ran into trouble shortly after it was announced when Cleveland Natural Resources' largest shareholder, Harbinger Capital Management, announced that it opposed the transaction.

⁴⁰ Approximately 35% based on closing price on July 15, 2008.

⁴¹ Approximately 42% over the closing price on July 16, 2008.

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Described by Parties as an MOE	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$44.4 billion	Bank of America Corporation	Merrill Lynch & Co., Inc.	Bank of America Corporation	September 14, 2008	Yes ⁴²	77.6% - Bank of America 22.4% - Merrill Lynch	No	19 Members 16 – Bank of America (84%) 3 – Merrill Lynch (16%)	No change	None	Charlotte, NC (Bank of America)
\$15.3 billion	Wells Fargo & Company	Wachovia Corporation	Wells Fargo & Company	October 3, 2008	Yes ⁴³	88.6% - Wells Fargo 11.4% - Wachovia	No	20 Members 16 – Wells Fargo (80%) 4 – Wachovia (20%)	No change	None	San Francisco, CA (Wells Fargo)
\$5.3 billion	The PNC Financial Services Group, Inc.	National City Corporation	The PNC Financial Services Group, Inc.	October 24, 2008	No ⁴⁴	81% - PNC 19% - National City	No	19 Members 18 – PNC (95%) 1 – National City (5%)	No change	None	Pittsburgh, PA (PNC)

⁴² Approximately 70.1% based on closing price on September 12, 2008.

⁴³ Approximately 44% based on closing price on October 2, 2008.

⁴⁴ Approximately a 19% discount based on closing price on October 23, 2008.

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Described by Parties as an MOE	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$12.2 billion	CenturyTel, Inc.	Embarq Corporation	CenturyLink	October 27, 2008	Yes ⁴⁵	34% - CenturyTel 66% - Embarq	No	15 Members 8 – CenturyTel (53%) 7 – Embarq (47%)	Glen F. Post III, CEO of CenturyTel will be the CEO of the combined company. William A Owens, non-executive Chairman of Embarq will be non-executive Chairman of combined company. Tom Gerke, CEO of Embarq will assume the role of executive vice-chairman of the combined company.	None	Monroe, LA (CenturyTel) (significant presence will be maintained in Overland Park, Kansas)
\$68 billion ⁴⁶	Pfizer, Inc.	Wyeth	Pfizer, Inc.	January 26, 2009	Yes ⁴⁷	84% - Pfizer 16% - Wyeth	No	16 Members 14 – Pfizer (87.5%) 2 – Wyeth (12.5%)	No change	None	New York, New York (Pfizer)

⁴⁵ Approximately 36% based on October 24, 2008 closing price.

⁴⁶ Deal size at announcement. Due to the fact that a portion of the consideration is Pfizer stock, the total deal size will fluctuate in relation to changes in Pfizer's stock price.

⁴⁷ Approximately 30% over Wyeth's closing share price before word of the deal leaked on January 23, 2009.

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Described by Parties as an MOE	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$419 million ⁴⁸	Live Nation, Inc.	Ticketmaster Entertainment, Inc.	Live Nation Entertainment	February 10, 2009	No	50% - Live Nation 50% - Ticketmaster	Yes	14 Members 7 – Live Nation (50%) 7 – Ticketmaster (50%)	Barry Diller, chairman of the board of Ticketmaster will serve as chairman of the board of the combined company. Michael Rapino, CEO of Live Nation will serve as CEO and president of the combined company. Irving Azoff, CEO of Ticketmaster will serve as executive chairman of the combined company.	None	Los Angeles, CA (Live Nation)
\$40 billion	Merck & Co., Inc.	Schering-Plough Corporation	Merck	March 9, 2009	Yes ⁴⁹	68% - Merck 32% - Schering-Plough	No	18 Members 15 – Merck (83%) 3 – Schering-Plough (17%)	No change	None	Whitehouse Station, NJ (Merck)

⁴⁸ Enterprise value of combined entity will be approximately \$2.5 billion.

⁴⁹ Approximately 34% based on the closing price of Schering-Plough stock on March 6, 2009.

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Described by Parties as an MOE	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$2.9 billion	Fidelity National Information Services, Inc.	Metavante Technologies, Inc.	Fidelity National Information Services, Inc.	April 1, 2009	Yes ⁵⁰	Fidelity – 56.3% Metavante – 43.7%	No	9 Members 6 – Fidelity (67%) 3 – Metavante (33%)	William Foley II, chairman of FIS, will serve as chairman of the combined company. Lee Kennedy, president and CEO of FIS, will serve as executive vice chairman of the board, with responsibility for integrating the two companies. Frank Matire, chairman and CEO of Metavante, will be president and CEO of the combined company.	None	Jacksonville, FL (Fidelity Information Services)

⁵⁰ 23.9% premium based on the closing price of Metavante common stock and FIS common stock as of March 30, 2009.

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Described by Parties as an MOE	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$3.1 billion	Pulte Homes, Inc.	Centex Corporation	Pulte	April 8, 2009	Yes ⁵¹	Pulte Homes – 68% Centex Corporation – 32%	No	12 Members 8 – Pulte (67%) 4 – Centex (33%)	Richard J. Dugas, Jr., president and CEO of Pulte Homes will serve as chairman, president and CEO for the combined company. Timothy Eller, chairman and CEO of Centex, will join the Pulte board of directors and serve as a consultant to the company for two years following the close of the transaction.	None	Bloomfield Hills, Michigan (Pulte Homes)

⁵¹ Approximately 32.6% to the 20-day volume weighted average trading price of Centex shares prior to April 7, 2009.

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Described by Parties as an MOE	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$2 billion	Alpha Natural Resources, Inc.	Foundation Coal Holdings, Inc.	Alpha Natural Resources, Inc.	May 12, 2009	Yes ⁵²	Alpha – 59% Foundation – 41%	No	10 Members 6 – Alpha (60%) 4 – Foundation (40%)	Michael Quillen, chairman and CEO of Alpha, will become chairman of the combined company. Kevin Crutchfield, president of Alpha, will become CEO of the combined company. Kurt Kost, president and COO of Foundation will become president of the combined company. James Roberts, chairman and CEO of Foundation will become a member of the combined company's board of directors.	None	Abingdon, VA (Alpha Natural Resources)

⁵² 37% premium over the 5-day average closing price of Foundation shares ending May 8, 2009, relative to the 5-day average closing price of Alpha shares during the same period.

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Described by Parties as an MOE	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$2.3 billion ⁵³	NetApp Inc.	Data Domain, Inc.	NetApp, Inc.	May 20, 2009	Yes ⁵⁴	NetApp – 86% - 88% Data Domain – 12% to 14%	No	No change	No change	None	Sunnyvale, CA (NetApp)
\$779 million	Cameron International Corporation	NATCO Group Inc.	Cameron International Corporation	June 1, 2009	Yes ⁵⁵	Cameron – 90% NATCO – 10%	No	No change	No change	None	Houston, TX (Cameron)
\$5.2 billion	Baker Hughes Incorporated	BJ Services Company	Baker Hughes Incorporated	August 31, 2009	Yes ⁵⁶	Baker Hughes – 72.5% BJ Services – 27.5%	No	13 Members 11 – Baker Hughes (85%) 2 – BJ Services (15%)	No change	None	Houston, TX (Baker Hughes)

⁵³ On July 8, 2009, Data Domain terminated the merger agreement with NetApp. Data Domain entered into a merger agreement with EMC Corporation to be acquired for \$33.50 per share in cash.

⁵⁴ 72% over the closing price of Data Domain's common stock on May 19, 2009, the last trading day prior to Data Domain board of directors' approval of the merger.

⁵⁵ 30.8% based on the closing prices of the common stock of NATCO and Cameron as of May 29, 2009.

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Described by Parties as an MOE	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$3.9 billion	The Walt Disney Company	Marvel Entertainment, Inc.	The Walt Disney Company	August 31, 2009	Yes ⁵⁷	Walt Disney – 97% Marvel – 3%	No	No change	No change	None	Burbank, CA (Walt Disney)
\$6.1 billion	Xerox Corporation	Affiliated Computer Services, Inc.	Xerox Corporation ⁵⁸	September 28, 2009	Yes ⁵⁹	Xerox – 66% ACS – 34%	No	No change	No change ⁶⁰	None	Norwalk, CT (Xerox)

⁵⁶ 16.3% over the closing price of BJ Services stock on August 28, 2009.

⁵⁷ Approximately a 29% premium to the closing price on August 28, 2009.

⁵⁸ ACS will operate as an independent organization and will be branded ACS, a Xerox Company.

⁵⁹ Approximately a 33.6% premium based on closing prices on September 25, 2009.

⁶⁰ Lynn Blodgett, president and CEO of ACS, will continue to lead ACS following the close of the transaction and will report to Ursula Burns, CEO of Xerox.

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Described by Parties as an MOE	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$687 million	Equinix, Inc.	Switch & Data Company, Inc.	Equinix, Inc.	October 21, 2009	Yes ⁶¹	Equinix – 87.88% Switch & Data – 12.12% ⁶²	No	9 Members 8 – Equinix (89%) 1 – Switch & Data (11%)	No change	None	Foster City, CA (Equinix)
\$622 million	Ares Capital Corporation	Allied Capital Corporation	Ares Capital Corporation	October 26, 2009	Yes ⁶³	Ares Capital – 65% Allied Capital – 35%	No	8 Members 7 – Ares Capital (87.5%) 1 – Allied Capital (12.5%)	No change	None	New York, NY
\$3.2 billion	Denbury Resources Inc.	Encore Acquisition Company	Denbury Resources, Inc.	November 1, 2009	Yes ⁶⁴	Denbury – 68% Encore – 32%	No	No change	No change	None	Plano, Texas (Denbury Resources)

⁶¹ 33.9% to the closing price of Switch and Data's common stock on October 20, 2009.

⁶² Pro forma ownership by Switch & Data shareholders may increase as a result of the cash/stock adjustment mechanism.

⁶³ 27.3% to Allied Capital's closing stock price on October 23, 2009.

⁶⁴ Approximately a 35% premium to Encore's closing price on October 30, 2009.

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Described by Parties as an MOE	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$3.5 billion	The Stanley Works	The Black & Decker Corporation	Stanley Black & Decker	November 2, 2009	Yes ⁶⁵	Stanley – 50.5% Black & Decker – 49.5%	No	15 Members 9 – Stanley (60%) 6 – Black & Decker (40%)	John F. Lundgren, chairman and CEO of Stanley will be president and CEO of the combined company. Nolan D. Archibald, chairman, president and CEO of Black & Decker, will be executive chairman of the combined company for three years.	None	New Britain, Connecticut (Stanley Works) ⁶⁶
\$26 billion	Berkshire Hathaway Inc.	Burlington Northern Santa Fe Corporation	Berkshire Hathaway Inc.	November 3, 2009	Yes ⁶⁷	Berkshire Hathaway – 94% ^{68,69} Burlington Northern – 6%	No	No change	No change	None	Omaha, NE

⁶⁵ 22.1% to Black & Decker's share price as of October 30, 2009.

⁶⁶ The headquarters of the power tools division will remain in Towson, Maryland.

⁶⁷ Approximately 33% to the closing price for shares of Burlington Northern on October 30, 2009.

⁶⁸ Based on an exchange ratio of 0.001. The exchange ratio is calculated by dividing \$100.00 by the average daily volume-weighted average trading prices per share of Berkshire Class A common stock over the ten trading day period ending on the second full trading day prior to the completion of the merger, provided, however, that if the average trading value is above \$124,652.09 or below \$79,777.34, then the exchange ratio will be fixed at 0.000802233 or 0.001253489. Class B shares will be issued in lieu of Class A shares of Berkshire

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Described by Parties as an MOE	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$746 million	People's United Financial, Inc.	Financial Federal Corporation	People's United Financial, Inc.	November 23, 2009	Yes ⁷⁰	People's United – 93% ⁷¹ Financial Federal – 7%	No	No change	No change	None	Bridgeport, CT (People's United Financial)
\$1.1 billion	Windstream Corporation	Iowa Telecommunications Services, Inc.	Windstream Corporation	November 24, 2009	Yes ⁷²	Windstream – 94% ⁷³ Iowa Telecom – 6%	No	10 Members 9 – Windstream (90%) 1 – Iowa Telecom (10%)	No change	None	Little Rock, AR (Windstream Corporation)

Hathaway and cash will be paid in lieu of any fractional Class B shares. Calculated based on a 60/40 cash-stock split.

⁶⁹ Not based on information released by the parties. Approximate calculations based on announced exchange ratio and estimates of pro forma outstanding shares, etc.

⁷⁰ Approximately a 35% premium over the closing price of Financial Federal stock on November 20, 2009.

⁷¹ Not based on information released by the parties. Approximate calculations based on announced exchange ratio and estimates of pro forma outstanding shares, etc.

⁷² 26% over the price of Iowa Telecom shares as of market close on November 23, 2009.

⁷³ Not based on information released by the parties. Approximate calculations based on announced exchange ratio and estimates of pro forma outstanding shares, etc.

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Described by Parties as an MOE	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$41 billion	Exxon Mobil Corporation	XTO Energy, Inc.	Exxon Mobil Corporation	December 14, 2009	Yes ⁷⁴	Exxon – 92% ⁷⁵ XTO – 8%	No	No change	No change	None	Irving, TX (Exxon Mobil)
\$1.9 billion	Tyco International Ltd.	Brink's Home Security Holdings, Inc.	Tyco International Ltd.	January 18, 2010	Yes ⁷⁶	88.5% - Tyco 11.5% - Brink's	No	No change	No change	None	Schaffhausen, Switzerland (Tyco)
\$8.6 billion	FirstEnergy Corp.	Allegheny Energy, Inc.	FirstEnergy Corp.	February 11, 2010	Yes ⁷⁷	73% - FirstEnergy 27% - Allegheny	No	13 members 11 – FirstEnergy (85%) 2 – Allegheny (15%)	No change	None	Akron, OH (First Energy)

⁷⁴ 25% premium to the price of XTO stock.

⁷⁵ Not based on information released by the parties. Approximate calculations based on announced exchange ratio and estimates of pro forma outstanding shares, etc.

⁷⁶ Premium of 36% to the closing price of Brink's shares on January 15, 2010.

⁷⁷ Premium of 31.6% to the closing stock price of Allegheny on February 10, 2010, and a 22.3% premium to the average stock price of Allegheny over the last 60 days ending

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Described by Parties as an MOE	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$12.6 billion	Schlumberger Limited	Smith International, Inc.	Schlumberger Limited	February 21, 2010	Yes ⁷⁸	87.2% - Schlumberger 12.8% - Smith	No	No change	No change	None	Houston, TX (Schlumberger)
\$1.7 billion	MSCI, Inc.	RiskMetrics Group, Inc.	MSCI, Inc.	March 1, 2010	Yes ⁷⁹	86.6% - MSCI, Inc. 13.4% - RiskMetrics	No	No change	No change	None	New York, NY (MSCI)
\$4.7 billion	CF Industries Holdings, Inc.	Terra Industries, Inc.	CF Industries Holdings, Inc.	March 12, 2010	Yes ⁸⁰	84% - CF Industries 16% - Terra	No	No change	No change	None	Deerfield, IL (CF Industries)

February 10, 2010.

⁷⁸ 37.5% premium based on the closing prices on February 18, 2010 for both companies.

⁷⁹ Premium of 17% to RiskMetrics' closing price on February 26, 2010.

⁸⁰ Premium of 15% to Terra shareholders as of March 2, 2010.

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Described by Parties as an MOE	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$1.3 billion	SandRidge Energy, Inc.	Arena Resources, Inc.	SandRidge Energy, Inc.	April 3, 2010	Yes ⁸¹	52.7% - SandRidge 47.3% - Arena	No	No change	No change	None	Oklahoma City, OK (SandRidge)
\$1.7 billion	RRI Energy, Inc.	Mirant Corporation	GenOn Energy	April 11, 2010	No	Mirant – 54% RRI – 46%	Yes	10 members 5 – Mirant (50%) 5 – RRI (50%)	Edward R. Mueller, chairman and CEO of Mirant, will be Chairman and CEO of the combined company until 2013, when he plans to retire. Mark M. Jacobs, president and CEO of RRI, will be president and chief operating officer of the combined company.	Mark M. Jacobs will succeed Edward R. Muller as CEO in 2013.	Houston (RRI)

⁸¹ 17% premium in stock and cash consideration valued at \$40 per share of Arena common stock based on SandRidge's April 1, 2010 closing price.

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Described by Parties as an MOE	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$3.9 billion	Apache Corporation	Mariner Energy, Inc.	Apache Corporation	April 14, 2010	Yes ⁸²	95% - Apache Corp 5% - Mariner	No	No change	No change	None	Houston, TX (Apache)
\$12.3 billion	CenturyTel, Inc. ("CenturyLink")	Qwest Communications International Inc.	CenturyTel, Inc.	April 22, 2010	Yes ⁸³	50.5% - CenturyTel 49.5% - Qwest	No	18 members 14 – CenturyTel (78%) 4 – Qwest (22%)	No change	None	Monroe, LA (CenturyTel)

⁸² Premium of 45% over Mariner's closing price on April 14, 2010.

⁸³ Approximately 15% premium over Qwest's closing stock price on April 21, 2010.

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Described by Parties as an MOE	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$1.3 billion ⁸⁴	Hertz Global Holdings, Inc.	Dollar Thrifty Automotive Group, Inc.	Hertz Global Holdings, Inc.	April 25, 2010	Yes ⁸⁵	94.5% - Hertz 5.5% - Dollar Thrifty	No	13 members 12 – Hertz (92%) 1 – Dollar Thrifty (8%)	No change	No change	Park Ridge, NJ (Hertz)
\$3.2 billion	UAL Corporation	Continental Airlines, Inc.	United Continental Holdings, Inc.	May 2, 2010	No	55% - Continental 45% - United	Yes	16 members: 6 – Continental (37.5%) 6 – United (37.5%) 2 – Union members (12.5%)	Glenn Tilton, chairman, president and CEO of UAL Corp., will be non-executive chairman of the combined company. Jeff Smisek, Continental's chairman, president and CEO will be CEO and a director.	Jeff Smisek will become executive chairman of the Board after December 31, 2012 when Tilton will cease to be non-executive chairman.	Chicago, IL (United)

⁸⁴ On October 1, 2010, Hertz terminated the merger agreement after the Dollar Thrifty shareholders voted to reject the merger proposal. On August 26, 2012, Hertz and Dollar Thrifty announced a new deal by which Hertz would acquire Dollar Thrifty for \$2.6 billion in a cash tender offer. Hertz paid \$87.50 per common share, representing an 8% premium over the closing price of Dollar Thrifty's common stock as of August 24, 2012.

⁸⁵ 42.6% premium over the 30-day volume weighted average price of Dollar Thrifty's common stock as of April 23, 2010, the close of the last trading day before the initial announcement of the merger and a 4.4% premium over the 30-day volume weighted average price of Dollar Thrifty's common stock as of September 8, 2010.

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Described by Parties as an MOE	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$1.7 billion	Man Group plc	GLG Partners, Inc.	Man Group plc	May 17, 2010	Yes ⁸⁶	91.32% - Man Group 8.68% - GLG	No	No change	No change	None	London, United Kingdom (Man Group)
\$1.5 billion	Grifols, S.A.	Talecris Biotherapeutics Holdings Corp. ⁸⁷	Grifols, S.A.	June 7, 2010	Yes ⁸⁸	Unknown	No	10 members 8 – Grifols (80%) 2 – Talecris (20%)	No change	None	Barcelona, Spain (Grifols)
\$1.3 billion	Allscripts-Misys Healthcare Solutions, Inc.	Eclipsys Corporation	Allscripts-Mysis Healthcare Solutions, Inc.	June 9, 2010	Yes ⁸⁹	63% - Allscripts-Misys 37% - Eclipsys	No	7 members: 4 – Allscripts (57%) 3 – Eclipsys (43%)	Glen Tullman, CEO of Allscripts, will be the CEO of the combined company. Phil Pead, president and CEO of Eclipsys will become Chairman of the combined company.	None	Chicago, IL (Allscripts)

⁸⁶ 55% premium to the closing price of GLG stock on May 14, 2010.

⁸⁷ Cerberus Capital Management LP owned an affiliate that controlled some 49% of Talecris prior to the transaction.

⁸⁸ 64% premium to the closing price of Talecris shares on June 4, 2010.

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Described by Parties as an MOE	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$3.2 billion	Biovail Corp.	Valeant Pharmaceuticals International, Inc.	Valeant Pharmaceuticals International, Inc.	June 20, 2010	Yes ⁹⁰	50.5% - Biovail 49.5% - Valeant	No	11 members 5 – Biovail (45.5%) 5 – Valeant (45.5%) 1 – Independent Canadian resident director (9%)	J. Michael Pearson, chairman and CEO of Valeant, will be CEO of the combined company. Bill Wells, CEO of Biovail, will be the non-executive Chairman of the combined company.	None	Mississauga, Ontario, Canada (Biovail)
\$3.0 billion	Celgene Corporation	Abraxis Bioscience, Inc.	Celgene Corporation	June 30, 2010	Yes ⁹¹	98% - Celgene 2% - Abraxis	No	No change	No change	None	Summit, NJ (Celgene)

⁸⁹ 19% premium based on the June 8, 2010 closing price of Eclipsys stock.

⁹⁰ The transaction represents a 15% premium to Biovail stockholders based on a calculation of the stock prices over the last 10 trading days ending June 21, 2010.

⁹¹ Approximately 17% premium over the closing price of Abraxis shares on June 29, 2010.

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Described by Parties as an MOE	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$4.9 billion	Aon Corporation	Hewitt Associates, Inc.	Aon Corporation	July 12, 2010	Yes ⁹²	84.2% - Aon 15.8% - Hewitt	No	16 members 14 – Aon (87.5%) 2 – Hewitt (12.5%)	No change	None	Chicago, IL (Aon)
\$1.6 billion	First Niagara Financial Group, Inc.	NewAlliance Bancshares, Inc.	First Niagara Financial Group, Inc.	August 18, 2010	Yes ⁹³	70% - First Niagara 30% - NewAlliance	No	12 members 9 – First Niagara (75%) 3 – NewAlliance (25%)	No change	None	Buffalo, NY (First Niagara)
\$3.5 billion	Southwest Airlines Co.	AirTran Holdings, Inc.	Southwest Airlines Co.	September 27, 2010	Yes ⁹⁴	93% - Southwest 7% - AirTran	No	No change	No change	None	Dallas, TX (Southwest)

⁹² 41% premium to Hewitt's closing stock price on July 9, 2010.

⁹³ Cash and stock consideration represent a premium of approximately 24% based on NewAlliance's closing price of \$11.36, and a premium of about 19% over NewAlliance's 52-week average closing price, on August 18, 2010.

⁹⁴ 69% premium over the September 24, 2010 closing price of Air Tran stock.

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Described by Parties as an MOE	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$9.7 billion	Northeast Utilities	N STAR Inc.	Northeast Utilities	October 16, 2010	No	56% - Northeast Utilities 44% - NSTAR	Yes	14 members: 7 – Northeast Utilities (50%) 7 – NSTAR (50%)	Charles W. Shivery, chairman and CEO of Northeast Utilities, will be the Non-Executive chairman of the combined company. Thomas J. May, NSTAR's chairman and CEO, will be president and CEO of Northeast Utilities.	Thomas J. May will assume the additional role of chairman after 18 months.	Dual headquarters Hartford, CT (Northeast) Boston, MA (NSTAR)
\$734 million	Allegheny Technologies, Inc.	Ladish Co., Inc.	Allegheny Technologies, Inc.	November 17, 2010	Yes ⁹⁵	ATI - 93.6% Ladish - 6.4%	No	No change	No change	None	Pittsburgh, PA (ATI)
\$2.4 billion	AGL Resources, Inc.	Nicor Inc.	AGL Resources, Inc.	December 7, 2010	Yes ⁹⁶	67% - AGL 33% - Nicor	No	16 members 12 –AGL (75%) 4 – Nicor (25%)	No change	None	Atlanta, GA (AGL)

⁹⁵ Ladish shareholders will receive a 63.6% premium based on Ladish's closing price on November 16, 2010.

⁹⁶ Approximately 22% to the unaffected closing stock price of Nicor on December 1, 2010 and an approximately 17% premium to the average stock price of Nicor over the last 20

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Described by Parties as an MOE	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$1.7 billion	BMO Financial Group	Marshall & Ilsley Corporation (M&I)	BMO Financial Group	December 17, 2010	Yes ⁹⁷	89% - BMO 11% - M&I	No	No change	No change	None	Toronto, Canada (BMO)
\$698 million ⁹⁸	Rovi Corporation	Sonic Solutions	Rovi Corporation	December 22, 2010	Yes ⁹⁹	Unknown	No	No change	No change	None	Santa Clara, CA (Rovi)
\$1.5 billion	Hancock Holding	Whitney Holding Corporation	Hancock Holding Company	December 22, 2010	Yes ¹⁰⁰	Unknown	No	19 members 14 – Hancock (74%) 5 – Whitney (26%)	No change	None	Gulfport, MS (Hancock)

days ending December 1, 2010.

⁹⁷ 34% premium to the closing price of M&I shares on December 16, 2010.

⁹⁸ Source: MergerMetrics.com.

⁹⁹ 38.2 percent premium to Sonic's 30 day average per share closing price as of December 21, 2010.

¹⁰⁰ 42% premium to Whitney's closing price of \$10.87 on December 22, 2010.

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Described by Parties as an MOE	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$26 billion (Stock only)	Duke Energy Corporation	Progress Energy, Inc.	Duke Energy Corporation	January 10, 2011	Yes ¹⁰¹	63% - Duke Energy 37% - Progress Energy	No	18 members 11 – Duke Energy (61%) 7 – Progress Energy (39%)	Jim Rogers, chairman, president and CEO of Duke Energy, became the executive chairman of the combined company. Bill Johnson, chairman, president and CEO of Progress Energy became president and CEO of the combined company. However, immediately after the merger, Bill Johnson was removed as CEO and president and Jim Rogers became the CEO and president of the combined company.	None	Charlotte, NC (Duke Energy)
\$1.0 billion (Stock only)	Comerica Incorporated	Sterling Bancshares, Inc.	Comerica Incorporated	January 18, 2011	Yes ¹⁰²	90% - Comerica 10% - Sterling	No	No change	No change ¹⁰³	None	Dallas, TX (Comerica)

¹⁰¹ 6.4% premium to the average stock price of Progress Energy over the last 20 trading days ending January 7, 2011.

¹⁰² 48% premium to the closing price of Sterling common stock on January 7, 2011 (the last trading day prior to market rumors regarding a transaction involving Sterling), based on the closing price of Comerica common stock as of market close on the trading day prior to the public announcement of the merger.

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Described by Parties as an MOE	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$5.3 billion (Common stock and cash)	Rock-Tenn Company	Smurfit-Stone Container Corporation	Rock-Tenn Company	January 23, 2011	Yes ¹⁰⁴	56% - Rock-Tenn 44% - Smurfit-Stone	No	13 members 10 – Rock-Tenn (77%) 3 – Smurfit-Stone (23%)	No change	None	Norcross, GA (Rock-Tenn)
\$7.3 billion (Common stock and cash)	Alpha Natural Resources, Inc.	Massey Energy Company	Alpha Natural Resources, Inc.	January 29, 2011	Yes ¹⁰⁵	54% - Alpha 46% - Massey	No	No change	No change	None	Abingdon, VA (Alpha)

¹⁰³ J. Downey Bridgwater, chairman and CEO of Sterling, will become Comerica's Houston market president following completion of the transaction.

¹⁰⁴ 27% premium to Smurfit-Stone's closing stock price on January 21, 2011.

¹⁰⁵ 25% premium over the closing price of Massey common stock on January 26, 2011 (the last trading day before the board of directors of Massey resolved to enter into the merger agreement), 28% premium over the average closing price of Massey common stock for the 30 trading days ending January 26, 2011 and 95% premium over the unaffected closing price of Massey common stock on October 18, 2010 (the day the Wall Street Journal first reported Massey was reviewing strategic alternatives), based on the closing price of Alpha common stock on January 26, 2011.

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Described by Parties as an MOE	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$8.4 billion (Stock only)	AMB Property Corporation	ProLogis	ProLogis	January 31, 2011	No	60% - ProLogis 40% - AMB	Yes	11 members 6 – ProLogis (55%) 5 – AMB (45%) Irving F. “Bud” Lyons, III, an existing ProLogis Board member, will serve as lead independent director.	Hamid R. Moghadam, CEO of AMB, and Walter C. Rakowich, CEO of ProLogis, will serve as co-CEOs of the combined company. Mr. Moghadam will be chairman of the board of the combined company and will be primarily responsible for shaping the company’s vision, strategy and private capital franchise. Mr. Rakowich will be primarily responsible for operations, integration of the two platforms and optimizing the merger synergies. Until December 31, 2012, Mr. Rakowich will also serve as chairman of the board’s executive committee.	Walter C. Rakowich will retire on December 31, 2012, at which time Hamid R. Moghadam will become sole CEO of the combined company.	San Francisco, CA (corporate headquarters) (AMB) Denver, CO (operations headquarters) (ProLogis)

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Described by Parties as an MOE	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$7.4 billion (Common stock and cash)	Ensco plc	Pride International, Inc.	Ensco plc	February 7, 2011	Yes ¹⁰⁶	62% - Ensco 38% - Pride	No	10 members 8 – Ensco (80%) 2 – Pride (20%)	No change	None	UK (Ensco)
\$1.0 billion (Common stock and cash)	Kindred Healthcare, Inc.	RehabCare Group, Inc.	Kindred Healthcare, Inc.	February 8, 2011	Yes ¹⁰⁷	77% - Kindred 23% - RehabCare	No	12 members 10 – Kindred (83%) 2 – RehabCare (17%)	John Short, president and CEO of RehabCare, is expected to serve as non-executive vice chairman.	None	Louisville, KY (Kindred)

¹⁰⁶ 21% premium to Pride's closing share price as of February 4, 2011 and 25% premium to the one month volume-weighted average closing price of Pride.

¹⁰⁷ 38.1% premium over the closing share price of RehabCare common stock on February 7, 2011 (the last trading day prior to the public announcement of the merger agreement), 42.3% premium over RehabCare's volume-weighted average daily closing price during the 30 trading days ending February 7, 2011, and 60.4% premium over RehabCare's volume-weighted average daily closing price during the 90 trading days ending February 7, 2011, based upon the closing price per share of Kindred common stock on February 7, 2011.

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Described by Parties as an MOE	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$10.2 billion ¹⁰⁸ (Stock only)	Deutsche Börse AG	NYSE Euronext	Not determined	February 15, 2011	Yes ¹⁰⁹	60% - Deutsche Börse 40% - NYSE Euronext	Not in press release, but in transcript of joint investor conference call	17 members 9 – Deutsche Börse (53%) 6 – NYSE Euronext (35%) 1 – chairman (6%) 1 – CEO (6%)	Reto Francioni, CEO of Deutsche Börse, will be chairman of the combined company, and will also be responsible for group strategy and global relationship management. Duncan Niederauer, CEO of NYSE Euronext, will be CEO of the combined company.	None	Dual headquarters Frankfurt, Germany and New York, NY
\$2.9 billion (Stock only)	Holly Corporation	Frontier Oil Corporation	HollyFrontier Corporation	February 22, 2011	No ¹¹⁰	51% - Holly 49% - Frontier	Yes	14 members 7 – Frontier (50%) 7 – Holly (50%)	Michael Jennings, chairman, president and CEO of Frontier, will serve as president and CEO of the combined company. Matthew Clifton, chairman and CEO of Holly, will serve as executive chairman of the combined company.	None	Dallas, TX (Holly)

¹⁰⁸ On February 1, 2012, the European Commission announced that it would block the transaction on antitrust grounds, and as such, the transaction was not consummated.

¹⁰⁹ The transaction was structured such that each entity will be brought under a newly formed holding company. Exchange ratios represent a premium of approximately 10% for the benefit of the NYSE Euronext shareholders as of February 8, 2011 (the date prior to public reports that discussions were being held regarding a possible business combination), on the basis of the closing price of the NYSE Euronext and Deutsche Börse shares.

¹¹⁰ Exchange ratio reflects an implied discount of approximately 4% as of February 18, 2011 (the last trading day before public announcement of the merger).

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Described by Parties as an MOE	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$5.7 billion (Stock only)	Ventas, Inc.	Nationwide Health Properties, Inc.	Ventas, Inc.	February 28, 2011	Yes ¹¹¹	65% - Ventas 35% - Nationwide Health	No	13 members 10 – Ventas (77%) 3 – Nationwide Health (23%)	Debra A. Cafaro, chairman and CEO of Ventas, will continue to serve as chairman and CEO of the combined company. Douglas M. Pasquale, chairman, president and CEO of Nationwide Health, will serve as a senior advisor of the combined company.	None	Chicago, IL (Ventas)
\$1.0 billion (Stock only)	The Charles Schwab Corporation	optionsXpress Holdings, Inc.	The Charles Schwab Corporation	March 21, 2011	Yes ¹¹²	Unknown	No	No change	Walter W. Bettinger II will continue to serve as president and CEO. David Fisher, CEO of optionsXpress, will serve as a senior vice president of Schwab and president of optionsXpress.	None	San Francisco, CA (Schwab)

¹¹¹ 15.5% premium based on the closing price per share of Nationwide Health common stock on February 25, 2011 (the last trading day before the proposed merger was announced) and 19% premium based on the average price per share of Nationwide Health common stock over the one-month period preceding February 25, 2011.

¹¹² 20% premium based on the average closing price during the 30 trading days ending on March 18, 2011, the last trading day before the announcement of the merger agreement, and 21% premium based on the 90-day average price of optionsXpress common stock as of such date.

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Described by Parties as an MOE	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$3.0 billion (Common stock and cash)	CenturyLink, Inc.	Savvis, Inc.	CenturyLink, Inc.	April 27, 2011	Yes ¹¹³	96% - CenturyLink 4% - Savvis	No	No change	No change ¹¹⁴	None	Monroe, La (CenturyLink)
\$22.4 billion (Common stock and cash)	Johnson & Johnson	Synthes, Inc.	Johnson & Johnson	April 27, 2011	Yes	93% - Johnson & Johnson 7% - Synthes	No	No change	No change	None	New Brunswick, NJ (Johnson & Johnson)

¹¹³ 11% premium over Savvis' closing stock price as of the close of trading on April 26, 2011.

¹¹⁴ James Ousley, the CEO of Savvis, served as President of CenturyLink's Enterprise Markets Group upon the closing of the transaction.

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Described by Parties as an MOE	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$7.7 billion (Stock only)	Exelon Corporation	Constellation Energy Group, Inc.	Exelon Corporation	April 28, 2011	Yes ¹¹⁵	78% - Exelon 22% - Constellation	No	16 members 12 – Exelon (75%) 4 – Constellation (25%)	Christopher M. Crane, president and COO of Exelon, will become president and CEO of the combined company. Mayo A. Shattuck III, chairman, president and CEO of Constellation, will become executive chairman of the combined company. John W. Rowe, chairman and CEO of Exelon, will retire upon closing of the transaction.	None	Chicago, IL ¹¹⁶ (Exelon)

¹¹⁵ 12.5% premium over the closing price of Constellation common stock as of April 27, 2011 (the last trading day prior to the execution of the merger agreement), 20.6% premium over the 30-day average closing price of Constellation common stock as of April 27, 2011.

¹¹⁶ Exelon's power marketing business and Constellation's retail and wholesale business were consolidated under the Constellation brand and are headquartered in Baltimore, MD. Both companies' renewable energy businesses are also headquartered in Baltimore, MD.

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Described by Parties as an MOE	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$3.2 billion ¹¹⁷ (Stock only)	Allied World Assurance Company Holdings, AG	Transatlantic Holdings, Inc.	TransAllied Group Holdings, AG	June 12, 2011	Yes ¹¹⁸	58% - Transatlantic 42% - Allied World	Yes	11 members 6 – Transatlantic (55%) 5 – Allied World (45%)	Scott Carmilani, chairman, president and CEO of Allied World, was to serve as president and CEO of the combined company. Richard Press, Transatlantic's non-executive chairman, was to serve as the non-executive chairman of the board for the combined company for the first year following the closing of the merger. Robert Orlich, president and CEO of Transatlantic, was to retire upon the closing of the transaction.	None	Zug, Switzerland (Allied World)

¹¹⁷ On September 15, 2011, Allied World and Transatlantic entered into an agreement terminating the merger agreement.

¹¹⁸ 16% premium based on the closing share price on June 10, 2011 (the last trading day before public announcement of the merger).

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Described by Parties as an MOE	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$3.5 billion ^{119, 120} (Common stock and cash)	Validus Holdings, Ltd.	Transatlantic Holdings, Inc.	No change specified in proposal	July 12, 2011	Yes ¹²¹	52% - Validus 48% - Transatlantic	No	Proposal stated Validus was open to discussing an increase in the size of Validus' board to add representation from Transatlantic.	No change specified	None	Not specified in proposal
\$8.3 billion (Common stock and cash)	Ecolab Inc.	Nalco Holding Company	Ecolab Inc.	July 20, 2011	Yes ¹²²	77% - Ecolab 23% - Nalco	No	14 members 11 – Ecolab (79%) 3 – Nalco (21%)	J. Erik Fyrwald, chairman, president and CEO of Nalco, will become the president of Ecolab.	None	St. Paul, MN (Ecolab)

¹¹⁹ Validus delivered a proposal to Transatlantic to combine the businesses through a merger in which Validus would acquire all of the outstanding stock of Transatlantic, and subsequently launched a third-party exchange offer. This summary reflects the terms of the proposal.

¹²⁰ Validus withdrew its offer on November 28, 2011.

¹²¹ 27.1% premium to Transatlantic's closing price of June 10, 2011, the last trading day prior to Transatlantic's announcement of its proposed acquisition by Allied World; 14.1% premium to Transatlantic's closing price of July 12, 2011. Validus' proposal represents a 12.1% premium to the value of Transatlantic's previously announced proposed acquisition by Allied World as of July 12, 2011.

¹²² 34.4% premium to the closing price for shares of Nalco common stock on July 19, 2011, the date of execution of the merger agreement, a premium of 40.8% to the volume-weighted average price for shares of Nalco common stock over the 30-day period ended July 19, 2011 and a premium of 20% over Nalco's 52-week high closing price.

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Described by Parties as an MOE	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$28.5 billion (Common stock and cash)	Express Scripts, Inc.	Medco Health Solutions, Inc.	Express Scripts Holding Company	July 21, 2011	Yes ¹²³	59% - Express Scripts 41% - Medco	No	13 members 11 – Express Scripts (85%) 2 – Medco (15%)	No change	None	St. Louis, MO (Express Scripts)
\$2.2 billion (Stock only)	Windstream Corp.	PAETEC Holding Corp.	Windstream Corp.	August 1, 2011	Yes ¹²⁴	87% - Windstream 13% - PAETEC	No	No change	No change	None	Little Rock, AR (Windstream)
\$2.7 billion (Common stock and cash)	Superior Energy Services, Inc.	Complete Production Services, Inc.	Superior Energy Services, Inc.	October 10, 2011	Yes ¹²⁵	52% - Superior 48% - Complete	No	9 members 7 – Superior (78%) 2 – Complete (22%)	No change	None	New Orleans, LA (Superior Energy)

¹²³ A new holding company was formed as part of the transaction. The exchange ratios implied a 28% premium to Medco's closing share price on July 20, 2011.

¹²⁴ 27.1% premium to the closing price of PAETEC on July 29, 2011 (the last trading day before the board of PAETEC approved the merger).

¹²⁵ 61.4% premium to the closing price of Complete common stock on October 7, 2011, 64.5% premium to the average implied historical exchange ratio between the shares of common stock of the two companies for the 10 trading day period ended October 7, 2011 and 29% premium to Complete's average price over the two months prior to announcement of the

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Described by Parties as an MOE	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$37.7 billion (Common stock, warrants and cash)	Kinder Morgan, Inc.	El Paso Corporation	Kinder Morgan, Inc.	October 16, 2011	Yes ¹²⁶	68% - Kinder 32% - El Paso	No	15 members 13 – Kinder Morgan (87%) 2 – El Paso (13%)	No change	None	Houston, TX (Kinder Morgan)
\$3.7 billion (Common stock and cash)	Alleghany Corporation	Transatlantic Holdings, Inc.	Alleghany Corporation	November 21, 2011	Yes ¹²⁷	51% - Alleghany 49% - Transatlantic	No	14 members 11 – Alleghany (79%) 3 – Transatlantic (21%)	No change ¹²⁸	None	New York , NY (Alleghany)

merger.

¹²⁶ 37% premium over the closing price of El Paso common shares on October 14, 2011 and 47% premium to the 20-day average closing price of El Paso common shares as of October 14, 2011.

¹²⁷ 10% premium to Transatlantic closing stock price on November 18, 2011. The transaction represents a 36% premium to Transatlantic's closing stock price on June 10, 2011, the last trading day before public announcement of the later-terminated merger agreement with Allied World Assurance Company Holdings, AG.

¹²⁸ Alleghany operates Transatlantic as an independent standalone subsidiary. Michael C. Sapnar retained his roles as president and CEO of Transatlantic.

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Described by Parties as an MOE	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$4.7 billion ¹²⁹ (Stock only)	Martin Marietta Materials, Inc.	Vulcan Materials Company	Not determined (proposed changing the name of the combined company to reflect the names of each organization)	December 12, 2011	Yes ¹³⁰	58% - Vulcan 42% - Martin Marietta	No	Proposal states Martin Marietta contemplates directors from both companies serving on the combined company's board	Martin Marietta proposed Donald M. James, CEO and chairman of Vulcan, serve as chairman of the combined company.	None	Raleigh, NC (Martin Marietta)
\$3.3 billion (Stock only)	Lam Research Corporation	Novellus Systems, Inc.	Lam Research Corporation	December 14, 2011	Yes	59% - Lam Research 41% - Novellus	No	14 members 10 – Lam (71%) 4 – New directors jointly nominated by Lam and Novellus (29%)	Martin Anstice, who, as was previously announced, assumed the position of CEO of Lam Research effective January 1, 2012, continued as CEO following the close of the transaction.	None	Fremont, CA (Lam)

¹²⁹ Martin Marietta delivered a proposal to Vulcan and commenced an exchange offer to effect a business combination with Vulcan after Vulcan was unwilling to move towards a definitive agreement with Martin Marietta. This summary reflects the terms of Martin Marietta's proposal. The transaction was ultimately not consummated.

¹³⁰ 15% premium to the average exchange ratio based on the closing share prices during the 10-day period ended December 9, 2011 and 18% to the average exchange ratio based on the closing share prices during the 30-day period ended December 9, 2011.

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Described by Parties as an MOE	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$4.2 billion (Common stock and cash)	United Rentals, Inc.	RSC Holdings, Inc.	United Rentals, Inc.	December 16, 2011	Yes ¹³¹	70% - United Rentals 30% - RSC	No	14 members 11 – United Rentals (79%) 3 – RSC (21%)	No change	None	Greenwich, CT (United Rentals)
\$4.7 billion ¹³² (Common stock and cash)	Eastman Chemical Company	Solutia Inc.	Eastman Chemical Company ¹³³	January 27, 2012	Yes ¹³⁴	90% – Eastman Chemical Company 10% - Solutia	No	12 members 12 – Eastman Chemical Company (100%) 0 – Solutia Inc. (0%)	James Rogers, Eastman’s chairman and CEO, continued in these roles at the combined company following the closing of the transaction.	None	Kingsport, TN (Eastman)

¹³¹ 58% premium based on RSC’s closing price as of December 15, 2011.

¹³² Eastman paid \$3.4 billion in cash and stock and assumed approximately \$1.3 billion in debt.

¹³³ Solutia Inc. survived the merger as a wholly-owned subsidiary of Eastman Chemical Company.

¹³⁴ 42% premium to the closing price per share of Solutia common stock of \$19.51 on January 26, 2012, the last trading day prior to the approval of the merger by the Solutia board of directors, and premiums of approximately 52.8% and 70.7%, respectively, to the one-month and six-month trailing average closing prices of Solutia common stock as of the close of trading on January 26, 2012.

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Described by Parties as an MOE	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$4.1 billion (Common stock and cash)	SXC Health Solutions Corp. ("SXC")	Catalyst Health Solutions, Inc.	Catamaran Corporation	April 18, 2012	Yes ¹³⁵	65% – SXC 35% – Catalyst	No	9 members 7 – SXC (78%) 2 – Catalyst (22%)	Mark Thierer, SXC's chairman and CEO, continued in these roles at the combined company following the closing of the transaction.	None	Lisle, IL (SXC)
\$4.9 billion ¹³⁶ (Common stock and cash)	Energy Transfer Partners, L.P. ("ETP")	Sunoco, Inc.	Energy Transfer Partners, L.P. ¹³⁷	April 30, 2012	Yes ¹³⁸	80% – Energy Transfer Equity 20% – Sunoco	No	5 members 5 – ETP (100%) 0 – Sunoco (0%)	Kelly Warren, chairman and CEO of ETP, continued in these roles at the combined company following the closing of the transaction.	None	Dallas, TX (ETP)

¹³⁵ 28% premium based on the closing stock prices of SXC and Catalyst on April 17, 2012, the day before the announcement of the merger.

¹³⁶ This represents the size of the transaction at settlement.

¹³⁷ Sunoco, Inc. survived the merger as a wholly owned subsidiary of ETP.

¹³⁸ 29% premium to the 20-day average closing price of Sunoco shares as of April 27, 2012.

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Described by Parties as an MOE	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$11.5 billion (Common stock and cash)	Eaton Corporation	Cooper Industries plc ¹³⁹	Eaton Corporation plc	May 21, 2012	Yes ¹⁴⁰	73% - Eaton 27% - Cooper	No	12 members 10 – Eaton (83%) 2 – Cooper (17%)	Alexander Cutler, chairman and CEO of Eaton, continued in these roles at the combined company following the closing of the transaction.	None	Cleveland, OH (Eaton)
\$1.7 billion (Stock only)	NRG Energy, Inc.	GenOn Energy, Inc.	NRG Energy, Inc. ¹⁴¹	July 22, 2012	Yes ¹⁴²	71% - NRG 29% - GenOn	No	16 members 12 – NRG (75%) 4 – GenOn (25%)	Howard E. Cosgrove, NRG's chairman, and David Crane, NRG's CEO, continued in their respective roles at the combined company following the closing of the transaction. Edward Muller, chairman and CEO of GenOn, was appointed as vice chairman of the board following the closing of the transaction.	None	Dual headquarters. Princeton, NJ - financial and commercial headquarters (NRG) Houston, TX – operational headquarters (GenOn)

¹³⁹ Cooper was incorporated in Ireland but has been included in our survey as its headquarters and significant operations were located in the U.S.

¹⁴⁰ 29% premium to the closing price per Cooper share on May 21, 2012.

¹⁴¹ GenOn will survive the merger as a direct, wholly owned subsidiary of NRG Energy, Inc.

¹⁴² 20.6% premium based on the closing sale price for NRG common stock on July 20, 2012, the last trading day before the announcement of the merger.

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Described by Parties as an MOE	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$3.0 billion (Common stock and cash)	Chicago Bridge & Iron Company N.V. ("CB&I")	The Shaw Group Inc.	Chicago Bridge & Iron Company N.V. ¹⁴³	July 30, 2012	Yes ¹⁴⁴	90% - CB&I 10% - Shaw	No	8 members 7 - CB&I (88%) 1 - Shaw (12%)	Philip Asherman, CB&I's president and CEO, will continue in these roles at the combined company.	None	The Hague, The Netherlands (CB&I)
\$7.2 billion ¹⁴⁵ (Common stock and cash)	Aetna Inc.	Coventry Health Care, Inc.	Aetna Inc. ¹⁴⁶	August 20, 2012	Yes ¹⁴⁷	86.5% - Aetna 13.5% - Coventry	No	No change.	Mark T. Bertolini, chairman and CEO of Aetna, will continue in these roles at the combined company.	None	Hartford, CT (Aetna)

¹⁴³ The Shaw Group Inc. will become a wholly-owned subsidiary of CB&I.

¹⁴⁴ 76% premium over the price of Shaw's shares at the close on July 27, 2012, the last trading day before the merger agreement was signed.

¹⁴⁵ Aetna paid \$5.7 billion in cash and stock and assumed approximately \$1.5 billion in debt.

¹⁴⁶ Coventry Health Care, Inc. will survive the merger and become a wholly-owned subsidiary of Aetna Inc.

¹⁴⁷ 30.3% premium over the volume-weighted average closing price per share of Coventry's common stock over the 30 days ended August 14, 2012.

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Described by Parties as an MOE	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$3.8 billion (Common stock and cash)	M&T Bank Corporation	Hudson City Bancorp, Inc.	M&T Bank Corporation ¹⁴⁸	August 27, 2012	Yes ¹⁴⁹	Unspecified ¹⁵⁰	No	16 members 15 – M&T (94%) 1 – Hudson ¹⁵¹ (6%)	Robert Wilmers, chairman and CEO of M&T, is expected to continue in these roles at the combined company.	None	Buffalo, NY (M&T)
\$2.0 billion (Common stock and cash)	Realty Income Corporation	American Realty Capital Trust, Inc. (“ARCT”)	Realty Income Corporation	September 6, 2012	Yes ¹⁵²	74.4% - Realty Income 25.6% - American Realty Capital Trust	No	Expected to be composed 100% of Realty Income’s board.	Tom Lewis, CEO of Realty Income, is expected to become the CEO of the combined company.	None	Escondido, CA (Realty Income)

¹⁴⁸ Hudson City will merge into Wilmington Trust Corporation, a wholly-owned subsidiary of M&T.

¹⁴⁹ 12% premium over the closing price of Hudson City’s common stock on August 24, 2012 (the last trading day before public announcement of the merger).

¹⁵⁰ As per M&T Bank’s S-4 dated January 9, 2013.

¹⁵¹ Hudson’s CEO will join the board of M&T for a term of one year.

¹⁵² 6.8% premium over the average closing price per share of ARCT common stock over the 30 calendar days prior to September 5, 2012 and a premium of approximately 12.3% over the average closing price per share of ARCT common stock since March 1, 2012, the date that ARCT’s common stock was listed on the NASDAQ.

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Described by Parties as an MOE	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$20.1 billion (Common stock and cash)	Softbank Corp.	Sprint Nextel Corporation	Sprint Corporation ¹⁵³	October 15, 2012	Yes ¹⁵⁴	70% - Softbank 30% - Sprint	No	10 members 6 – Softbank (60%) 4 – Sprint (40%)	Dan Hesse, Sprint's CEO, will continue as CEO of Sprint Corporation and will be a member of the board. Masayoshi Son, Softbank's chairman and CEO, is expected to become the chairman of Sprint Corporation.	None	Overland Park, KS (Sprint)
\$2.5 billion (Common stock and cash)	ASML Holding N.V. ("ASML")	Cymer, Inc.	ASML Holding N.V. ¹⁵⁵	October 17, 2012	Yes ¹⁵⁶	91.9% - ASML 8.1% - Cymer	No	No change.	No change ¹⁵⁷	None	Veldhoven, The Netherlands (ASML)

¹⁵³ Sprint Nextel Corporation will become a 70% owned subsidiary of Softbank Corp. and will become Sprint Corporation. Sprint Corporation will remain a public company, 30% of which will be owned by its current shareholders.

¹⁵⁴ 39% premium and a 54% premium to the average of the previous 30 and 90-day unaffected day's closing prices of Sprint's stock, respectively.

¹⁵⁵ Cymer, Inc. will be converted to Cymer LLC and will become a wholly owned subsidiary of ASML.

¹⁵⁶ 61% premium over Cymer's 30-day volume-weighted average price and 52% over Cymer's 90-day volume-weighted average price, using ASML's price for the comparable period ending October 16, 2012.

¹⁵⁷ The officers of Cymer immediately prior to the effective time of the merger will be the initial officers of the surviving corporation.

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Described by Parties as an MOE	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$2.8 billion (Common stock and cash)	Phillips-Van Heusen Corp. ("PVH")	The Warnaco Group, Inc.	Phillips-Van Heusen Corp. ¹⁵⁸	October 31, 2012	Yes ¹⁵⁹	90% - PVH 10% - Warnaco	No	13 members 12 – PVH (92%) 1 - Warnaco ¹⁶⁰ (8%)	Emanuel Chirico, PVH's chairman and CEO, is expected to continue in these roles at the combined company.	None	New York, NY (PVH and Warnaco)
\$2.0 billion (Common stock and cash)	priceline.com Incorporated	KAYAK Software Corporation	priceline.com Incorporated ¹⁶¹	November 8, 2012	Yes ¹⁶²	96% - priceline.com 4% - KAYAK	No	No change.	No change. ¹⁶³	None	Norwalk, CT (KAYAK and priceline.com) ¹⁶⁴

¹⁵⁸ Warnaco will survive the merger as a wholly-owned subsidiary of PVH.

¹⁵⁹ 36% premium over Warnaco's per share closing price on October 26, 2012, the last trading day prior to the Warnaco board's approval of the merger.

¹⁶⁰ Helen McCluskey, Warnaco's president and CEO, is expected to join the board of directors of PVH.

¹⁶¹ KAYAK Software Corporation will become a wholly owned subsidiary of priceline.com Incorporated.

¹⁶² 19.7% premium over the 30-day volume weighted average trading price of KAYAK's Class A common stock and a 24.6% premium over the 77-day volume weighted average trading price of KAYAK's Class A common stock.

¹⁶³ Steve Hafner, Kayak's CEO, will continue as CEO of KAYAK Software Corporation.

¹⁶⁴ Both companies were based in Norwalk, CT. Prior to the merger, KAYAK had entered into a lease agreement for office space in Stamford, CT that is under construction. Upon the completion of this space, it is expected that KAYAK will close its offices in Norwalk and move into its new offices in Stamford.

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Described by Parties as an MOE	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$2.6 billion (Stock only)	Leucadia National Corporation	Jefferies Group, Inc.	Leucadia National Corporation	November 12, 2012	Yes ¹⁶⁵	64.7% - Leucadia 35.3% - Jefferies	No ¹⁶⁶	14 members 8 – Leucadia (57%) 6 – Jefferies (43%)	Richard Handler, CEO and chairman of Jefferies, is expected to become CEO of Leucadia. Joseph Steinberg, Leucadia's President and one of its directors, is expected to become the chairman of Leucadia.	None	New York, NY (Leucadia and Jefferies)

¹⁶⁵ 19.2% premium over the closing price of Jefferies common stock on November 9, 2012.

¹⁶⁶ However, the S-4 filed by Leucadia in connection with the merger makes reference to Citi (Jefferies' financial adviser) surveying mergers of equals for the purpose of its "Premium Paid" Analysis.

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Described by Parties as an MOE	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$6.9 billion (Common stock and cash)	Freeport-McMoRan Copper & Gold Inc. ("FCX")	Plains Exploration & Production Company ("PXP")	Freeport-McMoRan Copper & Gold Inc.	December 5, 2012	Yes ¹⁶⁷	Not specified	No	15 members 12 – FCX (80%) 3- PXP (20%)	James Moffett, Chairman of FCX, is expected to continue as chairman of the combined company. Richard Adkerson, CEO of FCX, is expected to continue as CEO of the combined company. Upon completion of the acquisition, James Flores, PXP's chairman, president and CEO is expected be vice-chairman of FCX and CEO of FCX's oil and gas operations.	None	Phoenix, AZ (FCX)

¹⁶⁷ 39% premium to PXP's closing price on December 4, 2012, and 42% to its one-month average price at that date.

Size ¹	Acquirer	Target	Name of Combined Entity	Date Announced	Premium Paid	Approximate Percentage Ownership of Combined Entity	Described by Parties as an MOE	Composition of Board of Directors	Chairman/CEO	Succession Provision for Chairman/CEO	Headquarters
\$8.2 billion (Common stock and cash)	Intercontinental Exchange, Inc.	NYSE Euronext	Intercontinental Exchange, Inc.	December 20, 2012	Yes ¹⁶⁸	64% - ICE 36% - NYSE	No	15 members 11 – ICE (73%) 4 – NYSE Euronext (27%)	Jeffrey Sprecher, chairman and CEO of Intercontinental, will continue as chairman and CEO of the combined company. Duncan Niederauer, the CEO of NYSE, will be president of the combined company and CEO of NYSE Group.	None	Dual headquarters. Atlanta, GA (ICE) New York, NY (NYSE)

¹⁶⁸ 37.7% premium over NYSE Euronext's closing share price on December 19, 2012 (the last trading day before the public announcement of the merger).