



Perquisites for Directors of 12 Companies May Compromise Independence

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Portland, Maine; February 10, 2010 – A new [report](#) from The Corporate Library, an independent corporate governance research firm, names 12 public companies that provide directors with unusual perquisites such as personal use of company aircraft, retirement plans, change of control plans and director consulting agreements. The report describes some of these “atypical” director benefits in detail.

Payments made to directors above and beyond traditional cash fees and stock awards may compromise their independence and bring into question their abilities to provide proper independent oversight of management. Investors in companies that confer such benefits on directors should be aware that they are unusual.

Change of control agreements for independent directors are cited as being particularly concerning. “In the case of directors, it is ultimately their decision whether or not a merger or acquisition comes to fruition,” said Research Associate Greg Ruel, author of the report. “This brings into question whether it is appropriate that they earn any incentive from the outcome, let alone one that is commonly reserved for senior employees.”

The report, titled “2010 Proxy Season Foresights #2: Director Benefits and Red Flags—Things to Watch Out For,” is available for \$15 from The Corporate Library’s [online store](#).

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About The Corporate Library

For ten years, The Corporate Library has been the leading independent research firm providing corporate governance information products, research services and data to a broad variety of clients including institutional investors, corporations, D&O liability insurers, law firms, accounting firms, executive search firms, academic institutions and the media. The Corporate Library produces the definitive ratings of U.S. corporate boards of directors, allowing businesses that subscribe to the service to evaluate governance as an element of investment and other risk. The Corporate Library is also a leading publisher of corporate governance reports and studies, including reports on CEO employment contracts, governance practices, mutual fund proxy voting, and executive and director compensation, which its analysts compile using its extensive database of over 3,200 public companies and over 47,000 executives and directors. Additional information on The Corporate Library and its suite of online corporate governance data and analysis products can be found on its website at www.thecorporatelibrary.com.

Contact:

Cheri Gaudet
Media Relations, The Corporate Library
media@thecorporatelibrary.com
207 553-5604