

1 organization or a member of the management team of  
2 the investment area or a senior level manager in  
3 the sales organization.

4 Q Okay. Is there anybody either the  
5 head of claims or anybody under the head of claims  
6 eligible under that long term incentive program?

7 A The head of claims is an officer of  
8 the company, as well as the head of claims has  
9 certain officers reporting to him and they are  
10 eligible as officers of the company.

11 Q What's the definition of an officer  
12 of the company under that plan?

13 A Under that plan, as with other  
14 definitions of officers, it's people who hold the  
15 title assistant vice president or above.

16 Q How is that calculated? How do they  
17 decide how much stock an employee is entitled to?

18 A The program is very similar to the  
19 MICP program. There are target award levels based  
20 on your job level. Those targets are established  
21 by human resources based on market data. And then  
22 the LTI program, just like the MICP program, has  
23 financial factors which determine the achievement  
24 level for that program. And then if you're  
25 eligible, in addition to making a recommendation

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

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

5 A No.

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

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

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

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

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

25 A Depending on the job level, the --