

MACK CALI REALTY CORP  
Form DEF 14A  
April 20, 2007  
UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

**SCHEDULE 14A**

Proxy Statement Pursuant to Section 14(a) of  
the Securities Exchange Act of 1934 (Amendment No. )

Filed by the Registrant  x  
Filed by a Party other than the Registrant  o  
Check the appropriate box:

- o Preliminary Proxy Statement
- o **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- x Definitive Proxy Statement
- o Definitive Additional Materials
- o Soliciting Material Pursuant to §240.14a-12

**MACK-CALI REALTY CORPORATION**  
(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- x No fee required.
- o Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
 

(1)	Title of each class of securities to which transaction applies:
(2)	Aggregate number of securities to which transaction applies:
(3)	Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
(4)	Proposed maximum aggregate value of transaction:
(5)	Total fee paid:
- o Fee paid previously with preliminary materials.
- o Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.
 

(1)	Amount Previously Paid:
(2)	Form, Schedule or Registration Statement No.:
(3)	Filing Party:
(4)	Date Filed:

**MACK-CALI REALTY CORPORATION**  
343 Thornall Street  
Edison, New Jersey 08837-2206

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**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS**  
May 23, 2007

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To Our Stockholders:

Notice is hereby given that the Annual Meeting of Stockholders (the Annual Meeting ) of Mack-Cali Realty Corporation (the Company ) will be held at the Hyatt Regency Jersey City on the Hudson, Harborside Financial Center, 2 Exchange Place, Jersey City, New Jersey 07302-3901 on Wednesday, May 23, 2007 at 2:00 p.m., local time, for the following purposes:

1. To elect four persons to the Board of Directors of the Company, each to serve a three-year term and until their respective successors are elected and qualified.
2. To consider and vote upon a proposal to ratify the appointment of PricewaterhouseCoopers LLP, independent registered public accounting firm, as the Company s independent registered public accountants for the ensuing year.

The enclosed Proxy Statement includes information relating to these proposals. Additional purposes of the Annual Meeting are to receive reports of officers (without taking action thereon) and to transact such other business as may properly come before the Annual Meeting or any adjournment or postponement thereof.

All stockholders of record as of the close of business on April 5, 2007 are entitled to notice of and to vote at the Annual Meeting. At least a majority of the outstanding shares of common stock of the Company present in person or by proxy is required for a quorum. You may vote electronically through the Internet or by telephone. The instructions on your proxy card describe how to use these convenient services. Of course, if you prefer, you can vote by mail by completing your proxy card and returning it in the enclosed postage-paid envelope.

By Order of the Board of Directors,

Roger W. Thomas  
Secretary

April 20, 2007  
Edison, New Jersey

**THE BOARD OF DIRECTORS APPRECIATES AND ENCOURAGES YOUR PARTICIPATION IN THE COMPANY S ANNUAL MEETING. WHETHER OR NOT YOU PLAN TO ATTEND THE ANNUAL MEETING, IT IS IMPORTANT THAT YOUR SHARES BE REPRESENTED. ACCORDINGLY, PLEASE AUTHORIZE A PROXY TO VOTE YOUR SHARES BY INTERNET, TELEPHONE OR MAIL. IF YOU ATTEND THE ANNUAL MEETING, YOU MAY WITHDRAW YOUR PROXY, IF YOU WISH, AND VOTE IN PERSON. YOUR PROXY IS REVOCABLE IN ACCORDANCE WITH THE PROCEDURES SET FORTH IN THIS PROXY STATEMENT.**

**MACK-CALI REALTY CORPORATION**  
343 Thornall Street  
Edison, New Jersey 08837-2206

**PROXY STATEMENT**

**General Information**

This Proxy Statement is furnished to stockholders of Mack-Cali Realty Corporation, a Maryland corporation (the Company), in connection with the solicitation by the Board of Directors of the Company (the Board of Directors) of proxies in the accompanying form for use in voting at the Annual Meeting of Stockholders of the Company (the Annual Meeting) to be held on Wednesday, May 23, 2007 at the Hyatt Regency Jersey City on the Hudson, Harborside Financial Center, 2 Exchange Place, Jersey City, New Jersey 07302-3901, local time, at 2:00 p.m., and any adjournment or postponement thereof.

This Proxy Statement, the Notice of Annual Meeting of Stockholders and the accompanying proxy card are first being mailed to the Company's stockholders on or about April 20, 2007.

**Solicitation and Voting Procedures**

*Solicitation.* The solicitation of proxies will be conducted by mail, and the Company will bear all attendant costs. These costs will include the expense of preparing and mailing proxy materials for the Annual Meeting and reimbursements paid to brokerage firms and others for their expenses incurred in forwarding solicitation material regarding the Annual Meeting to beneficial owners of the Company's common stock, par value \$.01 per share (the Common Stock). The Company intends to use the services of MacKenzie Partners, Inc., 105 Madison Avenue, 14th Floor, New York, New York 10016, in soliciting proxies and, in such event, the Company expects to pay an amount not to exceed \$10,000, plus out-of-pocket expenses, for such services. The Company may conduct further solicitation personally, telephonically, electronically or by facsimile through its officers, directors and regular employees, none of whom would receive additional compensation for assisting with the solicitation.

*Householding of Proxy Materials.* In accordance with a notice sent previously to beneficial owners holding shares in street name (for example, through a bank, broker or other holder of record) who share a single address with other similar holders, only one Annual Report and Proxy Statement is being sent to that address unless contrary instructions were received from any stockholder at that address. This practice, known as householding, is designed to reduce printing and postage costs. Any of such beneficial owners may discontinue householding by writing to the address or calling the telephone number provided for such purpose by their holder of record. Any such stockholder may also request prompt delivery of a copy of the Annual Report or Proxy Statement by contacting the Company at (732) 590-1000 or by writing to Roger W. Thomas, Secretary, Mack-Cali Realty Corporation, 343 Thornall Street, Edison, New Jersey 08837-2206. Other beneficial owners holding shares in street name may be able to initiate householding if their holder of record has chosen to offer such service, by following the instructions provided by the record holder.

*Voting.* Stockholders of record may authorize the proxies named in the enclosed proxy card to vote their shares of Common Stock in the following manner:

- by mail, by marking the enclosed proxy card, signing and dating it, and returning it in the postage-paid envelope provided;
- by telephone, by dialing the toll-free telephone number 1-800-652-8683, within the United States or Canada, and following the instructions. Stockholders voting by telephone need not return the proxy card; and



- through the Internet, by accessing the World Wide Web site <http://www.investorvote.com>. Stockholders voting by the Internet need not return the proxy card.

*Revocability of Proxies.* Any proxy given pursuant to this solicitation may be revoked by the person giving it at any time before it is exercised in the same manner in which it was given or by delivering to Roger W. Thomas, Secretary, Mack-Cali Realty Corporation, 343 Thornall Street, Edison, New Jersey 08837-2206, a written notice of revocation or a properly executed proxy bearing a later date, or by attending the Annual Meeting and voting in person.

*Voting Procedure.* The presence at the Annual Meeting of a majority of the outstanding shares of Common Stock of the Company, represented either in person or by proxy, will constitute a quorum for the transaction of business at the Annual Meeting. The close of business on April 5, 2007 has been fixed as the record date (the Record Date) for determining the holders of shares of Common Stock entitled to notice of and to vote at the Annual Meeting. Each share of Common Stock outstanding on the Record Date is entitled to one vote on all matters. As of the Record Date, there were 67,848,012 shares of Common Stock outstanding. Under Maryland law, stockholders will not have appraisal or similar rights in connection with any proposal set forth in this Proxy Statement.

Stockholder votes will be tabulated by the persons appointed by the Board of Directors to act as inspectors of election for the Annual Meeting. The New York Stock Exchange (the NYSE) permits member organizations to give proxies to vote as to the election of directors and also on matters of the type contained in Proposal No. 2. Shares represented by a properly executed and delivered proxy will be voted at the Annual Meeting and, when instructions have been given by the stockholder, will be voted in accordance with those instructions. If no instructions are given, the shares will be voted FOR the election of each of the four nominees for director named below and FOR the ratification of the appointment of PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm. Abstentions and broker non-votes will each be counted as present for purposes of determining the presence of a quorum but will have no effect on the outcome of the election of directors or Proposal No. 2.

#### VOTING SECURITIES AND PRINCIPAL HOLDERS

Unless otherwise indicated, the following table sets forth information as of December 31, 2006 with respect to each person or group who is known by the Company, in reliance on Schedules 13D and 13G reporting beneficial ownership and filed with the Securities and Exchange Commission (the SEC), to beneficially own more than 5% of the Company's outstanding shares of Common Stock. Except as otherwise noted below, all shares of Common Stock are owned beneficially by the individual or group listed with sole voting and/or investment power.

Name of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class(%) <sup>(1)</sup>
Cohen & Steers, Inc. <sup>(2)</sup>	9,186,405	14.6 %
The Mack Group <sup>(3)</sup>	8,912,109	12.4 %
Barclays Global Investors Japan Trust and Banking Company Limited <sup>(4)</sup>	6,362,882	10.1 %
Morgan Stanley <sup>(5)</sup>	5,374,732	8.5 %
Deutsche Bank AG <sup>(6)</sup>	4,053,711	6.4 %
The Vanguard Group, Inc. <sup>(7)</sup>	3,770,762	6.0 %

(1) The total number of shares outstanding used in calculating this percentage does not include 15,342,283 shares reserved for issuance upon redemption or conversion of outstanding units of limited partnership interest (Units) in Mack-Cali Realty, L.P., a Delaware limited partnership (the Operating Partnership), through which the Company conducts its real estate activities or 5,237,520 shares reserved for issuance upon the exercise of stock options granted or reserved for possible grant

to certain employees and directors of the Company, except in all cases where such Units or stock options are owned by the reporting person or group. This information is as of December 31, 2006.

(2) Address: 280 Park Avenue, 10<sup>th</sup> Floor, New York, NY 10017. Based upon information provided to the Company by Cohen & Steers, Inc. (Cohen & Steers), the Company believes that such shares are held for investment advisory clients and that Cohen & Steers disclaims beneficial ownership of those shares. Share information is furnished in reliance on the Schedule 13G/A dated February 13, 2007 of Cohen & Steers filed with the SEC, which represents holdings as of December 31, 2006. This number represents shares beneficially owned by Cohen & Steers Capital Management, Inc. (CSCM), a wholly owned subsidiary of Cohen and Steers, and Houlihan Rovers SA (Houlihan), in which Cohen & Steers holds a 50% interest. The 9,186,405 shares owned by Cohen & Steers includes (i) 8,654,233 shares for which CSCM has sole voting power, (ii) 9,138,013 shares for which CSCM has sole dispositive power, and (iii) 48,392 shares for which Houlihan has sole voting and dispositive power.

(3) Address: 343 Thornall Street, Edison, NJ 08837-2206. The Mack Group (which is not a legal entity) is composed of, among others, William L. Mack, the Chairman of the Board of Directors, David S. Mack, a director of the Company, Fredric Mack, a member of the Company's Advisory Board, Earle I. Mack, a former director of the Company, their immediate family members and related trusts, and Mitchell E. Hersh, the President and Chief Executive Officer and a director of the Company. Share information is furnished in reliance on the Schedule 13G/A dated February 14, 2007 of the Mack Group filed with the SEC, which represents holdings as of December 31, 2006. This number represents shares for which the Mack Group has shared dispositive and voting power, and includes 8,685,525 common Units, redeemable for shares of Common Stock on a one-for-one basis, and 33,000 vested stock options to purchase shares of Common Stock. Furthermore, William L. Mack, a member of The Mack Group, is a trustee of the William and Phyllis Mack Foundation, Inc., a charitable foundation that owns 100,000 reported shares. David S. Mack and Earle I. Mack, members of The Mack Group, are trustees of the Earle I. Mack Foundation, a charitable foundation that owns 45,000 reported shares. In addition, David S. Mack is a trustee of The David and Sondra Mack Foundation, a charitable foundation that owns 175,000 reported shares. William L. Mack, David S. Mack and Earle I. Mack, pursuant to Rule 13d-4 under the Securities Exchange Act of 1934, as amended (the Exchange Act), each have specifically disclaimed beneficial ownership of any shares owned by such foundations.

(4) Address: Ebisu Prime Square Tower, 8th Floor, 1-1-39 Hiroo Shibuya-Ku, Tokyo, 150-0012 Japan. Share information is furnished in reliance on the Schedule 13G dated January 23, 2007 of Barclays Global Investors Japan Trust and Banking Company Limited (BGI Japan) filed with the SEC, which represents holdings as of December 31, 2006. The shares held by BGI Japan represent shares that are held in trust accounts for the economic benefit of the beneficiaries of those accounts by BGI Japan and its subsidiaries and affiliates, including: Barclays Global Investors, NA (BGI), Barclays Global Fund Advisors (BGFA), Barclays Global Investors, Ltd. (BGIL), and Barclays Global Investors Japan Limited (BGIJL). The 6,362,882 shares held by BGI Japan includes (i) 4,346,551 shares for which BGI has sole voting power and 4,929,323 shares for which BGI has sole dispositive power; (ii) 1,093,344 shares for which BGFA has sole voting and dispositive power; (iii) 181,132 shares for which BGIL has sole voting and dispositive power; and (iv) 159,083 shares for which BGIJL has sole voting and dispositive power.

(5) Address: 1585 Broadway, New York, NY 10036. Share information is furnished in reliance on the Schedule 13G/A dated February 14, 2007 of Morgan Stanley filed with the SEC, which represents holdings as of December 31, 2006. This number represents 5,374,732 shares beneficially owned by Morgan Stanley, including 4,506,721 shares beneficially owned by Morgan Stanley's wholly-owned subsidiary Morgan Stanley Investment Management Inc. (MSIM). The 5,374,732 shares owned by



Morgan Stanley includes (i) 3,632,573 shares for which Morgan Stanley has sole voting power, 1,045 shares for which Morgan Stanley has shared voting power, and 5,374,732 shares for which Morgan Stanley has sole dispositive power, and (ii) 3,175,547 shares for which MSIM has sole voting power, 1,045 shares for which MSIM has shared voting power, and 4,506,721 shares for which MSIM has sole dispositive power.

(6) Address: Taunusanlage 12, D-60325, Frankfurt am Main, Federal Republic of Germany. Share information is furnished in reliance on the Schedule 13G/A dated February 5, 2007 of Deutsche Bank AG ( Deutsche ) filed with the SEC, which represents holdings as of December 31, 2006. This number represents shares beneficially owned by the Corporate and Investment business group of Deutsche and its subsidiaries and affiliates for which Deutsche has sole dispositive power by virtue of its position as the parent of Deutsche Asset Management Investmentgesellschaft ( DAMIG ), RREEF America, L.L.C. ( RREEF ), Deutsche Asset Management, Inc. ( DAM ), Deutsche Bank Trust Company Americas ( DBTCA ), Deutsche Investment Management Americas ( DIMA ), Deutsche Bank Trust Company Delaware ( DBTCD ), and Deutsche Bank Trust Company National Association ( DBTCNA ). The 4,053,711 shares owned by Deutsche includes (i) 700 shares for which DAMIG has sole voting power and 2,500 shares for which DAMIG has sole dispositive power, (ii) 1,608,041 shares for which RREEF has sole voting power and 3,969,789 shares for which RREEF has sole dispositive power, (iii) 38,250 shares for which DAM has sole voting power and 50,350 shares for which DAM has sole dispositive power, (iv) 72 shares for which DBTCA has shared voting power, 18,200 shares for which DBTCA has sole dispositive power, and 2,500 shares for which DBTCA has shared dispositive power, (v) 4,500 shares for which DIMA has sole dispositive power, (vi) 3,000 shares for which DBTCD has shared dispositive power, and (vii) 1,000 shares for which DBTCNA has sole voting power, 250 shares for which DBTCNA has sole dispositive power, and 2,550 shares for which DBTCNA has shared dispositive power.

(7) Address: 100 Vanguard Blvd., Malvern, PA, 19355. Share information is furnished in reliance on the Schedule 13G dated February 14, 2007 of The Vanguard Group, Inc. ( Vanguard ) filed with the SEC, which represents holdings as of December 31, 2006. This number represents 3,770,762 shares beneficially owned by Vanguard, including 28,870 shares beneficially owned by Vanguard's wholly-owned subsidiary Vanguard Fiduciary Trust Company( VFTC ). The 3,770,762 shares owned by Vanguard includes (i) 28,870 shares for which Vanguard has sole voting power, and 3,770,762 shares for which Vanguard has sole dispositive power, and (ii) 28,870 shares for which VFTC has sole voting power.



**PROPOSAL NO. 1  
ELECTION OF DIRECTORS**

The Company's charter divides the Company's Board of Directors into three classes, with the members of each such class serving staggered three-year terms. The Board of Directors presently consists of twelve members as follows: Class I directors, Alan S. Bernikow, Kenneth M. Duberstein, Vincent Tese and Roy J. Zuckerberg, whose terms expire in 2007; Class II directors, Nathan Gantcher, David S. Mack, William L. Mack and Alan G. Philibosian, whose terms expire in 2008; and Class III directors, John R. Cali, Mitchell E. Hersh, Irvin D. Reid and Robert F. Weinberg whose terms expire in 2009.

At the Annual Meeting, the stockholders will elect four directors to serve as Class I directors. The Class I directors who are elected at the Annual Meeting will serve until the Annual Meeting of Stockholders to be held in 2010 and until such directors' respective successors are elected or appointed and qualify or until any such director's earlier resignation or removal. The Board of Directors, acting upon the unanimous recommendation of its Nominating and Corporate Governance Committee, has nominated, Alan S. Bernikow, Kenneth M. Duberstein, Vincent Tese and Roy J. Zuckberberg for election as Class I directors at the Annual Meeting. In the event any nominee is unable or unwilling to serve as a Class I director at the time of the Annual Meeting, the proxies may be voted for the balance of those nominees named and for any substitute nominee designated by the present Board of Directors or the proxy holders to fill such vacancy or for the balance of those nominees named without nomination of a substitute, or the size of the Board of Directors may be reduced in accordance with the bylaws of the Company. At the conclusion of the Annual Meeting, the Board of Directors will consist of twelve members with each Class having four directors.

**Alan S. Bernikow**, director nominee, has served as a member of the Board of Directors and as chairman of the Audit Committee of the Board of Directors since 2004. Mr. Bernikow was the Deputy Chief Executive Officer at Deloitte & Touche LLP from 1998 to 2003, where he was responsible for assisting the firm on special projects such as firm mergers and acquisitions, partner affairs and litigation matters. Mr. Bernikow joined Touche Ross, the predecessor firm of Deloitte & Touche LLP, in 1977, prior to which Mr. Bernikow was the National Administrative Partner in Charge for the accounting firm of J.K. Lasser & Company. Mr. Bernikow is currently a member of the board of directors of Revlon, Inc. and Revlon Consumer Products Corporation and is chairman of the audit committee and a member of the nominating and corporate governance committee of Revlon, Inc. Mr. Bernikow also currently serves as a member of the board of directors and the audit and nominating and corporate governance committees of the Casual Male Retail Group Inc. Mr. Bernikow is also a member of the board of directors of UBS Global Asset Management (US) Inc. ( UBS ) and currently serves as chairman of its audit committee, and has also served as a member of the boards of directors of investment funds managed by UBS, including Global High Income Dollar Fund Inc., Insured Municipal Income Fund Inc., Investment Grade Municipal Income Fund Inc., Managed High Yield Plus Fund Inc., and Strategic Global Income Fund, Inc. These companies are the only public companies that Mr. Bernikow serves on the board of directors or any committee of the board of directors. Mr. Bernikow is also a member of the board of directors and chairman of the audit committee of the FOJP Service Corporation; a past member of the board of directors of the United Jewish Appeal Federation of Jewish Philanthropies of New York, Inc.; a member of the board of directors of Saint Vincent Catholic Medical Centers, where he also serves as a member of the governance and executive committees and as chairman of the audit committee. Mr. Bernikow is also a past President of the Richmond County Country Club. Mr. Bernikow has a B.B.A. degree from Baruch College and is a member of the American Institute of Certified Public Accountants (AICPA) and the New York State Society of Certified Public Accountants (NYSSCPA).

**Kenneth M. Duberstein**, director nominee, has served as a member of the Board of Directors since 2005, when he was appointed to fill the seat vacated by Martin Gruss. In addition, Mr. Duberstein has served as a member of the Executive Compensation and Option Committee of the Board of Directors

since March 2006. Mr. Duberstein has served as Chairman and Chief Executive Officer of The Duberstein Group, an independent strategic planning and consulting company, since 1989. In addition, Mr. Duberstein has served as a member of the board of directors of The Boeing Company since 1997, and is also the chairman of its compensation committee and a member of its governance, organization and nominating committee. Mr. Duberstein has also served as a member of the board of directors of the Travelers Companies, Inc. since 1998, and is also a member of its compensation, governance and investment and capital markets committees. Mr. Duberstein has also been a director of ConocoPhillips since 2002 and is the chairman of its governance committee. Mr. Duberstein previously served as a director of Federal National Mortgage Association (Fannie Mae) from 1998 to February 2007, and is a former member of the Board of Governors of the NASD. Mr. Duberstein also previously served as Chief of Staff to President Ronald Reagan from 1988 to 1989. He also served in the White House as Deputy Chief of Staff in 1987, as well as both the Assistant and the Deputy Assistant to the President for Legislative Affairs from 1981 to 1983. Mr. Duberstein previously served as a member of the board of directors of Collegiate Funding Services, Inc. from 2004 to 2006, and was chairman of its audit committee and a member of its compensation and nominating and governance committees. Mr. Duberstein earned an A.B. degree from Franklin and Marshall College and an M.A. degree from American University.

Vincent Tese, director nominee, has served as a member of the Board of Directors since 1997, has served as chairman of the Nominating and Corporate Governance Committee of the Board of Directors since 2000, and has served as a member of the Executive Compensation and Option Committee of the Board of Directors since 1998, and served as chairman of said committee from 1998 until 2004. Mr. Tese served as New York State Superintendent of Banks from 1983 to 1985, chairman and chief executive officer of the Urban Development Corporation from 1985 to 1994, director of economic development for New York State from 1987 to 1994 and commissioner and vice chairman of the Port Authority of New York and New Jersey from 1991 to 1995. Mr. Tese also served as a partner in the law firm of Tese & Tese, a partner in the Sinclair Group, a commodities trading and investment management company, and a co-founder of Cross Country Cable TV. Mr. Tese is the former chairman of Cross Country Wireless; he is currently a member of the boards of directors of The Bear Stearns Companies Inc., Bowne & Company, Inc., Cablevision Systems Corporation, Gamco Investors Inc. Et Al and Intercontinentalexchange, Inc. These companies are the only public companies that Mr. Tese serves on the board of directors or any committee of the board of directors. Mr. Tese is also a member of the boards of directors of Magfusion, Inc., Wireless Cable International, Inc., Custodial Trust Company, and Xanboo, Inc., and is a trustee of New York University School of Law and New York Presbyterian Hospital. Mr. Tese has a B.A. degree in accounting from Pace University, a J.D. degree from Brooklyn Law School and a L.L.M. degree in taxation from New York University School of Law.

Roy J. Zuckerberg, director nominee, has served as a member of the Board of Directors since 1999, as a member of the Audit Committee of the Board of Directors since 1999, and as a member of the Executive Committee of the Board of Directors since 2000. Mr. Zuckerberg has been a senior director of the Goldman Sachs Group, Inc. since 1999 and was the founder and currently serves as chairman of Samson Capital Advisors. From 1997 to 1998, Mr. Zuckerberg served as vice chairman of Goldman, Sachs & Co., a member of its executive committee and head of its Equities Division. Mr. Zuckerberg served as chairman of the Securities Industry Association in 1999. Mr. Zuckerberg is a former chairman and current member of the board of trustees and a member of the executive committee of North Shore Long Island Jewish Health System, Inc., and a trustee of the American Red Cross in Greater New York, Cold Spring Harbor Laboratory. He is also a director of the Joseph P. Kennedy Enterprises, Inc. and is a trustee and member of the compensation committee of the American Association of Ben-Gurion University. Mr. Zuckerberg is also on the Board of Governors of the Weitzman Institute of Science and he serves as chair of the investment committee of the University of Massachusetts Foundation. Mr. Zuckerberg received a B.S. from Lowell Technological Institute in 1958 and served in the United States Army. In June, 1994, he

received The Distinguished Alumni Award; in 1999, he received a Doctor of Humane Letters; and in 2002, he received the President's Medal from the University of Massachusetts.

**Vote Required and Board of Directors Recommendation**

Assuming a quorum is present, the affirmative vote of a plurality of the votes cast at the Annual Meeting, either in person or by proxy, is required for the election of a director. For purposes of the election of directors, abstentions and broker non-votes will have no effect on the result of the vote. Under the Company's By-laws and Corporate Governance Principles, if in any uncontested election of directors, a director nominee has a greater number of votes withheld from his or her election than votes cast for his or her election, such director nominee shall promptly tender his or her resignation for consideration by the Nominating and Corporate Governance Committee. A vote will be considered withheld from a director nominee if a stockholder withholds authority to vote for such director nominee in any proxy granted by such stockholder in accordance with instructions contained in the proxy statement or accompanying proxy card circulated for the meeting of stockholders at which the election of directors is to be held. See Policies Relating to the Election of Directors.

**THE BOARD OF DIRECTORS RECOMMENDS A VOTE *FOR* THE ELECTION OF ALL NOMINEES NAMED ABOVE.**

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**DIRECTORS AND EXECUTIVE OFFICERS**

Set forth below is certain information as of March 15, 2007 for (i) the members of the Board of Directors, (ii) the executive officers of the Company and (iii) the directors and executive officers of the Company as a group:

<b>Name and Position</b>	<b>Age</b>	<b>First Elected</b>	<b>Term Expires</b>	<b>Number of Shares(1)(2)</b>	<b>Percent of Shares Outstanding (%) (3)</b>	<b>Percent of Shares Outstanding calculated on a full-diluted basis (%) (4)</b>
William L. Mack, Chairman of the Board(5)(6)	67	1997	2008	3,313,784 (12)	4.66 %	3.97 %
Mitchell E. Hersh, President, Chief Executive Officer and Director(5)(6)	56	1997	2009	307,708 (13)	*	*
Barry Lefkowitz, Executive Vice President and Chief Financial Officer	44			113,218	*	*
Roger W. Thomas, Executive Vice President, General Counsel and Secretary	49			99,704	*	*
Michael A. Grossman, Executive Vice President	45			81,837	*	*
Mark Yeager, Executive Vice President	47			15,978	*	*
Alan S. Bernikow, Director(7)						