



Houlihan Lokey

2005 Transaction Termination Fee Study

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2005 Transaction Termination Fee Study Summary

2005 Transaction Termination Fee Study Summary

INTRODUCTION

The 2005 Transaction Termination Fee Study (the “2005 Study”) utilizes new search and screening criteria compared to prior year publications. The new criteria were applied to the universe of announced transactions in 2005, 2004 and 2003 to provide a basis for comparison.

The search was conducted using data from Thomson Financial under the following screening criteria:

- ❖ Target company is a U.S. public company
- ❖ Transaction announcement date ranges between January 1 and December 31, 2005
- ❖ Transaction value is greater than \$50 million (transaction value being defined as total value of consideration paid by the acquirer, excluding fees and expenses)
- ❖ Transaction type, as classified by Thomson Financial, includes (i) acquisitions of full, majority or remaining interest, (ii) leveraged buyouts and (iii) tender offers (bankruptcy, divestiture and spin-off transactions are excluded)
- ❖ Deal status is completed, pending or withdrawn
- ❖ Target termination fee is disclosed

In 2005, 233 transactions met these criteria and were included in the 2005 Study.

2005 Transaction Termination Fee Study Summary

TRANSACTION TERMINATION FEES

Given the time and expense involved in negotiating and structuring a proposed transaction, acquirers are continuously looking for creative ways to deter competing bids prior to the consummation of a transaction. Protective devices used by acquirers are heavily negotiated and may include (i) termination fees, (ii) lock-up agreements and (iii) “no-shop” provisions. Conversely, in seeking to maximize stockholder value, boards of directors of target companies endeavor to obligate the acquirer to consummate the agreed-upon transaction while, at the same time, maintaining the flexibility to explore and accept a superior offer for the target.

Termination, or breakup, fees are probably the most common type of lock-up device. Although the incidence of reciprocal arrangements has increased somewhat, termination fees are typically payable by the target to the acquirer to compensate the acquirer if the transaction fails to close because, among other things:

- ❖ The target board elects to terminate the acquisition agreement in order to accept a competing offer;
- ❖ The target board changes its recommendation and the acquirer elects to terminate the merger agreement rather than proceed with the shareholder vote; or
- ❖ The original bid fails for some other specified reason, such as being voted down by the shareholders, after a competing proposal has been announced and is agreed to or closed within a specified period of time (typically 6-12 months).

Properly crafted, a termination fee provision can facilitate the sale of a company by ensuring that the bidder will receive a material “consolation prize” to defray the bidder’s investment – in time, out-of-pocket expense and opportunity cost – in the event the transaction is not consummated. On the other hand, termination fees serve a protective purpose for the acquirer by effectively increasing the price that a third-party bidder will need to pay in order to consummate a competing transaction.

2005 Transaction Termination Fee Study Summary

TRANSACTION VALUES

Based on the 233 transactions reviewed in 2005, the mean transaction size was approximately \$2.03 billion in 2005, a 0.8% increase from nearly \$2.01 billion in 2004, and a 112.1% increase from \$955.7 million in 2003.

The median transaction size experienced an increase of 10.5% to \$429.7 million in 2005 from \$388.9 million in 2004, and 84.5% from \$232.9 million in 2003.

As shown in the table below, the number of transactions included in the study increased 17.7% from 2004 to 2005. This change is substantially below the 42.4% increase observed from 2003 to 2004.

Transaction Value Annual Summary			
(\$ in millions)			
	<u>2005</u>	<u>2004</u>	<u>2003</u>
Mean	\$2,026.6	\$2,009.7	\$955.7
Median	\$429.7	\$388.9	\$232.9
Number of Transactions	233	198	139

Source: Thomson Financial

2005 Transaction Termination Fee Study Summary

TRANSACTION TERMINATION FEES – ANNUAL SUMMARY

In the 2005 Study, termination fees as a percent of transaction value ranged from a low of 0.1% to a high of 10.0%, with a mean of 3.1% and a median of 3.2%.

- ❖ The 0.1% termination fee was observed in Synovus Financial Corp.'s \$153.7 million offer to purchase Riverside Bancshares, Inc.
- ❖ The 10.0% termination fee was observed in Manhattan Associates Inc.'s \$50.0 million asset acquisition of Evant, Inc.

As shown in the table below, the mean and median termination fees as a percentage of transaction value for deals announced in 2005 decreased slightly from 2004 and 2003 levels.

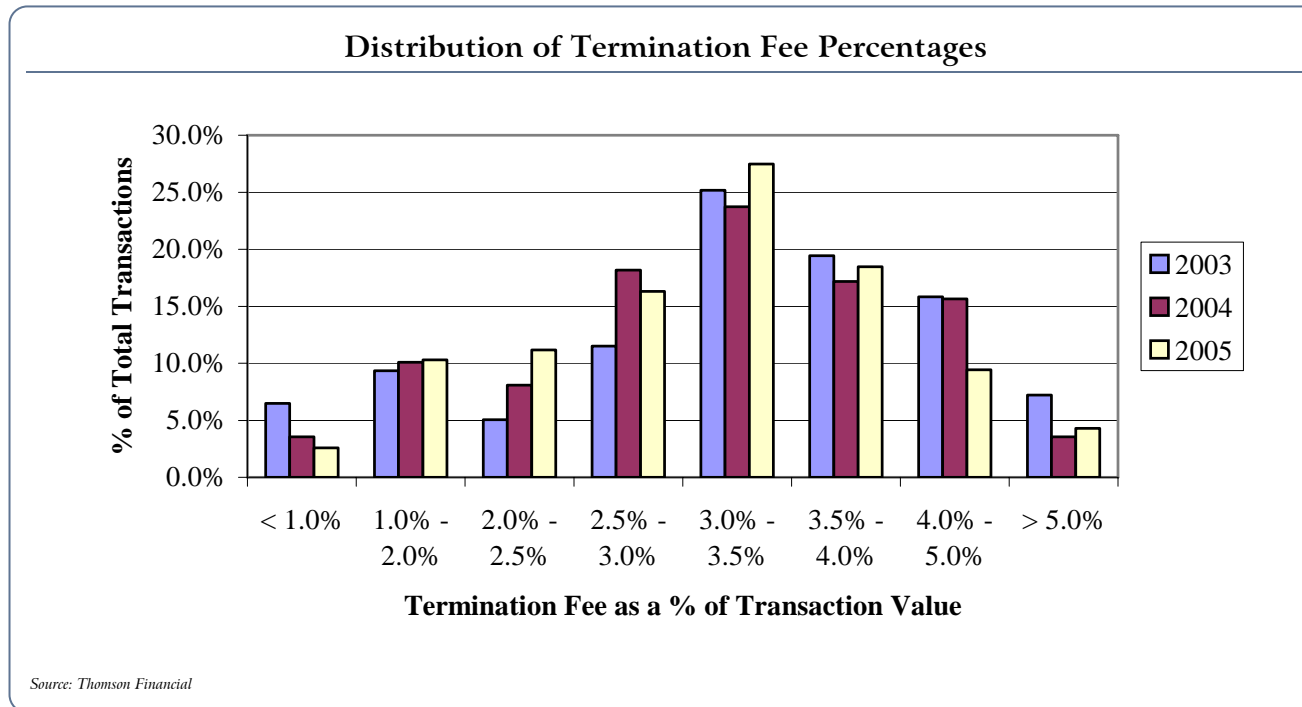
Transaction Termination Fee Annual Summary <i>(% of Transaction Value)</i>			
	<u>2005</u>	<u>2004</u>	<u>2003</u>
Mean	3.1%	3.2%	3.3%
Median	3.2%	3.3%	3.3%

Source: Thomson Financial

2005 Transaction Termination Fee Study Summary

TRANSACTION TERMINATION FEES – ANNUAL SUMMARY (CONTINUED)

The distribution of termination fees as a percentage of transaction value evinces a classic “bell curve” shape, with the majority of results clustered around the observed 2005 mean and median of 3.1% and 3.2%, respectively.



2005 Transaction Termination Fee Study Summary

TRANSACTION TERMINATION FEES – BY TRANSACTION SIZE

In the 2005 Study, 82 deals recorded transaction values greater than \$1 billion, a 41.4% increase from the 58 deals observed in 2004. These billion dollar transactions accounted for 35.2% of the sample in 2005, compared to 29.3% in 2004. Within this segment of the sample, the increase in the median termination fee did not keep pace with the increase in the median transaction value. Accordingly, the termination fee as a percentage of the transaction value declined from 3.1% to 2.8% from 2004 to 2005.

Termination fees in excess of \$1 billion were observed in two transactions:

- ❖ Procter & Gamble's \$54.9 billion acquisition of Gillette (\$1.92 billion, or 3.5%); and
- ❖ ConocoPhillip's \$35.4 billion acquisition of Burlington Resources (\$1.0 billion, or 2.8%).

<u>Transaction Size</u>	<u>Number of Transactions</u>		<u>Median Transaction Value</u>		<u>Median Termination Fee</u>		<u>Median Termination Fee as a Percentage of Transaction Value</u>	
	2005	2004	2005	2004	2005	2004	2005	2004
\$50 million to \$250 million	86	84	\$144.1	\$116.5	\$4.5	\$4.0	3.4%	3.6%
\$250 million to \$500 million	37	25	\$333.2	\$369.6	\$11.4	\$12.0	3.2%	2.9%
\$500 million to \$1 billion	28	31	\$714.1	\$641.6	\$21.9	\$20.0	3.2%	3.3%
\$1 billion and greater	82	58	\$2,593.9	\$2,077.0	\$66.8	\$56.1	2.8%	3.1%
Total	233	198	\$429.7	\$388.9	\$12.6	\$12.0	3.2%	3.3%

Source: Thomson Financial

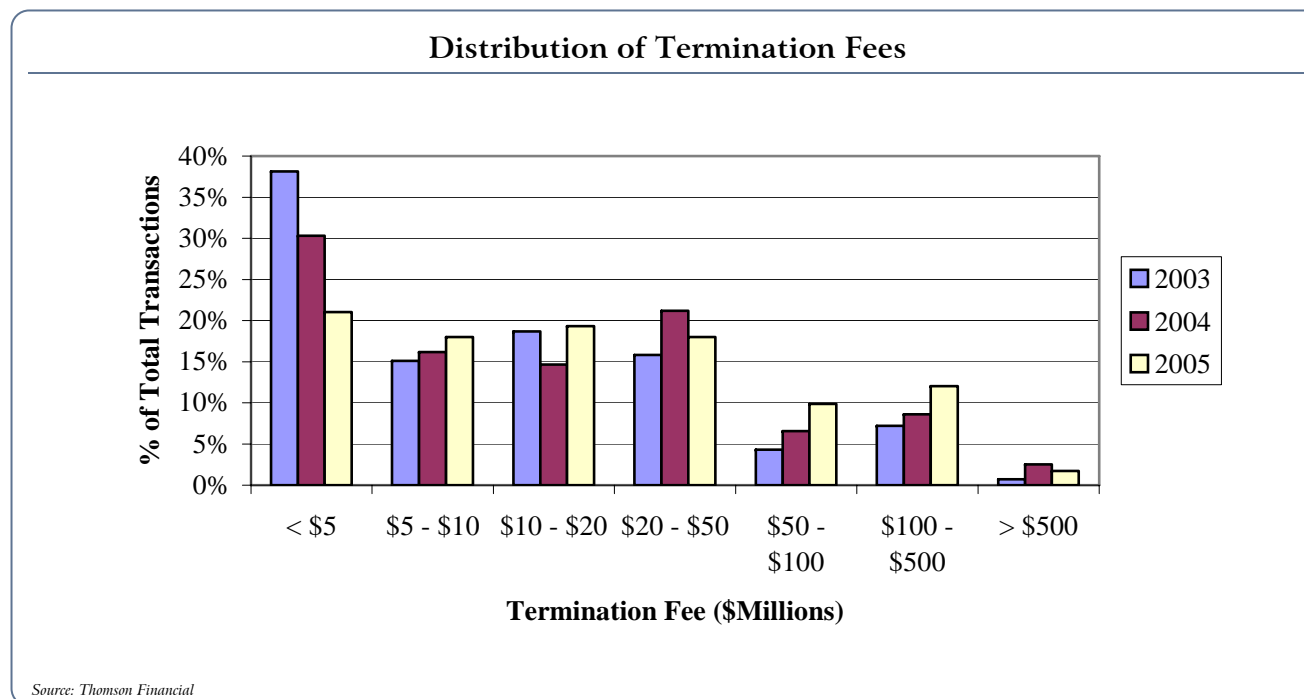
2005 Transaction Termination Fee Study Summary

TRANSACTION TERMINATION FEES – BY TRANSACTION SIZE (CONTINUED)

In dollar terms, termination fees tend to be heavily weighted toward the “smaller” end of the distribution curve.

However, the recent trend in the distribution of transaction termination fees demonstrates a significant shift away from the under-\$5 million segment, a function of the average deal size increasing from \$233 million in 2003 to \$430 million in 2005.

Despite the shift toward the higher fees, relatively few transactions have termination fees in excess of \$100 million.



2005 Transaction Termination Fee Study Summary

TRANSACTION TERMINATION FEES – BY CONSIDERATION FORM

While termination fees show correlation to transaction size, such fees do not demonstrate a strong relationship to the form of transaction consideration.

<u>Consideration Form</u>	<u>Number Of Transactions</u>		<u>Median Transaction Value</u>		<u>Median Termination Fee</u>		<u>Median Termination Fee as a Percentage of Transaction Value</u>	
	2005	2004	2005	2004	2005	2004	2005	2004
	All Stock	36	81	\$228.9	\$284.0	\$7.0	\$7.5	3.3%
All Cash	140	56	\$420.1	\$383.2	\$12.6	\$10.0	3.2%	3.1%
Cash and Stock	57	61	\$997.4	\$513.6	\$26.0	\$16.6	3.1%	3.4%
Total	233	198	\$429.7	\$388.9	\$12.6	\$12.0	3.2%	3.3%

Source: Thomson Financial

2005 Transaction Termination Fee Study Summary

TRANSACTION TERMINATION FEES – BY ACQUISITION TECHNIQUE

The nature of the transactions, although varied, also proved to not exhibit any significant correlation.

- ❖ Transactions were separated by the percentage of shares acquired. Only three transactions in 2005 were for a remaining interest in the target of less than 100%. Although the small sample size renders the analysis statistically insignificant, each of the three transactions contained a termination fee greater than the 2005 median of 3.2%.
 - ◆ F&H Acquisition Corporation acquired the remaining 91.7% of shares in the Fox and Hound Restaurant Group for \$175 million with a termination fee of 3.4%
 - ◆ Oracle Corp. acquired the remaining 90.2% of shares in Retek, Inc. for \$652 million with a termination fee of 3.8%
 - ◆ Absolut Spirits Co. acquired the remaining 63.6% of shares in Cruzan International, Inc. for \$58 million with a termination fee of 5.2%
- ❖ Transactions where the acquirer's intention was to take the target company private were compared to all other merger forms, such as stock swaps and tender offers. The going private transactions included management buyouts, leveraged buyouts and private equity investments.
 - ◆ During 2005, 43¹ transactions involved public targets going private, yielding a median termination fee of 3.2%. The remaining 190 non-going private transactions yielded a median termination fee of 3.15%
- ❖ In addition, strategic buyers were compared to financial buyers. A strategic buyer is a buyer in the same industry, or a buyer seeking to vertically or horizontally integrate into another, while the financial buyer is a buyer seeking to profit by making an acquisition, but not necessarily to expand its own current business operations.
 - ◆ During 2005, 190 transactions involved acquirers who were considered “strategic” in nature, yielding a median termination fee of 3.1%. The remaining 43 transactions involved acquirers who were considered “financial” in nature and yielded a median termination fee of 3.25%

¹ The resulting 43 transactions in both the “going private” and “nature of the acquirer” studies was, in fact, a coincidence, although the two studies did share 33 transactions in common.

2005 Transaction Termination Fee Study Summary

TRANSACTION TERMINATION FEES IN COURT

Courts have found termination fees to be an acceptable and customary component of M&A transactions.² However, a target company's board of directors can face criticism if the agreed-upon termination fee (either alone or in conjunction with other breakup provisions) is sufficiently onerous to dissuade or prevent another potential bidder from making a superior offer for the target. In assessing the reasonableness of a termination fee, a court will consider a variety of factors including, but not limited to, the size of the transaction, the restrictiveness of other deal protection measures and the process undertaken (e.g., auction versus one-on-one negotiation).

In 2005, the Delaware Chancery Court provided new guidance on the acceptable limits of termination fees in *Toys "R" Us, Inc. Shareholder Litigation*, 877 A.2d 975 (Del. Ch. 2005) ("*Toys*"). Vice Chancellor Strine, in that case, addressed the reasonableness of a termination fee equal to 3.75% of the transactional equity value in the context of a seven-month public auction for a division of Toys "R" Us, which ultimately led to a limited auction (four bidders) and the sale of the entire company at a substantial premium to the then-prevailing market price.

Through expert testimony, the plaintiffs in *Toys* argued that the termination fee exceeded the norm for a transaction of this size, and that any fee in excess of 3% would create a "reasonable likelihood of foreclosing higher value bidders." According to the plaintiffs' expert, an allegedly flawed auction, combined with the magnitude of the breakup fee, prevented the Toys "R" Us board from adequately testing the market.

Vice Chancellor Strine disagreed with the plaintiffs' expert and upheld the 3.75% termination fee. In reaching his conclusion, the Vice Chancellor calculated what the termination fee would have been had it been reduced from 3.75% of equity value to only 3.00% or even 2.50%, as advocated by the plaintiffs. In each case, Strine noted that the resulting decrease in cost to a potential interloping bidder, on a per share basis, was immaterial. Accordingly, it was not unreasonable for the Toys "R" Us board to have concluded that negotiating to obtain such reductions was unnecessary.

² While termination fees also are used in Section 363 asset sales in a bankruptcy context, this review does not include such Chapter 11 asset sales.

2005 Transaction Termination Fee Study Summary

TRANSACTION TERMINATION FEES IN COURT (CONTINUED)

While the Delaware courts have historically assessed the reasonableness of termination fees as a percentage of transactional equity value, analyzing such fees in terms of enterprise or transaction (rather than equity) value may provide a more accurate depiction of the impact of the fee, especially in the context of a highly leveraged company where the equity value may be a fraction of enterprise or transaction value. Although he ultimately analyzed the breakup fee in *Toys* in terms of equity value, throughout his decision Vice Chancellor Strine notes that the breakup fee amounted to only 3.25% of enterprise value. The Vice Chancellor's apparent willingness to consider the termination fee as a percentage of enterprise value is consistent with the approach taken by Vice Chancellor Lamb in *In re MONY Group Inc. Shareholder Litigation*, 852 A.2d 9 (Del. Ch. 2004) where the approved breakup fee was 3.3% of MONY's equity value, but was only 2.4% of transaction value.

Regarding termination fees, the decision in *Toys* is also noteworthy for Vice Chancellor Strine's observation that (i) breakup fees should decline on a percentage basis as the transaction size increases and (ii) the Chancery Court should not "be entirely immune to the preclusive differences between termination fees starting with a 'b' rather than an 'm'."

While a 3.75% termination fee was found acceptable in *Toys*, the signpost for the outer limit of acceptability remains *Phelps Dodge Corp. v. Cyprus Amax Minerals Co.*, No. C.A. 17398, 1999 WL 1054255, (Del. Ch. Sept. 27, 1999) in which Chancellor Chandler indicated that a 6.3% termination fee probably "stretches the definition of reasonableness beyond its breaking point."

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REVERSE BREAKUP FEES

Traditionally, target companies have agreed to compensate buyers if the target abandons the deal for a better offer. However, in the past year, several high-profile targets have been successful in negotiating for “reverse breakup fees.” The rationale behind such fees is to compensate the target for the risk “committed” financing does not fund and the transaction does not close.

For example, in August 2005, a consortium of prominent private equity firms completed the acquisition of SunGard for approximately \$11 billion. SunGard insisted on a \$300 million reverse breakup fee (2.7% of transaction value) in the event that the buyout group could not arrange the requisite financing. The agreement contained a financing condition, which was limited to the absence of a narrowly defined “market material adverse effect” and “lender material adverse effect.”

Similarly, in connection with their October 2005 acquisition of The Neiman Marcus Group, Inc. for \$5.1 billion, Warburg Pincus and Texas Pacific agreed to a \$140 million reverse breakup fee (2.8% of transaction value). The fee would have become payable if the merger had been terminated due to the buyers’ failure to obtain financing, when all the closing conditions had otherwise been satisfied.

Other notable 2005 transactions with reverse termination fees included Carlyle’s acquisition of SS&C Technologies (\$30 million (3.2% of transaction value)) and Boston Scientific’s acquisition of Guidant Corp. (\$800 million (2.9% of transaction value)).

It remains to be seen whether the frequency of reverse breakup fees will increase over time.

2005 Transaction Termination Fee Study Summary

REVERSE BREAKUP FEES (CONTINUED)

- ❖ Of the 233 transactions reviewed in 2005, 22% (52 transactions) had reverse breakup fees (payable by the acquirer to the target in the event of a termination of the transaction), with a median fee of 2.9% of transaction value. In 2004, 24.7% (49 transactions) of the 198 transactions reviewed had reciprocal termination fees, also with a median fee of 2.9% of transaction value.
- ❖ Of the 52 transactions in 2005 with reciprocal termination fees, 76.9% (40 transactions) had identical termination fees for the target and acquirer, while 13.5% (7 transactions) had a higher termination fee payable to the target and 9.6% (5 transactions) had a higher termination fee payable to the acquirer.

Reverse Breakup Fee Summary (<i>\$ in millions</i>)		
	<u>2005</u>	<u>2004</u>
Number of Transactions	52	49
Median Transaction Value	\$1,121.9	\$626.5
Target Median Termination Fee	\$27.3	\$17.5
Fee as a % of Transaction Value	2.8%	3.0%
Acquirer Median Termination Fee	\$21.8	\$17.5
Fee as a % of Transaction Value	2.9%	2.9%
% with Identical Termination Fee	76.9%	93.9%
% with Target Fee > Acquirer Fee	13.5%	4.1%
% with Acquirer Fee > Target Fee	9.6%	2.0%

Source: Thomson Financial



2005 Transaction Termination Fee Study

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2005 TRANSACTION TERMINATION FEE DETAIL

Date Announced	Date Effective	Target Name	Target Description	Acquiror Name	Acquiror Description	Acquisition Technique	Form	Consideration	Transaction Value (\$mm)	Target Term Fee (\$mm)	Term Fee as a % of Transaction Value
1/4/2005	2/17/2005	Education Lending Group Inc	Pvd financial loan svcs	CIT Group Inc	Pvd misc bus fin svcs	Tender Offer Tender/Merger	Merger	Cash	\$404.4	\$13.5	3.3%
1/4/2005	2/7/2005	Total Logistics Inc	Pvd logistics svcs	SuperValu Inc	Whl, retail groceries	Tender Offer Tender/Merger	Merger	Cash	153.7	5.0	3.3%
1/7/2005	4/1/2005	Vastera Inc	Pvd Web-based software svcs	JPMorgan Chase Bank	Investment bank	Tender Offer	Merger	Cash	127.7	5.0	3.9%
1/10/2005	8/1/2005	Western Wireless Corp	Pvd wireless commun svcs	ALLTEL Corp	Pvd telecomm svcs	Stock Swap	Merger	Cash / Stock	5,824.8	120.0	2.1%
1/12/2005	4/7/2005	Verisity Ltd	Dvlp tech, software prod	Cadence Design Systems Inc	Dvlp CAD software	Tender Offer	Merger	Cash	302.7	11.4	3.7%
1/17/2005	5/25/2005	Penn Engr & Mnfr Corp	Mnfr fasteners, DC motors	PEM Holding Co	Investment holding company	Going Private	Merger	Cash	333.2	10.0	3.0%
1/18/2005	6/1/2005	Computer Network Tech	Dvlp hardware, software	McDATA Corp	Dvlp entrp software	Stock Swap	Merger	Stock	234.1	11.0	4.7%
1/18/2005	5/18/2005	FFLC Bancorp	Bank holding co	Colonial BancGroup Inc	Commercial bank holding co	Stock Swap	Merger	Cash / Stock	232.2	10.0	4.3%
1/18/2005	4/4/2005	Impac Medical Systems Inc	Dvlp healthcare software	Elekta AB	Dvlp clinical software	Tender Offer	Merger	Cash	249.8	10.0	4.0%
1/20/2005	8/31/2005	Chester Valley Bancorp	Bank holding co	Willow Grove Bancorp Inc	Savings and loan	Stock Swap	Merger	Cash / Stock	151.5	6.0	4.0%
1/20/2005	3/3/2005	Falcon Financial Investment	Real estate investment trust	iStar Financial Inc	Real estate investment trust	Tender Offer Tender/Merger	Merger	Cash	119.8	4.5	3.8%
1/21/2005	Withdrawn	August Technology Corp	Mnfr, design visual equip	Nanometrics Inc	Mnfr metrology sys	Stock Swap	Merger	Stock	154.0	8.3	5.4%
1/25/2005	6/27/2005	AlphaSmart Inc	Dvlp educ software	Renaissance Learning Inc	Dvlp software	Tender Offer	Merger	Cash / Stock	55.5	2.5	4.5%
1/25/2005	5/19/2005	Commun Bank of Virginia	Commercial bank	Mercantile Bankshares Corp	Bank holding company	Stock Swap	Merger	Cash / Stock	213.1	7.0	3.3%
1/25/2005	3/16/2005	Corio Inc	Dvlp software	IBM Corp	Pvd program svcs; comp mnfr	Tender Offer	Merger	Cash	206.2	6.8	3.3%
1/26/2005	6/7/2005	Magnum Hunter Resources	Oil, gas expl, prodn	Cimarex Energy Co	Oil, gas expl, prodn	Stock Swap	Merger	Cash / Stock	2,211.1	45.0	2.0%
1/27/2005	4/19/2005	MAPICS Inc	Develop ERM software	Infor Global Solutions	Dvlp entrp software	Going Private	Merger	Cash	347.2	3.0	0.9%
1/28/2005	10/1/2005	Gillette Co	Mnfr, whl shaving razors, blades	Procter & Gamble Co	Mnfr household prod,oil,coffee	Stock Swap	Merger	Stock	54,906.8	1,920.0	3.5%
1/31/2005	11/18/2005	AT&T Corp	Own, op telecomm systems	SBC Communications Inc	Provide telecommun services	Stock Swap	Merger	Stock	14,732.6	560.0	3.8%
1/31/2005	6/3/2005	Pulitzer Inc	Publish newspapers	Lee Enterprises Inc	Publish newspapers	Tender Offer	Merger	Cash	1,432.8	55.0	3.8%
2/4/2005	9/16/2005	John Q Hammons Hotels	Own, op hotels	Investor Group	Investor group	Going Private	Merger	Cash	543.5	20.0	3.7%
2/14/2005	1/6/2006	MCI Inc	Pvd telecomm svcs	Verizon Communications Inc	Pvd telecommun svcs	Stock Swap	Merger	Cash / Stock	8,495.6	240.0	2.8%
2/15/2005	4/8/2005	AMX Corp	Mnfr, dvlp, whl electn equip	Duchossois Industries Inc	Mnfr industrial door equip	Going Private Tender/Merger	Merger	Cash	309.7	9.0	2.9%
2/15/2005	3/21/2005	Tickets.com Inc	Pvd ticket distn svcs	MLB Advanced Media LP	Multi-media company	Going Private Tender/Merger	Merger	Cash	62.4	2.5	4.0%
2/17/2005	7/1/2005	Prime Group Realty Trust	Real estate investment trust	Lightstone Group LLC	Real estate investment firm	Going Private	Merger	Cash	194.0	10.0	5.2%
2/22/2005	5/25/2005	Insurance Auto Auctions Inc	Ret used motor vehicles	Kelso & Co	Private equity firm	Going Private	Merger	Cash	356.1	12.0	3.4%
2/23/2005	8/18/2005	Accredo Health Inc	Pvd contract pharm svcs	Medco Health Solutions Inc	Pvd pharmacy benefit svcs	Tender/Merger Collar	Merger	Cash / Stock	2,192.1	60.0	2.7%
2/28/2005	8/30/2005	May Department Stores Co	Own, operate dept stores	Federated Department Stores	Own, op dept stores	Stock Swap	Merger	Cash / Stock	16,465.9	350.0	2.1%
2/28/2005	8/3/2005	NCRIC Group Inc	Insurance holding co	ProAssurance Corp	Insurance holding co	Stock Swap Collar	Merger	Stock	70.5	1.7	2.4%
2/28/2005	9/1/2005	Quinton Cardiology Systems	Mnfr, market cardiology equip	Cardiac Science Inc	Mnfr, whl electromedical equip	Stock Swap	Merger	Stock	223.6	4.0	1.8%

2005 Transaction Termination Fee Study

2005 TRANSACTION TERMINATION FEE DETAIL (CONTINUED)

Date Announced	Date Effective	Target Name	Target Description	Acquiror Name	Acquiror Description	Acquisition Technique	Form	Consideration	Transaction Value (\$mm)	Target Term Fee (\$mm)	Term Fee as a % of Transaction Value
2/28/2005	Withdrawn	Retek Inc	Dvlp software	Systeme Anwendungen Prod	Dvlp software	Tender Offer Tender/Merger	Merger	Cash	\$651.5	\$25.0	3.8%
2/28/2005	5/24/2005	USF Corp	Pvd trucking svcs	Yellow Roadway Corp	Pvd transp svcs; holding co	Stock Swap	Merger	Cash / Stock	1,268.3	26.0	2.1%
3/1/2005	5/13/2005	Blue Martini Software Inc	Dvlp e-business software	Multi-Channel Holdings Inc	Whl,ret software; holding co	Going Private	Merger	Cash	52.5	1.6	3.1%
3/4/2005	6/3/2005	Closure Medical Corp	Mnfr surgical, medical equip	Johnson & Johnson Inc	Mnfr, whl med equip, prod	Tender Offer	Merger	Cash	419.6	12.6	3.0%
3/6/2005	11/16/2005	Hibernia Corp	Bank holding co	Capital One Financial Corp	Pvd credit svcs	Stock Swap	Merger	Cash / Stock	4,861.7	220.0	4.5%
3/7/2005	7/1/2005	Summit Financial Corp	Bank holding company	First Citizens Bancorp Inc	Bank holding co	Tender Offer	Merger	Cash	110.2	1.5	1.4%
3/7/2005	6/24/2005	United Defense Industries Inc	Mnfr tanks, tank components	BAE Systems North America	Mnfr electronic aircraft parts	Tender Offer	Merger	Cash	4,199.7	119.2	2.8%
3/8/2005	4/11/2005	Retek Inc	Dvlp software	Oracle Corp	Dvlp database software	Tender Offer Unsolicited Deal	Merger	Cash	648.7	15.0	2.3%
3/9/2005	7/1/2005	Great Lakes Chemical Corp	Mnfr chem, pesticides	Crompton Corp	Mnfr, whl specialty chem	Stock Swap Merger of Equals	Merger	Stock	1,549.8	50.0	3.2%
3/9/2005	7/1/2005	Thomas Industries Inc	Mnfr compressors, vacuum pumps	Gardner Denver Inc	Mnfr air compressors, blowers	Tender Offer	Merger	Cash	714.6	12.0	1.7%
3/14/2005	5/2/2005	Ascential Software Corp	Dvlp, whl database software	IBM Corp	Pvd program svcs; comp mnfr	Tender Offer	Merger	Cash	1,120.0	30.0	2.7%
3/16/2005	7/1/2005	Seabulk International Inc	Pvd transp svcs	SEACOR Holdings Inc	Pvd offshore marine svcs	Stock Swap	Merger	Cash / Stock	997.4	21.3	2.1%
3/17/2005	7/1/2005	Horizon PCS Inc	Pvd telecommunications svcs	IPCS Inc	Pvd Sprint PCS products/svcs	Reverse Takeover Stock Swap	Merger	Stock	317.0	7.0	2.2%
3/17/2005	7/21/2005	Toys "R" Us Inc	Own, op retail toy stores	Investor Group	Investor group	Going Private	Merger	Cash	6,005.4	247.5	4.1%
3/21/2005	7/19/2005	Ask Jeeves Inc	Pvd question/answr svcs on Web	IAC/InterActiveCorp	Pvd ecommerce svcs	Stock Swap	Merger	Stock	1,965.4	68.5	3.5%
3/21/2005	Withdrawn	Inamed Corp	Mnfr, whl medical equipment	Medicis Pharmaceutical Corp	Mnfr pharmaceuticals	Stock Swap	Merger	Cash / Stock	2,768.6	90.0	3.3%
3/21/2005	8/6/2005	Mykrolis Corp	Mnfr liquid delivery systems	Entegris Inc	Mnfr semiconductors	Stock Swap Merger of Equals	Merger	Stock	604.3	23.5	3.9%
3/21/2005	8/9/2005	Pinnacle Systems Inc	Mnfr, whl video prod	Avid Technology Inc	Mnfr, service digital video sys	Tender Offer Tender/Merger	Acq. of Assets	Cash / Stock	461.6	15.0	3.2%
3/21/2005	Pending	State Finl Svcs Corp	Bank hldg co	Associated Banc	Bank holding company	Stock Swap	Merger	Stock	276.3	10.5	3.8%
3/28/2005	6/17/2005	Gexa Corp	Electric utility	FPL Group Inc	Electric utility	Stock Swap	Merger	Stock	59.5	3.3	5.5%
3/28/2005	8/11/2005	SunGard Data Systems Inc	Pvd software, processing svcs	Investor Group	Investor group	Going Private	Merger	Cash	10,964.9	300.0	2.7%
4/4/2005	5/20/2005	Maxcor Financial Group Inc	Finl holding co	BGC Partners LP	Securities bkrgr firm	Going Private	Merger	Cash	118.2	4.0	3.4%
4/4/2005	7/28/2005	Mission Resources Corp	Oil, gas expl, prodn	Petrohawk Energy Corp	Oil, gas expl, prodn	Stock Swap	Merger	Cash / Stock	405.5	12.5	3.1%
4/4/2005	8/10/2005	Unocal Corp	Oil, gas expl, prodn	ChevronTexaco Corp	Integrated petroleum company	Stock Swap	Merger	Cash / Stock	18,718.5	250.0	1.3%
4/7/2005	6/8/2005	Concord Communications Inc	Dvlp Internet software	CA	Dvlp IT mgmt software	Tender Offer	Merger	Cash	332.2	11.5	3.5%
4/8/2005	Withdrawn	ShopKo Stores Inc	Own, op variety stores	Goldner Hawn Johnson	Private equity firm	Going Private	Merger	Cash	1,158.6	13.5	1.2%
4/12/2005	5/19/2005	Noland Co	Whl plumbing, heating supplies	Primus Inc	Whl industrial supplies	Going Private Tender/Merger	Merger	Cash	250.4	9.9	4.0%
4/13/2005	Pending	Analysts Intl Corp	Pvd info tech svcs	Computer Horizons Corp	Pvd computer consulting svcs	Stock Swap Merger of Equals	Merger	Stock	88.8	3.6	4.1%

2005 Transaction Termination Fee Study

2005 TRANSACTION TERMINATION FEE DETAIL (CONTINUED)

Date Announced	Date Effective	Target Name	Target Description	Acquiror Name	Acquiror Description	Acquisition Technique	Form	Consideration	Transaction Value (\$mm)	Target Term Fee (\$mm)	Term Fee as a % of Transaction Value
4/14/2005	9/15/2005	Keith Cos Inc	Pvd engineering, consulting svc	Stantec Inc	Pvd design, consulting svcs	Tender Offer	Merger	Cash / Stock	\$174.4	\$3.0	1.7%
4/15/2005	10/4/2005	Brookstone Inc	Own, op novelty stores	OSIM Brookstone Holdings LP	Investment company	Going Private	Merger	Cash	429.7	11.0	2.6%
4/18/2005	10/10/2005	Electronics Boutique Holdings	Own, op computer store	GameStop Corp	Own, op video game stores	Stock Swap	Merger	Cash / Stock	1,411.4	40.0	2.8%
4/18/2005	12/3/2005	Macromedia Inc	Dvlp Internet software	Adobe Systems Inc	Dvlp Web-based sys software	Stock Swap	Merger	Stock	3,572.4	103.2	2.9%
4/18/2005	8/1/2005	Manchester Technologies Inc	Mnfr, whl display tech soln	Caxton-Iseman Capital Inc	Private eq firm	Going Private	Merger	Cash	58.0	2.5	4.3%
4/19/2005	10/1/2005	Gibraltar Financial Corp	Commercial bank	Boston Pvt Fin Hldg Inc	Bank holding co	Tender Offer	Acq. of Assets	Cash / Stock	213.4	11.5	5.4%
4/19/2005	6/27/2005	Orphan Medical Inc	Mnfr, whl pharm prod	Jazz Pharmaceuticals Inc	Mnfr prescription pharm	Going Private	Merger	Cash	140.6	5.5	3.9%
4/20/2005	10/10/2005	Horizon Capital Bk	Commercial bank	Cullen/Frost Bankers Inc	Commercial bank	Stock Swap	Merger	Cash / Stock	107.1	3.8	3.5%
4/21/2005	7/28/2005	Transkaryotic Therapies Inc	Biotechnology co	Shire Pharmaceuticals Grp Plc	Mnfr pharmaceuticals	Tender Offer	Merger	Cash	1,383.2	52.0	3.8%
4/25/2005	7/13/2005	DoubleClick Inc	Pvd Internet advg svcs	Investor Group	Investor group	Going Private	Merger	Cash	1,203.2	28.0	2.3%
4/25/2005	9/1/2005	Premcor Inc	Mnfr, whl petro prods	Valero Energy Corp	Mnfr petroleum prod	Stock Swap	Merger	Cash / Stock	8,521.6	150.0	1.8%
4/26/2005	6/7/2005	PEC Solutions Inc	Pvd IT svcs	Nortel Networks Inc	Mnfr network solutions	Tender Offer	Merger	Cash	471.2	14.2	3.0%
4/28/2005	8/15/2005	First American Bank	Savings bank	First Community Bancorp Inc	Pvd bkg svcs	Tender Offer	Merger	Cash	54.2	3.0	5.5%
4/28/2005	9/22/2005	Worldwide Rest Concepts Inc	Own, op restaurants	Pac Eq Partners Pty Ltd	Private equity firm	Going Private	Merger	Cash	212.3	8.4	4.0%
4/29/2005	7/12/2005	Corixa Corp	Biotechnology co	GlaxoSmithKline Plc	Mnfr pharm	Tender Offer	Merger	Cash	300.8	10.0	3.3%
5/2/2005	10/6/2005	Neiman Marcus Group Inc	Own, op specialty retail stores	Investor Group	Investor group	Going Private	Merger	Cash	5,094.9	140.3	2.8%
5/4/2005	7/1/2005	Bone Care Intl Inc	Mnfr pharmaceuticals	Genzyme Corp	Biotech co	Tender Offer	Merger	Cash	713.6	19.0	2.7%
5/4/2005	3/31/2006	Renal Care Group Inc	Pvd nephrology dialysis svcs	Fresenius Medical Care AG	Mnfr, whl med equip	Tender Offer	Merger	Cash	4,010.5	96.3	2.4%
5/4/2005	8/8/2005	SpectraSite Inc	Operate wireless communic twr	American Tower Corp	Own, op commun towers	Stock Swap	Merger	Stock	3,130.9	110.0	3.5%
5/9/2005	4/3/2006	Cinergy Corp	Elec, gas utility; holding co	Duke Energy Corp	Pvd electricity delivery svcs	Stock Swap	Merger	Stock	8,832.9	300.0	3.4%
5/9/2005	9/15/2005	Nuance Communications Inc	Dvlp voice interface software	ScanSoft Inc	Dvlp speech, imaging software	Stock Swap	Merger	Cash / Stock	214.0	6.6	3.1%
5/10/2005	7/14/2005	Oshkosh B Gosh Inc	Mnfr children's clothing	Carters Inc	Mnfr, whl children's clothing	Tender Offer	Merger	Cash	312.0	12.2	3.9%
5/12/2005	8/2/2005	Cuno Inc	Mnfr filtration prod	3M Co	Mnfr, whl adhesives, tapes	Tender Offer	Merger	Cash	1,404.2	33.0	2.4%
5/13/2005	5/10/2006	iPayment Inc	Pvd credit card svcs	Investor Group	Investor group	Going Private	Merger	Cash	800.0	15.0	1.9%
5/16/2005	8/5/2005	Overnite Corp	Trucking company	UPS	Pvd courier svcs	Tender Offer	Merger	Cash	1,231.0	24.5	2.0%
5/18/2005	11/30/2005	Metals USA Inc	Mnfr processed steel, alum	Apollo Management LP	Private equity inv firm	Going Private	Merger	Cash	458.7	17.0	3.7%
5/19/2005	Withdrawn	Maytag Corp	Mnfr household appl	Investor Group	Investor group	Going Private	Merger	Cash	2,090.8	40.0	1.9%
5/23/2005	8/3/2005	Acterna Corp	Mnfr commun equip	JDS Uniphase Corp	Mnfr, whl fiber optic prod	Tender Offer	Acq. of Assets	Cash / Stock	760.0	25.0	3.3%
5/26/2005	11/21/2005	First Capital Bancorp	Bank holding co	FLAG Financial Corp	Bank holding co	Stock Swap	Merger	Stock	136.0	2.0	1.5%
5/31/2005	10/21/2005	ParAllele BioScience Inc	Pvd research, dvlp svcs	Affymetrix Inc	Mnfr electromed apparatus	Stock Swap	Merger	Cash / Stock	113.5	6.0	5.3%
5/31/2005	Withdrawn	School Specialty Inc	Mnfr, whl school supplies	Investor Group	Investor group	Going Private	Merger	Cash	1,457.3	34.0	2.3%

2005 Transaction Termination Fee Study

2005 TRANSACTION TERMINATION FEE DETAIL (CONTINUED)

Date Announced	Date Effective	Target Name	Target Description	Acquiror Name	Acquiror Description	Acquisition Technique	Form	Consideration	Transaction Value (\$mm)	Target Term Fee (\$mm)	Term Fee as a % of Transaction Value
6/1/2005	9/16/2005	Saucony Inc	Mnfr athletic footwear, apparel	Stride Rite Corp	Manfr, retail shoes	Tender Offer	Merger	Cash	\$170.4	\$6.7	3.9%
6/1/2005	8/30/2005	Shopping com Ltd	Pvd ecommerce retail svcs	eBay Inc	Pvd online auction svcs	Tender Offer	Merger	Cash	667.1	22.5	3.4%
6/2/2005	8/31/2005	Storage Technology Corp	Mnfr data storage equip	Sun Microsystems Inc	Mnfr electn computer, servers	Tender Offer	Merger	Cash	4,261.7	133.0	3.1%
6/2/2005	7/29/2005	Titan Corp	Pvd computer sys design svcs	L-3 Communications Hldg Inc	Mnfr, whl commun sys	Tender Offer	Merger	Cash	2,765.9	62.4	2.3%
6/6/2005	9/15/2005	Catellus Development Corp	Real estate development firm	ProLogis	Real estate investment trust	Stock Swap	Merger	Cash / Stock	4,845.5	90.0	1.9%
6/6/2005	10/3/2005	Providian Financial Corp	Pvd business, financial svcs	Washington Mutual	Bank hldg co	Stock Swap	Merger	Cash / Stock	6,454.4	225.0	3.5%
6/8/2005	8/26/2005	Boston Acoustics Inc	Mnfr, whl audio systems	D&M Holdings Inc	Whl audio, video equip	Tender Offer	Merger	Cash	76.3	3.0	3.9%
6/9/2005	7/29/2005	Niku Corp	Dvlp portfolio mgmt software	CA	Dvlp IT mgmt software	Tender Offer	Merger	Cash	350.3	1.0	0.3%
6/13/2005	12/2/2005	Commercial Federal	Commercial bank	Bank of the West	Commercial bank	Tender Offer	Merger	Cash	1,340.3	40.0	3.0%
6/14/2005	2/10/2006	CNB Bancorp	Commercial bank; holding co	NBT Bancorp Inc	Coml bk hldg co	Stock Swap	Merger	Cash / Stock	89.8	4.5	5.0%
6/14/2005	8/16/2005	Wyndham International Inc	Own, op hotels	Blackstone Group LP	Leveraged buyout firm	Going Private	Merger	Cash	1,367.3	44.5	3.3%
6/15/2005	9/16/2005	Integrated Circuit Systems Inc	Mnfr integrated circuits	Integrated Device Technology	Mnfr, whl semiconductor prod	Stock Swap	Merger	Cash / Stock	1,678.0	40.0	2.4%
6/16/2005	9/14/2005	Vicuron Pharmaceuticals Inc	Biotechnology company	Pfizer Inc	Mnfr, whl pharm, healthcare prod	Tender Offer	Merger	Cash	1,916.4	58.0	3.0%
6/17/2005	9/27/2005	CRT Properties Inc	Real estate investment trust	DRA Advisors LLC	Pvd invest advisory svcs	Going Private	Merger	Cash	901.0	40.0	4.4%
6/23/2005	9/30/2005	InKine Pharmaceutical Co	Biopharmaceutical co	Salix Pharmaceuticals Ltd	Mnfr pharm	Stock Swap Collar	Merger	Stock	192.3	5.5	2.9%
6/27/2005	8/25/2005	SeeBeyond Technology Corp	Pvd e-bus integration svcs	Sun Microsystems Inc	Mnfr electn computer, servers	Tender Offer	Merger	Cash	386.9	12.6	3.3%
6/30/2005	2/1/2006	EFC Bancorp Inc	Commercial bank	MAF Bancorp	Savings, loan hldg co	Stock Swap	Merger	Cash / Stock	168.4	9.0	5.3%
6/30/2005	9/7/2005	United Natl Bk	Commercial bank	East West Bancorp Inc	Commercial bank holding co	Stock Swap	Merger	Cash / Stock	179.7	3.0	1.7%
7/1/2005	8/15/2005	RxCrossroads LLC	Pvd specialty pharma services	Omnicare Inc	Whl, retail pharm	Tender Offer	Merger	Cash	235.0	10.0	4.3%
7/5/2005	9/23/2005	Aspect Communications Corp	Dvlp bus software	Concerto Software Inc	Dvlp mgmt sys software	Going Private	Merger	Cash	1,064.9	32.5	3.1%
7/6/2005	12/3/2005	Amegy Bancorp Inc	Bank holding co	Zions Bancorp	Commercial bank; hldg co	Stock Swap	Merger	Cash / Stock	1,689.8	60.0	3.6%
7/6/2005	12/21/2005	PacificCare Health Systems Inc	Pvd hosp, med plans svcs	UnitedHealth Group Inc	Own, op HMO	Stock Swap	Merger	Cash / Stock	7,358.9	243.6	3.3%
7/7/2005	9/1/2005	Paradyne Networks Inc	Mnfr, whl broadband prod	Zhone Technologies Inc	Mnfr optical switches	Stock Swap	Merger	Stock	178.5	2.0	1.1%
7/8/2005	3/22/2006	Cruzan International Inc	Produce, whl, ret wines, rum	Absolut Spirits Co Inc	Produce, whl wine, spirits	Tender Offer	Acq. Rem. Int.	Cash	58.0	3.0	5.2%
7/10/2005	Withdrawn	IMS Health Inc	Pvd info solutions svcs	VNU NV	Publish newspapers, periodicals	Stock Swap	Merger	Cash / Stock	6,597.1	125.0	1.9%
7/10/2005	8/12/2005	US Unwired Inc	Pvd telecommun svcs	Sprint Corp	Pvd telecommun, Internet svcs	Tender Offer Tender/Merger	Merger	Cash	1,325.3	35.0	2.6%
7/11/2005	10/26/2005	Helix Technology Corp	Mnfr cryogenic equip	Brooks Automation Inc	Mnfr tool automation prod	Stock Swap	Merger	Stock	453.7	11.4	2.5%
7/14/2005	11/4/2005	Correctional Services Corp	Own, op correctional facilities	Geo Group Inc	Own, op correctional facilities	Tender Offer	Merger	Cash	186.0	3.0	1.6%
7/17/2005	3/31/2006	Maytag Corp	Mnfr household appl	Whirlpool Corp	Mnfr household appl	Stock Swap Collar	Merger	Cash / Stock	2,653.7	100.0	3.8%
						Unsolicited Deal					
7/18/2005	9/30/2005	Intermix Media Inc	Pvd Web sites networking svcs	News Corp Inc	Pvd TV, cable, movie prod svcs	Tender Offer	Merger	Cash	588.9	25.0	4.2%

2005 Transaction Termination Fee Study

2005 TRANSACTION TERMINATION FEE DETAIL (CONTINUED)

Date Announced	Date Effective	Target Name	Target Description	Acquiror Name	Acquiror Description	Acquisition Technique	Form	Consideration	Transaction Value (\$mm)	Target Term Fee (\$mm)	Term Fee as a % of Transaction Value
7/20/2005	10/3/2005	Guilford Pharmaceuticals Inc	Biopharmaceutical co	MGI PHARMA Inc	Mnfr oncology pharm	Stock Swap Collar	Merger	Cash / Stock	\$272.1	\$7.0	2.6%
7/21/2005	10/14/2005	Priority Healthcare Corp	Pvd specialty pharmacies, drug	Express Scripts Inc	Pvd phrmcy benefit mgmt svcs	Tender Offer	Merger	Cash	1,268.2	45.0	3.5%
7/22/2005	10/6/2005	BEI Technologies Inc	Mnfr sensors, motors, actuator	Schneider Electric SA	Mnfr, whl electn equip	Tender Offer Tender/Merger	Merger	Cash	532.9	17.3	3.2%
7/26/2005	10/6/2005	BioSource International Inc	Dvlp diagnostic substances	Invitrogen Corp	Biotechnology company	Tender Offer	Merger	Cash	138.2	4.5	3.3%
7/26/2005	9/1/2005	Consolidated Vision Group Inc	Own, op optical shops	National Vision Inc	Own, op optical goods stores	Tender Offer	Merger	Cash	88.0	1.6	1.8%
7/27/2005	4/13/2006	First Natl Bancshares Inc	Commercial bank; hldg co	Whitney Holding Corp	Bank holding co	Stock Swap	Merger	Cash / Stock	119.3	4.8	4.0%
7/28/2005	10/26/2005	Extended Systems Inc	Dvlp enterprise software	Sybase Inc	Dvlp, ret Internet software	Tender Offer	Merger	Cash	71.7	3.0	4.2%
7/28/2005	11/23/2005	SS&C Technologies Inc	Dvlp invest,finl mgmt software	Sunshine Acquisition Corp	Private equity firm	Going Private	Merger	Cash	947.1	30.0	3.2%
8/1/2005	12/30/2005	Long Island Financial Corp	Commercial bank holding co	New York Community Bancorp	Savings and loan holding co	Stock Swap	Merger	Stock	69.6	2.8	4.0%
8/1/2005	Pending	Shurgard Storage Centers Inc	Real estate investment trust	Public Storage Inc	Real estate investment trust	Stock Swap Unsolicited Deal	Merger	Stock	3,173.0	125.0	3.9%
8/2/2005	1/31/2006	Reebok International Ltd	Mnfr athletic footwear, apparel	adidas-Salomon AG	Mnfr athletic footwear	Tender Offer	Merger	Cash	4,219.6	100.0	2.4%
8/3/2005	11/1/2005	E-Loan Inc	Pvd online loan svcs	Popular Inc	Pvd bank holding svcs	Tender Offer	Merger	Cash	296.4	12.0	4.0%
8/3/2005	9/29/2005	Epiphany Inc	Dvlp Internet software	SSA Global Technologies Inc	Dvlp ERP solutions software	Tender Offer	Merger	Cash	327.6	8.2	2.5%
8/4/2005	12/1/2005	Metris Cos Inc	Pvd credit card svcs	HSBC Finance Corp	Provide financial services	Tender Offer	Merger	Cash	1,593.0	57.4	3.6%
8/8/2005	11/1/2005	LabOne Inc	Pvd laboratory testing svcs	Quest Diagnostics Inc	Pvd diagnostic testing svcs	Tender Offer	Merger	Cash	920.9	26.5	2.9%
8/9/2005	11/7/2005	Register.com Inc	Pvd Internet domain svcs	Vector Capital Corp	Private equity firm	Going Private	Merger	Cash	196.5	6.0	3.1%
8/10/2005	9/30/2005	Fastclick Inc	Pvd online advtg svcs	Valueclick Inc	Pvd online advtg svcs	Tender/Merger Stock Swap	Merger	Stock	201.5	6.5	3.2%
8/11/2005	9/1/2005	Evant Inc	Dvlp supply chain software	Manhattan Associates Inc	Dvlp mgmt sys software	Tender Offer	Acq. of Assets	Cash	50.0	5.0	10.0%
8/16/2005	Withdrawn	Beverly Enterprises Inc	Own, op healthcare facilities	North American Senior Care Inc	Own, op healthcare facilities	Going Private Auction	Merger	Cash	1,638.3	60.0	3.7%
8/18/2005	10/24/2005	Brooktrout Inc	Mnfr, whl electn comun prod	EAS Group Inc	Investment holding company	Going Private	Merger	Cash	182.7	7.0	3.8%
8/18/2005	1/12/2006	CyberGuard Corp	Dvlp, whl sec software	Secure Computing Corp	Mnfr network sec devices	Stock Swap	Merger	Cash	289.1	9.0	3.1%
8/21/2005	11/14/2005	Eyeteck Pharmaceuticals Inc	Biopharmaceutical company	OSI Pharmaceuticals Inc	Mnfr, market pharm	Tender Offer	Merger	Cash / Stock	982.4	31.0	3.2%
8/22/2005	10/20/2005	Plumtree Software Inc	Dvlp entrp Web software	BEA Systems Inc	Dvlp infrastructure software	Tender Offer	Merger	Cash	205.7	5.5	2.7%
8/23/2005	3/20/2006	Union Community Bancorp	Bank holding co	MainSource Finl Grp Inc	Bank holding co	Tender Offer	Merger	Cash	53.4	1.0	1.9%
8/24/2005	12/9/2005	York International Corp	Mnfr, whl ventilation prod	Johnson Controls Inc	Mnfr motor vehicle parts	Tender Offer	Merger	Cash	3,288.0	76.0	2.3%
8/25/2005	1/31/2006	Liberty Corp	Own, op TV stn	Raycom Media Inc	Own, op TV stn	Going Private	Merger	Cash	987.0	29.4	3.0%
8/29/2005	12/9/2005	Action Performance Cos Inc	Mnfr, whl licensed merchandise	Motorsports Authentics Inc	Mnfr, ret licensed merchandise	Tender Offer	Merger	Cash	249.0	7.0	2.8%
8/29/2005	10/20/2005	IWO Holdings Inc	Pvd telecom svcs	Sprint Nextel Corp	Pvd telecommun, Internet svcs	Tender Offer	Merger	Cash	420.5	7.9	1.9%
8/29/2005	1/6/2006	NDCHealth Corp	Dvlp med software	Investor Group	Investor group	Going Private	Merger	Cash / Stock	973.1	26.8	2.8%
8/29/2005	7/3/2006	PanAmSat Holding Corp	Pvd satellite comun svcs	Intelsat Ltd	Pvd satellite comun svcs	Going Private	Merger	Cash	3,065.0	64.0	2.1%
8/31/2005	11/1/2005	Haggar Corp	Mnfr, whl men,wmn's clothes	Investor Group	Investor group	Going Private	Merger	Cash	212.6	7.0	3.3%

2005 Transaction Termination Fee Study

2005 TRANSACTION TERMINATION FEE DETAIL (CONTINUED)

Date Announced	Date Effective	Target Name	Target Description	Acquiror Name	Acquiror Description	Acquisition Technique	Form	Consideration	Transaction Value (\$mm)	Target Term Fee (\$mm)	Term Fee as a % of Transaction Value
9/2/2005	12/16/2005	Capital Automotive REIT	Real estate investment trust	DRA Advisors LLC	Pvd invest advisory svcs	Going Private	Merger	Cash / Stock	\$1,916.5	\$40.0	2.1%
9/6/2005	1/26/2006	Nittany Financial Corp	Savings, loan holding co	National Penn Bancshares	Commercial bank holding co	Stock Swap Collar	Merger	Cash / Stock	105.4	4.8	4.5%
9/6/2005	Pending	Riverside Bancshares Inc	Coml bank holding co	Synovus Financial Corp	Bank holding co	Stock Swap	Merger	Stock	153.7	0.2	0.1%
9/9/2005	11/14/2005	PalmSource Inc	Mnfr handheld computer prod	Access Co Ltd	Pvd software dvlp svcs	Tender Offer	Merger	Cash	319.0	9.7	3.0%
9/12/2005	12/12/2005	AmNet Mortgage	Mortgage bank	Wachovia Corp	Coml bk; holding co	Tender Offer	Merger	Cash	82.7	3.5	4.2%
9/12/2005	1/31/2006	Siebel Sys Inc	Dvlp bus intelligence software	Oracle Corp	Dvlp database software	Stock Swap	Merger	Cash / Stock	5,946.5	140.0	2.4%
9/12/2005	3/1/2006	Westcorp	Pvd financial svcs; hldg co	Wachovia Corp	Coml bk; holding co	Stock Swap	Merger	Stock	3,421.7	125.0	3.7%
9/15/2005	4/5/2006	UICI	Pvd insurance svcs	Investor Group	Investor group	Going Private	Merger	Cash	1,719.1	65.0	3.8%
9/18/2005	11/17/2005	TBC Corp	Mnfr, whl tires	Sumitomo Corp of America	Own, op metals svc ctrs	Tender Offer	Merger	Cash	831.1	29.0	3.5%
9/19/2005	4/28/2006	Integrity Financial Corp	Commercial bank hldg co	FNB Corp	Coml bank hldg co	Stock Swap	Merger	Stock	117.9	4.0	3.4%
9/19/2005	12/19/2005	Peregrine Systems Inc	Dvlp service desk software	Hewlett-Packard Co	Mnfr computers, testing equip	Tender Offer	Merger	Cash	411.1	11.7	2.8%
9/19/2005	12/13/2005	Spinnaker Exploration Co	Oil, gas expl, prodn	Norsk Hydro ASA	Oil and gas exploration, prodn	Tender Offer	Merger	Cash	2,447.8	75.0	3.1%
9/21/2005	1/31/2006	Engineered Support Systems Inc	Mnfr military equip	DRS Technologies Inc	Mnfr defense electn equip	Tender/Merger Collar	Merger	Cash / Stock	1,852.1	60.0	3.2%
9/22/2005	2/10/2006	CCC Information Services Group	Pvd computer programming svcs	Investcorp International Inc	Pvd corporate, reinvest svcs	Going Private	Merger	Cash	516.8	14.9	2.9%
9/26/2005	11/28/2005	Apropos Tech Inc	Dvlp software	Syntellect Inc	Dvlp Internet software	Tender Offer	Merger	Cash	50.9	2.0	3.9%
9/27/2005	12/23/2005	Party City Corp	Own, op party supply stores	AAH Holdings Corp	Investment holding company	Going Private	Merger	Cash	373.6	15.0	4.0%
9/29/2005	1/4/2006	IDX Systems Corp	Dvlp med software	GE Healthcare Ltd	Mnfr diagnostic imaging equip	Tender Offer	Merger	Cash	1,488.3	43.0	2.9%
9/30/2005	3/16/2006	Cavalry Bancorp Inc	Commercial bank hldg co	Pinnacle Financial Partners	Commercial bank	Stock Swap	Merger	Stock	178.1	5.0	2.8%
9/30/2005	1/31/2006	Specialty Laboratories Inc	Pvd lab tests svcs	AmeriPath Inc	Pvd lab pathology svcs	Going Private	Merger	Cash	314.6	13.0	4.1%
10/3/2005	1/6/2006	Bindview Development Corp	Dvlp network mgmt software	Symantec Corp	Dvlp Internet software	Tender Offer	Merger	Cash	211.3	8.0	3.8%
10/3/2005	1/31/2006	Dex Media Inc	Publish telephone directory	RH Donnelley Corp	Publish yellow pages	Reverse Takeover Stock Swap	Merger	Cash / Stock	4,261.6	45.0	1.1%
10/3/2005	1/5/2006	Prentiss Properties Trust	Real estate investment trust	Investor Group	Investor group	Going Private	Merger	Cash / Stock	2,159.8	60.0	2.8%
10/3/2005	12/28/2005	ShopKo Stores Inc	Own, op variety stores	Investor Group	Investor group	Going Private Unsolicited Deal	Merger	Cash	905.0	13.5	1.5%
10/4/2005	Withdrawn	Fox & Hound Restaurant Grp	Own, op theme restaurants	Levine Leichtman Capital	Investment company	Going Private	Merger	Cash	147.6	5.0	3.4%
10/5/2005	2/1/2006	Centra Software Inc	Dvlp online training software	Saba Software Inc	Dvlp online training software	Stock Swap	Merger	Cash / Stock	57.7	1.8	3.1%
10/5/2005	Withdrawn	Westland Development Co	Real estate development firm	ANM Holdings Inc	Investment holding company	Tender Offer	Merger	Cash	159.0	5.0	3.1%
10/6/2005	1/18/2006	CRIIMI MAE Inc	Real estate investment trust	CDP Capital Financing Inc	Pvd financing services	Going Private	Merger	Cash	321.0	8.0	2.5%
10/10/2005	4/3/2006	Jefferson-Pilot Corp	Insurance holding co	Lincoln National Corp	Insurance, holding company	Stock Swap Merger of Equals	Merger	Cash / Stock	7,666.6	300.0	3.9%
10/11/2005	1/27/2006	Goody's Family Clothing Inc	Own, op family clothing stores	Investor Group	Investor group	Going Private Tender/Merger Unsolicited Deal	Merger	Cash	330.0	10.9	3.3%

2005 Transaction Termination Fee Study

2005 TRANSACTION TERMINATION FEE DETAIL (CONTINUED)

Date Announced	Date Effective	Target Name	Target Description	Acquiror Name	Acquiror Description	Acquisition Technique	Form	Consideration	Transaction Value (\$mm)	Target Term Fee (\$mm)	Term Fee as a % of Transaction Value
10/11/2005	3/3/2006	Neofoma Inc	Pvd bus-to-bus ecommerce svcs	Global HealthCare Exchange	Pvd ecommerce svcs	Going Private	Merger	Cash	\$203.1	\$4.4	2.2%
10/13/2005	1/30/2006	Vintage Petroleum Inc	Oil, gas expl, prodn	Occidental Petroleum Corp	Oil, gas expl, prodn	Stock Swap	Merger	Cash / Stock	3,566.8	75.0	2.1%
10/16/2005	11/30/2005	Adv Neuromodulations Sys	Mnfr neuromodulation devices	St Jude Medical Inc	Mnfr med device prods	Tender Offer Tender/Merger	Merger	Cash	1,362.0	35.0	2.6%
10/16/2005	1/5/2006	Bio-Logic Systems Corp	Develop electrodiagnostic sys	Natus Medical Inc	Mnfr, whl med instr	Tender Offer	Merger	Cash	66.6	2.0	3.0%
10/18/2005	2/2/2006	Lancer Corp	Mnfr bvrng dispensing mach	Hoshizaki America Inc	Mnfr coml. ice mach	Going Private	Merger	Cash	215.6	6.6	3.1%
10/18/2005	4/12/2006	Roanoke Electric Steel Corp	Mnfr, whl steel bar prod	Steel Dynamics Inc	Mnfr sheet, coiled steel prods	Stock Swap	Merger	Cash / Stock	240.6	7.5	3.1%
10/20/2005	12/30/2005	Captiva Software Corp	Dvlp input mgmt software	EMC Corp	Mnfr computer storage sys	Tender Offer	Merger	Cash	331.8	11.6	3.5%
10/21/2005	12/15/2005	AlgoRx Pharmaceuticals Inc	Mnfr pharma	Corgentech Inc	Biotechnology company	Reverse Takeover Stock Swap	Merger	Stock	130.0	3.0	2.3%
10/24/2005	2/7/2006	Amlri Residential Ppty Trust	Real estate investment trust	Prime Property Fund	Real estate investment firm	Tender Offer	Merger	Cash	1,178.8	6.0	0.5%
10/24/2005	5/31/2006	Independence Cmnty Bk Corp,NY	Savings, loan holding co	Sovereign Bancorp Inc	Pvd s&l svcs	Tender Offer	Merger	Cash	3,656.9	100.0	2.7%
10/27/2005	4/3/2006	Florida Choice Bankshares	Commercial bank	Alabama Natl BanCorp	Bank holding co	Stock Swap	Merger	Cash / Stock	100.1	3.0	3.0%
10/27/2005	7/27/2006	St Bernard Software Inc	Pvd security solution svcs	Sand Hill IT Sec Acq Co	Investment company	Reverse Takeover Stock Swap	Merger	Stock	57.3	1.8	3.1%
10/27/2005	2/28/2006	Transport Corp of America	Pvd truckload carriage svcs	Patriot Holding Corp	Investment holding company	Going Private	Merger	Cash	68.0	2.0	2.9%
11/2/2005	4/28/2006	Advanced Power Technology	Mnfr semiconductors	Microsemi Corp	Mnfr semiconductor	Stock Swap	Merger	Cash / Stock	136.0	4.0	2.9%
11/3/2005	12/29/2005	Verity Inc	Dvlp capital mgmt software	Autonomy Corp Plc	Dvlp infrastructure software	Tender Offer	Merger	Cash	532.7	12.0	2.3%
11/7/2005	Pending	Cap Rock Energy Corp	Electric utility	Lindsay Goldberg & Bessemer	Private equity firm	Going Private	Merger	Cash	163.0	1.0	0.6%
11/8/2005	5/1/2006	Castle Energy Corp	Oil, gas expl, prodn	Delta Petroleum Corp	Oil, gas expl, prodn	Stock Swap	Merger	Stock	156.9	5.0	3.2%
11/8/2005	2/3/2006	Linens n Things Inc	Own, op home furnishing stores	Investor Group	Investor group	Going Private	Merger	Cash	1,290.0	27.0	2.1%
11/9/2005	4/1/2006	Gold Banc Corp Inc	Bank hldg co	Marshall & Ilsley Corp	Bank holding co	Stock Swap	Merger	Cash / Stock	715.6	20.0	2.8%
11/9/2005	1/25/2006	La Quinta Corp	Own, op hotels	Blackstone Group LP	Leveraged buyout firm	Going Private	Merger	Cash	2,343.6	75.0	3.2%
11/10/2005	3/10/2006	SERENA Software Inc	Dvlp software	Silver Lake Partners	Private equity firm	Going Private	Merger	Cash	1,026.0	35.0	3.4%
11/11/2005	2/24/2006	Compex Technologies Inc	Mnfr electromedical equip	Encore Medical Corp	Mnfr orthopedic prod, supplies	Stock Swap	Merger	Stock	97.1	3.3	3.3%
11/11/2005	3/1/2006	Enterasys Networks Inc	Mnfr ethernet, routers	Investor Group	Investor group	Going Private	Merger	Cash	383.0	15.0	3.9%
11/13/2005	12/23/2005	Georgia-Pacific Corp	Mnfr, whl bldg materials	Koch Forest Products Inc	Mnfr paper prod	Going Private Tender/Merger	Merger	Cash	12,634.0	370.0	2.9%
11/14/2005	3/24/2006	Inamed Corp	Mnfr, whl medical equipment	Allergan Inc	Mnfr eye care prod	Tender/Merger Stock Swap Unsolicited Deal	Merger	Cash / Stock	3,412.3	10.0	0.3%
11/14/2005	4/21/2006	Minotola National Bank	Commercial bank	Susquehanna Bancshares Inc	Pvd finl hldg svcs	Stock Swap	Merger	Cash / Stock	165.0	7.0	4.2%
11/15/2005	1/11/2006	Learning Care Group Inc	Provide child day care svcs	ABC Learning Centres Ltd	Pvd child care, educ svcs	Tender Offer	Merger	Cash	156.1	5.0	3.2%
11/16/2005	2/10/2006	Intellisync Corp	Dvlp synchronization software	Nokia Oyj	Mnfr, whl mobile phones	Tender Offer	Merger	Cash	469.3	14.1	3.0%
11/16/2005	4/1/2006	SNB Bancshares Inc	Commercial bank	Prosperity Bancshares Inc	Coml bank holding co	Stock Swap	Merger	Cash / Stock	243.6	10.0	4.1%

2005 Transaction Termination Fee Study

2005 TRANSACTION TERMINATION FEE DETAIL (CONTINUED)

Date Announced	Date Effective	Target Name	Target Description	Acquiror Name	Acquiror Description	Acquisition Technique	Form	Consideration	Transaction Value (\$mm)	Target Term Fee (\$mm)	Term Fee as a % of Transaction Value
11/18/2005	2/27/2006	Scientific Atlanta Inc	Mnfr cable TV, telecomm equip	Cisco Systems Inc	Mnfr,whl commun prod	Tender Offer	Merger	Cash	\$6,865.7	\$170.0	2.5%
11/20/2005	3/14/2006	Beverly Enterprises Inc	Own, op healthcare facilities	Fillmore Capital Partners LLC	Private equity firm	Going Private Auction	Merger	Cash	1,591.7	60.0	3.8%
12/1/2005	3/31/2006	Atlantic Realty Trust	Real estate investment trust	Kimco Realty Corp	Real estate investment trust	Stock Swap	Merger	Stock	63.6	2.5	3.9%
12/1/2005	1/20/2006	Visual Networks	Pvd network mgmt svcs	Fluke Electronics Corp	Mnfr electronic connectors	Tender Offer	Merger	Cash	64.8	2.5	3.9%
12/2/2005	2/9/2006	Provide Commerce Inc	Pvd online e-commerce svcs	Liberty Media Corp	Pvd cable TV svcs	Tender Offer	Merger	Cash	462.6	15.7	3.4%
12/5/2005	4/21/2006	Guidant Corp	Mnfr cardiovascular equip	Boston Scientific Corp	Mnfr, dvlp, whl med devices	Tender/Merger Collar Unsolicited Deal	Merger	Cash / Stock	27,861.3	800.0	2.9%
12/7/2005	3/8/2006	CenterPoint Properties Trust	Real estate investment trust	CalEast Industrial Investors	Real estate investment firm	Tender Offer	Merger	Cash	2,534.2	40.0	1.6%
12/8/2005	3/8/2006	Dave & Busters Inc	Own, op restaurants	Wellspring Capital Mgmt LLC	Private eq firm	Going Private	Merger	Cash	256.7	10.2	4.0%
12/8/2005	2/15/2006	JAMDAT Mobile Inc	Dvlp wireless ent software	Electronic Arts Inc	Dvlp ent software	Tender Offer	Merger	Cash	692.9	26.8	3.9%
12/9/2005	2/15/2006	GoRemote Internet Comm	Dvlp Internet software	iPass Inc	Pvd secure entrp svcs	Tender Offer	Merger	Cash	76.3	2.5	3.3%
12/12/2005	3/31/2006	Burlington Resources Inc	Oil, gas expl, prodn	ConocoPhillips Co	Oil, gas expl, prodn	Stock Swap	Merger	Cash / Stock	35,395.0	1,000.0	2.8%
12/12/2005	3/1/2006	Fox & Hound Restaurant Grp	Own, op theme restaurants	F&H Acquisition Corp	Investment company	Going Private Tender/Merger	Merger	Cash	175.3	6.0	3.4%
12/13/2005	6/8/2006	Anteon International Corp	Pvd info tech sol svcs	General Dynamics Corp	Mnfr aerospace, defense equip	Tender Offer	Merger	Cash	2,176.0	42.5	2.0%
12/14/2005	4/3/2006	Abgenix Inc	Pvd research, dvlp svcs	Amgen Inc	Biotechnology company	Tender Offer	Merger	Cash	2,127.3	75.0	3.5%
12/15/2005	3/1/2006	Collegiate Funding Svcs LLC	Pvd loan consolidation svcs	JPMorgan Chase Bank	Investment bank	Tender Offer	Merger	Cash	687.8	23.0	3.3%
12/15/2005	5/10/2006	Foothill Independent Bancorp	Bank holding company	First Community Bancorp Inc	Pvd bkg svcs	Stock Swap Collar	Merger	Stock	239.2	7.1	2.9%
12/15/2005	6/1/2006	Main Street Banks Inc	Commercial bank	BB&T Corp	Bank hldg co	Stock Swap	Merger	Stock	628.4	20.0	3.2%
12/16/2005	2/17/2006	Animas Corp	Mnfr insulin pumps	Johnson & Johnson Inc	Mnfr,whl med equip,prod	Tender Offer	Merger	Cash	547.8	19.7	3.6%
12/18/2005	Pending	Constellation Energy Group	Elec, gas utility; holding co	FPL Group Inc	Electric utility	Stock Swap	Merger	Stock	11,297.5	425.0	3.8%
12/19/2005	5/15/2006	National By-Products LLC	Produce tallow rendering	Darling International Inc	Produce fats, greases, by-prods	Tender Offer	Acq. of Assets	Cash / Stock	115.2	4.2	3.7%
12/19/2005	1/30/2006	Neon Systems Inc	Dvlp integration software	DataDirect Technologies Ltd	Pvd data access components	Tender Offer Tender/Merger	Merger	Cash	64.8	2.0	3.1%
12/19/2005	5/4/2006	Pegasus Solutions Inc	Pvd hotel reservation svcs	Investor Group	Investor group	Going Private	Merger	Cash	234.8	8.3	3.5%
12/20/2005	5/22/2006	Maxtor Corp	Mnfr, whl computer disk drives	Seagate Technology	Mnfr, whl hard drives	Stock Swap	Merger	Stock	1,879.6	53.0	2.8%
12/21/2005	2/15/2006	Micromuse Inc	Dvlp network mgmt software	IBM Corp	Pvd program svcs; comp mnfr	Tender Offer	Merger	Cash	863.0	16.4	1.9%
12/22/2005	5/2/2006	Arden Realty Inc	Real estate investment trust	GE Capital Real Estate	Pvd re financing svcs	Tender Offer	Merger	Cash	3,079.1	100.0	3.2%



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