CADIZ INC
Form DEF 14A
October 07, 2013

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
SCHEDULE 14A
(Rule 14a-101)
INFORMATION REQUIRED IN PROXY STATEMENT
SCHEDULE 14A INFORMATION
PROXY STATEMENT PURSUANT TO SECTION 14(A) OF THE SECURITIES
EXCHANGE ACT OF 1934

Filed by the Registrant [X]
Filed by a Party other than the Registrant [ ]
Check the appropriate box:
[ ] Preliminary Proxy Statement
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[X] Definitive Proxy Statement
[ ] Definitive Additional Materials
[ ] Soliciting Material Pursuant to §240.14a-12

CADIZ INC.
(Name of Registrant as Specified in Its Charter)

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

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(3)	Filing Party:
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CADIZ INC.

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD ON NOVEMBER 14, 2013

To our Stockholders:

The annual meeting of stockholders of Cadiz Inc., a Delaware corporation, will be held at the law offices of Theodora Oringher PC, located at 10880 Wilshire Boulevard, Suite 1700, Los Angeles, CA 90024, on Thursday, November 14, 2013, at 11 a.m., local time, and any adjournments thereof, to consider and act upon the following matters:

(1) The election of nine members of the Board of Directors, each to serve until the next annual meeting of stockholders or until their respective successors shall have been elected and qualified;

(2) Ratification of the selection by the Audit Committee of our Board of Directors of PricewaterhouseCoopers LLP as the Company's independent certified public accountants for fiscal year 2013;

(3) The approval of the Cadiz Inc. 2013 Equity Incentive Plan;

(4) The approval, for purposes of complying with Nasdaq Listing Rule 5635(b), of the issuance of the Company's common stock upon conversion of outstanding Convertible Notes in excess of 19.99% of the total number of shares of the Company's common stock outstanding as of the date the Convertible Notes were issued (the "Regulatory Cap");

(5) The approval of a non-binding advisory resolution regarding the compensation of our named executive officers; and

(6) The transaction of such other business as may properly come before the meeting and any adjournments thereof.

The accompanying proxy statement contains a more complete description of these proposals.

Only stockholders of record at the close of business on September 23, 2013, are entitled to notice of and to vote at the annual meeting. In order to constitute a quorum for the conduct of business at the annual meeting, holders of a majority of all outstanding voting shares of our common stock must be present in person or be represented by proxy.

Whether or not you expect to attend the annual meeting in person, please either vote your shares via Internet, by phone (detailed instructions are included on the proxy card) or date, sign and mail the enclosed proxy in the postage paid return envelope provided as promptly as possible. The proxy is revocable and will not affect your right to vote in person if you attend the meeting.

By Order of the Board of Directors

Timothy J. Shaheen
Secretary

Los Angeles, California
October 7, 2013

Important Notice Regarding the Availability of Proxy Materials for the Stockholder Meeting to be held on November 14, 2013.

Our proxy statement and the 2012 annual report to stockholders are available at http://www.cstproxy.com/cadiz/2013

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Annual Meeting of Stockholders
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CADIZ INC.

550 S. Hope Street, Suite 2850
Los Angeles, California 90071

PROXY STATEMENT
For
ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD ON NOVEMBER 14, 2013

INFORMATION ABOUT SOLICITATION AND VOTING

The Board of Directors of Cadiz Inc. (“the Company”) is soliciting proxies to be voted at the annual meeting of our stockholders to be held on Thursday, November 14, 2013, at the time and place and for the purposes set forth in the accompanying Notice of Annual Meeting of Stockholders. This proxy statement contains information that may help you decide how to vote. These proxy materials were mailed on or about October 14 , 2013, to all stockholders of record.

The Company’s Annual Report on Form 10-K for the year ended December 31, 2012, as amended, including audited financial statements, is being mailed to you with this proxy statement.

Record Date, Voting Securities and Quorum

The Board of Directors has fixed the close of business on September 23, 2013, as the record date for determination of stockholders entitled to notice of, and to vote at, the annual meeting.

On the record date, 15,452,756 shares of the Company’s common stock were outstanding. Holders of common stock are entitled to one vote per share. Only stockholders of record at the close of business on the record date will be entitled to vote.

The candidates for director receiving a plurality of the votes of the shares present in person or represented by proxy will be elected (Proposal 1). An affirmative vote of a majority of the shares present or represented by proxy and voting at the meeting is required for ratification of the Company’s independent registered public accounting firm (Proposal 2), approval of the Cadiz Inc. 2013 Equity Incentive Plan (Proposal 3) and approval of the issuance of our common stock upon the conversion of $53.5 million in convertible notes in excess of 19.99% of the total number of shares of our common stock outstanding at the time such notes were issued (Proposal 4). The affirmative vote of a majority of the shares present or represented by proxy and voting at the meeting is also required for passage of the non-binding advisory resolution approving the compensation of the Company’s name executive officers (Proposal 5). While the vote on Proposal 5 is advisory, and will not be binding on the Company or our Board of Directors, the Board of Directors will review the results of the voting on this resolution and take them into consideration when making future decisions regarding executive compensation as we have already done in this and previous years.

If you complete, sign, and date the enclosed proxy and return it before the meeting, the persons named will vote your shares as you specify in the proxy. If you sign, date, and return your proxy but do not indicate how you wish your shares voted, they will be voted for the proposals. If you do not return a signed proxy, or submit your vote via Internet or by phone, then your shares will not be voted unless you attend the meeting and vote in person.

To have a quorum, holders of a majority of all shares of voting stock outstanding on the record date must be present at the meeting, either in person or by proxy. Abstentions and "broker non-votes" - shares held by brokerage firms for their clients as to which the firms have not received voting instructions from their clients and therefore do not have the authority to vote - will be counted for purposes of determining a quorum, but will be treated as neither a vote "for" nor a vote "against" the proposals. However, because Proposals 2, 3, 4 and 5 require a majority of the shares present in person or by proxy at the meeting and entitled to vote on the proposal to pass, an abstention, because it is not a vote “for”, will have the effect of a negative vote with respect to these Proposals and could cause these Proposals not to pass.

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Brokers may no longer vote your shares on the election of directors in the absence of your specific instructions as to how to vote (Proposal 1). Brokers are also not authorized to vote your shares on Proposals 3, 4 or 5.The Company encourages you to provide instructions to your broker regarding the voting of your shares.

Revocability of Proxies

You may revoke a proxy any time before the voting begins in any of the following ways:

* By giving written notice to the Company's corporate secretary;

* By signing and delivering a later dated proxy; or

* By attending and voting in person at the meeting.

Cost of Solicitation

The Company is paying the expenses of this solicitation. If requested, we will also reimburse brokerage houses and other custodians, nominees and fiduciaries for their reasonable expenses in sending proxy material to principals and obtaining their instructions. In addition to solicitation by mail, our directors, officers, and employees may solicit proxies, without extra compensation, in person or by telephone, fax, e-mail, or similar means.

PROPOSAL 1

ELECTION OF DIRECTORS

The Board of Directors has nominated the nine persons listed below for election at the annual meeting to serve as directors for a term expiring at the 2014 Annual Meeting of Stockholders or until their respective successors are elected and qualified.

Keith Brackpool
Stephen E. Courter
Geoffrey Grant
Winston H. Hickox
Murray H. Hutchison
Raymond J. Pacini
Bryant R. Riley
Timothy J. Shaheen
Scott S. Slater

Each of the nominees currently serves as a director and has agreed to serve as such for another term if elected. The Board has reviewed the background of the nominees, as set out on the following page, and has determined to nominate each of the current Directors for re-election . Following the 2012 annual meeting, the Board contained a vacancy which was filled by the Board in April 2013 when Bryant R. Riley was named to the position. Proxies may not be voted for a greater number of persons than nine, representing the number of nominees named in this proxy statement.

The Board believes that each nominee has valuable individual skills and experience that, taken together, provides it with the variety and depth of knowledge, judgment and vision necessary to provide effective oversight of a resource development enterprise like ours. As indicated in the following biographies, the nominees have extensive and diverse experience in a variety of fields, including water policy (Mr. Brackpool, Mr. Slater and Mr. Shaheen), real estate development (Mr. Hutchison, Mr. Pacini, and Mr. Hickox), environmental stewardship (Mr. Hutchison and Mr. Hickox), agricultural development (Mr. Brackpool and Mr. Shaheen), capital raising (Mr. Brackpool, Mr. Pacini, Mr. Riley and Mr. Grant), public accounting (Mr. Pacini, Mr. Shaheen and Mr. Courter), and academia (Mr. Courter and Mr. Slater).

The Board also believes that, as indicated in the biographies, the nominees have demonstrated significant leadership skills as a chief executive officer (Mr. Brackpool, Mr. Hutchison, Mr. Shaheen, Mr. Pacini, Mr. Grant, Mr. Riley and Mr. Courter) or in government through Cabinet service (Mr. Hickox). All of the nominees have significant experience in the oversight of public companies due to their service as the Company's directors and directors of other companies. The Board believes that these skills and experiences qualify each nominee to serve as a director of the Company.

Proxies will be voted for the election of the nominees named above unless instructions are given to the contrary. Proxies cannot be voted for a greater number of persons than the number of nominees named. Should any nominee become unable to serve as a director, the persons named in the enclosed form of proxy will, unless otherwise directed, vote for the election of such other person as the present Board of Directors may designate to fill that position.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE "FOR" THE ELECTION OF EACH NOMINEE AS A DIRECTOR.

DIRECTORS AND EXECUTIVE OFFICERS

The following sets forth certain biographical information, the present occupation and the business experience for the past five years or more of each director who will stand for re-election at our 2013 Annual Meeting of Stockholders. We have no executive officer who is not also a director.

Nominees for Director:

Name	Age	Position with Cadiz
Keith Brackpool	56	Chairman of the Board
Stephen E. Courter	58	Director
Geoffrey Grant	53	Director
Winston H. Hickox	70	Director
Murray H. Hutchison	74	Director
Raymond J. Pacini	57	Director
Bryant R. Riley	46	Director
Timothy J. Shaheen	53	Director, Chief Financial Officer and Secretary
Scott S. Slater	55	Director, President and Chief Executive Officer

Keith Brackpool is a co-founder of the Company and Chairman of the Company's Board of Directors, a position he has held since 2001. Mr. Brackpool was appointed to the Board of Directors in 1986. Mr. Brackpool served as President of the Company from December 1991 until April 2011. Mr. Brackpool also served as Chief Executive Officer of the Company from December 1991 until January 31, 2013. In addition to his role with the Company, Mr. Brackpool is a member of the Board of Directors of the Stronach Group, North America's leading thoroughbred racing and gaming company, and Chairman of its West Coast operations. Mr. Brackpool is also currently a principal of 1334 Partners L.P., a partnership that owns commercial real estate in California. Mr. Brackpool has extensive experience in California public policy and, most recently, served on the California Horse Racing Board (CHRB) from September 2009 – January 2013, including a term as Chairman from 2010 – 2013. Previously, Mr. Brackpool was co-chair of California Governor Gray Davis' Agriculture and Water Transition Task Force and the Commission on Building for the 21st Century, a diverse panel that developed long-term policy proposals to meet the state's future water, housing, technology and transportation needs. Earlier in his career, Mr. Brackpool served as director and chief executive officer of North American Operations for Albert Fisher Group, a multi-billion dollar food company.

Stephen E. Courter was appointed a director of the Company effective October 9, 2008. Mr. Courter was originally appointed to the Board as a designee of LC Capital Master Fund for a term expiring at the 2009 annual meeting of stockholders. Mr. Courter is currently on the faculty of the McCombs School of Business, University of Texas at Austin ("McCombs"). Mr. Courter also serves as a director of Pointserve, a privately held information technology firm in Austin, Texas. Prior to joining the faculty of McCombs, Mr. Courter served as CEO and Director of Broadwing Communications from 2006 to 2007. Prior to holding that position, Mr. Courter served as CEO and Chairman of

NEON Communications from 2000 to 2006. Prior to 2000, Mr. Courter held various executive positions, both in the United States and Europe in several major telecommunication firms.

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Geoffrey Grant was appointed a director of the Company effective January 22, 2007. Mr. Grant is presently a Managing Partner and the Chief Investment Officer of Grant Capital Partners founded in 2008. Prior to founding Grant Capital Partners, Mr. Grant was a Managing Partner and the Chief Investment Officer of Peloton Partners LLP, a global asset management firm. Mr. Grant co-founded Peloton Partners LLP in 2005. Mr. Grant's career in financial markets spans 28 years beginning at Morgan Stanley in 1982 in foreign exchange options and currency derivatives, then with Goldman Sachs from 1989 to 2004 where he ultimately served as Head of Global Foreign Exchange and Co-head of the Proprietary Trading Group in London.

Winston Hickox was appointed a director of the Company effective October 2, 2006. Mr. Hickox is currently a partner at California Strategies, a public policy consulting firm. From 2004 to 2006 Mr. Hickox completed a two-year assignment as Sr. Portfolio Manager with the California Public Employees' Retirement System (CalPERS) where he assisted with the design and implementation of a series of environmentally oriented investment initiatives in the Private Equity, Real Estate, Global Public Equities, and Corporate Governance segments of the fund's $211 billion investment portfolio. Prior to his assignment at CalPers, from 1999 to 2003, Mr. Hickox served as Secretary of the California Environmental Protection Agency and a member of the Governor's cabinet. Mr. Hickox's environmental policy experience also includes membership on the board of the California League of Conservation Voters, including a four-year term as Board President (1990 - 1994); and two years on the boards of Audubon California and Sustainable Conservation (2004 - 2006). Additionally, Mr. Hickox is currently serving as a member of the board of Thomas Properties Group, a publicly traded full service real estate investment firm, and GRIDiant Corporation, a privately held corporation in the energy technology sector. Earlier in his professional career, Mr. Hickox was a partner and Managing Director with LaSalle Advisors, Ltd., a major force in the world's real estate capital markets, and a Managing Director with Alex Brown Kleinwort Benson Realty Advisors Corp., where he served as head of the firm's Portfolio Management Group.

Murray H. Hutchison was appointed a director of the Company in June 1997. He is also a member of the Board of Managers (an LLC's functional equivalent of a Board of Directors) of the Company's subsidiary, Cadiz Real Estate LLC. In his capacity as a manager of the LLC, he performs essentially the same duties on behalf of the LLC as he would as an outside director for a corporation. Since his retirement in 1996 from International Technology Corporation ("ITC"), a publicly traded diversified environmental management company, Mr. Hutchison has been self-employed with his business activities involving primarily the management of an investment portfolio. From 1976 to 1996, Mr. Hutchison served as Chief Executive Officer and Chairman of International Technology for ITC. Mr. Hutchison formerly served as Chairman of the Board of Texas Eastern Product Pipelines Company (TEPPCO), a publicly traded company operating in refined petroleum products, liquefied petroleum gases and petrochemical transportation and storage, prior to its acquisition by Enterprise Products Partners L.P. in October 2011. Mr. Hutchison formerly served as Lead Director on the board of Jack in the Box, Inc., a publicly traded fast food restaurant chain since May 1998 until February 2012. Mr. Hutchison serves as a director on the board of Cardium Therapeutics, Inc., a publicly traded medical technology company. Additionally, Mr. Hutchison serves as Chairman of the Huntington Hotel Corporation, owner of a privately owned hotel and office buildings, and as a director of several other non-publicly traded U.S. companies.

Bryant R. Riley was appointed a director of the Company effective April 15, 2013. Mr. Riley is Chairman of B. Riley & Co., LLC, a Los-Angeles-based brokerage and California Registered Investment Advisor founded in 1997. Mr. Riley also currently sits on the board of directors of two additional publicly traded companies, Great American Group (GAMR) and Strasbaugh (STRB), and is on the board of privately-held Lightbridge Communications Corp. Previously, Mr. Riley has held Board positions at Alliance Semiconductor Corporation, Aldila Inc., Carreker Corporation, DDI Corp., Integrated Silicon Solution, Inc., Celeritek, Inc., Kitty Hawk Inc., Mossimo Inc., SI Technologies, Inc., Silicon Storage Technologies, Trans World Entertainment and Transmeta Corp. Mr. Riley holds a Bachelor of Science in Finance from Lehigh University in Pennsylvania.

Raymond J. Pacini was appointed a director of the Company effective June 16, 2005. Since June 2013, Mr. Pacini has been the Chief Financial Officer of privately held Northbound Treatment Services, which helps young adults overcome addiction to drugs and alcohol. From May 1998 to March 2011, Mr. Pacini served as President, Chief Executive Officer and a Director of California Coastal Communities, Inc. (CALC), a residential land development and homebuilding company operating in Southern California which was formerly publicly traded. From July 1992 until May 1998, Mr. Pacini was the Chief Financial Officer of CALC (formerly known as Koll Real Estate Group, Inc. and Henley Properties, Inc.). Mr. Pacini also has seven years of experience with the accounting firm of Coopers & Lybrand (now known as PricewaterhouseCoopers LLP); and was a certified public accountant. In addition to his professional experience, Mr. Pacini is a member of the National Association of Corporate Directors and the Audit Committee Roundtable of Orange County.

Timothy J. Shaheen was appointed Chief Financial Officer and Secretary of the Company in November 2008, and has served as a director of the Company since March 1999. Effective April 12, 2011, Mr. Shaheen also serves as Chairman and Chief Executive Officer of the Board of Managers of Cadiz Real Estate LLC, a wholly-owned subsidiary of the Company. Mr. Shaheen is a private investor and principal of Difinity Capital Partners LLP. Mr. Shaheen is also the sole member and manager of AG Derivatives, L.L.C., which provided agricultural management consulting services to the Company in 2008. From September 1996 to April 2005, Mr. Shaheen served as the President, Chief Executive Officer and a director of Sun World International. Mr. Shaheen also served as a Governor appointee to the Los Angeles Regional Water Quality Control Board from 1999 through 2005 and as Chairman of the Food Security Task Force for the United Fresh Fruit and Vegetable Association from 2001 through 2003. Prior to joining Sun World, Mr. Shaheen served as a senior executive with Albert Fisher North America, a publicly traded international produce company from 1989 to 1996. Mr. Shaheen also has seven years of experience with the accounting firm Ernst & Young LLP; and is a certified public accountant.

Scott S. Slater is the Company’s President and Chief Executive Officer, appointed to the role of President in April 2011 and Chief Executive Officer effective February 1, 2013. In addition, Mr. Slater has been a member of the Company’s Board of Directors since February 2012. Mr. Slater is an accomplished negotiator and litigator and, in addition to his role at the Company, is a partner in Brownstein Hyatt Farber Schreck, the nation’s leading water practice firm. For 27 years, Mr. Slater’s practice has been limited to litigation and the negotiation of agreements related to the acquisition, distribution, and treatment of water. He has served as lead negotiator on a number of important water transactions, including the negotiation of the largest conservation-based water transfer in U.S. history on behalf of the San Diego County Water Authority. Mr. Slater is also the author of California Water Law and Policy, the state’s leading treatise on the subject, and has taught water law and policy courses at University of California, Santa Barbara, Pepperdine University, and the University of Western Australia, among others.

THE BOARD OF DIRECTORS

Directors of the Company hold office until the next annual meeting of stockholders or until their successors are elected and qualified. There are no family relationships between any directors or current officers of the Company. Officers serve at the discretion of the Board of Directors.

The Board of Directors is responsible for our management and direction and for establishing broad corporate policies, including our leadership structure. Assessing and managing risk is the responsibility of the management of the Company. Our Board of Directors oversees and reviews certain aspects of the Company’s risk management efforts. Annually, the Board reviews our strategic business plans, which includes evaluating the objectives of and risks associated with these plans.

Currently, Mr. Brackpool serves as Chairman of the Board and Mr. Slater serves as Chief Executive Office and President. Mr. Brackpool had previously served as Chairman and Chief Executive Officer from 2001 until January 31, 2013. The Board separated the capacities of Chairman and Chief Executive in January 2013 for the first time since 2001. The Board believes this change provides additional independence between the Board and management and will allow the Board to provide objective guidance and oversight to Mr. Slater and management as they execute the Company’s business plans, carry out the Company’s strategic initiatives, and confront any challenges. The separation of Chief Executive Officer and Chairman of the Board role at public companies has been recommended by proxy advisors, stockholder groups and American legislators to promote good corporate governance following the enactment in the United States of the 2002 Sarbanes-Oxley Act.

In addition, under its charter, the Audit Committee reviews and discusses with management the Company’s major financial risk exposures and the steps management has taken to monitor and control such exposures, including the Company’s risk assessment and risk management policies.

The Audit Committee is composed of Raymond J. Pacini, Stephen E. Courter, and Winston H. Hickox. The Board of Directors has determined that Mr. Pacini, a member of the Company’s Audit Committee, is an “audit committee financial expert” as that term is defined in Item 407(d)(5) of Regulation S-K under the Securities Act.

Director Independence

Messrs. Courter, Grant, Hickox, Hutchison and Pacini have all been affirmatively determined by the Board to be "independent" under all relevant securities and other laws and regulations, including those set forth in SEC and regulations and pertinent listing standards of the NASDAQ Global Market, as in effect from time to time. The Company's independent directors meet routinely in executive session without the presence of management. The Company does not have a lead independent director. However, the Board has appointed lead independent Directors for each of its key committees and maintains an overall majority of independent Directors to allow it to maintain effective oversight of management. In addition, the Board of Directors and various committees of the Board regularly meet to receive and discuss operating and financial reports presented by the Chief Executive Officer and other members of management as well as reports by experts and other advisors.

Independence of Committee Members

The Board maintains three committees, whose functions are described below. The Board has determined that all members of its committees are independent. Each committee maintains a written charter detailing its authority and responsibilities. These charters are reviewed periodically as legislative and regulatory developments and business circumstances warrant and are available in their entirety on the Company's website at http://www.cadizinc.com and to any stockholder otherwise requesting a copy.

Communications with the Board of Directors

Stockholders wishing to communicate with the Board, or with a specific Board member, may do so by writing to the Board, or to the particular Board member, and delivering the communication in person or mailing it to: Board of Directors c/o Timothy J. Shaheen, Corporate Secretary, Cadiz Inc., 550 S. Hope Street, Suite 2850, Los Angeles, California 90071.

Meetings and Committees of the Board of Directors

During the year ended December 31, 2012, the Board of Directors held four formal meetings, conferred on a number of occasions through telephone conferences, and took action, when appropriate, by unanimous written consent. All members of the Board of Directors were present at each formal meeting, with the exception of (i) Mr. Grant and Mr. Slater, who were each unable to attend one meeting. Mr. Riley was not named to the Board until April 2013 and therefore did not attend any meetings in 2012.

The Board of Directors has three standing committees, the Audit Committee, the Compensation Committee and the Corporate Governance and Nominating Committee, each of which is comprised entirely of directors whom the Board has affirmatively determined to be independent, as they meet the objective requirements set forth by the NASDAQ Global Market and the SEC, and have no relationship, direct or indirect, to the Company other than as stockholders or through their service on the Board.

The Audit Committee is responsible for (i) considering the adequacy of the Company's internal accounting control procedures, (ii) overseeing the Company's compliance with legal and regulatory requirements, (iii) reviewing the independent auditor's qualifications and independence, (iv) the appointment, compensation and oversight of all work performed by the independent registered public accounting firm and (v) overseeing the accounting and financial reporting processes of the Company and the audits of the financial statements of the Company. The Committee advises and makes recommendations to the Board of Directors regarding the financial, investment and accounting procedures and practices followed by the Company. The Committee operates under a written charter adopted by the Board of Directors, which is available on the Company's website at http://www.cadizinc.com and to any stockholder otherwise requesting a copy. The Audit Committee is currently composed of Mr. Pacini, Mr. Hickox and Mr. Courter. The Board has determined that all members of its Audit Committee are independent. The Audit Committee met five times during the year ended December 31, 2012. All the members of the Audit Committee were present at each meeting with the exception of Mr. Courter, who was unable to attend one meeting.

The Compensation Committee oversees compensation of the Chief Executive Officer and key executives and oversees regulatory compliance with respect to the Company's compensation matters. The Committee also oversees the Company's compensation policy applicable to senior management of the Company and advises and makes recommendations to the Board of Directors regarding the compensation of directors and executive officers. The Committee operates under a written charter adopted by the Board of Directors, which is available on the Company's website at http://www.cadizinc.com and to any stockholder otherwise requesting a copy. The Compensation Committee is currently composed of Mr. Hutchison, Mr. Pacini, Mr. Hickox, Mr. Courter and Mr. Grant. The Board has determined that all members of its Compensation Committee are independent. The Compensation Committee met one time during the year ended December 31, 2012. All the members of the Compensation Committee were present at the meeting with the exception of Mr. Courter, who was unable to attend the meeting.

The Corporate Governance and Nominating Committee is responsible for the establishment of procedures for the Committee's oversight of the evaluation of the Board and management. The Committee makes recommendations to the Board of corporate guidelines applicable to the Company. The Committee is also responsible for the identification and recommendation to the Board of qualified candidates for nomination to the Company's Board of Directors. The Committee will consider director candidates recommended by stockholders provided the nominations are received on a timely basis and contain all information relating to such nominee as is required to be disclosed in solicitations of proxies for elections of directors pursuant to Regulation 14A under the Securities Exchange Act of 1934, as amended, including such person's written consent to being named in the Proxy Statement as a nominee and to serve as a director if elected, the name and address of such stockholder or beneficial owner on whose behalf the proposed nomination is being made, and the class and number of shares of the Company owned beneficially and of record by such stockholder or beneficial owner. The Corporate Governance and Nominating Committee will consider nominees suggested by stockholders on the same terms as nominees selected by the Corporate Governance and Nominating Committee. The Corporate Governance and Nominating Committee believes that nominees for election to the Board of Directors must possess certain minimum qualifications. The Committee will consider a candidate's judgment, skill, diversity, experience with businesses and other organizations of comparable size, financial background, beneficial ownership of the Company, and the interplay of the candidate's experience with the experience of other Board members, among other factors, in assessing a candidate. Although the Committee does not have a formal diversity policy, it believes that diversity is an important factor in determining the composition of the Board. Except as set forth above, the Corporate Governance and Nominating Committee does not currently have a formal policy regarding the handling or consideration of director candidate recommendations received from a stockholder, or a formal process for identifying and evaluating nominees for directors (including nominees recommended by stockholders). These issues will be considered by the Corporate Governance and Nominating Committee, which will then make a recommendation to the Board. The Corporate Governance and Nominating Committee operates under a written charter adopted by the Board of Directors, which is available on the Company's website at http://www.cadizinc.com and to any stockholder otherwise requesting a copy. The Corporate Governance and Nominating Committee is currently composed of Mr. Hutchison, Mr. Pacini, Mr. Hickox and Mr. Grant. The Board has determined that all members of its Corporate Governance and Nominating Committee are independent. The Corporate Governance and Nominating Committee met one time during the year ended December 31, 2012. All the members of the Corporate Governance and Nominating Committee were present at the meeting.

The Company does not have a policy regarding director attendance at our annual meetings. Mr. Shaheen was the only director in attendance at the Company’s 2012 Annual Meeting of Stockholders.

CODE OF ETHICS

The Company has adopted a code of ethics that applies to all of our employees, including the chief executive officer and chief financial officer. A copy of the code of ethics may be found on the Company’s website at http://www.cadizinc.com. Any employee who becomes aware of any existing or potential violation of the code of ethics is required to report it. Any waivers from and amendments to the code of ethics granted to directors or executive officers will be promptly disclosed on the Company's website at http://www.cadizinc.com.

COMPENSATION DISCUSSION AND ANALYSIS

Overview

The Company's compensation policies and practices are developed and implemented through the Compensation Committee of the Board of Directors. The Committee's responsibility is to review and consider annually the performance of the Company's named executive officers in achieving both corporate and individual goals and objectives, and to assure that the Company's compensation policies and practices are competitive and effective in incentivizing management.

The Compensation Discussion and Analysis section provides a description of the primary elements of the Company's fiscal year 2012 compensation program and policies for the following individuals, who are referred to throughout this proxy statement as our named executive officers:

- Keith Brackpool, Chief Executive Officer and Chairman
- Scott Slater, President and General Counsel
- Timothy Shaheen, Chief Financial Officer

Effective February 1, 2013, Mr. Slater assumed the role of President and Chief Executive Officer, while Mr. Brackpool remained solely as Chairman.

Compensation committee activities in 2012 included:

- Evaluating the performance of the Company's executive officers;
- Reviewing and approving the total compensation and benefits of the Company's executive officers, including cash compensation and long-term incentive compensation; and
- Reviewing and amending guidelines and standards regarding the Company's compensation practices and philosophy.

For the Company's named executive officers, other than Mr. Brackpool, the committee established compensation levels based, in part, on the recommendations of Mr. Brackpool as Chief Executive Officer.

This section should be read in conjunction with the "Summary Compensation Table" and related tables pertaining to the compensation earned in 2012 by the named executive officers presented in this proxy statement under the caption "Executive Compensation".

Compensation Philosophy

The Company's business plan and goals have historically been and continue to be linked to the development of the Cadiz Valley Water Conservation, Recovery and Storage Project ("Project", "Cadiz Project", "Water Project"). The Company's annual cash resources are focused on funding the completion of the development process. Due to the long-term nature of developing this project, the progress made by the Company in the development of the Project and our land and water resources does not bear a direct relationship to quarterly and annual results of operations

It is critical to the development of the Project that the Company attracts and retains well-qualified executives familiar with the water sector and long-term infrastructure project development. As a result, the Company's executive compensation programs seek to maintain a competitive annual salary structure while emphasizing long-term incentives that are connected to the ultimate implementation of the Project. These programs strive to align the interests of the executive officers and management with those of the Company's stockholders through the use of equity-based programs. In doing so, the Company intentionally reduces the risk that executives will place too much focus on short-term achievements to the detriment of the long-term goals of the Company.

Elements of Compensation

The Company's compensation program has four primary components: cash salary, performance-based cash awards, long-term incentives through equity stock awards, and benefits. Each element of the Company's compensation program has been specifically chosen to reward, motivate and incentivize the executives of the Company through the development of the Project. The Compensation Committee determines the amount for both total compensation and each compensation element through discussions with the Company's management, consideration of benchmarking data, past performance and future corporate and individual objectives.

The four basic elements of compensation, described in further detail below, are:

- CASH SALARY. Base cash salaries for the Company's named executives are determined by the Compensation Committee depending on a variety of factors including the scope of their responsibilities, their leadership skills and values, their performance and length of service. Cash salaries for our named executive officers are intended to create a minimum level of compensation that is competitive with other companies deemed comparable, depending on the prior experience and position of the executive. Decisions regarding salary increases are affected by the named executive's current salary and the amounts paid to their peers within and outside the Company.

- PERFORMANCE BASED CASH AWARDS. The Compensation Committee believes that it is important to offer cash incentives to executives for the achievement of specified objectives that yield increased value for stockholders and will utilize performance based cash awards from time to time to provide additional incentives.

- LONG-TERM INCENTIVES. The primary form of incentive compensation that is offered to the Company's executives consists of long-term incentives in the form of equity awards. The use of such long-term incentives is intended to focus and align goals of Company executives with those of stockholders and creates a direct interest in the results of operations, long-term performance and achievement of the Company's long-term goals.

- BENEFITS. The Compensation Committee also incorporates retirement, insurance, termination and severance benefits in the compensation program for executive officers. These benefits are offered to retain top executives, maintain their health and wellness and remain competitive in the industry. The retirement and insurance benefits are consistent with those benefits offered more broadly to the Company's employees.

The Company's overall compensation packages for our named executive officers currently emphasize equity incentives due to the long-term development timelines of our projects and the focus of the Company on achieving the implementation of these projects. Even with the emphasis on long-term incentives, the Company's overall compensation is established at a level comparable to our peer group of companies, which share a similar focus on long-term development of assets.

Changes Following Advisory Vote on Executive Compensation at 2011 Annual Meeting

At the 2011 Annual Meeting, stockholders voted on an advisory, non-binding measure on the overall compensation programs of the Company, also referred to as Say on Pay ("SOP"). While less than 55% of stockholders cast votes on the measure, a majority of those that voted did not approve the measure.

Although the SOP proposal was advisory and non-binding, the Company extensively evaluated the outcome and sought to improve communications with our stockholders about the goals and objectives of the compensation program following the vote. The Company outreached to our major institutional stockholders to discuss our compensation objectives and to encourage voting on the measure at future annual meetings. In addition, the Company reviewed reports issued by proxy advisory services, which assess corporate compensation policies, for guidance on potential improvements to our compensation programs and presentation of its policies. As a result of this due diligence, the

Company incorporated a Peer Group analysis, benchmarking and performance objectives into our compensation program among other items.

Following these efforts, 77% of stockholders voting on the SOP proposal at the 2012 Annual Meeting approved of the measure. Since the 2012 meeting, the Company has also gathered additional input from stockholders and, effective February 1, 2013, the Company changed our governance structure to separate the Chief Executive Officer and Chairman roles thereby establishing greater independence between the Board and management.

Based on discussions with stockholders, the Company has also made plans to reduce the cash salary compensation of our executive officers in order to preserve the Company's cash resources until Water Project implementation. Subject entirely to stockholder approval of the 2013 Equity Incentive Plan (the "2013 Plan") ("Proposal 3") at the 2013 Annual Meeting, the cash salary for Mr. Brackpool and Mr. Shaheen will be reduced and their compensation package will prioritize performance-based equity compensation (See "Proposal 3"). If the 2013 Plan fails to earn stockholder approval, the employment agreements now in effect will continue to govern.

Use of Peer Group

Our main asset consists of a large land position in Southeastern California and our business is primarily focused on the permitting of a water supply and storage project at our unique Cadiz Valley, California property. Because no other company is similarly situated, it is difficult to identify directly comparable peer companies.

However, for guidance on the pay mix and compensation package of our named executive officers, we have identified a peer group of companies operating in the property and asset development sectors, specifically companies with comparable market capitalization and an emphasis on the development of property and real estate in the Southwestern United States. The peer group includes the following companies:

- AV Homes, Inc.
- HomeFed Corporation
- Limoneira Company
- PICO Holdings, Inc.
- Tejon Ranch Co.
- Thomas Properties Group, Inc.

Benchmarking

The Compensation Committee believes it is important to understand and analyze the current compensation programs of other companies when making compensation decisions. We traditionally consider the compensation programs of our peers when determining compensation for the named executive officers. This year the Committee reviewed internally prepared surveys and other publicly available information for our peer group companies and compared the components of our compensation program for the executive officers with those of the peer group.

Due to the Company's unique business plan and current focus on development of the Water Project, the Compensation Committee exercises its discretion in determining compensation packages that may differ from the peer group. Nevertheless, the peer group is instructive in assessing elements of compensation and structure for similarly situated companies.

While the Company's current compensation program for our executive officers is different than our peers due to the Company's focus on the Water Project, the Committee found our total compensation of our Chief Executive Officer was below the mean of the peer group and is competitive with the peer group.

Performance Objectives

The Committee emphasizes performance objectives for executives when granting long-term equity compensation awards from existing plans as recommended following the 2011 SOP outcome. Currently, as described above, the Company is focused on the performance of objectives related to implementation of the Water Project and fixes equity grants to satisfaction of such project development objectives including both restrictions as to sale and on a vesting schedule commensurate with the anticipated Water Project development timeline.

Elements of 2012 Compensation

1. SALARY. In evaluating base salaries for 2012, the Compensation Committee believed it was important to continue to emphasize long-term incentives, while also maintaining competitive base salary compensation. In 2012, Mr. Brackpool's annual base salary remained the same as in 2010 and 2011. Mr. Shaheen's annual base salary was increased by 10% to $330,000.

2. CASH AWARDS. While the Compensation Committee currently believes that equity based awards rather than cash based awards allow the Company to better preserve our existing cash resources and, accordingly, has relied primarily upon the grant of equity based awards to reward executive performance (see "Long-Term Incentives") of named executive officers, the Compensation Committee also believes that it is important to offer cash incentives to executives for the achievement of specified objectives that yield increased value for stockholders and to reduce the tax burdens associated with the issuance of restricted equity based awards.

For 2012, the Committee considered performance objectives in the development timelines of our projects, while also taking into account that long-term incentives including restricted stock and options have already been put in place during the prior two years through issuances from the 2009 Incentive Plan. Objectives in 2012 included:

- Completion and approval of the Environmental Impact Report for the Water Project by the Santa Margarita Water District;
- Completion and approval of the Groundwater Management, Monitoring and Mitigation Plan by the County of San Bernardino;
- Further the development of other Company-owned real estate and water resources; and
- Obtain the financing necessary to continue to invest in the further development of our water related assets.

Based on the progress made towards achieving the Company's development objectives and in recognition of the tax burdens described above, cash based awards in 2012 consisted of a $300,000 cash award granted to Mr. Brackpool and a $200,000 cash award granted to Mr. Shaheen. Both cash awards were granted in February 2012.

3. LONG-TERM INCENTIVES. As described above, the Committee has chosen to rely primarily upon equity instruments, such as restricted stock and options, in designing compensation packages for executives. The Committee views the grant of equity based awards as an incentive for future performance since the value of these equity based awards will increase as the Company's stock price increases, thereby satisfying the Committee's goal of linking executive compensation to share price appreciation over the longer term and promoting the retention of the key executives throughout the development process of our projects. The Committee is conscious of the potential dilutive effect arising from the use of equity incentives and tries to limit issuances to maintain appropriate ratios of overall ownership levels in the Company from year to year.

In order for us to utilize equity based awards as our primary form of incentive compensation and maintain alignment with the goals of stockholders, the Committee and the Board have created plans subject to stockholder approval. The Company's most recent equity incentive program (the "2009 Incentive Plan") was approved by stockholders at the Company's 2009 Annual Meeting. The 2009 Incentive Plan reserved 850,000 shares for issuance;

the plan currently has no shares available for issuance.

The Committee did not award restricted stock or options to the Company's named executive officers in 2012 and has authored the new 2013 Plan (being considered for approval at the 2013 Annual Meeting) that better aligns the Company's current objectives with equity incentive awards (See "Proposal 3"). Implementation of the 2013 Plan is expressly contingent upon the Company obtaining stockholder approval prior to December 31, 2013.

4. BENEFITS. Per the employment agreements described below, Mr. Brackpool and Mr. Shaheen continued to receive retirement and insurance benefits as part of their compensation packages in 2012. Termination and severance terms are adjusted annually in Mr. Brackpool's and Mr. Shaheen's employment agreements.

Compensation Events Occurring in 2013

The Compensation Committee utilized cash based awards in April 2013, consisting of a $250,000 discretionary cash award that was granted to Mr. Brackpool and a $200,000 discretionary cash award that was granted to Mr. Shaheen. The Committee considered performance objectives related to the development timelines of the Company's projects when granting these 2013 awards, including the successful completion of the March 2013 working capital raise and debt refinancing.

The Committee also continued to take into account the tax burdens placed on Mr. Brackpool and Mr. Shaheen as a result of the prohibitions on sale associated with their restricted stock grants received as long-term incentive compensation through issuances from the 2009 Incentive Plan.

Additionally in 2013, Mr. Brackpool's cash base salary was decreased by 31% per annum beginning April 13, 2013 and Mr. Shaheen's cash base salary was increased by 6% beginning April 13, 2013. The reduction of Mr. Brackpool's salary reflected his change in responsibilities following the assumption of the Chief Executive Officer role by Mr. Slater on February 1, 2013.

Contingent 2013 Employment Agreements Pending Stockholder Approval of the 2013 Equity Incentive Plan

In connection with the adoption, and subject to obtaining stockholder approval, of the 2013 EIP, the Company will enter into new employment agreements with Messrs. Brackpool and Shaheen. If the stockholders timely approve the 2013 EIP plan, Mr. Brackpool and Mr. Shaheen will reduce their base salary for 2014, 2015 and 2016 (from $275,000 to $0 in the case of Mr. Brackpool, and from $350,000 to $210,000 in the case of Mr. Shaheen) in exchange for an annual grant of restricted stock units in 2014, 2015 and 2016 (65,000 restricted stock units per year in the case of Mr. Brackpool, and 35,000 restricted stock units per year in the case of Mr. Shaheen, representing 300,000 shares in the aggregate) that would generally vest over the period services are provided following the date of grant ("See Agreements Governing Compensation" and "Proposal 3"). In addition, Mr. Brackpool and Mr. Shaheen would each be eligible to receive a milestone award of 100,000 shares of the Company's common stock once construction financing necessary for the implementation of the Water Project, as defined in the approved Final Environmental Impact Report, is secured (200,000 shares in the aggregate if both milestone awards are granted). Mr. Slater's employment arrangements are unaffected by Proposal 3, and will remain the same whether or not Proposal 3 is adopted.

Current Agreements Governing Compensation

The employment agreements described below will continue to govern if stockholders do not approve the 2013 Plan prior to December 31, 2013.

Mr. Keith Brackpool entered into an amended and restated employment agreement effective May 22, 2009. The Compensation Committee considered Mr. Brackpool's ongoing overall responsibility for the Company's performance and development of our properties when entering into this employment agreement. In particular, the Compensation Committee took into consideration that Mr. Brackpool, as Chief Executive Officer, had primary responsibility for overseeing the development of the Company's land and water assets; identifying sources of financing for the Company's working capital needs and for the Water Project, and negotiating the terms of such financings; and identifying additional development opportunities (e.g. water transportation, renewable energy) and leading the Company's efforts to pursue such additional development opportunities. Under this amended and restated agreement, in January 2011, Mr. Brackpool received 100,000 restricted shares of common stock under the 2009 Incentive Plan, pursuant to a contractual agreement not to sell any of these shares for a period of three years ending on January 10, 2014. Mr. Brackpool's base salary in 2012 was $400,000. In February 2012, Mr. Brackpool also received a discretionary cash award in the amount of $300,000. Effective April 13, 2013, Mr. Brackpool's base salary was decreased to $275,000 per annum, reflecting the reduction in his responsibilities following the naming of Mr. Slater as Chief Executive Officer and President, while Mr. Brackpool remained as Chairman.

Mr. Scott S. Slater has served with the Company since November 2008 pursuant to an agreement with the law firm Brownstein Hyatt Farber and Schreck LLP ("Brownstein"), where Mr. Slater is also a shareholder. The terms of the Company's agreement with Brownstein are detailed in exhibit 10.37 to the Company's Form 10-K filed March 15, 2013. From 2008 – 2012, Mr. Slater was primarily focused on the development of the Company's Water Project and did not receive a base salary from the Company for his role as General Counsel (2008 – 2012) and President (2011 – 2012). Under the agreement, Mr. Slater's compensation from the Company consisted exclusively of long-term incentives due to the nature of the development of the Water Project. In April 2011, Mr. Slater received options to purchase 100,000 shares of common stock at an exercise price of $12.51 per share under the Company's 2009 Incentive Plan with such options vesting 1/3 when issued, 1/3 in April 2012 and 1/3 in April 2013. On February 1, 2013, Mr. Slater was named Chief Executive Officer and President. As a result, Mr. Slater's employment arrangements were amended to reflect the broadening of his responsibilities and leadership role over all of the Company's asset development initiatives. In consideration of Mr. Slater's agreement to serve as Chief Executive Officer and President, Mr. Slater will receive an annual base salary from the Company of $300,000 effective February 1, 2013.

The Company's Chief Financial Officer, Mr. Tim Shaheen, entered into a formal employment agreement with the Company effective May 22, 2009. Mr. Shaheen serves as the Principal Financial Officer of the Company and as Chairman and Chief Executive of the Board of Managers of Cadiz Real Estate LLC, our subsidiary holding title to the Company's land and water assets. Mr. Shaheen also oversees the Company's agricultural operations. The employment agreement provides for a base salary as well as for Mr. Shaheen's participation in a Long Term Transaction Incentive Plan and allows for his participation in other management incentive programs that the Board may adopt, including discretionary annual bonuses. Pursuant to the agreement, Mr. Shaheen's annual base salary was $300,000 until February 14, 2012, at which time it was increased to $330,000 per annum. In January 2011, Mr. Shaheen received 40,000 restricted shares of common stock under the 2009 Incentive Plan, pursuant to a contractual agreement not to sell any of these shares for a period of three years ending on January 10, 2014. In February 2012, Mr. Shaheen received a discretionary cash award in the amount of $200,000.

Severance and Change in Control Provisions

The Company's compensation arrangements with Messrs. Brackpool and Shaheen provide for certain severance provisions and benefits associated with various termination scenarios, as well as certain vesting acceleration for equity-based compensation in the event of a change-in-control. The severance and change in control provisions were determined largely by negotiations between the parties as one of the many elements of a larger negotiation involving the particular executive's employment or consulting agreement with the Company. These agreements are designed to be competitive in the marketplace and provide security for these executives in the event that the Company is acquired and their position is impacted. This will allow the Company’s executives to consider and implement transformative transactions of significant benefit to our stockholders without undue concern over their own financial situations.

A summary of the severance and change-in-control provisions applicable to compensation arrangements with the Company's executive officers named in the Summary Compensation Table, along with a quantification of the benefits available to each named officer as of December 31, 2012, can be found in the section captioned "Potential Payments upon Termination or Change in Control".

Tax and Accounting Considerations

Impact of Code Section 162(m)

The Compensation Committee has considered the impact of provisions of the Internal Revenue Code of 1986, specifically Code Section 162(m). Section 162(m) limits to $1 million the Company's deduction for compensation paid to each of our executive officers, which does not qualify as "performance based".

Shares of stock issued to executives under the 2009 Incentive Plan and an earlier 2007 Incentive Plan do not qualify as performance-based compensation, and therefore, the portion of the compensation expense related to the Plans that exceeds $1 million is not deductible.

In light of the Company's federal and state net operating loss carryforwards of approximately $124.5 million and $92.2 million as of December 31, 2012, respectively, we do not expect the tax deductions lost as a result of the application of Section 162(m) to have a material impact upon the Company's financial results.

COMPENSATION COMMITTEE REPORT

The Compensation Committee has reviewed and discussed the foregoing Compensation Discussion and Analysis with management of the Company. Based on this review and discussion, we recommend to the Board of Directors that the Compensation Discussion and Analysis be included in this proxy statement.

THE COMPENSATION COMMITTEE

Murray H. Hutchison, Chairman
Stephen E. Courter
Geoffrey Grant
Winston H. Hickox
Raymond J. Pacini

The foregoing report shall not be deemed incorporated by reference by any general statement incorporating by reference this statement into any filing under the Securities Act of 1933 or under the Securities Exchange Act of 1934, except to the extent that the Company specifically incorporates this information by reference, and shall not otherwise be deemed filed under such Acts.

EXECUTIVE COMPENSATION

Summary Compensation Table

The following table shows the compensation awarded to, earned by, or paid during the years ended December 31, 2012, 2011 and 2010, to the Company's former chief executive officer and current Chairman, our chief financial officer and our current chief executive officer and president.

Name and Principal Position(1)	Year	Salary ($)	Bonus ($)	Stock Awards(2) ($)	Option Awards(2) ($)	All Other Compensation(3) ($)	Total ($)
Keith Brackpool	2012	400,000	300,000	-	-	49,806	749,806
Chairman and	2011	400,000	-	727,000	260,944	54,402	1,442,346
Principal Executive Officer	2010	400,000	-	573,750	1,304,736	46,155	2,324,641
Timothy J. Shaheen	2012	325,714	200,000	-	-	14,718	540,432
Principal	2011	300,000	-	290,800	130,472	12,963	734,235
Financial Officer and Secretary	2010	300,000	-	202,500	652,368	20,400	1,175,268
Scott Slater	2012	-	-	-	212,114	-	212,114
President(4)	2011	-	-	-	600,998	-	600,998
	2010	-	-	-	-	-	-

(1) The executive officers listed in the Summary Compensation Table above were the Company's only executive officers during the year ended December 31, 2012.

(2) This column discloses the dollar amount of compensation cost recognized for the respective fiscal year in accordance with FAS123R. The assumptions used for determining the value of stock awards and options are set forth in the relevant Cadiz Inc. Annual Report to Stockholders in Note 10 to the Consolidated Financial Statements, "Stock-Based Compensation Plans and Warrants".

(3) All Other Compensation includes a 401k match that is generally available to all employees. Messrs. Brackpool and Shaheen received $15,577 and $12,856, respectively, in 401k matching contributions in 2012. In 2012, Mr. Brackpool's Other Compensation also includes $32,024 of company paid expenses related to a leased automobile and $2,205 related to life insurance. Mr. Shaheen's Other Compensation for 2012 includes $1,862 in a car allowance. The value of perquisites for each of the other executive officers was less than $10,000, and thus no amount relating to perquisites is included in the Summary Compensation Table.

(4) Mr. Slater was appointed President of the Company on April 12, 2011, replacing Mr. Brackpool in this position. Effective February 1, 2013, Mr. Slater assumed the additional role of Chief Executive Officer, replacing Mr. Brackpool in this position. Mr. Brackpool remains as Chairman of the Board of Directors.

Grants of Plan-Based Awards

Neither equity awards nor non-equity incentive plan awards were granted to the Company's named executive officers during fiscal year 2012.

Outstanding Equity Awards at Fiscal Year

The following table sets forth certain information concerning outstanding stock and option awards as of December 31, 2012, for each named executive officer.

	Option Awards				Stock Awards	
Name	Securities Underlying Unexercised Options (#) Exercisable	Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price ($)	Option Expiration Date	Shares of Stock That Have Not Vested (#)	Market Value of Shares That Have Not Vested ($)
Keith Brackpool	100,000(1)	-	12.00	5/4/15	-	-
	200,000(2)	-	11.50	1/14/20	-	-
Timothy J. Shaheen	100,00(2)	-	11.50	1/14/20	-	-
Scott Slater	66,667(2)	33,333(2)	12.51	4/12/21		