

UPDATE ON THE SEC'S NEW PROXY DISCLOSURE ENHANCEMENTS

HOLME ROBERTS & OWEN LLP

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Examples – Director Qualifications, Leadership Structure and Diversity

Analog Devices, Inc. – Proxy Statement (Feb. 3, 2010)

Director Candidates

Criteria and Diversity

In considering whether to recommend any candidate for inclusion in the Board's slate of recommended director nominees, including candidates recommended by shareholders, the Nominating and Corporate Governance Committee will apply the criteria set forth in Analog Devices' Corporate Governance Guidelines. These criteria include the candidate's integrity, business acumen, age, experience, commitment, diligence, conflicts of interest and the ability to act in the interests of all shareholders. Our Corporate Governance Guidelines specify that the value of diversity on the Board should be considered by the Nominating and Corporate Governance Committee in the director identification and nomination process. The Committee seeks nominees with a broad diversity of experience, professions, skills, geographic representation and backgrounds. The Committee does not assign specific weights to particular criteria and no particular criterion is necessarily applicable to all prospective nominees. Analog Devices believes that the backgrounds and qualifications of the directors, considered as a group, should provide a significant composite mix of experience, knowledge and abilities that will allow the Board to fulfill its responsibilities. Nominees are not discriminated against on the basis of race, religion, national origin, sexual orientation, disability or any other basis proscribed by law.

Board of Directors Meetings and Committees

Board Leadership Structure

We separate the roles of CEO and Chairman of the Board in recognition of the differences between the two roles. The CEO is responsible for setting the strategic direction for the Company and the day to day leadership and performance of the Company, while the Chairman of the Board provides guidance to the CEO and sets the agenda for Board meetings and presides over meetings of the full Board. Because Mr. Stata, our Chairman, is an employee of the Company and is therefore not "independent," our Board of Directors has appointed the Chairman of our Nominating and Corporate Governance Committee, John Doyle, as "presiding director" to preside at all executive sessions of "non-management" directors, as defined under the rules of the NYSE. The Board generally holds executive sessions twice a year.

Eli Lilly & Co. – Preliminary Proxy Statement (Feb. 8, 2010)

Director Qualifications

The board seeks independent directors who represent a mix of backgrounds and experiences that will enhance the quality of the board's deliberations and decisions. Candidates shall have substantial experience with one or more publicly traded national or multinational companies or shall have achieved a high level of distinction in their chosen fields.

Board membership should reflect diversity in its broadest sense, including persons diverse in geography, gender, and ethnicity. The board is particularly interested in maintaining a mix that includes the following backgrounds:

- active or retired chief executive officers and senior executives, particularly those with experience in operations, finance, accounting, banking, or marketing and sales
- international business
- science and medicine
- government and public policy
- health care system (public or private)

[Discussion of current directors' qualifications to be added]

Presiding Director

The board annually appoints a presiding director from among the independent directors (currently Ms. Horn). The presiding director:

- leads the board's processes for selecting and evaluating the chief executive officer;
- presides at all meetings of the board at which the chairman is not present, including executive sessions of the independent directors unless the directors decide that, due to the subject matter of the session, another independent director should preside;
- serves as a liaison between the chairman and the independent directors;
- approves meeting agendas and schedules and generally approves information sent to the board;
- has the authority to call meetings of the independent directors; and
- has the authority to retain advisors to the independent directors.

Fortune Brands – Preliminary Proxy Statement (Feb. 5, 2010)

Board Leadership Structure

The Board believes that the Company's Chief Executive Officer is best situated to serve as Chairman because he is the director most familiar with the Company's business and industry, and most capable of effectively identifying strategic priorities and leading the discussion and execution of strategy. Independent directors and management have different perspectives and roles in strategy development.

The Company's independent directors bring experience, oversight and expertise from outside the company and industry, while the Chief Executive Officer brings company-specific experience and expertise. The Board believes that the combined role of Chairman and Chief Executive Officer promotes strategy development and execution, and facilitates information flow between management and the Board, which are essential to effective governance.

One of the key responsibilities of the Board is to develop strategic direction and hold management accountable for the execution of strategy once it is developed. The Board believes the combined role of Chairman and Chief Executive Officer, together with an independent Lead Director having the duties described below, is in the best interest of stockholders because it provides the appropriate balance between strategy development and independent oversight of management.

Lead Director

David M. Thomas, an independent director who serves as Chairman of the Audit Committee, was selected by the Board to serve as the Lead Director for all meetings of the non-management directors held in executive session. The Lead Director has the responsibility of presiding at all executive sessions of the Board, consulting with the Chairman and Chief Executive Officer on Board and committee meeting agendas, acting as a liaison between management and the non-management directors, including maintaining frequent contact with the Chairman and Chief Executive and advising him or her on the efficiency of the board meetings, facilitating teamwork and communication between the non-management directors and management, as well as additional responsibilities that are more fully described in the Company's Corporate Governance Principles.

Hovanian Enterprises, Inc. – Proxy Statement (Feb. 1, 2010)

Board of Directors — Composition

The Board of Directors seeks to ensure that the Board of Directors is composed of members whose particular experience, qualifications, attributes and skills, when taken together, will allow the Board of Directors to satisfy its oversight responsibilities effectively. As discussed below under "Corporate Governance and Nominating Committee" on page 7, a slate of Directors to be nominated for election at the annual shareholders' meeting each year is approved by the Board of Directors after recommendation by the Corporate Governance and Nominating Committee. In the case of a vacancy on the Board of Directors (other than one resulting from removal by shareholders), the Board of Directors approves a Director to fill the vacancy following the recommendation of a candidate by the Chairman of the Board. In identifying candidates for Director, the Corporate Governance and Nominating Committee and the Board of Directors takes into account (1) the comments and recommendations of board members regarding the qualifications and effectiveness of the existing Board or Directors or additional qualifications that may be required when selecting new board members that may be made in connection with the self-examinations described below under "Corporate Governance and Nominating Committee" on page 7, (2) the requisite expertise and sufficiently diverse backgrounds of the Board of Directors' overall membership composition, (3) the independence of outside Directors and other possible conflicts of interest of existing and potential members of the Board of Directors and (4) all other factors it considers appropriate. Although the Company has no policy regarding diversity, the charter of the Corporate Governance and Nominating Committee includes a statement that it and the Board of Directors believe that diversity is an important component of a board of directors, including such factors as background, skills, experience, expertise, gender, race and culture.

When considering whether directors and nominees have the experience, qualifications, attributes and skills, taken as a whole, to enable the Board of Directors to satisfy its oversight responsibilities effectively in light of the Company's business and structure, the Corporate Governance and Nominating Committee and the Board of Directors focused primarily on the information discussed in each of the Directors' individual biographies set forth below on pages 5 and 6. In particular, with regard to Mr. Coutts, the Board of Directors considered his strong background in the manufacturing sector, believing that his experience with a large multinational corporation engaged in the manufacture of complicated products is invaluable in evaluating the multiple integrated processes in the homebuilding business and also valuable in performance management and other aspects of the Company. With regard to Messrs. Kangas and Robbins, the Board of Directors considered their significant experience, expertise and background with regard to accounting matters, which in Mr. Robbins' case includes specialization in homebuilding companies. The Board of Directors also considered the broad perspective brought by Mr. Kangas's experience in consulting to clients in many diverse industries. With regard to Mr. Marengi, the Board of Directors considered his strong background in the technology sector, since new technologies and their cost and benefit analyses are important factors in the success of the Company. With regard to Mr. Weinroth, the Board of Directors considered his many years of experience in the investment banking field, which is very valuable to the Company as it works through refinancing of its debt and in the evaluation of various financing alternatives presented to the Company. The Board of Directors also considered the many years of experience with the Company represented by Messrs. A. Hovnanian and Sorsby, our Chief Executive Officer and Chief Financial Officer, respectively – over thirty years in the case of Mr. A. Hovnanian, and over twenty years in the case of Mr. Sorsby.

OVERSIGHT OF RISK MANAGEMENT

The Company is exposed to a number of risks and undertakes at least annually an Enterprise Risk Management review to identify and evaluate these risks and to develop plans to manage them effectively. The Company's Executive Vice President and Chief Financial Officer, Mr. Sorsby (who is himself a member of the Board of Directors) is directly responsible for the Company's Enterprise Risk Management function and reports both to the President and Chief Executive Officer and to the Audit Committee in this capacity. In fulfilling his risk management responsibilities, the CFO works closely with members of senior management, including the Senior Vice-President and General Counsel, Vice-President of Risk Management, Senior Vice-President of Human Resources, Vice-President of Information Services, Vice-President of Audit Services, and others.

On behalf of the Board of Directors, the Audit Committee plays a key role in the oversight of the Company's Enterprise Risk Management function. In that regard, the CFO meets with the Audit Committee at least four times a year to discuss the risks facing the Company, highlighting any new risks that may have arisen since they last met. The Audit Committee also reports to the Board of Directors on a regular basis to apprise them of their discussions with the CFO regarding the Company's Enterprise Risk Management efforts. Finally, the CFO reports directly to the Board of Directors on at least an annual basis to apprise them directly of the Company's Enterprise Risk Management efforts.

LEADERSHIP STRUCTURE

From 1997 to 2009 the Company had separate individuals serving as Chairman of the Board and as Chief Executive Officer. This structure reflected the continuing strong leadership, energy and passion brought to the Board of Directors by our founder, Mr. K. Hovnanian, and the day-to-day management direction of the Company under Mr. A. Hovnanian as President and CEO. Following the death of Mr. K. Hovnanian in September 2009, the Board of Directors appointed Mr. A. Hovnanian to the additional position of Chairman, believing that his more than 30 years of service to the Company, vast industry

experience and close relationship with our founder uniquely qualified him for this role. The Board of Directors believes that combining these positions under Mr. A. Hovnanian's leadership will enable him to carry on the tradition of a strong leader that has always marked this family-controlled company and to successfully navigate the Company through the current challenging economic environment, as well as future challenges.

Although the Board of Directors has not formally designated a lead independent Director, Mr. Kangas, the chairman of the Audit Committee, serves as the Director to whom correspondence may be directed on behalf of both the Board of Directors and the non-employee Directors, as described above under "Corporate Governance" on pages 44 and 45.

Schlumberger Limited (Schlumberger N.V.) – Preliminary Proxy Statement (Feb. 10, 2010)

Board Leadership Structure; Independent Lead Director

Andrew Gould serves as both our Chairman of the Board and CEO. The Board believes that independent oversight of management is an important component of an effective board of directors. The independent Board members have determined that the most effective Board leadership structure for Schlumberger at the present time is for the CEO to also serve as Chairman of the Board, a structure that has served Schlumberger well for many years. The independent Board members believe that because the CEO is ultimately responsible for the day-to-day operation of the Company and for executing the Company's strategy, and because the performance of the Company is an integral part of Board deliberations, the CEO is the director best qualified to act as Chairman of the Board. The Board retains the authority to modify this structure to best address the Company's unique circumstances, and so advance the best interests of all stockholders, as and when appropriate.

The Board also believes, for the reasons set forth below, that its existing corporate governance practices achieve independent oversight or management accountability, which is the goal that many seek to achieve by separating the roles. Schlumberger's governance practices provide for strong independent leadership, independent discussion among directors and for independent evaluation of, and communication with, many members of senior management. These governance practices are reflected in Schlumberger's Corporate Governance Guidelines and the various Committee Charters, which are available on our website. Some of the relevant processes and other corporate governance practices include:

The Board has an independent lead director with leadership authority and responsibilities. Tony Isaac, Chair of the Nominating and Governance Committee, was selected by the independent Board members to be the lead independent director. The Chairman of the Board and the lead independent director together set the agenda for all Board meetings, and the lead independent director sets the agenda for, and leads, all executive meetings of the independent directors, providing consolidated feedback, as appropriate, from those meetings to the Chairman and CEO. The lead independent director also has the authority to call meetings of the Board of Directors in executive session; facilitates discussions, outside of scheduled Board meetings, among the independent directors on key issues as required; and serves as a non-exclusive liaison with the Chairman and CEO, in consultation with the other independent directors.

- At each regularly scheduled Board meeting, all non-management directors meet in an executive session without the management director. In these executive sessions, the independent directors deliberate on such matters as CEO succession planning and the performance of the CEO.

- All of our directors, except the Chairman and CEO, are independent directors, which is substantially above the NYSE requirement that a majority of directors be independent. Each director is an equal participant in decisions made by the full Board. The Audit, Finance and Nominating and Governance Committees are all comprised of independent directors.
- Each of our directors is elected annually by our stockholders.
- Schlumberger's Corporate Governance Guidelines also ensure that the other independent members of the Board are involved in key aspects of governance. For example, any director may request that the lead director call an executive meeting of the Board. Additionally, the Chairman and CEO regularly solicits suggestions from the directors for presentations by management at Board and Committee meetings. Furthermore, each Board member has full and free access to the Company's management and employees.

Weyerhaeuser Company – Preliminary Proxy Statement Feb. 12, 2010

[BOARD OF DIRECTORS AND COMMITTEE INFORMATION – Excerpt]

The Board of Directors has determined that having an independent director serve as Chairman of the Board is in the best interest of shareholders at this time. This structure has been particularly useful given the Company's relatively new CEO as the Board has considered significant changes in the Company's portfolio and strategic direction. The structure ensures a greater role for the independent directors in the oversight of the Company and active participation of the independent directors in setting agendas and establishing priorities and procedures for the work of the Board. This leadership structure also is preferred by a significant number of the Company's shareholders. The Board believes its administration of its risk oversight function has not affected the Board's leadership structure.

The biographies of each of the nominees and continuing directors below contains information regarding the person's service as a director, business experience, director positions held currently or at any time during the last five years, information regarding involvement in certain legal or administrative proceedings, if applicable, and the experiences, qualifications, attributes or skills that caused the Corporate Governance Committee and the Board to determine that the person should serve as a director for the Company beginning in 2010.

CONSIDERATION OF DIRECTOR NOMINEES

Director Qualifications

The Board codified standards for directors in the Board's Corporate Governance Guidelines. These Guidelines provide that the Board should encompass a diverse range of talent, skill and expertise sufficient to provide sound and prudent guidance with respect to the Company's operations and interests. The Corporate Governance Guidelines also provide that at all times a majority of the Board must be "independent directors" as defined from time to time by the listing requirements of the New York Stock Exchange and any specific requirements established by the Board. Each director also is expected to:

- exhibit high standards of integrity, commitment and independence of thought and judgment;
- use his or her skills and experiences to provide independent oversight to the business of the Company;

- participate in a constructive and collegial manner;
- be willing to devote sufficient time to carrying out their duties and responsibilities effectively;
- devote the time and effort necessary to learn the business of the Company and the Board; and
- represent the long-term interests of all shareholders.

In addition, the Board of Directors has determined that the Board as a whole must have the right diversity, mix of characteristics and skills for the optimal functioning of the Board in its oversight of the Company. The Board believes it should be comprised of persons with skills in areas such as:

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| • finance; | • sales and markets; |
| • strategic planning; | • development of strategies for sustainability; |
| • human resources and diversity; | • safety; |
| • relevant industries; especially natural resource companies; | • leadership of large, complex organizations; |
| • legal; | • banking; |
| • government and governmental relationships; | • international business and international cultures; and |
| • information technology | |

In addition to the targeted skill areas, the Corporate Governance Committee looks for a strong record of achievement in key knowledge areas that it believes are critical for directors to add value to a Board, including:

- Strategy – knowledge of the Company business model, the formulation of corporate strategies, knowledge of key competitors and global markets;
- Leadership – skills in coaching senior executives and the ability to assist the CEO in his development;
- Organizational Issues – understanding of strategy implementation, change management processes, group effectiveness and organizational design;
 - Relationships – understanding how to interact with governments, investors, financial analysts, and communities in which the Company operates;
 - Functional – understanding of finance matters, financial statements and auditing procedures, technical expertise, legal issues, information technology and marketing; and
- Ethics – the ability to identify and raise key ethical issues concerning the activities of the Company and senior management as they affect the business community and society.

As part of its periodic self-assessment process, the Board annually determines the diversity of specific skills and characteristics necessary for the optimal functioning of the Board in its oversight of the

Company over both the short- and longer-term. The Corporate Governance Committee has adopted a policy regarding the director selection process that requires the Committee to assesses the skill areas currently represented on the Board and those skill areas represented by directors expected to retire or leave the Board in the near future against the target skill areas established annually by the Board, as well as recommendations of directors regarding skills that could improve the overall quality and ability of the Board to carry out its function. The Corporate Governance Committee then establishes the specific target skill areas or experiences that are to be the focus of a director search, if necessary. Specific qualities or experiences could include matters such as experience in the Company's industry, financial or technological expertise, experience in situations comparable to the Company's (e.g. growth companies, companies that have grown through acquisitions, or companies that have restructured their asset portfolios successfully), leadership experience and relevant geographical experience. The effectiveness of the Board's diverse mix of skills and experiences is considered as part of each Board self-assessment.