Bear Stearns Companies Inc. (The) Governance Profile

Friday, June 20, 2008

Bear Stearns Companies Inc. (The) (BSC)

GOVERNANCE RATING INFORMATION

TCL Rating	D	Governance Risk Assessment	High	Last Data Update: 6/3/2008	Update Reason: Coverage Ceased
				Last Rating Change: 8/10/2004	Previous Rating: F
				Comments Submitted by Company? No	

Board: VERY HIGH CONCERN

- There are more than three directors whose tenures exceed fifteen years.
- There are more than two directors who sit on more than four public boards rated by The Corporate Library.
- The current CEO has a tenure of less than two years, while the former CEO remains on the board as Chairman, a situation which can undermine and weaken the CEO's leadership.

Compensation: MODERATE CONCERN

- The amount of the CEO's 'All Other Compensation' questions the board's ability to ensure that the executive compensation process is sufficiently performance-related.
- The CEO's total compensation for the reported period, including realized options, exceeds the median for a company of this size by more than 20%.

Takeover Defenses: LOW CONCERN

- The board meets our current tests for board effectiveness and shareholder friendliness in the area of takeover defenses.

Accounting: LOW CONCERN

- This company meets our current tests for financial compliance.

Analyst Comments:

The Corporate Library affirms its D rating for Bear Stearns. This rating reflects a high degree of governance risk and results from high levels of concern related to the board and compensation. CEO compensation at Bear Stearns is excessive, merits a very high level of concern, and is described in detail in the Compensation Highlights below. Regarding the board, it should be noted that at least 25% of the board is one or more of the following: long-tenured, over-boarded and overextended (serves on more than 4 public boards), or an insider. In fact, 4 board members have served for at least 20 years and 3 of those are insiders. Each one of these raises a red flag, together they should prompt any prudent investor to exercise a great deal of caution. (9/27/2007 - M. Allen, Ratings Analyst)

Compensation Highlights:

With a fiscal year end about two weeks shy of the December 15, 2006 deadline imposed by the SEC for all proxy statements filed to comply with their new regulation requirements, Bear Stearns was well within their rights to file under the old rules and we'll have to wait until next year to see what increased clarity a new-disclosure CD&A may bring. What is immediately clear however is that there are two separate bonus pools, including a very generous Executive Committee Bonus pool for all members of the executive committee, who also happen to be the top five highest paid officers at Bear Stearns, and a separate pool that covers the rest of senior management. These executives on the executive committee all receive the same $250,000 salary and stock options represented only 5% of their bonus payout, leaving the majority of their sizeable compensation to be composed of a cash bonus and CAP Units (or stock units). The proxy statement discloses that the non-equity bonus received under the executive committee bonus pool 'can' be based on any combination of the nine performance criteria stated, yet they instead decided for fiscal 2006 to base the formula on the single metric of return on equity. A decision which goes a long way toward explaining how these five named executive officers tallied total compensation of over $31MM each on average as the company had a record year in regards to net income, increasing by 40% over their 2005 figure. The total compensation for CEO James Cayne is not only among the very highest of the S&P 500, but the fact that he barely exceeds the next 4 highest paid executives at the company is particularly disturbing as the total cost of management for the executive committee sums to $155,814,389 for the fiscal year. The Corporate Library believes Bear Stearns could greatly benefit from a change in the composition and make up of its compensation committee. The average board tenure and age of the 4 committee members are 16 years on the job and 66 years of age, chaired by 80 year old Carl Glickman with 22 years of experience on the board. Perhaps some new blood on the committee could shake up what could be viewed as a complacent compensation committee, though that isn't to suggest they wouldn't have their hands full with resistance from an executive committee as powerful as this one. (9/27/2007 - G. Ruel, Compensation Analyst)

GOVERNANCE PRACTICES HIGHLIGHTS

Does the board have an outside majority?	Yes
Is the CEO the only executive member of the board?	No
Is the board elected in staggered classes?	No
Does the company have multiple classes of voting stock?	No
How many directors are on this board?	12
Can shareholders cumulate their votes when electing directors?	No
What percent of directors sit on more than 4 rated company boards?	25%
How many directorships does the CEO hold, including this one?	1
Is the Chairman an independent, outside director?	No
Has the company named an individual as Lead Director?	Yes
Is a formal governance policy available on the company's website?	Yes
What percent of directors failed basic attendance standards?	0%
What percent of directors received 10% or more withhold votes?	17%
What is the company's director election requirement?	Plurality
Is one non-executive meeting held for every regular board meeting?	No
What % of directors with over 2 years tenure beneficially own shares?	100%
Does the company have formal director equity holding requirements?	Yes
Is the Nominating Committee independent (no inside members)?	Yes
Is the Compensation Committee independent (no inside members)?	Yes
Is the Audit Committee independent (no inside members)?	Yes
Has an Audit Committee member been designated 'financial expert'?	Yes
What percent of the total fees paid to the auditor were audit-related?	83%
Can shareholders fill board vacancies?	No
Are there any supermajority vote requirements to amend the charter?	Yes
Are there any supermajority vote requirements to amend the bylaws?	No
What voting percent is required to approve a merger?	51%
What voting percent is required to act by written consent?	0%
What voting percent is required to call a special meeting?	0%
Is the special meeting rule more or less restrictive than state law?	Same
Is the written consent rule more or less restrictive than state law?	More Restrictive
Is the company subject to a non-shareholder constituency provision?	No
Does the company have an active poison pill?	No
Is the company subject to a control share acquisition provision?	No
Is the company subject to a fair price provision?	Yes
Is the company subject to a business combination provision?	Yes
Is the current option granting run rate less than 2%?	1.31%
What was the CEO's last reported base salary?	$250,000
What was the CEO's last reported annual bonus? (former)	
What was the CEO's last reported annual bonus? (current)	$0
What was the CEO's last reported other annual compensation? (former)	
What was the CEO's last reported other annual compensation? (current)	$440,757
What percentage of the CEO's total pay is incentive based?	94%
What is the company's current Sarbanes-Oxley Section 404 status?	Compliance

ABOUT THE COMPANY

Company Description

The Bear Stearns Companies Inc. holding company that, through its subsidiaries, engages in investment banking, securities and derivatives trading, and clearance and brokerage operations. Bear Stearns serves corporations, governments and institutional and individual investors worldwide.

CEO Alan D. Schwartz is 56 years old. CEO Schwartz has been CEO since 2008. The previous CEO was James E. Cayne.

Bear Stearns is audited by Deloitte & Touche LLP.

Proxy Filing Date:	3/31/2008
Fiscal Year End:	11/30
Annual Meeting Date:	
Annual Meeting Location:	
Industry:	Financial Services Securities
Listing Exchange:	NYSE
S&P Index:	
Russell Index:	Russell 1000
Fortune Rank:	138
Country:	USA
State HQ:	NY
State of Incorporation:	DE
CIK:	0000777001
Employees:	14,153
Federal ID:	13-3286161
CUSIP:	073902108
SIC:	6211
SIC Description:	Security Brokers, Dealers & Flotation Companies

Company Contact Information

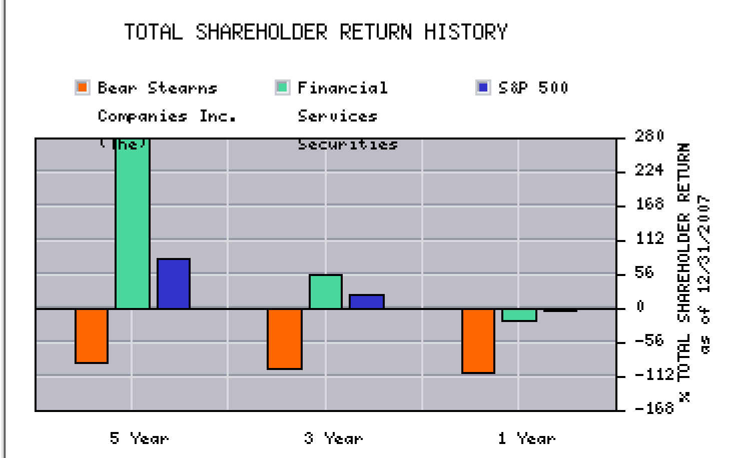
Corporate Secretary:	Kenneth L. Edlow
General Counsel:	Michael S. Solender
Company Web Site:	http://www.bearstearns.com/

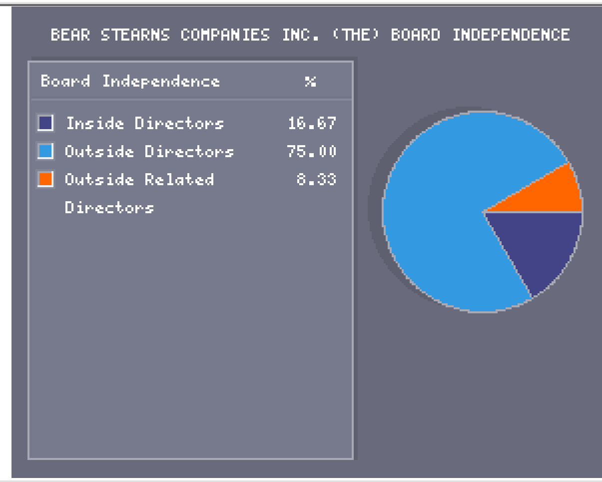
Mailing Address

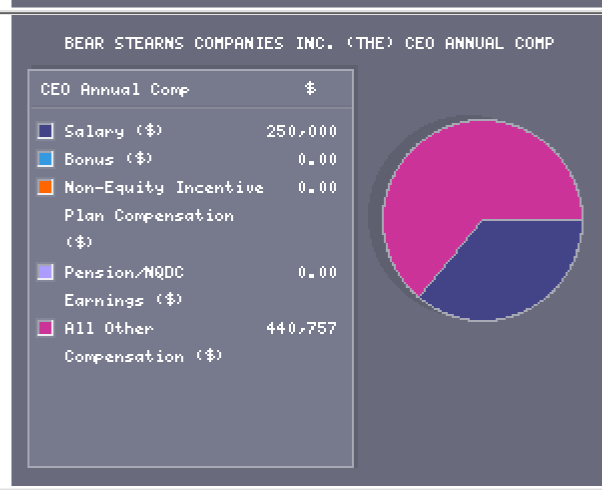
Bear Stearns Companies Inc. (The)
383 Madison Ave
New York NY 10179
USA
Phone: 212 272-2000
Fax:

Total Shareholder Return (as of 3/31/2008)

	5 Year	3 Year	1 Year
BSC	-76.17	-86.03	-92.17
Industry	276.67	47.42	-18.93
S&P 500	67.54	18.14	-5.15

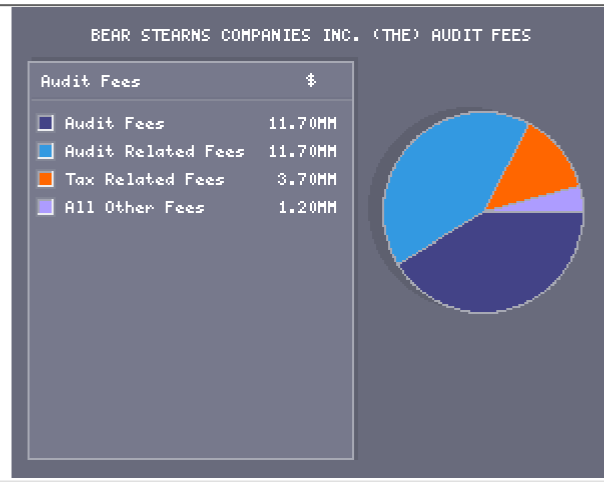






Market Fundamentals (updated 3/31/2008)	
Closing Share Price:	10.49
52 Week Hi:	159.36
52 Week Lo:	2.84
Price/Earnings:	6.9
Price/Book:	0.11
Annual Operating Revenues:	$16,151,000,000
Market Cap:	$1,238,771,181
Shares Outstanding:	118,090,675

All numbers included in our Total Shareholder Return & Market Fundamentals sections, and the Institutional Shares Held % number included in the Ownership Information section, are provided by Morningstar and are updated quarterly. Total Return numbers show the percentage of change. Industry averages are based on our own calculations. Annual Operating Revenues are as of the most recently reported fiscal year end.



EVENTS REPORTED FOR THIS COMPANY		
Event Date	**Event**	**Event Description**
6/3/2008	Coverage Ceased	On this date, The Corporate Library ceased coverage of this company.
6/2/2008	M&A Activity	JPMorgan Chase & Co. (NYSE: JPM) announced today that it has completed its acquisition of The Bear Stearns Companies Inc., effective 11:59 p.m. EDT on May 30, 2008. As a result of the merger, each outstanding share of Bear Stearns common stock was converted into the right to receive 0.21753 shares of JPMorgan Chase common stock. Depositary shares, each representing a one-fourth interest in a share of Bear Stearns preferred stock, will continue to trade on the New York Stock Exchange, and such of Bear Stearns' debt securities as traded on the New York Stock Exchange or American Stock Exchange immediately prior to the consummation of the merger will continue to trade on those exchanges.
6/2/2008	Board Changes	Upon the consummation of the Merger (JPMorgan Chase & Co. acquisition of The Bear Stearns Companies Inc.), James E. Cayne, Henry S. Bienen, Carl D. Glickman, Michael Goldstein, Alan C. Greenberg, Donald J. Harrington, Frank T. Nickell, Paul A. Novelly, Frederic V. Salerno, Alan D. Schwartz, Vincent Tese and Wesley S. Williams, Jr. ceased to be directors of the Company. The board of directors of the Company immediately following the Merger consists of Michael Cavanagh, Paul Compton and David Brigstocke.
6/2/2008	CEO Change	Upon the consummation of the Merger (JPMorgan Chase & Co. acquisition of The Bear Stearns Companies Inc.), Alan D. Schwartz (President and Chief Executive Officer) ceased to be an officer of the Company.
6/2/2008	CFO Change	Upon the consummation of the Merger (JPMorgan Chase & Co. acquisition of The Bear Stearns Companies Inc.), Samuel L. Molinaro, Jr. (Executive Vice President, Chief Financial Officer and Chief Operating Officer) ceased to be an officer of the Company.
6/2/2008	Other Exec Change	Upon the consummation of the Merger (JPMorgan Chase & Co. acquisition of The Bear Stearns Companies Inc.) Jeffrey M. Farber (Senior Vice President-Finance, Controller and Assistant Secretary), Alan C. Greenberg (Chairman of the Executive Committee), Michael S. Solender (General Counsel), Robert N.M. Upton (Treasurer),Jeffrey Mayer (Executive Vice President), Kenneth L. Edlow (Secretary and Ethics Compliance Officer), John R. Finnegan (Assistant Vice President), Salvatore V. Di Maggio (Assistant Treasurer), Arlene Semaya (Chief Anti-Money Laundering Compliance Officer), Tracy Whille (Head of Global Compliance), Walter M. Steppacher (Assistant Controller) and Robert Janukowicz (Tax Director) ceased to be officers of the Company. The officers of the Company immediately following the completion of the Merger are Michael Cavanagh (President), Paul Compton (Vice President), David Brigstocke (Vice President), Lisa Fitzgerald (Vice President and Treasurer), Neila Radin (Vice President), Anthony Horan (Vice President and Secretary), Jeffrey Lipman (Assistant Secretary), Colleen Meade (Assistant Secretary), Christine Bannerman (Assistant Secretary), Peter Smith (Assistant Treasurer), John Hyland (Assistant Treasurer) and John Stacconi (Assistant Treasurer).
5/22/2008	CEO Compensation Announcement	On May 20, 2008, in connection with the execution of the Agreement and Plan of Merger by and among The Bear Stearns Companies Inc. (the "Company") and JPMorgan Chase & Co. ("JPMorgan Chase"), as amended, pursuant to which a subsidiary of JPMorgan Chase will merge with and into the Company, the Compensation Committee of the Board of Directors of the Company approved the acceleration of (1) the vesting of the CAP Units granted under The Bear Stearns Companies Inc. Capital Accumulation Plan for Senior Managing Directors, amended and restated November 29, 2000, as subsequently amended (the "CAP Plan") that are held by holders who are (i) offered and accept a full-time position to join JPMorgan Chase after the effective time of the merger, (ii) not offered continued employment, but who stay through a specified transition date or (iii) continuing to vest because of retirement or job elimination in accordance with their award (collectively, the "Eligible Participants") and (2) the deferral periods for the CAP Units held by the Eligible Participants so that all vested CAP Units not otherwise distributable during 2008 shall be settled as of January 31, 2009, in each case, subject to each Eligible Participant executing an agreement and release at such time(s) and having such terms and conditions as JPMorgan Chase may, in its sole discretion, specify provided that such agreement and release is executed and becomes irrevocable prior to the end of the 2008 calendar year. In addition, the Compensation Committee approved changes to the terms of the CAP Units so that as of the effective time of the merger, additional earning units shall no longer be credited, and instead outstanding CAP Units following the merger shall be credited with dividend equivalent units until the CAP Units are distributed. The following table sets forth the number of unvested CAP Units held by each executive officer of the Company as of April 18, 2008 (the record date for the special meeting of stockholders). The table also sets forth the number of shares of JPMorgan Chase common stock that such executive officers would be entitled to receive upon the settlement of their respective unvested CAP Units, as well as the aggregate value of such shares, based upon the closing price of the JPMorgan Chase common stock on May 20, 2008. CEO Alan D. Schwartz: Aggregate Number of shares of JPMorgan Chase Common Stock to be Issued upon Settlement of Outstanding Unvested Cap Units- 29,019, Unvested Cap Units- 133,403, Aggregate Value- ($) 1,268,130.

5/8/2008	Securities Class Action Update	The plaintiffs in the purported class action lawsuit against The Bear Stearns Companies Inc. ("Bear Stearns"), its board of directors and JPMorgan Chase & Co., In re Bear Stearns Litigation, have informed the Court that they are withdrawing their motion seeking to enjoin JPMorgan Chase & Co. from voting the shares of Bear Stearns common stock it had acquired on April 8, 2008 pursuant to the share exchange agreement dated March 24, 2008. The plaintiffs have also informed the Court that they intend to pursue their claims, which include a claim for an unspecified amount of compensatory damages, in the ordinary course. In an unrelated federal shareholder litigation filed in the Southern District of New York captioned Cohen v. The Bear Stearns Companies, Inc., plaintiffs are seeking permission from the Court to file a motion to preliminarily enjoin consummation of the merger. Certain statements contained in this filing are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are subject to risks and uncertainties, which could cause actual results to differ materially from those discussed in the forward-looking statements. The following factors, among others, could cause actual results to differ from those set forth in the forward-looking statements: the ability to obtain governmental and self-regulatory organization approvals of the merger on the proposed terms and schedule and any changes to regulatory agencies' outlook on, responses to and actions and commitments taken in connection with the merger and the agreements and arrangements related thereto. For a discussion of the additional risks and uncertainties that may affect Bear Stearns' future results, please see: (1) "Risk Factors" in Bear Stearns' Annual Report on Form 10-K for the year ended November 30, 2007 and "Risk Management" filed as Exhibit 13 to Bear Stearns' Annual Report on Form 10-K for the year ended November 30, 2007; (2) similar sections of Bear Stearns' quarterly reports on Form 10-Q, which have been filed with the Securities and Exchange Commission ("SEC"); and (3) "Management's Discussion and Analysis of Financial Condition and Results of Operations" filed as an Exhibit to Bear Stearns' Current Report on Form 8-K filed with the SEC on April 11, 2008.
5/7/2008	Proxy Filed	Bear Stearns Companies Inc. (The) filed a 10-K/A with the SEC on 3/31/2008.
4/28/2008	Special Meeting	The Bear Stearns Companies Inc. (NYSE: BSC) today announced that a special shareholders meeting will be held on Thursday, May 29, 2008, to consider approval and adoption of the agreement and plan of merger between Bear Stearns and JPMorgan Chase & Co. dated March 16, 2008, as amended. Stockholders of record at the close of business on April 18, 2008, will be entitled to notice of, and to vote at, the special meeting. The special meeting will be held at Bear Stearns' global headquarters located at 383 Madison Avenue, 2nd Floor, New York, New York at 10:00 a.m., local time.
4/10/2008	Charter/Bylaw Change	On April 10, 2008, the board of Bear Stearns amended the company's bylaws to establish indemnification provisions.
4/9/2008	M&A Activity	The Bear Stearns Companies Inc. (NYSE: BSC) announced today that the previously announced share exchange between JPMorgan Chase & Co. and Bear Stearns has been completed. Pursuant to the terms of the share exchange agreement between the parties, on April 8, 2008, JPMorgan Chase purchased 95 million newly issued shares of Bear Stearns common stock, or 39.5% of the outstanding Bear Stearns common stock after giving effect to the issuance, in exchange for 20,665,350 shares of JPMorgan Chase common stock.
3/28/2008	M&A Activity	On March 24, 2008, JPMorgan Chase & Co. ("JPMorgan Chase"), in connection with Amendment No. 1 (the "Amendment") to the Agreement and Plan of Merger, dated as of March 16, 2008, by and between JPMorgan Chase and The Bear Stearns Companies Inc. ("Bear Stearns") and the Amended and Restated Guaranty Agreement (the "Guaranty"), effective retroactively from March 16, 2008, entered into a Guarantee and Collateral Agreement (the "Collateral Agreement") with Bear Stearns and certain of its subsidiaries (collectively, the "Collateral Parties") pursuant to which the Collateral Parties agreed to guarantee the obligations of each of them to repay to JPMorgan Chase (1) any loans or other advances of credit by JPMorgan Chase and its affiliates to Bear Stearns and its affiliates and (2) any amounts paid by JPMorgan Chase to creditors of Bear Stearns and its affiliates under the Guaranty and the JPMorgan Chase guarantee, entered into on March 23, 2008, in favor of the Federal Reserve Bank of New York (the "Fed Guaranty"). Each of the Collateral Parties secured their guarantee by granting a lien on substantially all of their respective assets, subject to certain carveouts. The foregoing description of the Collateral Agreement does not purport to be complete and is qualified in its entirety by reference to the Collateral Agreement, which is filed as Exhibit 99.1 hereto, and is incorporated into this report by reference.
3/24/2008	M&A Activity	On March 24, 2008, JPMorgan Chase & Co. ("JPMorgan Chase") and The Bear Stearns Companies Inc. ("Bear Stearns") entered into an Amendment No. 1 (the "Amendment") to the Agreement and Plan of Merger, dated as of March 16, 2008, by and between JPMorgan Chase and Bear Stearns (as amended, the "Merger Agreement"). Under the revised terms, each share of Bear Stearns common stock will be exchanged for 0.21753 of a share of JPMorgan Chase common stock. Pursuant to the Amendment, Bear Stearns and JPMorgan Chase agreed to terminate and revoke in all respects the Stock Option Agreement, filed as Exhibit 99.2 to Bear Stearns' Current Report on Form 8-K dated March 20, 2008.
3/20/2008	M&A Activity	On March 16, 2008, The Bear Stearns Companies Inc. (the "Company") and JPMorgan Chase & Co. ("JPMorgan Chase") entered into an Agreement and Plan of Merger (the "Merger Agreement"). The Merger Agreement provides that, upon the terms and subject to the conditions set forth in the Merger Agreement, a wholly-owned subsidiary of JPMorgan Chase will merge with and into the Company with the Company continuing as the surviving corporation and as a wholly-owned subsidiary of JPMorgan Chase.
3/19/2008	Strategic Announcement	March 14, 2008 - The Bear Stearns Companies Inc. announced today it reached an agreement with JPMorgan Chase & Co. (JPMC) to provide a secured loan facility for an initial period of up to 28 days allowing Bear Stearns to access liquidity as needed. Bear Stearns also announced that it is talking with JPMorgan Chase & Co., regarding permanent financing or other alternatives.

3/17/2008	Securities Class Action Filed	According to a press release dated March 17, 2008, the complaint charges Bear Stearns and certain of its officers and directors with violations of the Securities Exchange Act of 1934. Bear Stearns, through its broker-dealer and international bank subsidiaries, provides investment banking, securities and derivatives trading, clearance, and brokerage services worldwide. The complaint alleges that during the Class Period, defendants issued materially false and misleading statements regarding the Company's business and financial results. As a result of defendants' false statements, Bear Stearns stock traded at artificially inflated prices during the Class Period, reaching a high of $159.36 per share in April 2007. In late June 2007, news about Bear Stearns' risky hedge funds began to enter the market and its stock price began to fall. On March 10, 2008, information leaked into the market about Bear Stearns' liquidity problems, causing the stock to drop to as low as $60.26 per share before closing at $62.30 per share. On March 13, 2008, news that Bear Stearns was forced to seek emergency financing from the Federal Reserve and J.P. Morgan Chase hit the market and Bear Stearns stock fell to $30 per share. Then, on Sunday, March 16, 2008, it was announced that J.P. Morgan Chase was purchasing Bear Stearns for $2 per share. By midday on Monday, March 17, 2008, Bear Stearns stock had collapsed another 85% to $4.30 per share on volume of 75 million shares. According to the complaint, the Company's Class Period statements were materially false due to defendants' failure to inform the market of the problems in the Company's hedge funds due to the deteriorating subprime mortgage market, which would cause Bear Stearns to have to rescue the funds, cause the Company and its officers possible criminal liability and hurt the Company's reputation.
3/16/2008	M&A Activity	JPMorgan Chase & Co. (NYSE: JPM) announced it is acquiring The Bear Stearns Companies Inc. (NYSE: BSC). The Boards of Directors of both companies have unanimously approved the transaction. The transaction will be a stock-for-stock exchange. JPMorgan Chase will exchange 0.05473 shares of JPMorgan Chase common stock per one share of Bear Stearns stock. Based on the closing price of March 15, 2008, the transaction would have a value of approximately $2 per share. Effective immediately, JPMorgan Chase is guaranteeing the trading obligations of Bear Stearns and its subsidiaries and is providing management oversight for its operations. Other than shareholder approval, the closing is not subject to any material conditions. The transaction is expected to have an expedited close by the end of the calendar second quarter 2008. The Federal Reserve, the Office of the Comptroller of the Currency (OCC) and other federal agencies have given all necessary approvals. In addition to the financing the Federal Reserve ordinarily provides through its Discount Window, the Fed will provide special financing in connection with this transaction. The Fed has agreed to fund up to $30 billion of Bear Stearns' less liquid assets.
2/21/2008	CEO Compensation Announcement	On February 14, 2008, the Compensation Committee of the Board of Directors of The Bear Stearns Companies Inc. (the Company) approved the performance goals and formula for the fiscal year ended November 30, 2008 that will be used to determine both cash and non-cash bonus awards under the Company's Performance Compensation Plan. Under the terms of the Performance Compensation Plan, the Compensation Committee will review the ultimate performance of the Company and each of the participants in the Performance Compensation Plan at the end of fiscal 2008 in order to determine both the cash and non-cash bonus awards payable under the plan and whether to exercise negative discretion and reduce the amounts due to a participant below the amounts calculated in determining the applicable bonus pools. For fiscal 2008, the performance goals used to determine the bonus pool for members of the Company's Executive Committee, which includes the Chief Executive Officer, Alan D. Schwartz, will be based upon return on equity. The size of the Executive Committee bonus pool will vary with a minimum bonus pool of zero if the Company does not reach a certain threshold. In addition, the Compensation Committee determined the percentage of the Executive Committee bonus pool assigned to each of the participants in the Executive Committee bonus pool; provided that, consistent with the bonus pool for the prior fiscal year, the maximum amount allocable to any participant in the Executive Committee bonus pool shall not exceed 2.5% of the Company's pre-tax income.
2/11/2008	No-Action Relief Granted	On February 11, 2008, the SEC Staff determined that The Bear Stearns Companies Inc. could exclude a shareholder proposal submitted by American Federation of State, County and Municipal Employees Pension Plan, the New Jersey Division of Investment, and the North Carolina Equity Investment Fund Pooled Trust, asking the company to amend the bylaws to require that Bear Stearns include in its proxy materials the name, along with certain disclosures and statements, of any person nominated for election to the board by a stockholder who has beneficially owned 3% or more of Bear Stearns' outstanding common stock for at least two years. Accordingly, the staff will not recommend enforcement action to the Commission if Bear Stearns omits the proposal from its proxy materials in reliance on rule 14a-8(i)(8).
2/5/2008	No-Action Withdrawal	On February 5, 2008, the SEC Staff concluded that the shareholder proposal submitted to The Bear Stearns Companies Inc. by United Brotherhood of Carpenters Pension Fund is now moot due to the proponent's withdrawal of the proposal. The Proposal sought to adopt a pay-for-superior-performance principle by establishing an executive compensation plan for senior executives. Because the matter is now moot, the staff will have no further comment.
2/5/2008	No-Action Relief Granted	On February 5, 2008, the SEC Staff determined that The Bear Stearns Companies Inc. could exclude a shareholder proposal submitted by the Massachusetts Laborers' Pension Fund asking the company to prepare and provide to shareholders a report discussing the company's potential financial exposure as a result of the mortgage securities crisis, including information specified in the proposal. Accordingly, the staff will not recommend enforcement action to the Commission if Bear Stearns omits the proposal from its proxy materials in reliance on rule 14a-8(i)(7).

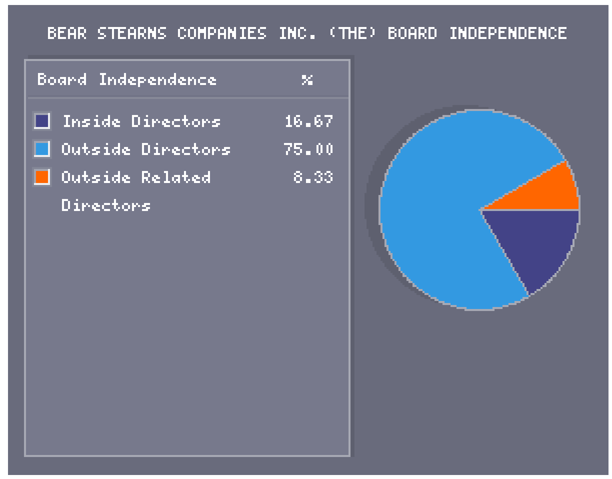
1/29/2008	SOX 404 Compliance	The Company's management assessed the effectiveness of the Company's internalcontrol over financial reporting as of November 30, 2007. In making this assessment, the Company's management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Control-Integrated Framework. Based on its assessment, management believes that, as of November 30, 2007, the Company's internal control over financial reporting is effective based on those criteria. Source: Company 10K. Filing Date: 1/29/2008.
1/14/2008	CEO Change	On January 8, 2008, James E. Cayne notified the board of directors of The Bear Stearns Companies Inc. (the "Company") of his decision to retire from his position as chief executive officer of the Company effective immediately. Mr. Cayne retired from the Company effective January 8, 2008. Mr. Cayne will continue to serve as chairman of the board of directors of the Company. Also on January 8, 2008, Alan D. Schwartz, age 57, was appointed chief executive officer of the Company effective January 8, 2008.
9/27/2007	New CEO Comp Highlights	With a fiscal year end about two weeks shy of the December 15, 2006 deadline imposed by the SEC for all proxy statements filed to comply with their new regulation requirements, Bear Stearns was well within their rights to file under the old rules and we'll have to wait until next year to see what increased clarity a new-disclosure CD&A may bring. What is immediately clear however is that there are two separate bonus pools, including a very generous Executive Committee Bonus pool for all members of the executive committee, who also happen to be the top five highest paid officers at Bear Stearns, and a separate pool that covers the rest of senior management. These executives on the executive committee all receive the same $250,000 salary and stock options represented only 5% of their bonus payout, leaving the majority of their sizeable compensation to be composed of a cash bonus and CAP Units (or stock units). The proxy statement discloses that the non-equity bonus received under the executive committee bonus pool can be based on any combination of the nine performance criteria stated, yet they instead decided for fiscal 2006 to base the formula on the single metric of return on equity. A decision which goes a long way toward explaining how these five named executive officers tallied total compensation of over $31MM each on average as the company had a record year in regards to net income, increasing by 40% over their 2005 figure. The total compensation for CEO James Cayne is not only among the very highest of the S&P 500, but the fact that he barely exceeds the next 4 highest paid executives at the company is particularly disturbing as the total cost of management for the executive committee sums to $155,814,389 for the fiscal year. The Corporate Library believes Bear Stearns could greatly benefit from a change in the composition and make up of its compensation committee. The average board tenure and age of the 4 committee members are 16 years on the job and 66 years of age, chaired by 80 year old Carl Glickman with 22 years of experience on the board. Perhaps some new blood on the committee could shake up what could be viewed as a complacent compensation committee, though that isn't to suggest they wouldn't have their hands full with resistance from an executive committee as powerful as this one. (9/27/2007 - G. Ruel, Compensation Analyst)
9/27/2007	New Analyst Comments	The Corporate Library affirms its D rating for Bear Stearns. This rating reflects a high degree of governance risk and results from high levels of concern related to the board and compensation. CEO compensation at Bear Stearns is excessive, merits a very high level of concern, and is described in detail in the Compensation Highlights below. Regarding the board, it should be noted that at least 25% of the board is one or more of the following: long-tenured, over-boarded and overextended (serves on more than 4 public boards), or an insider. In fact, 4 board members have served for at least 20 years and 3 of those are insiders. Each one of these raises a red flag, together they should prompt any prudent investor to exercise a great deal of caution. (9/27/2007 - M. Allen, Ratings Analyst)
9/20/2007	Strategic Announcement	The Board of Directors of The Bear Stearns Companies Inc. approved an amendment to the company's share repurchase program authorizing the purchase of up to $2.5 billion in aggregate cost of common stock. This amendment supercedes the previous $2.0 billion authorization, under which the company had acquired approximately $1.3 billion of common stock. The share repurchase program will be used both to acquire shares of common stock for the company's employee stock award plans and for up to $1.0 billion in corporate share repurchases. Purchases may be made in the open market or through privately negotiated transactions in 2007 or beyond.
8/9/2007	Board Changes	On August 5, 2007, Warren J. Spector resigned from his positions as president and co-chief operating officer, member of the Executive Committee, member of the Management and Compensation Committee, member of the Board of Directors of The Bear Stearns Companies Inc. (the "Company"), and all other officer, director and committee memberships of the Company and its affiliates. Mr. Spector will remain an employee with the Company, with the title of Senior Managing Director.
8/9/2007	Other Exec Change	On August 5, 2007, the Company announced that, effective immediately, Alan D. Schwartz was appointed the Company's sole president, and Samuel L. Molinaro, Jr. was appointed chief operating officer in addition to his current duties as chief financial officer.
5/23/2007	M&A Activity	On May 21, 2007, The Bear Stearns Companies Inc. announced that its wholly owned subsidiary, Bear Energy LP has signed a definitive agreement to acquire substantially all of the power and natural gas assets comprising the power trading business of Williams Power Company, Inc., an energy trading and marketing subsidiary of The Williams Companies, Inc.
3/27/2007	Proxy Filed	Bear Stearns Companies Inc. (The) filed its annual proxy statement with the SEC on 3/27/2007, and set the date of the company's annual shareholder meeting as 4/18/2007.

2/21/2007	CEO Compensation Announcement	On February 14, 2007, the Compensation Committee of the Board of Directors of The Bear Stearns Companies Inc. (the "Company") approved the performance objectives for fiscal 2007 that will be used to determine both cash and non-cash bonus awards under the Performance Compensation Plan. For fiscal 2007, the Company will use performance goals related to return on equity to determine an overall bonus pool for members of the Company's Executive Committee. The size of the bonus pool will vary based on the level of return on equity with a minimum bonus of zero if the Company does not reach the first target and a maximum bonus of $165,000,000 if the Company exceeds the upper range of the targets. In addition, the Compensation Committee named the five participants (the Chief Executive Officer, the Co-Presidents, the Chief Financial Officer and the Chairman of the Executive Committee) in this bonus pool and their respective share of the bonus pool for fiscal 2007. No individual may have a share that exceeds 30% of the total pool. In addition, the Compensation Committee also approved the performance goals for a second bonus pool for an additional seven participants, which included all other executive officers of the Company and certain other select employees. The performance goals for this bonus pool will be based on a combination of targets based on pre-tax return on equity, departmental income and expense controls. The maximum amount allocable to this bonus pool may not exceed $140,000,000 and no individual may be allocated more than 30% of this pool. Under the terms of the Performance Compensation Plan, the Compensation Committee will review the ultimate performance of the Company and each of the participants in the Performance Compensation Plan at the end of fiscal 2007 in order to determine both the cash and non-cash bonus awards payable under the plan. While the amounts ultimately awarded to participants may not exceed the size of the respective bonus pools, the Compensation Committee may exercise negative discretion and reduce the amounts due to the participants below those amounts calculated in determining the bonus pools. The Compensation Committee has exercised this discretion each of the last five years.
2/13/2007	SOX 404 Compliance	The Company's management assessed the effectiveness of the Company's internal control over financial reporting as of November 30, 2006. In making this assessment, the Company's management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Control-Integrated Framework. Based on its assessment, management believes that, as of November 30, 2006, the Company's internal control over financial reporting is effective based on those criteria. Source: Company 10K. Filing Date: 2/13/2007.
1/16/2007	Board Changes	On January 10, 2007, the Board of Directors (the "Board") of The Bear Stearns Companies Inc. (the "Company") elected Michael Goldstein to the Board as an independent director. Mr. Goldstein will serve on the Audit Committee of the Company's Board. The Corporate Library captures shares reported figures via current proxy or special meeting proxies.
10/12/2006	M&A Activity	The Bear Stearns Companies Inc. (NYSE: BSC) has agreed to acquire ECC Capital Corporation's (NYSE: ECR) mortgage banking platform, the two companies announced today.
3/10/2006	Proxy Filed	Bear Stearns filed its annual proxy statement with the SEC on 3/10/2006, and set the date of the company's annual shareholder meeting as 4/11/2006.
2/13/2006	SOX 404 Compliance	The Company's management assessed the effectiveness of the Company's internal control over financial reporting as of November 30, 2005. In making this assessment, the Company's management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Control-Integrated Framework. Based on its assessment, management believes that, as of November 30, 2005, the Company's internal control over financial reporting is effective based on those criteria. Source: 10K. Filing Date: 2/13/2006.
12/12/2005	Litigation	McKesson Corporation ("the Company") today reported that Bear Stearns & Co. Inc. has filed a complaint against the Company in the trial court for the State and County of New York. Bear Stearns alleges that the Company's entry into the previously announced settlement of the consolidated securities class action, pending in the United States District Court for the Northern District of California, ("In re McKesson HBOC, Inc. Securities Litigation, No. C99-20743 RMW"), without providing for a full release of Bear Stearns in that settlement, was a breach of the engagement letter under which Bear Stearns advised the Company in connection with its acquisition of HBO & Company, Inc. in January of 1999. Bear Stearns' complaint seeks monetary and other relief, including an order enjoining the Company from performing under the settlement agreement. This same objection was made by Bear Stearns in its opposition to preliminary approval of the class action settlement. The objection was rejected by United States District Court Judge Ronald M. Whyte as a ground for denying approval of the settlement in his September 28, 2005 order which granted preliminary approval. As previously disclosed by the Company, Judge Whyte has set a hearing on final approval of the settlement for January 27, 2006.
9/8/2005	M&A Activity	The Bear Stearns Companies Inc. [NYSE: BSC] and Calpine Corporation [NYSE: CPN] announced today that they have agreed to form a new energy marketing and trading venture to develop a significant customer business focused on physical natural gas and power trading and related structured transactions.
6/21/2005	SEC Investigation	Bear, Stearns & Co. Inc. ("Bear Stearns") and Bear, Stearns Securities Corp. ("BSSC"), subsidiaries of The Bear Stearns Companies Inc. (the "Company"), are the subject of an investigation by the Staff of the Securities and Exchange Commission (the "Commission") in connection with mutual fund trading activity. In connection therewith, the Company has had ongoing discussions with the Staff regarding possible resolution of this matter. The Company has been advised by the Staff that the Commission has authorized the Staff to bring an enforcement action against Bear Stearns and BSSC in connection with their role with respect to mutual fund trading. Such an action could result in, among other things, disgorgement, civil monetary penalties and/or other remedial sanctions. The Company believes it has strong defenses to the potential claims and intends to continue to engage in discussions with the Staff regarding a possible resolution of the matter.
2/14/2005	SOX 404 Compliance	Based on its assessment, management believes that, as of November 30, 2004, the Company's internal control over financial reporting is effective based on the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Control-Integrated Framework. Source: 10K. Filing Date: 2/14/2005.

6/16/2004	Board Changes	The Bear Stearns Companies Inc. (NYSE: BSC) announced today that Wesley S. Williams, Jr. has been elected to the Board of Directors of the Corporation.
11/21/2003	Litigation	The Company, Bear Stearns Securities Corp. and Bear Stearns, together with 18 other entities and individuals, including mutual funds and other financial institutions, were also named as defendants in a purported class action lawsuit captioned Michael Pflugrath v. The Bear Stearns Companies, Inc., et al., filed on November 7, 2003 in the United States District Court for the Southern District of New York by a mutual fund investor on behalf of persons who purchased and/or sold ownership units of mutual funds in the Janus or Putnam family of mutual funds between November 1, 1998 and July 3, 2003. The complaint alleges that the defendants violated the federal securities laws by allowing certain investors to market time and/or late trade mutual fund shares.
11/7/2003	Securities Class Action Filed	According to a press release dated November 21, 2003, the complaint alleges that the defendants violated the federal securities laws by allowing certain investors to market time and/or late trade mutual fund shares. Specifically, the complaint alleges violations of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Company Act of 1940, and for common law breach of fiduciary duties in return for substantial fees, sticky money investments and other income for themselves and their affiliates.The complaint further alleges that, during the class period, Bear Stearns and the other defendants engaged in illegal and improper trading practices, in concert with certain traders, which caused financial injury to the shareholders of the above-referenced Janus and Putnam funds. According to the complaint, the defendants permitted certain favored investors, including Defendant Canary Capital Partners, LLC and Canary Investment Management, LLC (collectively, 'Canary') to engage in 'timing' and late trading of the Janus and Putnam funds. Timing is an arbitrage strategy whereby the favored investors are permitted to conduct short-term trading of mutual fund shares, despite explicit restrictions on such activity in the funds' prospectuses and at the expense of long-term holders.The funds and the respective symbols are listed below: Janus Fund (Nasdaq:JANSX) Janus Enterprise Fund (Nasdaq:JAENX) Janus Twenty Fund (Nasdaq:JAVLX) Janus Investment Fund (Nasdaq: JABAX) Putnam OTC & Emerging Growth Fund (Nasdaq: POEGX)
3/4/2002	Coverage Initiated	On this date, The Corporate Library commenced data collection and analysis of this company. Some data points may precede this date.
		marked for deletion

ABOUT THE BOARD

Chairman of the Board:	James E. Cayne
Lead Director:	Vincent S. Tese
Lead Director Notes:	
Formal Governance Policy Available?	Yes
Business Ethics Policy Available?	Yes
Full Board Meetings Held Last Year:	13
Non-Executive Director Mtgs Held Last Year:	6
Classified Board Elections?	No
Director Election Standard:	Plurality
Independent Audit Committee?	Yes
Independent Comp Committee?	Yes
Independent Nominating Committee?	Yes
Board Has Outside Majority?	Yes
Total Directors:	12
Inside Directors:	2
Outside Directors:	9
Outside Related Directors:	1
Directors Over 70:	3
Directors With Over 15yrs Tenure:	5
Female Directors:	0
Directors On More Than 4 Rated Boards:	3
Directors Who Are CEOs:	1
Directors Who Failed Min Attendance:	0
Directors Who Own Zero Shares:	0
Problem Directors:	1



All Current and Retired Directors

Name	Age	Tenure	Boards	Status	Relationship	Shares Held	Shares Rptd *	Votes For(%)	Votes Withheld(%)
James E. Cayne *COB* X	72	23	1	Director	Outside Related	6,078,264	6,828,525	98.33%	1.67%
Carl D. Glickman $	80	23	2	Director	Outside	294,417	307,661	94.19%	5.81%
Alan C. Greenberg AV	79	23	2	Director	Inside	273,305	371,481	98.09%	1.91%
Rev. Donald J. Harrington	61	15	1	Director	Outside	2,621	9,175	97.63%	2.37%
Frank T. Nickell	59	15	1	Director	Outside	37,264	54,843	97.45%	2.55%
Frederic V. Salerno $ AV	63	16	7	Director	Outside	4,204	21,783	88.41%	11.59%
Alan D. Schwartz *CEO*	56	21	1	Director	Inside	1,466,060	2,105,939	98.13%	1.87%
Vincent S. Tese *LD* $ AV	64	14	5	Director	Outside	3,977	17,221	90.45%	9.55%
Paul A. Novelly $	63	6	1	Director	Outside	128,654	135,014	99.16%	0.84%
Wesley S. Williams Jr. $	64	4	1	Director	Outside	5,189	8,165	99.17%	0.83%
Henry S. Bienen $	67	4	2	Director	Outside	4,415	4,665	99.15%	0.85%
Michael Goldstein $	66	1	5	Director	Outside	506	1,200	89.18%	10.82%
William L. Mack	67	7	1	Retired	Outside	22,050	35,058		
Fred Wilpon	70	10	0	Retired	Outside	2,140	2,140		
Warren J. Spector	49	17	0	Retired	Inside	676,958	519,879	98.12%	1.88%

X= Problem Director 1x, X= Problem Director 2x, = Is a CEO, $= Financial Expert, AV= Accelerated Vesting, COB=Chairman, LD=Lead Director

*Shares Reported figures are captured via current proxy or special meeting proxy.

CURRENT COMMITTEE ASSIGNMENTS

Audit Committee (met 10 time(s) last year)

Name	Age	Board Tenure	Committee Status (see below)	Relationship
Henry S. Bienen $	67	4	X	Outside
Carl D. Glickman $	80	23	X	Outside
Michael Goldstein $	66	1	X	Outside
Paul A. Novelly $	63	6	X	Outside
Frederic V. Salerno $	63	16	X	Outside
Vincent S. Tese *LD* $	64	14	C	Outside
Wesley S. Williams Jr. $	64	4	X	Outside

Compensation Committee (met 6 time(s) last year)

Name	Age	Board Tenure	Committee Status (see below)	Relationship
Carl D. Glickman	80	23	C	Outside
Donald J. Harrington	61	15	X	Outside
Frank T. Nickell	59	15	X	Outside
Vincent S. Tese *LD*	64	14	X	Outside

Corporate Governance & Nominating Committee (met 2 time(s) last year)

Name	Age	Board Tenure	Committee Status (see below)	Relationship
Frank T. Nickell	59	15	X	Outside
Paul A. Novelly	63	6	X	Outside
Frederic V. Salerno	63	16	C	Outside
Vincent S. Tese *LD*	64	14	X	Outside

Executive Committee (met 113 time(s) last year)

Name	Age	Board Tenure	Committee Status (see below)	Relationship
James E. Cayne *COB*	72	23	X	Outside Related
Alan C. Greenberg	79	23	C	Inside
Samuel L. Molinaro Jr.	49		X	Inside
Alan D. Schwartz *CEO*	56	21	X	Inside

Finance & Risk Management Committee (met 2 time(s) last year)

Name	Age	Board Tenure	Committee Status (see below)	Relationship
Frank T. Nickell	59	15	X	Outside
Paul A. Novelly	63	6	C	Outside
Frederic V. Salerno	63	16	X	Outside
Vincent S. Tese *LD*	64	14	X	Outside

Qualified Legal Compliance Committee (met 1 time(s) last year)

Name	Age	Board Tenure	Committee Status (see below)	Relationship
Henry S. Bienen	67	4	X	Outside
Carl D. Glickman	80	23	X	Outside
Michael Goldstein	66	1	X	Outside
Paul A. Novelly	63	6	X	Outside
Vincent S. Tese *LD*	64	14	C	Outside
Wesley S. Williams Jr.	64	4	X	Outside

= Problem Director 1x, = Problem Director 2x, = Is a CEO, $= Financial Expert, AV= Accelerated Vesting, COB=Chairman, LD=Lead Director

X=Member, C=Chairman, A=Alternate Member, N=Non-Voting Member, E=Emeritus, LD=Lead Director, COB=Chairman

RELATED PARTY TRANSACTIONS

3/31/2008 10-K/A Information

The Company, in the ordinary course of business, has extended credit to certain of its directors, officers and employees in connection with their purchase of securities (other than the Company's equity securities). Such extensions of credit have been made on substantially the same terms (including as to interest rates and collateral requirements) as those prevailing at the time for comparable transactions with non-affiliated persons, except that in the case of some credit products, the interest rates charged were equivalent to the lowest of the interest rates charged to other persons or were the same as those charged to Company employees and did not involve more than the normal risk of collectability or have unusual terms or conditions that are disadvantageous to the Company. Bear Stearns periodically, and in the ordinary course of its business may enter into transactions, involving the purchase or sale of securities and commercial paper (including different forms of repurchase transactions) with directors, officers, employees of the Company and members of their immediate families. Such purchases and sales of securities or commercial paper in brokerage transactions or on a principal basis are affected on substantially the same terms as similar transactions with unaffiliated third parties. The Company in connection with its Common Stock repurchase programs may purchase shares of Common Stock from directors, executive officers and employees at prevailing market prices.

The Company, from time to time, has made loans to its executive officers and other employees. All loans outstanding between the Company and any of its directors or executive officers on and after July 30, 2002, including the loan discussed below, have been in existence without material modification since such date or are otherwise exempt from the prohibitions of Section 12(k) of the Exchange Act.

The Company has formed several limited partnerships that provide investment opportunities for the Company's key employees. For certain of the partnerships, the Company provided non-recourse, interest-bearing loans to the participants. At November 30, 2007, the only outstanding loan in excess of $120,000 to a director or fiscal 2007 executive officer was to Warren J. Spector, a former President and Co-Chief Operating Officer ($502,997). The outstanding loan to Mr. Spector bears interest at the London Interbank Offered Rate ("LIBOR") plus 1.0%. For the fiscal year ended November 30, 2007, distributions from these partnerships consisting of return of capital and gains to directors and fiscal 2007 executive officers who were participants were: Mr. Cayne ($285,980); Mr. Farber ($86,757); Mr. Minikes ($109,784); Mr. Molinaro ($432,706); Mr. Schwartz ($2,808,812); and Mr. Spector ($3,318,812).

Mr. Cayne and his wife own in excess of 48% of the limited partnership interests in Colden Capital Partners L.P. ("Colden CP"). The managing partner of Colden CP is Colden Capital Management LLC, the managing member of which is the Caynes' son-in-law. A master fund managed by Colden Capital Management LLC (the "Master Fund"), in which Colden CP is an investor, is a prime brokerage client of Bear Stearns and, as such, is eligible to receive a wide variety of services from Bear Stearns, including clearing services and the use of office space. All transactions between the Master Fund and Bear Stearns are conducted in the ordinary course of business and on terms comparable with transactions of unrelated third parties. During the fiscal year ended November 30, 2007, Bear Stearns received interest from the Master Fund of approximately $2.4 million, and the largest total amount owed to Bear Stearns during fiscal 2007 was $94.9 million. During fiscal 2007, Bear Stearns paid the Master Fund on credit balances approximately $168,000. In addition, during the fiscal year ended November 30, 2007, Colden Capital Management LLC and its affiliates paid Bear Stearns approximately $268,000 in rent, clearance charges, telephone charges and repairs and maintenance expenses. During fiscal 2007, the Master Fund received short market rebates of approximately $2.1 million from Bear Stearns.

3/27/2007 Proxy Information

The Company, in the ordinary course of business, has extended credit to certain of its directors, officers and employees in connection with their purchase of securities. Such extensions of credit have been made on substantially the same terms (including as to interest rates and collateral requirements) as those prevailing at the time for comparable transactions with non-affiliated persons, except that for some credit products, the interest rates charged were equivalent to the lowest of the interest rates charged to other persons or were the same as those charged to Company employees and did not involve more than the normal risk of collectability or have unusual terms or conditions which are disadvantageous to the Company. Bear Stearns periodically, in the ordinary course of its business may enter into transactions, as principal, involving the purchase or sale of securities and commercial paper (including different forms of repurchase transactions) with directors, officers, employees of the Company and members of their immediate families. Such purchases and sales of securities or commercial paper in brokerage transactions or on a principal basis are affected on substantially the same terms as similar transactions with unaffiliated third parties. The Company in connection with its previously announced common stock repurchase programs may purchase shares of common stock from directors, executive officers and employees at prevailing market prices.

The Company, from time to time, has made loans to its executive officers and other employees. All loans outstanding between the Company and any of its directors or executive officers on and after July 30, 2002, including those discussed in this section, have been in existence without material modification since such date or are otherwise exempt from the prohibitions of Section 12(k) of the Exchange Act. The Company has formed several limited partnerships which provide investment opportunities for the Company's key employees. For certain of the partnerships, the Company provides non-recourse, interest-bearing loans to the participants. The loans bear interest at the London Interbank Offered Rate ('LIBOR') plus 1.0% to 1.75%, depending on the partnership. At November 30, 2006, in aggregate for these partnerships, the total amounts loaned in excess of $60,000 to directors and executive officers are as follows: James E. Cayne ($96,129), Michael Minikes (Treasurer of the Company) ($76,903), Samuel L. Molinaro Jr. ($76,903), Alan D. Schwartz ($96,129) and Warren J. Spector ($561,476). For the fiscal year ended November 30, 2006, distributions from these partnerships consisting of return of capital and gains to directors and executive officers who were participants were: Cayne ($174,168); Schwartz ($877,853); Spector ($1,339,853); Molinaro ($388,123); and Minikes ($31,535).

Mr. Cayne and his wife own in excess of 10% of the limited partnership interests in Colden Capital Partners L.P. ('Colden CP'). The managing partner of Colden CP is Colden Capital Management LLC, the managing member of which is a son-in-law of the Caynes. A master fund managed by Colden Capital Management LLC (the 'Master Fund'), in which Colden CP is an investor, is a prime brokerage client of Bear Stearns and as such it is eligible to receive a wide variety of services from Bear Stearns which include clearing services and the use of office space. All transactions between the Master Fund and Bear Stearns are conducted in the ordinary course of business and on terms comparable with transactions of unrelated third parties. During the fiscal year ended November 30, 2006, the Master Fund received net interest and short interest rebate income of approximately $1,900,000 from Bear Stearns. In addition, during the fiscal year ended November 30, 2006, Colden Capital Management LLC and its affiliates paid Bear Stearns approximately $307,000 in clearance fees and charges.

In order to facilitate their service as directors and committee members, the Company has had a policy of making office space and administrative services available to each member of the Board. During fiscal 2006, both Mr. Glickman and Mr. Tese utilized office space. The Company also provided the services of an administrative assistant to Mr. Tese in order to support him in his role as Lead Director of the Board and Chairman of the Audit Committee. Mr. Tese reimburses the Company for the proportionate cost of such services attributable to non-Company matters. For fiscal 2006 Mr. Tese reimbursed the Company $38,500.

3/10/2006 Proxy Information

The Company, in the ordinary course of business, has extended credit to certain of its directors, officers and employees in connection with their purchase of securities. Such extensions of credit have been made on substantially the same terms (including as to interest rates and collateral requirements) as those prevailing at the time for comparable transactions with non-affiliated persons, except that for some credit products, the interest rates charged were equivalent to the lowest of the interest rates charged to other persons or were the same as those charged to Company employees and did not involve more than the normal risk of collectability or have unusual terms or conditions which are disadvantageous to the Company. To the extent that officers and employees of the Company and members of their immediate families wish to purchase securities in brokerage transactions, they ordinarily are required to do so through Bear Stearns, which offers them a discount from its standard commission rates that could be substantial depending on various factors, including the size of the transaction. Bear Stearns periodically, in the ordinary course of its business may enter into transactions, as principal, involving the purchase or sale of securities and commercial paper (including different forms of repurchase transactions) with directors, officers, employees of the Company and members of their immediate families. Such purchases and sales of securities or commercial paper on a principal basis are effected on substantially the same terms as similar transactions with unaffiliated third parties.

The Company, from time to time, has made loans to its executive officers and other employees. All loans outstanding between the Company and any of its directors or executive officers on and after July 30, 2002, including those discussed in this section, have been in existence without material modification since such date or are otherwise exempt from the prohibitions of Section 12(k) of the Exchange Act. The Company has formed several limited partnerships which provide investment opportunities for the Company's key employees. For certain of the partnerships, the Company provides nonrecourse, interest-bearing loans to the participants. The loans bear interest at the London Interbank Offered Rate ('LIBOR') plus 1.0% to 1.75%, depending on the partnership. At November 30, 2005, in aggregate for these partnerships, the total amounts loaned in excess of $60,000 to directors and executive officers are as follows: James E. Cayne ($244,032), Jeffrey M. Farber (Controller of the Company) ($97,613), Mark E. Lehman (resigned as an executive officer on May 11, 2005) ($244,032), Michael Minikes (Treasurer of the Company ($195,226), Samuel L. Molinaro Jr. ($195,226), Alan D. Schwartz ($244,032) and Warren J. Spector ($877,925). For the fiscal year ended November 30, 2005, in aggregate for these partnerships, the total amounts used to repay loan principal and interest for the aforementioned participants was $115,106 for Mr. Spector.

Mr. Cayne and his wife own in excess of 10% of the limited partnership interests in Colden Capital Partners L.P. ('Colden'). The managing partner of Colden is Colden Capital Management LLC, the managing member of which is a son-in-law of the Caynes. Colden is a prime brokerage client of Bear Stearns and as such it is eligible to receive a wide variety of services from Bear Stearns which include clearing services and the use of office space. All transactions between Colden and Bear Stearns are conducted in the ordinary course of business and on terms comparable with transactions of unrelated third parties. During the fiscal year ended November 30, 2005, Colden received net interest income of $841,855 from Bear Stearns. In addition, during the fiscal year ended November 30, 2005, Colden and its affiliates paid Bear Stearns $265,208 in clearance fees and charges.

Mr. Novelly's adult son, Paul A. Novelly II, had been employed as an Account Executive in the Private Client Services department of Bear Stearns since September 1990. During fiscal 2005, he earned total compensation of $158,782 which was commission-based. Effective February 21, 2005, Paul A. Novelly II resigned from his position with Bear Stearns.

In order to facilitate their service as directors and committee members, the Company has had a policy of making office space and administrative services available to each member of the Board. During fiscal 2005, both Mr. Glickman and Mr. Tese have utilized office space. The Company also provided the services of an administrative assistant to Mr. Tese in order to support him in his role as Lead Director of the Board and Chairman of the Audit Committee. Mr. Tese reimburses the Company for the proportionate cost of such services attributable to non-Company matters. During fiscal 2005 such costs amounted to $37,440.

Other than as described in this Proxy Statement, no director or executive officer of the Company was indebted to the Company during fiscal 2005 for any amount in excess of $60,000.

3/7/2005 Proxy Information

The Company, in the ordinary course of business, has extended credit to certain of its directors, officers and employees in connection with their purchase of securities. Such extensions of credit have been made on substantially the same terms (including as to interest rates and collateral requirements) as those prevailing at the time for comparable transactions with non-affiliated persons, except that for some credit products, the interest rates charged were equivalent to the lowest of the interest rates charged to other persons or were the same as those charged to Company employees and did not involve more than the normal risk of collectability or have unusual terms or conditions which are disadvantageous to the Company. To the extent that officers and employees of the Company and members of their immediate families wish to purchase securities in brokerage transactions, they ordinarily are required to do so through Bear Stearns, which offers them a discount from its standard commission rates that could be substantial depending on various factors, including the size of the transaction. Bear Stearns periodically, in the ordinary course of its business, enters into transactions, as principal, involving the purchase or sale of securities and commercial paper (including different forms of repurchase transactions) with directors, officers, employees of the Company and members of their immediate families. Such purchases and sales of securities or commercial paper on a principal basis are effected on substantially the same terms as similar transactions with unaffiliated third parties.

The Company, from time to time, has made loans to its executive officers and other employees. All loans outstanding between the Company and any of its directors or executive officers on and after July 30, 2002, including those discussed in this section, have been in existence without material modification since such date or are otherwise exempt from the prohibitions of Section 13(k) of the Exchange Act. The Company has formed several limited partnerships which provide investment opportunities for the Company's key employees. For certain of the partnerships, the Company provides nonrecourse, interest-bearing loans to the participants. The loans bear interest at the London Interbank Offered Rate ('LIBOR') plus 1.0% or 1.75%, depending on the partnership. At November 30, 2004, in aggregate for these partnerships, the total amounts loaned in excess of $60,000 to directors and executive officers are as follows: James E. Cayne ($231,706), Jeffrey M. Farber (Controller of the Company) ($92,682), Mark E. Lehman ($231,706), Michael Minikes (Treasurer of the Company) ($185,364), Samuel L. Molinaro Jr. ($185,364), Alan D. Schwartz ($231,706) and Warren J. Spector ($811,963). The partnerships made distributions during fiscal 2004 to the participants. The total amounts distributed in excess of $60,000 to directors and executive officers in fiscal 2004 were as follows: Mr. Cayne ($93,941), Mr. Schwartz ($93,941) and Mr. Spector ($291,941). These distributions are net of amounts used to repay principal and interest on the nonrecourse, interest-bearing loans to the participants. For the fiscal year ended November 30, 2004, in aggregate for these partnerships, the total amounts used to repay loan principal and interest for the aforementioned participants were as follows: Mr. Cayne ($203,062), Mr. Schwartz ($203,062) and Mr. Spector ($364,813).

Mr. Cayne and his wife own in excess of 10% of the limited partnership interests in Colden Capital Partners L.P. ('Colden'). The managing partner of Colden is Colden Capital Management LLC, the managing member of which is a son-in-law of the Caynes. Colden is a prime brokerage client of Bear Stearns and as such it is eligible to receive a wide variety of services from Bear Stearns which include clearing services and the use of office space. All transactions between Colden and Bear Stearns are conducted in the ordinary course of business and on terms comparable with transactions of unrelated third parties. During the fiscal year ended November 30, 2004, Colden received net interest income of $376,702 from Bear Stearns. In addition, during the fiscal year ended November 30, 2004, Colden and its affiliates paid Bear Stearns $265,350 in clearance fees and charges.

Mr. Novelly's adult son, Paul A. Novelly II, had been employed as an Account Executive in the Private Client Services department of Bear Stearns since September 1990. During fiscal 2004, he earned total compensation of $281,902 which was commission-based. Effective February 21, 2005, Paul A. Novelly II resigned from his position with Bear Stearns.

Since January 2003, in order to facilitate their service as directors and committee members, the Company has had a policy of making office space and administrative services available to each member of the Board. During fiscal 2004, both Mr. Glickman and Mr. Tese have utilized office space. The Company also provided the services of an administrative assistant to Mr. Tese in order to support him in his role as Lead Director of the Board and Chairman of the Audit Committee. Mr. Tese reimburses the Company for the proportionate cost of such services attributable to non-Company matters. During fiscal 2004 such costs amounted to $36,000.

Other than as described in this Proxy Statement, no director or executive officer of the Company was indebted to the Company during fiscal 2004 for any amount in excess of $60,000.

2/27/2004 Proxy Information

Alan C. Greenberg was Chairman of The Bear Stearns Companies, Inc. from 1985 to 2001 and Chief Executive Officer from 1978 to 1993.

The Company, in the ordinary course of business, has extended credit to certain of its directors, officers and employees in connection with their purchase of securities. Such extensions of credit have been made on substantially the same terms (including as to interest rates and collateral requirements) as those prevailing at the time for comparable transactions with non-affiliated persons, except that for some credit products, the interest rates charged were equivalent to the lowest of the interest rates charged to other persons or were the same as those charged to Company employees and did not involve more than the normal risk of collectability or have unusual terms or conditions which are disadvantageous to the Company. To the extent officers and employees of the Company and members of their immediate families wish to purchase securities in brokerage transactions, they ordinarily are required to do so through Bear Stearns, which offers them a discount from its standard commission rates that could be substantial depending on various factors, including the size of the transaction. Bear Stearns periodically in the ordinary course of its business, enters into transactions, as principal, involving the purchase or sale of securities and commercial paper (including different forms of repurchase transactions) with directors, officers, employees of the Company and members of their immediate families. Such purchases and sales of securities or commercial paper on a principal basis are effected on substantially the same terms as similar transactions with unaffiliated third parties.

The Company, from time to time, has made loans to its officers and other employees. All loans outstanding between the Company and any of its directors or executive officers on and after July 30, 2002, including those discussed in this section, have been in existence without material modification since such date or are otherwise exempt from the prohibitions of Section 13(k) of the Exchange Act. Interest is generally charged by the Company on such loans at the same rate of interest charged by BSSC on loans to purchase securities. The Company currently requires that any such loan in excess of $7,500 made to officers and other employees be approved by the Management and Compensation Committee. During the fiscal year ended November 30, 2003, the maximum aggregate amount of month-end loans outstanding was $30,005,429.

The Company has formed several limited partnerships, The BSC Employee Fund, L.P., The BSC Employee Fund II, L.P., The BSC Employee Fund III, L.P., The BSC Employee Fund IV, L.P., The Bear Stearns Health Innoventures Employee Fund, L.P. and The Bear Stearns Multi-Strategy Employee Fund, L.P. which provide investment opportunities for the Company's key employees. The total amounts loaned in excess of $60,000 were outstanding to the following directors or executive officers, in the aggregate for all the funds set forth after each of their respective names at November 30, 2003: James E. Cayne ($481,286), Jeffrey M. Farber ($147,187), Mark E. Lehman ($367,968), Michael Minikes ($305,706), Samuel L. Molinaro Jr. ($305,706), Alan D. Schwartz ($481,286), Warren J. Spector ($1,224,571).

The BSC Employee Fund, L.P. (the 'Fund') provides an investment opportunity for the Company's Senior Managing Directors and Managing Directors that are accredited investors. The Fund has committed to invest $62,000,000 in a diversified group of closed-end acquisition and leveraged buyout funds that are managed by highly regarded private equity firms. As of November 30, 2003, 335 participants in the Fund have purchased a total of 1,009 limited partnership interests. Each limited partnership interest represents a commitment by the participant to invest $50,000, of which $25,000 is funded by the participant and $25,000 is in the form of a nonrecourse, interest-bearing loan from the Company to the Fund participant. The loans bear interest at the London Interbank Offered Rate ('LIBOR') plus 1.0%. Capital calls since June 12, 1997 have totaled 100% of each participant's equity commitment. The total amount loaned to the participants in the Fund at November 30, 2003 was $5,711,994. The aggregate amount of the loans outstanding to all executive officers as a group on such date was $702,570.

The BSC Employee Fund II, L.P. ('Fund II'), provides an investment opportunity for certain key employees of the Company that are accredited investors. Fund II has committed to invest $60,850,000 in a diversified group of private equity funds, sponsored and managed by well-regarded private equity firms. As of November 30, 2003, 179 participants in Fund II have purchased a total of 523 limited partnership interests. Each limited partnership interest represents a commitment by the participant to invest $100,000, of which $50,000 is funded by the participant and $50,000 is in the form of a nonrecourse, interest-bearing loan from the Company to the participant. The loans bear interest at LIBOR plus 1.0%. Capital calls since September 28, 2000 have totaled 47.5% of each participant's equity commitment. The total amount loaned to the participants in Fund II at November 30, 2003 was $13,479,054.

The BSC Employee Fund III, L.P. ('Fund III'), provides an investment opportunity for certain key employees of the Company. Fund III has committed to invest $60,017,271 alongside Bear Stearns Merchant Banking Partners II, L.P. (the 'Merchant Banking Fund'), which will invest by making private equity and equity-related investments in leveraged buyouts, recapitalizations and growth capital opportunities and may make investments in preferred stock and debt having equity components. Fund III will invest as side-by-side funds, alongside the Merchant Banking Fund. As of November 30, 2003, 134 participants in Fund III have purchased a total of 209 limited partnership interests. Each limited partnership interest represents a commitment by the participant to invest $80,000, of which $20,000 is funded by the participant and $60,000 is in the form of an advance from the Company to the participant. The advances bear interest at LIBOR plus 1.75%. Capital calls since October 20, 2000 have totaled 100% of each participant's equity commitment. The total amount loaned to the participants in Fund III at November 30, 2003 was $11,859,359.

The BSC Employee Fund IV, L.P. ('Fund IV'), provides an investment opportunity for Senior Managing Directors of the Company that are accredited investors. Fund IV has committed to invest $106,649,395 alongside the Merchant Banking Fund. The Merchant Banking Fund will invest in private equity and equity-related investments in leveraged buyouts, recapitalizations and growth capital opportunities and may make investments in preferred stock and debt having equity components. In addition, Fund IV has committed to invest $37,500,000 alongside Constellation Venture Partners II, L.P. (the 'Constellation Fund'), which will invest in equity and equity related securities in early and mid-stage media, communications and technology based companies. As of November 30, 2003, 184 participants in Fund IV have purchased a total of 458 limited partnership interests. Each limited partnership interest represents a commitment by the participant to invest $80,000 in the Merchant Banking Fund (of which $20,000 is funded by the participant and $60,000 is in the form of an advance from the Company to the participant) and $30,000 to the Constellation Fund (of which $15,000 is funded by the participant and $15,000 is in the form of an advance from the Company to the participant). The advances bear interest at LIBOR plus 1.75%. Capital calls since October 20, 2000 have totaled 100% of each participant's equity commitment. The total amount loaned to the participants in Fund IV at November 30, 2003 was $32,969,927. The aggregate amount of the loans outstanding to all executive officers as a group on such date was $2,207,807.

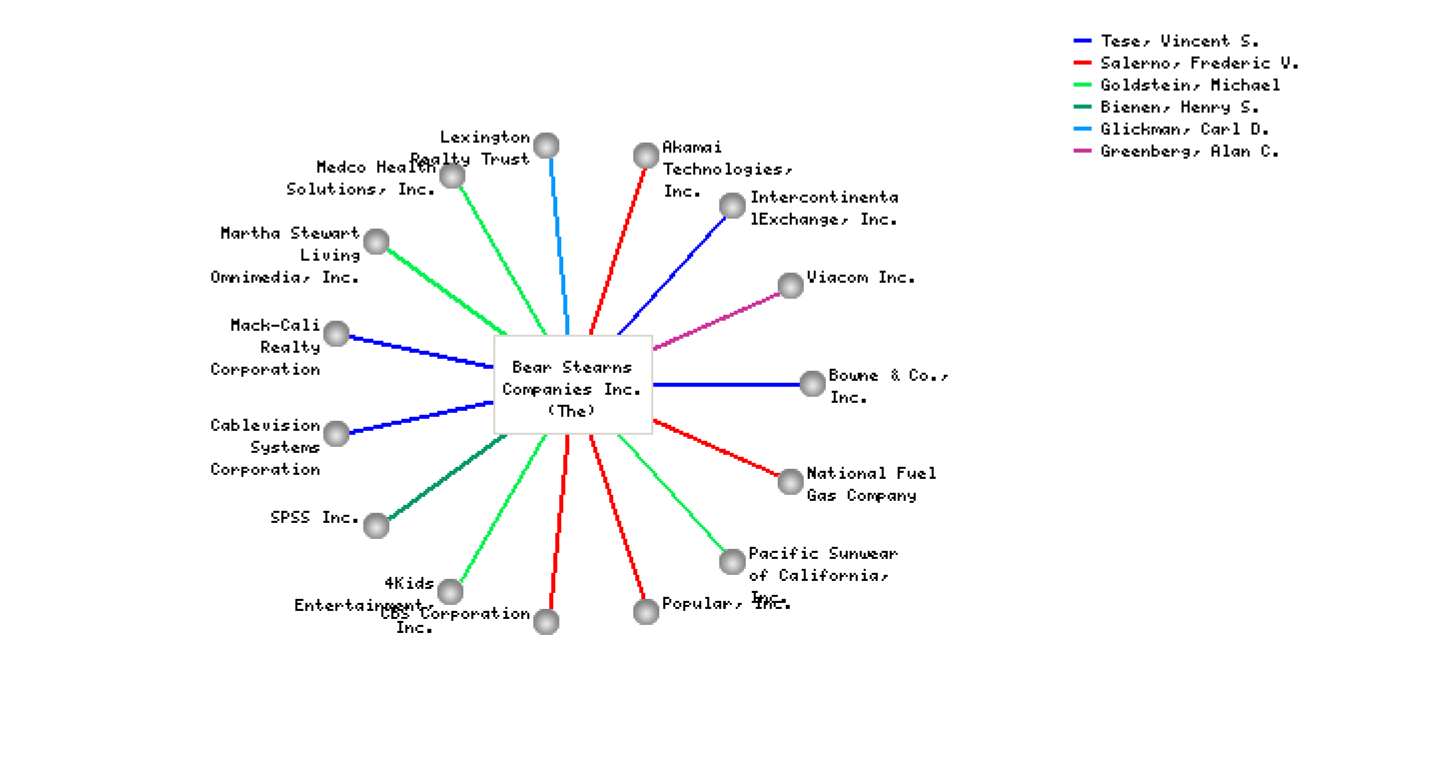
The Bear Stearns Health Innoventures Employee Fund, L.P. ('Health Innoventures Fund'), provides an investment opportunity for certain key employees of the Company that are accredited investors. Health Innoventures Fund has committed to invest $19,951,818 alongside Bear Stearns Health Innoventures, L.P. in technology-based health care companies in emerging high growth markets. As of November 30, 2003, 46 participants in Health Innoventures Fund have purchased a total of 70 limited partnership interests. Each limited partnership interest represents a commitment by the participant to invest $250,000, of which $125,000 is funded by the participant and $125,000 is in the form of a nonrecourse, interest-bearing loan from the Company to the participant. The loans bear interest at LIBOR plus 1.0%. Capital calls since April 16, 2001 have totaled 38.80% of each participant's equity commitment. The total amount loaned to the participants in Health Innoventures Fund at November 30, 2003 was $3,529,161. The aggregate amount of the loans outstanding to all executive officers as a group on such date was $403,333.

The Bear Stearns Multi-Strategy Employee Fund, L.P. ('Multi-Strategy Fund'), provides an investment opportunity for certain key employees of the Company that are accredited investors. Multi-Strategy Fund has invested $5,925,000 in a diversified group of private investment funds or managed accounts, managed by or offered through Bear Stearns Asset Management Inc. and its affiliates. As of November 30, 2003, 21 participants in Multi-Strategy Fund have purchased a total of 47 limited partnership interests. Each limited partnership interest represents an investment by the participant of $125,000. There were no loans outstanding to the participants in Multi-Strategy Fund at November 30, 2003.

Sterling BSC Inc. ('Sterling BSC') and Hines BSC, LLC ('Hines BSC'), as a joint venture (the 'Joint Venture'), have formed Bradirk 383 Associates LLC ('Bradirk'), of which Sterling BSC owns a 60% interest and Hines BSC owns a 40% interest. Through the Joint Venture, Sterling BSC and Hines BSC have acted as a consultant to the Company on certain real estate matters. The Company entered into an agreement with Bradirk to assist in the development of the Company's new world headquarters at 383 Madison Avenue. Under this agreement the Company agreed to pay a development fee of $12 million and to reimburse Bradirk for certain direct administrative costs associated with the project. During fiscal 2003, the Company made no payments related to the development agreement. In addition, pursuant to a Management Agreement between Gregory/Madison Avenue, LLC ('Gregory'), an affiliate of the Company, and Bradirk, Gregory has agreed to pay a management fee to Bradirk of $750,000 per year and to reimburse Bradirk for certain direct expenses related to managing the property. This agreement commenced on July 1, 2001 and continues for a minimum of 27 months. During fiscal 2003, the Company paid Bradirk $3.2 million in aggregate relating to the Management Agreement. Mr. Wilpon, a former director of the Company, is Chairman, Chief Executive Officer and a 33.75% stockholder of Sterling BSC. Mr. Wilpon and members of his family own approximately 85% of the outstanding stock of Sterling BSC.

Other than as described in this Proxy Statement, no director or executive officer of the Company was indebted to the Company during fiscal 2003 for any amount in excess of $60,000.

DIRECTOR CONNECTIONS



ABOUT THE CEO	
CEO:	Alan D. Schwartz
Age:	56
CEO Since:	2008
Tenure:	0

Bear Stearns Companies Inc. (The), Source Date: 3/31/2008

Alan D. Schwartz, age 58, has been Chief Executive Officer of the Company and Chairman and Chief Executive Officer of Bear Stearns since January 2008 and has been President of the Company and Bear Stearns for more than the past five years. Mr. Schwartz became sole President of the Company and Bear Stearns in August 2007. Mr. Schwartz was Co-Chief Operating Officer of the Company and Bear Stearns from June 2001 until August 2007. Mr. Schwartz has served as a director of the Company from 1987 until 1996 and from 1999 until present and he is a member of the Executive Committee. Mr. Schwartz is not on the board of directors of any other public company.

The Corporate Library consolidated bio, as of individual's last covered filing prior to 3/1/07:

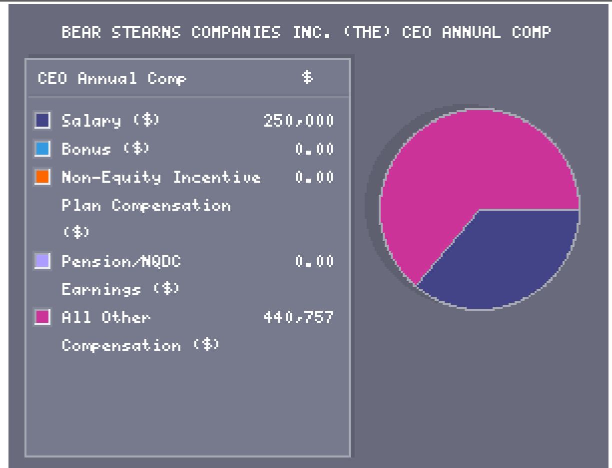
Mr. Schwartz became President and co-Chief Operating Officer of The Bear Stearns Companies, Inc. and Bear Stearns in June 2001. Prior thereto, he was Executive Vice President and Head of the Investment Banking Group of Bear Stearns. From June 1999 to June 2001, Mr. Schwartz was an Executive Vice President of Bear Stearns. Prior to June 30, 1999, he was an Executive Vice President of The Bear Stearns Companies and of Bear Stearns.

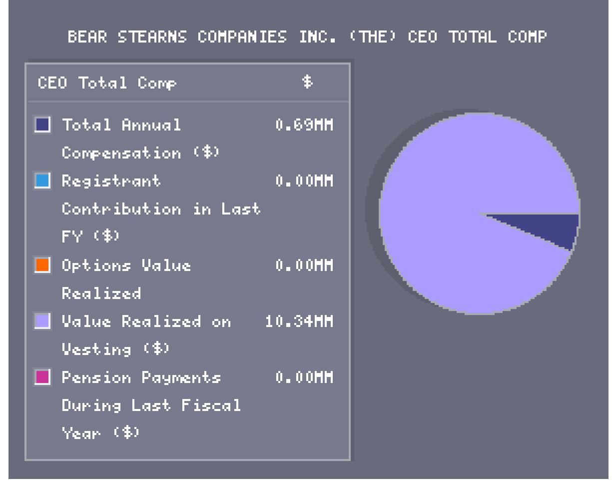
This individual has been affiliated with the following company: Champps Entertainment Inc., The Bear Stearns Companies Inc.

There is no written employment agreement between the Chief Executive Officer and this company.

CEO COMPENSATION

Proxy Filing Date:	3/31/2008
Summary Compensation	
Compensation Year:	2007
Salary:	$250,000
Bonus:	$0
Stock Awards:	$0
Option Awards:	$0
Non-Equity Incentive Compensation:	$0
Pension/NQDC Earnings:	$0
All Other Compensation:	$440,757
Summary: Options Granted:	35,788
Total Summary Compensation:	$690,757
Total Annual Compensation:	$690,757
Total Actual Compensation:	$11,027,849
Option Exercises and Stock Vested	
Number of Options Exercised:	0
Value Realized on Exercise:	$0
Shares Acquired on Vesting:	103,682
Value Realized on Vesting:	$10,337,092
Pension Benefits	
Number of Years Credited Service:	0
Present Value of Accumulated Benefits:	$0
Pension Payments During Last Fiscal Year:	$0
Non-Qualified Deferred Compensation	
Executive Contributions in Last FY:	$0
Registrant Contribution in Last FY:	$0
Aggregate Earnings in Last FY:	$0
Aggregate Withdrawals/Distributions:	$0
Aggregate Balance at Last FYE:	$0
Variable Pay	
Variable Pay as % of Total:	93.74%
Variable Pay as Stock:	100.00%
CEO Contract Available?	No

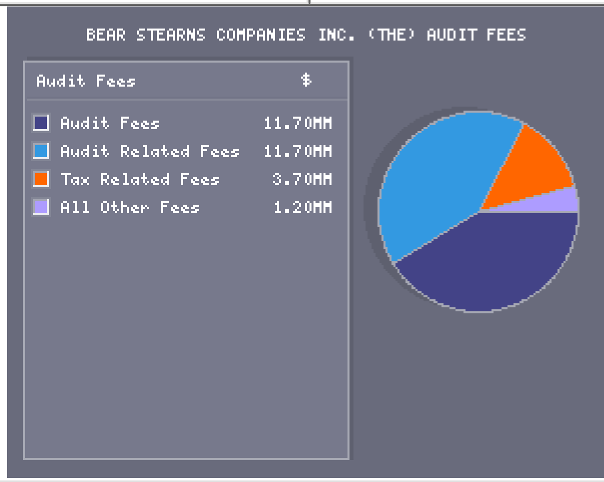




TOP FIVE NAMED EXECUTIVES COMPENSATION - Proxy Date: (3/31/2008)		
Name	**Title**	**Total Summary Compensation**
Michael Minikes	Chief Executive Officer of Bear, Stearns Securities Corp.	$1,995,145
Michael S Solender	General Counsel	$1,443,050
Jeffrey M Farber	Senior Vice President - Finance and Controller	$1,311,355
James E Cayne	Chairman of the Board and former Chief Executive Officer	$690,757
Alan D Schwartz	Chief Executive Officer and President	$665,249

ABOUT THE CFO	
CFO:	
Age:	
CFO Tenure:	

AUDITOR & ACCOUNTING	
Sarbanes-Oxley Section 404 Status:	Compliance
Auditor:	Deloitte & Touche LLP
Auditor Nominee:	Deloitte & Touche LLP
Audit Fees Paid:	$11,700,000
Audit Related Fees Paid:	$11,700,000
Tax Preparation Fees Paid:	$3,700,000
All Other Fees Paid:	$1,200,000
Total Fees Paid:	$28,300,000
Audit + Audit Related Fees as % of Total Fees Paid:	82.69%



OWNERSHIP INFORMATION	
Ownership Category:	Principal Shareholder
% Held by Principal Shareholder:	18.80%
% Held by Controlling Shareholder:	
Principal Shareholder Notes:	Wilmington Trust Corporation and Wilmington Trust Company
Insiders (Officers & Directors) % Held:	7.80
Five % Shareholders % Held:	34.30
Total % Insiders + 5% Holders:	42.10
Institutional Investor % Held:	77.50
Equity Reserved as % of Shares Outstanding:	45.05%
Current stock option run rate:	1.31%

SHAREHOLDER AND MANAGEMENT PROPOSALS			
Proxy Year	**Proposal Classification**	**Proposal Type**	**Yes Votes(%)**
2007	Stock Issuance	Management	50.75%
2007	Restricted Stock	Management	52.27%
2007	Director Compensation	Management	94.32%
2007	Executive Compensation	Management	95.97%
2007	Executive Compensation - Pay For Performance	Shareholder	31.65%
2006	Executive Compensation	Management	94.48%
2005	Executive Compensation	Management	92.27%

TAKEOVER DEFENSES	
Board Accountability	
Has Effective Classified (Staggered) Board?	No
Has Classified (Staggered) Board?	No
Multiple Classes of Voting Stock?	No
Multiple Class Stock Notes:	No known concerns
Director Removal Only for Cause?	No
Vote Required to Remove For Cause:	51%
Vote Required to Remove Without Cause:	51%
Can Shareholders Fill Board Vacancies?	No
Shareholder Voting and Action Rights	
Cumulative Voting?	No
Vote Required to Call Special Meeting:	0%
Is Special Meeting Rule More or Less Restrictive Than State Law?	Same
Vote Required to Act by Written Consent Percent:	0%
Is Written Consent Rule More or Less Restrictive Than State Law?	More Restrictive
Vote Required for Merger or Other Transaction:	51%
Merger Vote Notes:	
Vote Required to Amend the Charter:	51%
Charter Amendment Notes:	Approval of 80% of shares is required to amend Article 9 (Business Combo) of the charter.
Vote Required to Amend the Bylaws:	51%
Bylaws Amendment Notes:	
Poison Pill	
Has Poison Pill?	No
Poison Pill Notes:	n/a
Other Defenses	
Business Combination Provision?	Yes
Fair Price Provision?	Yes
Control Share Acquisition Provision?	No
Stakeholder Constituency Provision?	No
Advance Notice Requirement?	Yes

INDIVIDUAL DIRECTOR PROFILES

James E. Cayne

Age:	72
Gender:	Male
Number of Directorships at Rated Companies:	1
Is Active CEO?	No

Mr. Cayne has been designated a problem director due to his involvement with the New York Stock Exchange board during the tenure of former CEO Richard A. "Dick" Grasso. Bear Stearns Companies Inc. (The), Source Date: 3/31/2008 James E. Cayne, age 74, has been Chairman of the Board for more than the past five years. Mr. Cayne has served as a director of the Company since 1985. From 1993 until January 2008, Mr. Cayne was Chief Executive Officer of the Company and Bear, Stearns & Co. Inc. ("Bear Stearns"). Mr. Cayne is not on the board of directors of any other public company. The Corporate Library consolidated bio, as of individual's last covered filing prior to 3/1/07: Mr. Cayne becam Chairman of The Bear Stearns Companies, Inc. in late-June 2001 and has been Chief Executive Officer for more than five years. He is also a member of the Board of Executives of the New York Stock Exchange. He was President of The Bear Stearns Companies, Inc. and Bear Stearns prior to June 2001. This individual has been affiliated with the following companies: The Bear Stearns Companies Inc.

DIRECTORSHIPS INCLUDED IN THIS DATABASE

Company Name	Ticker	Rating	Since	Tenure	Status	Retired	Outside	CEO	CFO	Chair	Lead	Founder	Attendance	Shares Held	Shares Rptd
Bear Stearns Companies Inc. (The)	BSC	D	1985	23	Director		Outside Related			X				6,078,264	6,828,525

Committee Assignments			
Committee Name	**Status (see below)**	**Company Name**	**Ticker**
Executive	X	Bear Stearns Companies Inc. (The)	BSC
X=Member, C=Chairman, A=Alternate Member, N=Non-Voting Member, E=Emeritus			

MOST RECENT VOTING RESULTS FOR THIS INDIVIDUAL

Company Name	Ticker	Rating	Tenure	Proxy Year	Votes For	Votes Withheld	Votes For (%)	Votes Withheld (%)
Bear Stearns Companies Inc. (The)	BSC	D	23	2007	107,989,432	1,837,655	98.33%	1.67%

NON-CORPORATE AFFILIATIONS INCLUDED IN THIS DATABASE

Affiliate	Relationship	Position	Since	Tenure
New York Stock Exchange, Inc.	Advisor			
John F. Kennedy Center for the Performing Arts	Trustee	Vice Chairman		

Carl D. Glickman

Age:	80
Gender:	Male
Number of Directorships at Rated Companies:	2
Is Active CEO?	No

Lexington Realty Trust, Source Date: 4/14/2008 Mr. Glickman has served as a trustee since May 1994. Mr. Glickman has been President of The Glickman Organization, a real estate development and management firm, since 1953. Mr. Glickman is a director and a member of the audit committee and compensation committee of the board of directors of Bear Stearns Companies, Inc. and a member of the board of trustees of Cleveland State University. Bear Stearns Companies Inc. (The), Source Date: 3/31/2008 Carl D. Glickman, age 81, has been a private investor for more than the past five years. Mr. Glickman has served as a director of the Company since 1985 and is a member of the Audit and Qualified Legal Compliance Committees and is the Chairman of the Compensation Committee. He is also the Lead Director and Chairman of the Executive Committee of the Lexington Realty Trust. The Corporate Library consolidated bio, as of individual's last covered filing prior to 3/1/07: Mr. Glickman is a private investor and has served as President of The Glickman Organization since 1953. This individual has been affiliated with the following companies: Alliance Tire & Rubber Company Ltd.; Jerusalem Economic Corporation, Ltd., The Bear Stearns Companies Inc.

DIRECTORSHIPS INCLUDED IN THIS DATABASE

Company Name	Ticker	Rating	Since	Tenure	Status	Retired	Outside	CEO	CFO	Chair	Lead	Founder	Attendance	Shares Held	Shares Rptd
Bear Stearns Companies Inc. (The)	BSC	D	1985	23	Director		Outside							294,417	307,661
Lexington Realty Trust	LXP	B	1994	14	Director		Outside				X			195,876	195,876

Committee Assignments

Committee Name	Status (see below)	Company Name	Ticker
Audit	X	Bear Stearns Companies Inc. (The)	BSC
Compensation	C	Bear Stearns Companies Inc. (The)	BSC
Executive	C	Lexington Realty Trust	LXP
Qualified Legal Compliance	X	Bear Stearns Companies Inc. (The)	BSC

X=Member, C=Chairman, A=Alternate Member, N=Non-Voting Member, E=Emeritus

MOST RECENT VOTING RESULTS FOR THIS INDIVIDUAL

Company Name	Ticker	Rating	Tenure	Proxy Year	Votes For	Votes Withheld	Votes For (%)	Votes Withheld (%)
Bear Stearns Companies Inc. (The)	BSC	D	23	2007	103,447,977	6,379,110	94.19%	5.81%
Lexington Realty Trust	LXP	B	14	2007	95,984,151	857,579	99.11%	0.89%

NON-CORPORATE AFFILIATIONS INCLUDED IN THIS DATABASE

Affiliate	Relationship	Position	Since	Tenure
Cleveland State University	Director			

Alan C. Greenberg

Age:	79
Gender:	Male
Number of Directorships at Rated Companies:	2
Is Active CEO?	No

This individual has been marked as an 'Accelerated Vesting' director due to his or her involvement with a board that elected to accelerate the vesting of stock options in the period just prior to implementation of FAS 123R. This designation has been applied to all individuals who served on boards that approved such policies in order to avoid having to recognize the related expense, which is now required. Viacom Inc., Source Date: 4/18/2008 Mr. Greenberg has been a member of our Board since January 1, 2006, having previously served as a director of Former Viacom since 2003. He is Chairman of the Executive Committee of The Bear Stearns Companies Inc., a position he has held since June 2001. Mr. Greenberg also served as Chairman of the Board of Bear Stearns from 1985 to 2001, and as its Chief Executive Officer from 1978 to 1993. Mr. Greenberg is also a director of Bear Stearns. Bear Stearns Companies Inc. (The), Source Date: 3/31/2008 Alan C. Greenberg, age 80, has been Chairman of the Executive Committee of the Company for more than the past five years. Mr. Greenberg has served as a director of the Company since 1985. Mr. Greenberg is on the board of one other public company - Viacom Inc. The Corporate Library consolidated bio, as of individual's last covered filing prior to 3/1/07: Mr. Greenberg was Chairman of The Bear Stearns Companies, Inc. from 1985 to 2001 and Chief Executive Officer from 1978 to 1993. This individual has been affiliated with the following companies: The Bear Stearns Companies Inc.

DIRECTORSHIPS INCLUDED IN THIS DATABASE

Company Name	Ticker	Rating	Since	Tenure	Status	Retired	Outside	CEO	CFO	Chair	Lead	Founder	Attendance	Shares Held	Shares Rptd
Bear Stearns Companies Inc. (The)	BSC	D	1985	23	Director		Inside							273,305	371,481
CBS Corporation	CBS	D	2003	2	Retired	11/21/2005	Outside Related							22,643	22,643
Viacom Inc.	VIA	F	2003	5	Director		Outside							0	0

Committee Assignments

Committee Name	Status (see below)	Company Name	Ticker
Executive	C	Bear Stearns Companies Inc. (The)	BSC

X=Member, C=Chairman, A=Alternate Member, N=Non-Voting Member, E=Emeritus

MOST RECENT VOTING RESULTS FOR THIS INDIVIDUAL

Company Name	Ticker	Rating	Tenure	Proxy Year	Votes For	Votes Withheld	Votes For (%)	Votes Withheld (%)
Bear Stearns Companies Inc. (The)	BSC	D	23	2007	107,727,869	2,099,218	98.09%	1.91%
Viacom Inc.	VIA	F	5	2007	57,442,748	88,325	99.85%	0.15%

NON-CORPORATE AFFILIATIONS INCLUDED IN THIS DATABASE

Affiliate	Relationship	Position	Since	Tenure
American Museum of Natural History	Trustee			

Rev. Donald J. Harrington

Age:	61
Gender:	Male
Number of Directorships at Rated Companies:	1
Is Active CEO?	No

Bear Stearns Companies Inc. (The), Source Date: 3/31/2008 Donald J. Harrington, age 62, has been the President of St. John's University for more than the past five years. Mr. Harrington has served as a director of the Company since 1993 and is a member of the Compensation Committee. Mr. Harrington is not on the board of directors of any other public companies. The Corporate Library consolidated bio, as of individual's last covered filing prior to 3/1/07: Father Harrington is President of St. John's University and a director of The Reserve Fund, Reserve Institutional Trust, Reserve Tax-Exempt Trust, Reserve New York Tax-Exempt Trust and Reserve Special Portfolios Trust. This individual has been affiliated with the following companies: The Bear Stearns Companies Inc.

DIRECTORSHIPS INCLUDED IN THIS DATABASE

Company Name	Ticker	Rating	Since	Tenure	Status	Retired	Outside	CEO	CFO	Chair	Lead	Founder	Attendance	Shares Held	Shares Rptd
Bear Stearns Companies Inc. (The)	BSC	D	1993	15	Director		Outside							2,621	9,175

Committee Assignments			
Committee Name	**Status (see below)**	**Company Name**	**Ticker**
Compensation	X	Bear Stearns Companies Inc. (The)	BSC
X=Member, C=Chairman, A=Alternate Member, N=Non-Voting Member, E=Emeritus			

MOST RECENT VOTING RESULTS FOR THIS INDIVIDUAL

Company Name	Ticker	Rating	Tenure	Proxy Year	Votes For	Votes Withheld	Votes For (%)	Votes Withheld (%)
Bear Stearns Companies Inc. (The)	BSC	D	15	2007	107,227,125	2,599,962	97.63%	2.37%

NON-CORPORATE AFFILIATIONS INCLUDED IN THIS DATABASE

Affiliate	Relationship	Position	Since	Tenure
No non-corporate affiliations were found for this director				

Frank T. Nickell

Age:	59
Gender:	Male
Number of Directorships at Rated Companies:	1
Is Active CEO?	No

Bear Stearns Companies Inc. (The), Source Date: 3/31/2008 Frank T. Nickell, age 60, has been President and Chief Executive Officer of Kelso & Company, a privately held merchant banking firm, for more than the past five years. Mr. Nickell has been Chairman of Kelso & Company since June 2006. Mr. Nickell has served as a director of the Company since 1993 and is a member of the Compensation, Corporate Governance and Nominating, and Finance and Risk Committees. Mr. Nickell is not on the board of directors of any other public company. The Corporate Library consolidated bio, as of individual's last covered filing prior to 3/1/07: Mr. Nickell is President and Chief Executive Officer of Kelso & Company, L.P. (Kelso), a firm that manages private equity investment partnerships and private equity investments. He is a Certified Public Accountant, a member of the American Institute of Certified Public Accountants, a member of the Board of Visitors of the University of North Carolina and a trustee of the NYU Medical Center. Prior to joining Kelso in 1977, Mr. Nickell was associated with A.M. Pullen & Co., independent public accountants. This individual has been affiliated with the following companies: Custom Building Products, Inc.; Earle M. Jorgensen Company, The Bear Stearns Companies Inc.

DIRECTORSHIPS INCLUDED IN THIS DATABASE

Company Name	Ticker	Rating	Since	Tenure	Status	Retired	Outside	CEO	CFO	Chair	Lead	Founder	Attendance	Shares Held	Shares Rptd
Bear Stearns Companies Inc. (The)	BSC	D	1993	15	Director		Outside							37,264	54,843
BlackRock, Inc.	BLK	D	1999	7	Retired	9/26/2006	Outside Related							73,260	73,260

Committee Assignments			
Committee Name	**Status (see below)**	**Company Name**	**Ticker**
Compensation	X	Bear Stearns Companies Inc. (The)	BSC
Corporate Governance & Nominating	X	Bear Stearns Companies Inc. (The)	BSC
Finance & Risk Management	X	Bear Stearns Companies Inc. (The)	BSC
X=Member, C=Chairman, A=Alternate Member, N=Non-Voting Member, E=Emeritus			

MOST RECENT VOTING RESULTS FOR THIS INDIVIDUAL

Company Name	Ticker	Rating	Tenure	Proxy Year	Votes For	Votes Withheld	Votes For (%)	Votes Withheld (%)
BlackRock, Inc.	BLK	D	7	2006	227,982,228	4,834,601	97.92%	2.08%
Bear Stearns Companies Inc. (The)	BSC	D	15	2007	107,021,669	2,805,418	97.45%	2.55%

NON-CORPORATE AFFILIATIONS INCLUDED IN THIS DATABASE

Affiliate	Relationship	Position	Since	Tenure
American Institute of Certified Public Accountants (AICPA)	Member			
University of North Carolina	Visitor			

Frederic V. Salerno

Age:	63
Gender:	Male
Number of Directorships at Rated Companies:	7
Is Active CEO?	No

This individual has been marked as an 'Accelerated Vesting' director due to his or her involvement with a board that elected to accelerate the vesting of stock options in the period just prior to implementation of FAS 123R. This designation has been applied to all individuals who served on boards that approved such policies in order to avoid having to recognize the related expense, which is now required. Viacom Inc., Source Date: 4/18/2008 Mr. Salerno has been a member of our Board since January 1, 2006, having previously served as a director of Former Viacom since 1994. He is a retired Vice Chairman and Chief Financial Officer of Verizon Communications Inc., a position he held from June 2000 to October 2002. Prior to that, Mr. Salerno served as Vice Chairman and Chief Financial Officer of Bell Atlantic (Verizon's predecessor) from August 1997. Prior to the merger of Bell Atlantic and NYNEX Corporation, Mr. Salerno served as Vice Chairman, Finance and Business Development, of NYNEX from 1994 to 1997. Mr. Salerno was Vice Chairman of the Board of NYNEX and President of the NYNEX Worldwide Services Group from 1991 to 1994. Mr. Salerno is also a director of Akamai Technologies, Inc., The Bear Stearns Companies Inc., CBS Corporation, IntercontinentalExchange, Inc., Popular Inc. and National Fuel Gas Company. CBS Corporation, Source Date: 4/11/2008 Mr. Salerno is a retired Vice Chairman and Chief Financial Officer of Verizon Communications Inc., a position he held from June 2000 to October 2002. Prior to that, Mr. Salerno served as Vice Chairman and Chief Financial Officer of Bell Atlantic Corporation (Verizon's predecessor) from August 1997. Prior to the merger of Bell Atlantic and NYNEX Corporation, Mr. Salerno served as Vice Chairman, Finance and Business Development of NYNEX from 1994 to 1997. Mr. Salerno was Vice Chairman of the Board of NYNEX and President of the NYNEX Worldwide Services Group from 1991 to 1994. Prior to the Separation, Mr. Salerno served as a director of Former Viacom from 1994 through 2005. Mr. Salerno is also a director of Akamai Technologies, Inc., The Bear Stearns Companies Inc., IntercontinentalExchange, Inc., Popular Inc. and Viacom. Akamai Technologies, Inc., Source Date: 4/11/2008 Frederic V. Salerno, age 64, has served as a director of Akamai since April 2002. From 1997 until his retirement in September 2002, Mr. Salerno served in a variety of senior management positions at Verizon Communications, Inc., a provider of communications services, and its predecessors. At the time of his retirement, Mr. Salerno had been serving as Vice Chairman and Chief Financial Officer. Mr. Salerno also serves on the board of directors of Bear Stearns & Co., Inc., a financial services company, CBS Broadcasting, Inc., a media company, Intercontinental Exchange, an electronic exchange for trading wholesale energy and metals commodities, National Fuel Gas Company, a diversified energy company, Popular, Inc., a financial holding company, and Viacom, Inc., a media company. IntercontinentalExchange, Inc., Source Date: 4/3/2008 Mr. Salerno is the former Vice Chairman of Verizon Communications, Inc. Before the merger of Bell Atlantic and GTE, Mr. Salerno was Senior Executive Vice President, Chief Financial Officer and served in the Office of the Chairman of Bell Atlantic from 1997 to 2001. Prior to joining Bell Atlantic, he served as Executive Vice President and Chief Operating Officer of New England Telephone from 1985 to 1987, President and Chief Executive Officer of New York Telephone from 1987 to 1991 and Vice Chairman -- Finance and Business Development at NYNEX from 1991 to 1997. Mr. Salerno served on the boards of directors of Verizon Communications, Inc. from 1991 to 2001, AVNET, Inc. from 1993 to 2003, Consolidated Edison, Inc. from 2002 to 2007, and was Chairman of Orion Power from 1999 until its sale in 2001. He has served on the boards of directors of The Bear Stearns Companies, Inc. since 1993, Viacom, Inc. since 1996, CBS Corporation since 2007, Akamai Technologies, Inc. since 2002 and Popular, Inc. since 2003. Bear Stearns Companies Inc. (The), Source Date: 3/31/2008 Frederic V. Salerno, age 64, was the Vice Chairman and Chief Financial Officer of Verizon Communications Inc. (formerly Bell Atlantic Corporation) until his retirement in September 2002. Prior to June 2000, Mr. Salerno was the Senior Executive Vice President and Chief Financial Officer/Strategy and Business Development of Bell Atlantic Corporation. Prior to the merger of NYNEX Corp. ("NYNEX") and Bell Atlantic Corporation, Mr. Salerno was the Vice Chairman of the Board of NYNEX for more than five years. Mr. Salerno has served as a director of the Company since 1992 and is a member of the Audit, Finance and Risk, and Qualified Legal Compliance Committees and is the Chairman of the Corporate Governance and Nominating Committee. Mr. Salerno is on the boards of The following additional public companies: Akamai Technologies, Inc.; CBS Corporation; IntercontinentalExchange, Inc.; National Fuel Gas Company; Popular, Inc. and Viacom Inc. Popular, Inc., Source Date: 3/12/2008 Director of Land National Fuel Gas Company since February 2008, CBS Corporation since 2007, Intercontinental Exchange, Inc. and Akamai Technologies, Inc. since 2001, Viacom, Inc. since 1994, Bear Stearns & Co., Inc. since 1993. Vice Chairman and Chief Financial Officer of Verizon Communications, Inc. until 2002, when he retired. Trustee of the Inner City Scholarship Fund since 1989. The Corporate Library consolidated bio, as of individual's last covered filing prior to 3/1/07: Mr. Salerno serves as a trustee of Manhattan College. He was Chairman of Lynch Interactive Corporation from December 2002 until March 2004 and from 1997 until his retirement in September 2002, he served in a variety of senior management positions at Verizon Communications, Inc., including Vice Chairman and Chief Financial Officer of Verizon Communications, Inc. from June 2000 until his retirement in October 2002. He served as Senior Executive Vice President and Chief Financial Officer of Strategy & Business Development of the Bell Atlantic Corporation from August 1997 to July 2000, was Vice Chairman of Finance and Business Development of NYNEX Corporation from 1994 to 1997 and President of the NYNEX Worldwide Services Group from 1991 to 1994. Mr. Salerno was named Vice President in 1983 when he managed the divestiture of Verizon Communications from the Bell System, and became President and Chief Executive Officer of New York Telephone in 1987. He holds a B.S. from Manhattan College and an M.B.A. from Adelphi University. This individual has been affiliated with the following companies: Consolidated Edison Company of New York, Inc.; Lynch Interactive Corporation; Gabelli Asset Managment, Inc., The Bear Stearns Companies Inc.

DIRECTORSHIPS INCLUDED IN THIS DATABASE

Company Name	Ticker	Rating	Since	Tenure	Status	Retired	Outside	CEO	CFO	Chair	Lead	Founder	Attendance	Shares Held	Shares Rptd
Avnet, Inc.	AVT	B	1993	11	Retired	3/31/2004	Outside							33,935	38,922
Bear Stearns Companies Inc. (The)	BSC	D	1992	16	Director		Outside							4,204	21,783
CBS Corporation	CBS	D	1994	12	Retired	5/25/2006	Outside							18,357	0
Popular, Inc.	BPOP	C	2003	5	Director		Outside							28,683	33,275
Consolidated Edison, Inc.	ED	B	2002	5	Retired	5/21/2007	Outside							5,843	896
Dun & Bradstreet Corporation (The)	DNB	B	2002	2	Retired	3/16/2004	Outside							2,608	2,030

Heidrick & Struggles International, Inc.	HSII	B	2003	1	Retired	3/16/2004	Outside							0	0
GAMCO Investors, Inc.	GBL	D	2003	3	Retired	3/7/2006	Outside Related							0	0
Akamai Technologies, Inc.	AKAM	B	2002	6	Director		Outside							9,793	43,293
Verizon Communications Inc.	VZ	D			Retired CFO	6/15/2002	Inside							234,143	35,319
Viacom Inc.	VIA	F	1994	14	Director		Outside							12,982	12,982
IntercontinentalExchange, Inc.	ICE	C	2002	6	Director		Outside				X			0	22,517
CBS Corporation	CBS	D	2007	1	Director		Outside							9,077	9,077
National Fuel Gas Company	NFG	B	2008	0	Director		Outside								

Committee Assignments

Committee Name	**Status (see below)**	**Company Name**	**Ticker**
Audit	X	Bear Stearns Companies Inc. (The)	BSC
Audit	C	Popular, Inc.	BPOP
Audit	C	Akamai Technologies, Inc.	AKAM
Audit	C	Viacom Inc.	VIA
Audit	C	IntercontinentalExchange, Inc.	ICE
Audit	X	CBS Corporation	CBS
Compensation	X	Viacom Inc.	VIA
Compensation	X	Akamai Technologies, Inc.	AKAM
Corporate Governance & Nominating	C	Bear Stearns Companies Inc. (The)	BSC
Corporate Governance & Nominating	X	Viacom Inc.	VIA
Corporate Governance & Nominating	X	Popular, Inc.	BPOP
Finance & Risk Management	X	Bear Stearns Companies Inc. (The)	BSC
Risk Management	X	Popular, Inc.	BPOP

X=Member, C=Chairman, A=Alternate Member, N=Non-Voting Member, E=Emeritus

MOST RECENT VOTING RESULTS FOR THIS INDIVIDUAL

Company Name	Ticker	Rating	Tenure	Proxy Year	Votes For	Votes Withheld	Votes For (%)	Votes Withheld (%)
Popular, Inc.	BPOP	C	5	2005	227,329,797	5,353,511	97.70%	2.30%
Akamai Technologies, Inc.	AKAM	B	6	2005	103,411,450	275,844	99.73%	0.27%
Consolidated Edison, Inc.	ED	B	5	2006	197,250,345	4,231,954	97.90%	2.10%
Bear Stearns Companies Inc. (The)	BSC	D	16	2007	97,093,265	12,733,822	88.41%	11.59%
IntercontinentalExchange, Inc.	ICE	C	6	2007	51,079,856	2,672,945	95.03%	4.97%
Viacom Inc.	VIA	F	14	2007	57,194,754	336,320	99.42%	0.58%
CBS Corporation	CBS	D	12	2007	59,948,963	71,982	99.88%	0.12%

NON-CORPORATE AFFILIATIONS INCLUDED IN THIS DATABASE				
Affiliate	**Relationship**	**Position**	**Since**	**Tenure**
Manhattan College	Alumni			

Alan D. Schwartz

Age:	56
Gender:	Male
Number of Directorships at Rated Companies:	1
Is Active CEO?	Yes

Bear Stearns Companies Inc. (The), Source Date: 3/31/2008 Alan D. Schwartz, age 58, has been Chief Executive Officer of the Company and Chairman and Chief Executive Officer of Bear Stearns since January 2008 and has been President of the Company and Bear Stearns for more than the past five years. Mr. Schwartz became sole President of the Company and Bear Stearns in August 2007. Mr. Schwartz was Co-Chief Operating Officer of the Company and Bear Stearns from June 2001 until August 2007. Mr. Schwartz has served as a director of the Company from 1987 until 1996 and from 1999 until present and he is a member of the Executive Committee. Mr. Schwartz is not on the board of directors of any other public company. The Corporate Library consolidated bio, as of individual's last covered filing prior to 3/1/07: Mr. Schwartz became President and co-Chief Operating Officer of The Bear Stearns Companies, Inc. and Bear Stearns in June 2001. Prior thereto, he was Executive Vice President and Head of the Investment Banking Group of Bear Stearns. From June 1999 to June 2001, Mr. Schwartz was an Executive Vice President of Bear Stearns. Prior to June 30, 1999, he was an Executive Vice President of The Bear Stearns Companies and of Bear Stearns. This individual has been affiliated with the following company: Champps Entertainment Inc., The Bear Stearns Companies Inc.

DIRECTORSHIPS INCLUDED IN THIS DATABASE

Company Name	Ticker	Rating	Since	Tenure	Status	Retired	Outside	CEO	CFO	Chair	Lead	Founder	Attendance	Shares Held	Shares Rptd
Bear Stearns Companies Inc. (The)	BSC	D	1987	21	Director		Inside	X						1,466,060	2,105,939

Committee Assignments			
Committee Name	**Status (see below)**	**Company Name**	**Ticker**
Executive	X	Bear Stearns Companies Inc. (The)	BSC
X=Member, C=Chairman, A=Alternate Member, N=Non-Voting Member, E=Emeritus			

MOST RECENT VOTING RESULTS FOR THIS INDIVIDUAL

Company Name	Ticker	Rating	Tenure	Proxy Year	Votes For	Votes Withheld	Votes For (%)	Votes Withheld (%)
Bear Stearns Companies Inc. (The)	BSC	D	21	2007	107,775,365	2,051,722	98.13%	1.87%

NON-CORPORATE AFFILIATIONS INCLUDED IN THIS DATABASE

Affiliate	Relationship	Position	Since	Tenure
New York City Partnership and Chamber of Commerce (Partnership of New York City)	Director			

Vincent S. Tese

Age:	64
Gender:	Male
Number of Directorships at Rated Companies:	5
Is Active CEO?	No

This individual has been marked as an 'Accelerated Vesting' director due to his or her involvement with a board that elected to accelerate the vesting of stock options in the period just prior to implementation of FAS 123R. This designation has been applied to all individuals who served on boards that approved such policies in order to avoid having to recognize the related expense, which is now required. Mack-Cali Realty Corporation, Source Date: 4/18/2008 Vincent Tese has served as a member of the Board of Directors since 1997, has served as chairman of the Nominating and Corporate Governance Committee of the Board of Directors since 2000, and has served as a member of the Executive Compensation and Option Committee of the Board of Directors since 1998, and served as chairman of said committee from 1998 until 2004. Mr. Tese served as New York State Superintendent of Banks from 1983 to 1985, chairman and chief executive officer of the Urban Development Corporation from 1985 to 1994, director of economic development for New York State from 1987 to 1994 and commissioner and vice chairman of the Port Authority of New York and New Jersey from 1991 to 1995. Mr. Tese also served as a partner in the law firm of Tese & Tese, a partner in the Sinclair Group, a commodities trading and investment management company, and a co-founder of Cross Country Cable TV. Mr. Tese is the former chairman of Cross Country Wireless; he is currently a member of the boards of directors of The Bear Stearns Companies Inc., Bowne & Company, Inc., Cablevision Systems Corporation and Intercontinentalexchange, Inc. These companies are the only public companies that Mr. Tese serves on the board of directors or any committee of the board of directors. Mr. Tese is also a member of the boards of directors of Magfusion, Inc., Wireless Cable International, Inc., Custodial Trust Company, and Xanboo, Inc., and is a trustee of New York University School of Law and New York Presbyterian Hospital. Mr. Tese previously served as a member of the board of directors of Gamco Investors Inc. Et Al. from 2003 to 2007. Mr. Tese has a B.A. degree in accounting from Pace University, a J.D. degree from Brooklyn Law School and a L.L.M. degree in taxation from New York University School of Law. Bowne & Co., Inc., Source Date: 4/11/2008 Cable television owner and operator. Mr. Tese is also a director of The Bear Stearns Companies, Inc., Custodial Trust Company, Cablevision, Inc., Mack-Cali Realty Corp., IntercontinentalExchange, Inc., NRDC Acquisition Corp., Cabrini Mission Society, Catholic Guardian Society, Municipal Art Society, New York Presbyterian Hospital, and the New York University School of Law. He was first elected to the Company's Board of Directors in 1996 and is a Class I director. His term will expire in 2009. Cablevision Systems Corporation, Source Date: 4/9/2008 VINCENT TESE, 65, Director since 1996. Mr. Tese served as Chairman and Chief Executive Officer of the New York State Urban Development Corporation from 1985 to 1987 and as Director of Economic Development for New York State from 1987 to December 1994. Mr. Tese is a director of The Bear Stearns Companies Inc., Bowne & Co, Inc., Cabrini Mission Society, Catholic Guardian Society, Custodial Trust Co., IntercontinentalExchange, Inc., Mack-Cali Realty Corp., Magfusion, Inc., Municipal Art Society, NRDC Acquisition Corp., Wireless Cable International, Inc. and a trustee of New York Presbyterian Hospital and New York University School of Law. IntercontinentalExchange, Inc., Source Date: 4/3/2008 Mr. Tese currently serves as Chairman of Wireless Cable International, Inc., a position he has held since 1995. Previously, he served as New York State Superintendent of Banks from 1983 to 1985, Chairman and Chief Executive Officer of the Urban Development Corporation from 1985 to 1994, Director of Economic Development for New York State from 1987 to 1994, and Commissioner and Vice Chairman of the Port Authority of New York and New Jersey from 1991 to 1995. Mr. Tese also served as a Partner in the law firm of Tese & Tese from 1973 to 1977. He was a Partner in the Sinclair Group, a commodities trading and investment management company from 1977 to 1982, where he traded on the COMEX. He was also a co-founder of Cross Country Cable TV. Mr. Tese is a member of the boards of directors of The Bear Stearns Companies, Inc., Bowne & Co., Inc., Cablevision, Inc., Cabrini Mission Society, Catholic Guardian Society, Custodial Trust Company, Magfusion, Inc. Municipal Art Society, Wireless Cable International, Inc., NRDC Acquisition Corp. and Mack-Cali Reality Corporation and serves as a trustee of New York University School of Law and New York Presbyterian Hospital. Mr. Tese has a B.A. degree in accounting from Pace University, a J.D. degree from Brooklyn Law School and a LL.M. degree in taxation from New York University School of Law. Bear Stearns Companies Inc. (The), Source Date: 3/31/2008 Vincent Tese, age 65, is the Chairman of Wireless Cable International Inc. Mr. Tese has served as a director of the Company since 1994 and is a member of the Compensation, Corporate Governance and Nominating, and Finance and Risk Committees and is the Chairman of the Audit Committee and the Qualified Legal Compliance Committee. Mr. Tese is on the boards of the following additional public companies: Bowne & Co., Inc.; Cablevision Systems Corporation; IntercontinentalExchange Group; Mack-Cali Realty Corporation and NRDC Acquisition Corp. The Corporate Library consolidated bio, as of individual's last covered filing prior to 3/1/07: Mr. Tese, a cable television owner and operator, is a director of the Cabrini Mission Society, Catholic Guardian Society, Municipal Art Society, New York Presbyterian Hospital and the New York University School of Law. He was owner, operator and Chairman of Wireless Cable International Inc. since April 1995. Previously, Mr. Tese served as New York State Superintendent of Banks from 1983 to 1985, Chairman and Chief Executive Officer of the Urban Development Corporation from 1985 to 1994, Director of Economic Development for New York State from 1987 to 1994, and Commissioner and Vice Chairman of the Port Authority of New York and New Jersey from 1991 to 1995. He also served as a Partner in the law firm of Tese & Tese from 1973 to 1977. Mr. Tese was a Partner in the Sinclair Group, a commodities trading and investment management company from 1977 to 1982, where he traded on the COMEX. He was also a co-founder of Cross Country Cable TV. He has a B.A. degree in accounting from Pace University, a J.D. degree from Brooklyn Law School and a LL.M. degree in taxation from New York University School of Law. This individual has been affiliated with the following companies: Lynch Interactive Corporation; Xanboo, Inc.; Wireless Cable International Inc.; Rainbow Media Holdings LLC; Orion Power Holdings; Gabelli Asset Management; Key Span Energy; Angram, Inc.; Custodial Trust Company; NWH, Inc., The Bear Stearns Companies Inc.

DIRECTORSHIPS INCLUDED IN THIS DATABASE

Company Name	Ticker	Rating	Since	Tenure	Status	Retired	Outside	CEO	CFO	Chair	Lead	Founder	Attendance	Shares Held	Shares Rptd
Bowne & Co., Inc.	BNE	B	1996	12	Director		Outside							38,714	124,500
Bear Stearns Companies Inc. (The)	BSC	D	1994	14	Director		Outside				X			3,977	17,221
Cablevision Systems Corporation	CVC	F	1996	12	Director		Outside							10,387	50,098
Mack-Cali Realty Corporation	CLI	D	1997	11	Director		Outside							8,700	8,700
GAMCO Investors, Inc.	GBL	D	2003	4	Retired	12/31/2007	Outside							0	10,000
IntercontinentalExchange, Inc.	ICE	C	2004	4	Director		Outside							0	34,994

Committee Assignments			
Committee Name	**Status (see below)**	**Company Name**	**Ticker**
Audit	C	Bear Stearns Companies Inc. (The)	BSC
Audit	X	Cablevision Systems Corporation	CVC
Compensation	X	Bear Stearns Companies Inc. (The)	BSC
Compensation	X	Cablevision Systems Corporation	CVC
Compensation & Management Development	C	Bowne & Co., Inc.	BNE
Corporate Governance & Nominating	X	Bear Stearns Companies Inc. (The)	BSC
Corporate Governance & Nominating	X	Bowne & Co., Inc.	BNE
Corporate Governance & Nominating	C	Mack-Cali Realty Corporation	CLI
Executive	X	Bowne & Co., Inc.	BNE
Executive Compensation & Stock Option	X	Mack-Cali Realty Corporation	CLI
Finance & Risk Management	X	Bear Stearns Companies Inc. (The)	BSC
Qualified Legal Compliance	C	Bear Stearns Companies Inc. (The)	BSC

X=Member, C=Chairman, A=Alternate Member, N=Non-Voting Member, E=Emeritus

MOST RECENT VOTING RESULTS FOR THIS INDIVIDUAL

Company Name	Ticker	Rating	Tenure	Proxy Year	Votes For	Votes Withheld	Votes For (%)	Votes Withheld (%)
Bowne & Co., Inc.	BNE	B	12	2006	28,467,429	1,173,588	96.04%	3.96%
Bear Stearns Companies Inc. (The)	BSC	D	14	2007	99,336,619	10,490,468	90.45%	9.55%
GAMCO Investors, Inc.	GBL	D	4	2007	209,652,973	219,575	99.90%	0.10%
IntercontinentalExchange, Inc.	ICE	C	4	2007	53,180,411	572,390	98.94%	1.06%
Mack-Cali Realty Corporation	CLI	D	11	2007	62,071,356	2,069,981	96.77%	3.23%
Cablevision Systems Corporation	CVC	F	12	2007	127,668,203	66,037,373	65.91%	34.09%

NON-CORPORATE AFFILIATIONS INCLUDED IN THIS DATABASE

Affiliate	**Relationship**	**Position**	**Since**	**Tenure**
New York Presbyterian Hospital	Trustee			

Paul A. Novelly

Age:	63
Gender:	Male
Number of Directorships at Rated Companies:	1
Is Active CEO?	No

Bear Stearns Companies Inc. (The), Source Date: 3/31/2008 Paul A. Novelly, age 64, has been Chairman of the Board and Chief Executive Officer of Apex Oil Company, Inc., a privately held company engaged in wholesale marketing, storage and distribution of petroleum products, for more than the past five years. Mr. Novelly has served as a director of the Company since 2002 and is a member of the Audit, Corporate Governance and Nominating, and Qualified Legal Compliance Committees and is the Chairman of the Finance and Risk Committee. Mr. Novelly is also on the boards of the following additional public companies: Boss Holdings, Inc. and Future Fuel Corp. The Corporate Library consolidated bio, as of individual's last covered filing prior to 3/1/07: Mr. Novelly serves as Chairman and Chief Executive Officer of Apex Oil Company, Inc. This individual has been affiliated with the following companies: Intrawest Corporation; Boss Holdings, Inc.; Coastcast Corporation; Apex Oil Company, Inc., The Bear Stearns Companies Inc.

DIRECTORSHIPS INCLUDED IN THIS DATABASE

Company Name	Ticker	Rating	Since	Tenure	Status	Retired	Outside	CEO	CFO	Chair	Lead	Founder	Attendance	Shares Held	Shares Rptd
Bear Stearns Companies Inc. (The)	BSC	D	2002	6	Director		Outside							128,654	135,014

Committee Assignments			
Committee Name	**Status (see below)**	**Company Name**	**Ticker**
Audit	X	Bear Stearns Companies Inc. (The)	BSC
Corporate Governance & Nominating	X	Bear Stearns Companies Inc. (The)	BSC
Finance & Risk Management	C	Bear Stearns Companies Inc. (The)	BSC
Qualified Legal Compliance	X	Bear Stearns Companies Inc. (The)	BSC
X=Member, C=Chairman, A=Alternate Member, N=Non-Voting Member, E=Emeritus			

MOST RECENT VOTING RESULTS FOR THIS INDIVIDUAL

Company Name	Ticker	Rating	Tenure	Proxy Year	Votes For	Votes Withheld	Votes For (%)	Votes Withheld (%)
Bear Stearns Companies Inc. (The)	BSC	D	6	2007	108,903,841	923,246	99.16%	0.84%

NON-CORPORATE AFFILIATIONS INCLUDED IN THIS DATABASE

Affiliate	Relationship	Position	Since	Tenure
No non-corporate affiliations were found for this director				

Wesley S. Williams Jr.

Age:	64
Gender:	Male
Number of Directorships at Rated Companies:	1
Is Active CEO?	No

Bear Stearns Companies Inc. (The), Source Date: 3/31/2008 Wesley S. Williams Jr., age 65, had been a partner in the law firm of Covington & Burling LLP for more than five years prior to his retirement in 2005. Mr. Williams has been President and Chief Operating Officer since 2004, Co-President and Co-Chief Operating Officer from 2003 to 2004, and Co-Chairman and Co-Chief Executive Officer for more than five years, of Lockhart Companies Incorporated, a 26-company conglomerate of real estate, insurance, and consumer finance companies operating largely in the Eastern Caribbean. Prior to his retirement in 2005, Mr. Williams had been Chairman from 2003 through 2004, Deputy Chairman from 2001 through 2002, and a member of the Board of Directors for more than five years, of the Federal Reserve Bank of Richmond. Mr. Williams has also been Chairman since 2004, and a member of the Board of Directors for more than five years, of the National Prostate Cancer Coalition. Mr. Williams has served as a director of the Company since 2004 and is a member of the Audit and Qualified Legal Compliance Committees. Mr. Williams is not on the board of directors of any other public company. The Corporate Library consolidated bio, as of individual's last covered filing prior to 3/1/07: Mr. Williams has been President and Chief Operating Officer since 2004 and co-Chairman and co-Chief Executive Officer for more than five years, of Lockhart Cos. Inc. He is also been Chairman of the National Prostate Cancer Coalition since 2004. He served as co-President and co-Chief Operating Officer of Lockhart from 2003 to 2004. From 1975 through 2004, Mr. Williams was a partner in the law firm of Covington & Burling. After serving as a junior member of the Faculty of Law of Columbia University, Mr. Williams was adjunct professor of real estate finance law at Georgetown University Law Center from 1971 to 1973. In addition, he is an author or contributing author of several texts on banking law and on real estate investment and finance, and served for more than a decade on the Editorial Advisory Board of the District of Columbia Real Estate Reporter. Mr. Williams was also Chairman of the Federal Reserve Bank of Richmond from 2003 through 2004 and was deputy Chairman of the Federal Reserve Bank of Richmond from 2001 through 2002. He was also, from 2001 through early 2005, Chairman of the Executive Committee of the Board of Regents of the Smithsonian Institution. Mr. Williams received Bachelor of Arts and J.D. degrees from Harvard University, a Masters of Arts degree from the Fletcher School of Law and Diplomacy and an LL.M. degree from Columbia University. This individual has been affiliated with the following companies: Lockhart Companies, Inc.; CarrAmerica Realty Corporation, The Bear Stearns Companies Inc.

DIRECTORSHIPS INCLUDED IN THIS DATABASE

Company Name	Ticker	Rating	Since	Tenure	Status	Retired	Outside	CEO	CFO	Chair	Lead	Founder	Attendance	Shares Held	Shares Rptd
Bear Stearns Companies Inc. (The)	BSC	D	2004	4	Director		Outside							5,189	8,165

Committee Assignments			
Committee Name	**Status (see below)**	**Company Name**	**Ticker**
Audit	X	Bear Stearns Companies Inc. (The)	BSC
Qualified Legal Compliance	X	Bear Stearns Companies Inc. (The)	BSC
X=Member, C=Chairman, A=Alternate Member, N=Non-Voting Member, E=Emeritus			

MOST RECENT VOTING RESULTS FOR THIS INDIVIDUAL

Company Name	Ticker	Rating	Tenure	Proxy Year	Votes For	Votes Withheld	Votes For (%)	Votes Withheld (%)
Bear Stearns Companies Inc. (The)	BSC	D	4	2007	108,919,496	907,591	99.17%	0.83%

NON-CORPORATE AFFILIATIONS INCLUDED IN THIS DATABASE

Affiliate	Relationship	Position	Since	Tenure
Covington & Burling	Partner			
Harvard University	Alumni			
Smithsonian Institution (The)	Regent			
Tufts University	Alumni			
Columbia University	Alumni			

Henry S. Bienen

Age:	67
Gender:	Male
Number of Directorships at Rated Companies:	2
Is Active CEO?	No

Bear Stearns Companies Inc. (The), Source Date: 3/31/2008 Henry S. Bienen, age 68, has been President of Northwestern University for the past 13 years. Mr. Bienen has served as a director of the Company since 2004 and is a member of the Audit and Qualified Legal Compliance Committees. Mr. Bienen is not on the board of directors of any other public companies. The Corporate Library consolidated bio, as of individual's last covered filing prior to 3/1/07: Mr. Bienen has been President of Northwestern University since 1995. He also has been a consultant to Hambrecht and Quist Investment Company, The Boeing Corporation, and the Carnegie Corporation as well as to The Ford Foundation, The Rockefeller Foundation, and The John D. and Catherine T. MacArthur Foundation. He is a member of the board of directors of the Council on Foreign Relations and serves as chair of the nominating and governance committee and member of the executive committee. He also is a member of the board of directors of the Chicago Council on Foreign Relations and serves on its executive committee. Other board and trustee memberships include JSTOR, the John G. Shedd Aquarium, Steppenwolf Theatre, and the Alain Locke Charter School. Mr. Bienen serves on the executive committee of the Association of American Universities and is a member of the American Political Science Association. He served as a member of the Committee on Roles of Academic Health Centers in the 21st Century at the National AcademiesÏ† Institute of Medicine and on the board of the University Corporation for Advanced Internet Development (Internet 2) from 1998-2002. He was the James S. McDonnell Distinguished University Professor and dean of the Woodrow Wilson School of Public and International Affairs at Princeton University prior to his appointment at Northwestern. A political scientist with interests in political and economic development, comparative politics, civil-military relations, and U.S. foreign policy, Mr. Bienen began his association with Princeton University in 1966 as an assistant professor. He was named associate professor of politics and international affairs at Princeton in 1969 and professor of politics and international affairs in 1972. He was appointed the William Stewart Tod Professor of Politics and International Affairs at Princeton in 1981 and the James S. McDonnell Distinguished University Professor in 1985. Mr. Bienen has been a visiting professor at Makerere College in Kampala, Uganda (1963-65), at University College in Nairobi (1968-69), at Columbia University (1971-72), and at the University of Ibadan (1972-73). He was a fellow at the Center for Advanced Studies in Behavioral Sciences at Stanford University (1976-77), a Polsky Fellow at the Aspen Institute (1982-83), and a member of the Institute for Advanced Studies at Princeton (1984-85). Mr. Bienen has been a consultant to the U.S. Department of State (1972-88), the National Security Council (1978-79), the Agency for International Development (1980-81), the Central Intelligence Agency (1982-88), and the World Bank (1981-89). He served as a member of the senior review panel of the CIA in the late 1980s. Mr. Bienen received a bachelor degree with honors from Cornell University in 1960 and a master degree from the University of Chicago in 1961. He was awarded a Ph.D. from Chicago in 1966. He received the University of Chicago Professional Achievement Alumni Award in 2000. This individual has been affiliated with the following companies: The Bear Stearns Companies Inc.

DIRECTORSHIPS INCLUDED IN THIS DATABASE

Company Name	Ticker	Rating	Since	Tenure	Status	Retired	Outside	CEO	CFO	Chair	Lead	Founder	Attendance	Shares Held	Shares Rptd
Bear Stearns Companies Inc. (The)	BSC	D	2004	4	Director		Outside							4,415	4,665
SPSS Inc.	SPSS	D	2008	0	Director		Outside								

Committee Assignments

Committee Name	Status (see below)	Company Name	Ticker
Audit	X	Bear Stearns Companies Inc. (The)	BSC
Nominating	X	SPSS Inc.	SPSS
Qualified Legal Compliance	X	Bear Stearns Companies Inc. (The)	BSC

X=Member, C=Chairman, A=Alternate Member, N=Non-Voting Member, E=Emeritus

MOST RECENT VOTING RESULTS FOR THIS INDIVIDUAL

Company Name	Ticker	Rating	Tenure	Proxy Year	Votes For	Votes Withheld	Votes For (%)	Votes Withheld (%)
Bear Stearns Companies Inc. (The)	BSC	D	4	2007	108,888,405	938,682	99.15%	0.85%

NON-CORPORATE AFFILIATIONS INCLUDED IN THIS DATABASE

Affiliate	Relationship	Position	Since	Tenure
Council on Foreign Relations	Director			
Northwestern University	Executive	President	1995	12
Commercial Club of Chicago	Member			

Michael Goldstein

Age:	66
Gender:	Male
Number of Directorships at Rated Companies:	5
Is Active CEO?	No

Pacific Sunwear of California, Inc., Source Date: 4/18/2008 Director of The Bear Stearns Companies, Inc., 4 Kids Entertainment, Martha Stewart Omnimedia, and Medco Health Solutions. Previously, Chairman of the Board of Toys R Us, Inc. from February 1998 to June 2001, including acting Chief Executive Officer from August 1999 to January 2000. Prior to that, Vice Chairman of the Board and Chief Executive Officer from February 1994 to February 1998. 4Kids Entertainment, Inc., Source Date: 4/18/2008 Michael Goldstein has been a director since March 2003. Mr. Goldstein was a member of the Board of Directors of Toys Ã´RÃ¶ Us, Inc. from 1994 to 2003, its Chairman from 1997 to 2001, its Chief Executive Officer from 1994 to 1997 and was employed in various other capacities at Toys Ã´RÃ¶ Us from 1984 to 1994. Mr. Goldstein currently serves on the Board of Directors of Bear, Stearns & Co., Inc., Martha Stewart Living Omnimedia, Inc., Medco Health Solutions, Inc. and Pacific Sunwear of California, Inc. Martha Stewart Living Omnimedia, Inc. , Source Date: 4/7/2008 Mr. Goldstein has served as one of our directors since June 2004. From June 2001 to May 2006, Mr. Goldstein was Chairman of the Toys Ã´RÃ¶ Us Children's Fund, Inc., a charitable foundation. Mr. Goldstein was Chairman of the Board of Toys Ã´RÃ¶ Us, Inc. from February 1998 to June 2001, Vice Chairman of the Board and Chief Executive Officer from February 1994 to February 1998, and served as acting Chief Executive Officer from August 1999 to January 2000. Mr. Goldstein is also a director of 4Kids Entertainment, Inc., Medco Health Solutions, Inc., Pacific Sunwear of California, Inc. and Bear Stearns Companies Inc. Medco Health Solutions, Inc., Source Date: 4/7/2008 Michael Goldstein, CPA, 66, served as Chairman of the Toys Ã´RÃ¶ Us Children's Fund from June 2001 until May 2006. Mr. Goldstein was Chairman of Toys Ã´RÃ¶ Us, Inc. from February 1998 to June 2001, Chief Executive Officer from August 1999 to January 2000 and Vice Chairman and Chief Executive Officer from February 1994 to February 1998. Mr. Goldstein is also director of 4Kids Entertainment, Inc., The Bear Stearns Companies Inc., Martha Stewart Living Omnimedia, Inc. and Pacific Sunwear of California, Inc. He is also a director of various private companies and non-profit entities. Mr. Goldstein has served as a director of the Company since August 2003. Bear Stearns Companies Inc. (The), Source Date: 3/31/2008 Michael Goldstein, age 66, was the Chairman and Chief Executive Officer of Toys "R" Us, Inc. until his retirement in June 2001. From June 2001 through May 2006, Mr. Goldstein was the Chairman of Toys "R" Us, Inc. Children's Fund. Mr. Goldstein has served as a director of the Company since 2007 and is a member of the Audit and Qualified Legal and Compliance Committees. Mr. Goldstein is on the boards of the following additional public companies: 4Kids Entertainment, Inc.; Martha Stewart Living Omnimedia, Inc.; Medco Health Solutions, Inc.; and Pacific Sunwear of California, Inc. The Corporate Library consolidated bio, as of individual's last covered filing prior to 3/1/07: Mr. Goldstein, a CPA, served as Chairman of the Toys "R" Us Children's Fund, Inc. starting in June 2001. He was Chairman of Toys "R" Us, Inc. from February 1998 to June 2001, acting Chief Executive Officer from August 1999 to January 2000, Vice Chairman and Chief Executive Officer from February 1994 to February 1998 and Chief Financial Officer from 1983 to February 1994. Prior to joining Toys "R" Us, Mr. Goldstein worked at Ernst & Young for 16 years where he reached the rank of Audit Partner. He is a graduate of Queens College of New York. This individual has been affiliated with the following companies: Galyan's Trading Company Inc.; United Retail Group Inc.; Columbia House Company; Toys R Us, Inc.; Finlay Enterprises Inc., The Bear Stearns Companies Inc.

DIRECTORSHIPS INCLUDED IN THIS DATABASE

Company Name	Ticker	Rating	Since	Tenure	Status	Retired	Outside	CEO	CFO	Chair	Lead	Founder	Attendance	Shares Held	Shares Rptd
4Kids Entertainment, Inc.	KDE	B	2003	5	Director		Outside							12,000	42,000
Medco Health Solutions, Inc.	MHS	D	2003	5	Director		Outside				X			32,000	80,000
Martha Stewart Living Omnimedia, Inc.	MSO	C	2004	4	Director		Outside							6,192	53,692
Pacific Sunwear of California, Inc.	PSUN	C	2004	4	Director		Outside							5,000	32,000
Bear Stearns Companies Inc. (The)	BSC	D	2007	1	Director		Outside							506	1,200

Committee Assignments

Committee Name	Status (see below)	Company Name	Ticker
Audit	C	Pacific Sunwear of California, Inc.	PSUN
Audit	X	Medco Health Solutions, Inc.	MHS
Audit	C	4Kids Entertainment, Inc.	KDE
Audit	X	Bear Stearns Companies Inc. (The)	BSC
Compensation	X	4Kids Entertainment, Inc.	KDE
Compensation	C	Martha Stewart Living Omnimedia, Inc.	MSO
Corporate Governance & Nominating	X	Martha Stewart Living Omnimedia, Inc.	MSO

Corporate Governance & Nominating	X	4Kids Entertainment, Inc.	KDE
Corporate Governance & Nominating	C	Medco Health Solutions, Inc.	MHS
Mergers & Acquisitions	X	Medco Health Solutions, Inc.	MHS
Qualified Legal Compliance	X	Bear Stearns Companies Inc. (The)	BSC
X=Member, C=Chairman, A=Alternate Member, N=Non-Voting Member, E=Emeritus			

MOST RECENT VOTING RESULTS FOR THIS INDIVIDUAL

Company Name	Ticker	Rating	Tenure	Proxy Year	Votes For	Votes Withheld	Votes For (%)	Votes Withheld (%)
Medco Health Solutions, Inc.	MHS	D	5	2005	224,187,618	15,584,445	93.50%	6.50%
Bear Stearns Companies Inc. (The)	BSC	D	1	2007	97,943,263	11,883,824	89.18%	10.82%
Martha Stewart Living Omnimedia, Inc.	MSO	C	4	2007	22,192,768	557,202	97.55%	2.45%
Pacific Sunwear of California, Inc.	PSUN	C	4	2007	54,609,071	2,309,783	95.94%	4.06%
4Kids Entertainment, Inc.	KDE	B	5	2007	10,086,538	1,416,684	87.68%	12.32%

NON-CORPORATE AFFILIATIONS INCLUDED IN THIS DATABASE

Affiliate	**Relationship**	**Position**	**Since**	**Tenure**
No non-corporate affiliations were found for this director				

Ratings Score Components

TCL Rating

TCL Ratings differ from other corporate governance ratings in several respects:

1) **They are not based on compliance with best practices checklists.** While such standards can provide a useful baseline for comparison, they have little to do with actual board effectiveness, nor do they adequately define what is meant by 'good' corporate governance. Good corporate governance involves the creative interaction of many individuals confronting a wide and continually changing range of business challenges and circumstances. We hope our ratings will encourage this creative interaction, not reduce it to the lowest common denominator.

2) **They identify weak, ineffective boards.** Such boards contribute substantially to the level of risk associated with such firms by investors, creditors and underwriters. While the relationship between good corporate governance and enhanced corporate performance may be elusive, the relationship between poor corporate governance and investor, creditor and underwriter loss is all too familiar. Our ratings help mitigate these risks.

3) **They focus on board actions, rather than board policies and structures.** With the exception of our Board component, which does test for certain structural combinations, our ratings screen on actual board behavior and decision-making. We believe that the difference between a strong, effective board and a weak, ineffective one is not to be found in what they say they do but rather in what they do.

4) **They do not compare companies against their industry peers.** While we do provide the tools to enable Board Analyst users to draw such comparisons if they wish, our ratings focus primarily on identifying likely patterns of weak, ineffective governance. We believe that an industry-relative approach would miss this mark entirely. While the potential for gain may be relative, the potential for loss is not.

5) **They are fully independent.** The Corporate Library does not provide consulting services to the companies we rate. While companies can and do often subscribe to one version of Board Analyst or another, revenues from such subscriptions comprise less than 5% of our total annual revenues. Those companies that do subscribe are clearly marked as such in Board Analyst.

6) **They are not investment recommendations.** We do not promote our ratings as investment recommendations, nor do we make any particular claims for their ability to predict investment returns. Instead we recommend their use in combination with other research methodologies, as we have done in our own investment products.

7) **They are not proxy voting recommendations.** While many Board Analyst subscribers can and do use our data in making their own proxy voting decisions, our ratings should not be confused with the proxy voting recommendations provided by firms that specialize in that field. Our focus is on the impact of board effectiveness on the overall investment, credit and underwriting value of a company. This is not a seasonal endeavor, nor is it a matter of compliance. Subscribers use our ratings to enhance their investment returns, to minimize their investment risks, to insure the credit-worthiness of corporate loans and bonds, and to minimize their exposure to otherwise unanticipated loss as insurance underwriters

APPLICATION:

Traders: Managers intent on maximizing their personal gains can be exceptionally creative in enhancing the appearance of short term corporate gains, creating any range of opportunities for traders seeking short term gains. Watch especially for option-related activity, taking into consideration annual option grant cycles, and quarterly earnings announcements that will likely coincide with proxy filing preparations, and close ties between comp committee members and the CEO.

Investors: Long-term holders should be wary of any board with high or very high concern in this all important category, but especially wary of those firms where management has begun to cash in an accumulation of option awards. If management thinks it's time to cash in, long-term holders might also want to consider consolidating any gains.

Underwriters: Underwriters should consider placing special requirements on management and comp committee members at firms where CEO compensation runs amok, particularly at those firms where close ties are known to exist between comp committee members and the CEO.

Board

The Board rating component is based primarily on the structure of the board rather than actions and decision-making. However, as issues arise, this component does take into consideration actions such as M&A activity, shareholder responsiveness and litigation. For the most part, TCL ratings ignore such commonly held structural concerns as split CEO/Chairman roles. Rather than begin with a list of likely corporate governance best practices, The Corporate Library's research into board structural concerns began with a close examination of the many companies that have at one time or another actually experienced corporate governance related difficulties, in search of statistically significant patterns that might aid in evaluation of other boards BEFORE they experienced such difficulties.

By turning the problem on its head, and studying most carefully actual instances of failure, The Corporate Library has been able to identify certain structural combinations that can serve as extremely effective red flags when found at other boards. This approach led to successfully identifying the Enron, Worldcom, Global Crossing, HealthSouth, Kmart, Warnaco and DPL boards as likely to encounter problems well BEFORE those firms imploded, even while most other ratings systems awarded those boards generally high marks.

Included in the Board component are:

Director Tenure
Experienced directors can be important assets to almost any board. However, in certain situations, long-tenured directors can become serious liabilities, particularly when a small number of them join forces to dominate board decision-making to their own personal ends. Enron and Kmart are just two examples where this characteristic was a contributing factor to the companyâ€™s downfall. The Corporate Library does not specifically advocate for director term limits, but recognizes that the best boards exhibit a good balance between long- and short-tenured directors. The worst possible combination: a board comprised of one-third to one-half similarly long-tenured directors (over 15 years, and the higher the range the greater the likelihood of eventual failure) combined with no recently (zero to three years tenure) elected new directors. Combine this overall board profile with more than one instance of recent CEO turnover and the likelihood of failure is even higher.

Director Age
Older directors can also be important board assets, as many individuals have proven to be effective directors well into their advanced years. Unlike other firms and experts in this field, The Corporate Library does not recommend specific mandatory retirement ages. We do, however, red flag those boards where a proportionally large number of directors are over seventy, as our research strongly suggests that such boards are statistically more likely to encounter governance-related difficulties. Older directors can and do make excellent directors, but too many older directors suggests that a board may be stuck in a particular mode of thinking, or organized around a particular power center or structure that will rarely turn out for the best.

Independence
Applying our own, stringent standards, The Corporate Library marks many nominally â€˜Independentâ€™ outside directors as â€˜Outside Relatedâ€™, in order to highlight the various special relationships that are often involved in director appointments. For example, company founders are always noted in our database as Outside Related due to the special relationship they nearly always have to the firm they created, even though such relationship may not in any way involve any current contract or special compensation arrangement. But director independence per se does not play a major role in our ratings system unless they involve relatively high levels of personal economic interest, and many such instances have now been eliminated thanks to Sarbanes-Oxley and exchange listing requirements.

Active & Former CEOs on Boards
Our research also suggests that boards with too many active or former CEOs, especially boards of indexed companies and those where the other directors are substantially over-committed, are more likely to encounter governance-related problems. Our studies strongly suggest that active or former CEOs should never hold more than half of the seats on a given board, that most active CEOs should not sit on more than one additional board, and that active CEOs should never serve on compensation committees

Past CEOs as Chairman
Long-standing CEOs should, in most cases, leave their boards completely upon retirement and allow the rest of the board to oversee the firm's transition. When they do stay on the board, particularly in the role of Chairman, former CEOs often have have an unfortunate tendency to second-guess their successors, making it difficult for the new CEOs to develop a positive working relationship with the board. The first two years of such an arrangement represent a critical transition period which, once successfully crossed, become the exceptions that deny the rule: boards where the chairman is a former long-standing CEO of the company and the current CEO has served more than two years tend to be among the strongest of boards.

Over-committed Directors
The presence of more than one director who sits on more than four boards will result in a lower Board rating of each of those companies. Our studies strongly suggest that such 'professional directors' are rarely the most effective board members.

APPLICATION:

Traders: Investors seeking short term gains should be especially wary of boards with questionable independence, where board alignment with management interests heightens both risk and volatility. But boards with high or very high concern in this area, especially when coupled with a D or F TCL Rating, may provide opportunities for contrarian positions, particularly for those firms who might be good candidates for acquisition.

Investors: Long-term holders should be wary of any board with high or very high concern in this important category, even where all other categories appear strong.

Underwriters: Underwriters should be especially wary of boards with high or very high concern in this category, particularly with regard to D&O liability coverage.

Compensation

Compensation is one of the most public aspects of a boardâ€™s decision-making. It is also one of the best available indicators of a boardâ€™s ability to oversee management authority. Broadly speaking, compensation policies and practices that reward management with little regard for shareholder interests indicate a weak, ineffective board. Policies that tie both short- and long-term management compensation closely to shareholder returns suggest a strong, effective board.

In judging the effectiveness of a firmâ€™s compensation policy, we first study the balance of fixed and variable pay, and then consider how much of the variable pay is delivered in the form of stock. These are the basic elements of nearly all compensation agreements. Several red flags that negatively affect the Compensation rating are: a CEO base salary of over $1M, a CEO bonus greater than twice the annual salary, a declining number of CEO shares held, and excessive CEO stock options holdings.

The Compensation component of TCL Ratings is based largely on our analysis of the following categories:

Stock awards and stock ownership
The delivery of substantial proportions of incentive pay as equity is widely viewed as a proper alignment of management and stockholder interests. If stock option or restricted stock grants are excessive and unrelated to performance, the companyâ€™s rating will be impacted. If too few options are being exercised this is an indication of the companyâ€™s poor performance â€“ options are underwater â€“ or of executives who are more interested in potential personal profit than in exercising and holding on to stock. In most cases, the level of CEO stock ownership is considered in proportion to base salary. Any significant changes in stock ownership year-to-year are also scored, with decreases generally receiving negative ratings and increases receiving positive ratings.

Actual base and incentive payments
The Corporate Library defines a base salary in excess of $1 million as excessive, and generally not in the best interest of shareholders, primarily due to the cap placed on non-performance-related pay by Section 162(m) of the Internal Revenue Code. One of the key responsibilities of compensation committees is to design pay packages that allow for the maximum amount of pay to be tax deductible. This, in most cases, will be best accomplished by basing any additional compensation amounts on various performance-based systems, particularly for companies within the S&P 500. At smaller companies, base salary limits are generally lower, based, in most cases, on prevailing industry and market cap standards. Market capitalization is accounted for in our evaluation of compensation levels.

Total annual compensation
We analyze total overall compensation (which, for our purposes includes bonus payments, profits from the reporting period exercise of stock options and any other long-term incentive awards, as well as any other compensation), first, as multiples of base salary and, additionally, on the basis of other absolute standards. Where long-term incentive awards are only periodically awarded or where there are one-off option exercises, special care is taken with assessing the unusual effects of such awards.

Restricted stock
The Corporate Library values awards of restricted stock at the time of grant. Any amounts included in the restricted stock analysis are based on this valuation approach, even though the actual award may have delayed vesting over a number of years. In addition, no attempt is made to place a value on the future benefits arising from a stock option grant. This will remain the case until a commonly accepted process for stock option valuation gains currency. Instead, the amounts recorded represent real profits from the exercise of stock options, rather than any notional future value.

Benefit provision
The Corporate Library considers the mix and levels of the following benefits: corporate transportation usage, tax reimbursement, financial planning and other advice, payment of dividend equivalents on unvested stock and stock options, country and other club memberships, provision of accommodations, life insurance, supplemental retirement plan contributions, and severance payments.

Pay relative to performance
We also examine the make-up of the compensation package, looking at the proportion of compensation that is performance-related and the proportion that is delivered through equity. If performance-related pay is high, thus raising total compensation levels, and the company's performance indicates that these payments are justified, any negative ratings that might have been generated by high compensation levels are adjusted upwards. If, however, there is not justification from an assessment of the company's performance, the negative ratings are not adjusted.

Our Compensation evaluations are fully adjusted for market cap, and based on several years of in-depth analysis and study of recent US compensation practices. The screening cut-offs for the various payment variables used in our screen are all based on actual market studies and comparisons, and adjusted at least once each year, soon after the spring proxy season. Subscribers seeking more information on these studies may download copies of our various research papers in this area free of charge.

APPLICATION:

Traders: Managers intent on maximizing their personal gains can be exceptionally creative in enhancing the appearance of short term corporate gains, creating any range of opportunities for traders seeking short term gains. Watch especially for option-related activity, taking into consideration annual option grant cycles, and quarterly earnings announcements that will likely coincide with proxy filing preparations, and close ties between comp committee members and the CEO.

Investors: Long-term holders should be wary of any board with high or very high concern in this all important category, but especially wary of those firms where management has begun to cash in an accumulation of option awards. If management thinks it's time to cash in, long-term holders might also want to consider consolidating any gains.

Underwriters: Underwriters should consider placing special requirements on management and comp committee members at firms where CEO compensation runs amok, particularly at those firms where close ties are known to exist between comp committee members and the CEO.

Takeover Defenses

While takeover defenses can take many forms, involving varying degrees of complexity, they all focus on control of the enterprise. The question we ask is: Do management and the board have more control over the company than the public shareholders? Our ratings favor companies with more shareholder friendly takeover defense configurations. Companies with policies under which shareholders will have little or no say in the event of a takeover bid typically fail our screens in this category.

This Rating component relies on public data collected by The Corporate Library, primarily via SEC EDGAR. Board Analyst subscribers may examine the specific mechanisms used by each company, and, in most cases, download and examine the actual corporate charters and bylaws involved. Since corporate law in the US is primarily implemented at the state level, and may vary considerably from state to state, basic regulatory information about each state, as well as links to the specific regulatory bodies involved, are also generally available. For many data points, we indicate specifically whether a firm has implemented a more or less restrictive position than the normal state defaults would allow.

APPLICATION:

Traders: Corporate takeover defenses are generally not relevant to traders, except that companies with high or very high concern may be less likely candidates for merger or acquisition.

Investors: Favor companies with low concern, which are more susceptible to, and may be more receptive to, potential suitors.

Underwriters: Be wary of companies with high or very high concern, which may indicate entrenched managers.

Accounting

Our accounting screens compare current quarter reports against the previous four quarters for certain indicators of possible earnings management and other similar accounting concerns. Our research suggests that companies that fail these tests may be using accounting methods that emphasize current period earnings, but may also result in lowered long-term (3-5 year) market performance. An evaluation of high or very high concern in this component generally indicates that the company has failed this simple accounting test for the most recently reported quarter and suggest the need for further research. Firms that have experienced SEC or IRS enforcement actions related to their accounting practices will also be downgraded accordingly. The Accounting component also takes into consideration the companyâ€™s current status with Section 404 of Sarbanes-Oxley. Specific areas of concern, as indicated by our simple tests, are shown under the Accounting component in the Ratings section of a Board Analyst company profile.

Detailed analysis of the financial reporting and accounting practices of these companies is beyond the scope of Board Analyst and access to the supporting data used in our screens is not currently offered. This data is supplied by Hemscott Americas and updated quarterly. Advanced analysis of selected firms may be ordered from our research partner in this area, RateFinancials, at http://www.ratefinancials.com.

APPLICATION:

Traders: Look for companies with high or very high concern in this category, which may be more likely to show superior short-term results.

Investors: Look for companies with low concern in this category, which are more likely to show superior and sustainable long-term results.

Underwriters: Be wary of companies with high or very high concern in this category, which may be engaged in short-term earnings management and other accounting-related improprieties

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