

Board Response to Majority Supported Shareholder Proposals. I recommend no change to ISS's current policy. Directors should not be faced with "against" or "withhold" recommendations if they fail to act on a shareholder proposal that garners a majority of votes cast, but does not have the support of a majority of outstanding shares. Directors may have very valid reasons for not following the advice of shareholder advocacy groups, or at least not following that advice immediately. Despite what some of these advocates appear to think, directors know their company much better than outsiders. Immediate response to a shareholder vote may not be in the best interest of the company.

Management Say on Pay. I support the proposals to: (i) use the issuer's selected peers as a factor in ISS's peer group methodology and (ii) include "realizable pay" in ISS's pay for performance evaluation. This metric shows how actual compensation is, in fact, reduced by negative stock performance and will likely reduce pay for performance concerns. Anything that mitigates a "one size fits all" analysis of executive compensation is a positive step.

The views expressed herein are my own and do not necessarily reflect the views of the company or its board of directors.

Steve

Steven Philpott | EVP/General Counsel | **Umpqua Holdings Corporation** | 675 Oak St., Ste 200, Eugene, OR 97401 | **t 541-434-2997** | **f 541-342-1425** | **mc 005-2-LEGL**