

UNIVERSAL COMPRESSION HOLDINGS INC  
Form DEF 14A  
July 19, 2002

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**SCHEDULE 14A**

**(RULE 14a-101)**

**INFORMATION REQUIRED IN PROXY STATEMENT  
SCHEDULE 14A INFORMATION**

**Proxy Statement Pursuant to Section 14(a) of the  
Securities Exchange Act of 1934**

Filed by the Registrant   
Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to Rule 14a-12

**Universal Compression Holdings, Inc.**

\_\_\_\_\_  
(Name of Registrant as Specified in its Charter)

\_\_\_\_\_  
(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of filing fee (check the appropriate box):

- No fee required.
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(1) Amount previously paid:

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(2) Form, Schedule or Registration Statement No.:

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(3) Filing Party:

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(4) Date Filed:

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**UNIVERSAL COMPRESSION HOLDINGS, INC.**

**4440 Brittmoore Road  
Houston, Texas 77041**

July 19, 2002

Dear Stockholder:

We cordially invite you to our Annual Meeting of Stockholders. The meeting will be held on Thursday, August 15, 2002, at 9:00 a.m., local time, at the Omni Houston Hotel, Colonnade B Room, Four Riverway, Houston, Texas 77056.

At this year's meeting, you will be asked to vote on the election of four directors, an amendment to our Employees' Supplemental Savings Plan, an amendment to our Incentive Stock Option Plan and the ratification of Deloitte & Touche LLP's appointment as our independent auditors.

Our Board of Directors unanimously recommends that you vote FOR the election of the four directors, the amendment to our Employees' Supplemental Savings Plan, the amendment to our Incentive Stock Option Plan and the ratification of the appointment of the independent auditors.

We have attached a notice of meeting and a Proxy Statement that contains more information about these proposals and the meeting, including the different methods you may use to vote, including telephone and the Internet.

If you plan to attend, please mark the appropriate box on your proxy card to help us plan for the meeting.

Your vote is important. We encourage you to sign and return your proxy card, or use the telephone or Internet voting procedures, before the meeting, so that your shares will be represented and voted at the meeting even if you cannot attend in person.

STEPHEN A. SNIDER  
*President and Chief Executive Officer*

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**UNIVERSAL COMPRESSION HOLDINGS, INC.**  
**4440 Brittmooore Road**  
**Houston, Texas 77041**

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS**

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**To Be Held on August 15, 2002**

NOTICE IS HEREBY GIVEN that the Annual Meeting of Stockholders of Universal Compression Holdings, Inc. will be held at the Omni Houston Hotel, Colonnade B Room, Four Riverway, Houston, Texas 77056, on Thursday, August 15, 2002, at 9:00 a.m., local time. The purposes of the meeting are:

1. To elect four directors to serve until the 2005 Annual Meeting of Stockholders;
2. To consider and approve an amendment to our Employees' Supplemental Savings Plan;
3. To consider and approve an amendment to our Incentive Stock Option Plan;
4. To ratify the appointment of Deloitte & Touche LLP as independent auditors of the company to serve for the 2003 fiscal year; and
5. To transact such other business as may properly come before the meeting and at any adjournments or postponements of the meeting.

Our Board of Directors has set June 21, 2002 as the record date for the meeting. This means that owners of our common stock at the close of business on that date are entitled to:

receive this notice of the meeting; and

vote at the meeting and any adjournments or postponements of the meeting.

We will make a list of our stockholders as of the close of business on June 21, 2002 available for inspection during normal business hours from August 5th through August 15, 2002, at our principal place of business, 4440 Brittmooore Road, Houston, Texas 77041. This list also will be available at the meeting.

By Order of the Board of  
Directors,

MARK L. CARLTON  
*Senior Vice President, General  
 Counsel and Secretary*

Houston, Texas, July 19, 2002

We urge each stockholder to promptly sign and return the enclosed proxy card or to use the telephone or Internet voting procedures described in the accompanying Proxy Statement.

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**UNIVERSAL COMPRESSION HOLDINGS, INC.**  
**4440 Brittmoore Road**  
**Houston, Texas 77041**

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**PROXY STATEMENT  
FOR THE ANNUAL MEETING OF STOCKHOLDERS  
To Be Held August 15, 2002**

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These proxy materials are furnished to you in connection with the solicitation of proxies by and on behalf of the Board of Directors of Universal Compression Holdings, Inc. (sometimes referred to as the "Company"), for use at the 2002 Annual Meeting of Stockholders of the Company. The meeting will be held at the Omni Houston Hotel, Colonnade B Room, Four Riverway, Houston, Texas 77056, on August 15, 2002, at 9:00 a.m., local time. The proxies also may be voted at any adjournments or postponements of the meeting. We are first sending these proxy materials to our stockholders on or about July 19, 2002.

Only owners of record of issued and outstanding shares of our common stock at the close of business on June 21, 2002 are entitled to vote at the meeting, or at adjournments or postponements of the meeting. Each owner of record is entitled to one vote for each share of common stock held. On June 21, 2002, there were 30,634,135 shares of our common stock issued and outstanding. Each share of common stock issued and outstanding on June 21, 2002 entitles the holder thereof to one vote on all matters submitted for a vote of the stockholders at the meeting. The quorum requirement for holding the meeting and transacting business is met when a majority of the outstanding shares entitled to be voted at the annual meeting are present in person or represented by proxy. Both abstentions and broker non-votes are counted as present for the purpose of determining the presence of a quorum.

Whether you hold shares directly as the stockholder of record or in street name, you may vote without attending the meeting. You may vote by granting a proxy or, for shares held in street name, by submitting voting instructions to your broker or nominee. In most instances, you will be able to do this by mail, by telephone or over the Internet. Please refer to the instructions on your proxy card or, for shares held in street name, the voting instruction card included by your broker or nominee. All properly executed written proxies, and all properly completed proxies submitted by telephone or by the Internet, that are delivered pursuant to this solicitation will be voted at the meeting in accordance with the directions given in the proxy, unless the proxy is revoked prior to or at the meeting. You can revoke your proxy by giving written notice to our Corporate Secretary, delivering a later-dated proxy, using the telephone or Internet voting procedures described in the enclosed proxy card or voting in person at the meeting.

You should specify your choice for each matter on the enclosed proxy card. If no instructions are given, proxies that are signed and returned will be voted FOR the election of all director nominees, FOR the proposal to amend our Employees' Supplemental Savings Plan, FOR the proposal to amend our Incentive Stock Option Plan and FOR the proposal to ratify the appointment of Deloitte & Touche LLP as our independent auditors. Abstentions will have no effect on the result of the votes so long as the holders of at least a majority of the shares entitled to vote at the annual meeting actually cast votes. Broker non-votes will have no effect on the result of the votes.

Other than the four proposals described in this Proxy Statement, we do not expect any matters to be presented for a vote at the annual meeting. If you grant a proxy, the persons named as proxy holders on the proxy card will have discretion to vote your shares on any additional matters properly presented for a vote at the meeting. A representative of EquiServe, our transfer agent, will tabulate the votes and act as the inspector of the election. For questions about this Proxy Statement or the meeting, please contact Mark L. Carlton, our Senior Vice President, General Counsel and Secretary, at (713) 335-7000.

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**ELECTION OF DIRECTORS**

**(Proposal 1)**

The Company's directors are divided into three classes, with each class serving for a period of three years. The terms of Ernie L. Danner, Lisa W. Rodriguez, Edmund P. Segner, III and Stephen A. Snider will expire at the 2002 Annual Meeting. Messrs. Danner, Segner and Snider and Ms. Rodriguez have been nominated to stand for election at the meeting to hold office until our 2005 Annual Meeting or until they are succeeded by qualified and elected directors. In voting on the election of the four director nominees to serve until our 2005 Annual Meeting of Stockholders, you may vote in favor of all nominees, withhold votes as to all nominees or withhold votes as to specific nominees. Stockholders may not cumulate their votes in the election of directors. Directors will be elected by a plurality, which means that the four nominees receiving the greatest number of votes will be elected. We have no reason to believe that any of these nominees will be unable or unwilling to serve if elected. However, if any nominee should become unable or unwilling to serve for any reason, proxies may be voted for another person nominated as a substitute by our Board of Directors, or the Board may reduce the number of directors.

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The Board of Directors recommends a vote **FOR** the election of Ernie L. Danner, Lisa W. Rodriguez, Edmund P. Segner, III and Stephen A. Snider as directors.

### Nominees for Election to Term Expiring 2005

#### **Ernie L. Danner**

Age 48  
Houston, Texas

Mr. Danner became our Chief Financial Officer and Executive Vice President and a director upon consummation of our acquisition of Tidewater Compression Service, Inc. in 1998. In April 1999, Mr. Danner's duties as Chief Financial Officer were assumed by Richard W. FitzGerald. Prior to joining us, Mr. Danner served as Chief Financial Officer and Senior Vice President of MidCon Corp. (an interstate pipeline company and a wholly-owned subsidiary of Occidental Petroleum Corporation). From 1988 until May 1997, Mr. Danner served as Vice President, Chief Financial Officer and Treasurer of INDSPEC Chemical Company and he also served as a director of INDSPEC.

#### **Lisa W. Rodriguez**

Age 41  
Houston, Texas

Ms. Rodriguez became a member of our Board of Directors in May 2002 as a designee of WEUS Holding, Inc., a wholly owned subsidiary of Weatherford International, Inc., a wholly owned subsidiary of Weatherford International Ltd. Ms. Rodriguez became Senior Vice President and Chief Financial Officer of Weatherford International, Inc. and, in connection with the June 26, 2002 restructuring of Weatherford International, of Weatherford International Ltd. in June 2002. She served as Vice President Accounting and Finance of Weatherford International, Inc. from February 2001 to June 2002. Ms. Rodriguez joined Weatherford International, Inc. in 1996 and has served in several positions, including Vice President Accounting from June 2000 to February 2001 and Controller from 1999 to February 2001. Prior to joining Weatherford International, Ms. Rodriguez worked for Landmark Graphics (a software and service provider to the energy industry) from 1993 to 1996.

Ms. Rodriguez is a member of the Compensation Committee of our Board of Directors.

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#### **Edmund P. Segner, III**

Age 48  
Houston, Texas

Mr. Segner joined our Board of Directors in 2000. Mr. Segner has served as President, Chief of Staff and a Director of EOG Resources, Inc. since August 1999. He became Vice Chairman and Chief of Staff of EOG's predecessor company (Enron Oil & Gas Company) in September 1997 and held various managerial positions with Enron Corp. from 1988 through January 1998. He is also a director of the Domestic Petroleum Council.

Mr. Segner is a member of the Compensation Committee of our Board of Directors.

#### **Stephen A. Snider**

Age 54  
Houston, Texas

Mr. Snider has been our President and Chief Executive Officer and a director since consummation of our Tidewater Compression acquisition in 1998. Mr. Snider joined Tidewater Compression in 1975 as General Manager of air compressor operations. In 1979, Mr. Snider established Tidewater Compression's operations in the Northeastern United States. In 1981, he assumed responsibility for the Western United States operations of Tidewater Compression. Mr. Snider left Tidewater Compression in 1983 to own and operate businesses unrelated to the energy industry. He returned to Tidewater Compression in 1991 as Senior Vice President of Compression. Mr. Snider has over 25 years of experience in senior management of operating companies, and also serves as a director of Energen Corporation (a diversified energy company focusing on natural gas distribution and oil and gas exploration and production).

**Incumbent Directors Term Expiring 2003**

**Bernard J. Duroc-Danner**

Age 48  
Houston, Texas

Mr. Duroc-Danner became a member of our Board of Directors in February 2001 as a designee of WEUS Holding following our acquisition of Weatherford Global Compression Services, L.P. Mr. Duroc-Danner joined Weatherford International in May 1987 to initiate the start-up of Weatherford International's oilfield service and equipment business through EVI, Inc. He was elected EVI's President in January 1990 and Chief Executive Officer in May 1990. In connection with the merger of EVI, Inc. with Weatherford Enterra, Inc. in May 1998, Mr. Duroc-Danner was elected as Weatherford International, Inc.'s Chairman of the Board, President and Chief Executive Officer. In connection with the June 26, 2002 restructuring of Weatherford International, Mr. Duroc-Danner was elected as Weatherford International Ltd.'s Chairman of the Board, President and Chief Executive Officer. Mr. Duroc-Danner holds a Ph.D. in economics from Wharton (University of Pennsylvania). In prior years, Mr. Duroc-Danner held positions at Arthur D. Little and Mobil Oil Inc. Mr. Duroc-Danner is a director of Parker Drilling Company (an oil and gas drilling company), Cal-Dive International, Inc. (a company engaged in subsea services in the Gulf of Mexico), Dresser, Inc. (a provider of highly engineered equipment and services primarily for the energy industry), and Peabody Energy Corp. (a coal production, transportation and trading company). Mr. Duroc-Danner is also Chairman of the Board of Directors of Grant Prideco, Inc. (a provider of drill pipe and other drill stem products). Grant Prideco was a wholly owned subsidiary of Weatherford International, Inc. until April 14, 2000, when Weatherford International, Inc. distributed all of the outstanding shares of Grant Prideco to its stockholders.

Mr. Duroc-Danner serves as Chairman of the Compensation Committee of our Board of Directors.

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**William M. Pruellage**

Age 28  
New York, New York

Mr. Pruellage became a member of our Board of Directors in April 2000 as a designee of Castle Harlan Partners III, L.P. Mr. Pruellage is a Vice President with Castle Harlan, Inc. (a private equity investment company). Prior to joining Castle Harlan in July 1997, Mr. Pruellage worked as an investment banking analyst at Merrill Lynch beginning July 1995. Mr. Pruellage is also a director of Wilshire Restaurant Group, Inc. (a full service specialty restaurant company), American Achievement Corporation (a manufacturer of educational products) and Verdugt Holdings, LLC (a manufacturer of organic salts).

**Samuel Urcis**

Age 67  
Beverly Hills, California

Mr. Urcis became a member of our Board of Directors in 1998 pursuant to an agreement entered into in connection with our Tidewater Compression acquisition. Mr. Urcis was a general partner of Alpha Partners (a venture capital firm), which he co-founded, from 1982 to 2002. From 1979 to 1982, and since 1997, Mr. Urcis has been an investor and advisor in the energy industry, primarily in the oilfield services and equipment sector. From 1972 to 1979, Mr. Urcis was with Geosource Inc. (a diversified services and equipment company), which he conceptualized and co-founded. Mr. Urcis served in the capacity of Chief Operating Officer and Vice President of Corporate Development. From 1955 to 1972, Mr. Urcis served in various technical and management capacities at Rockwell International, Hughes Aircraft, Aerolab Development Company and Sandberg-Serrell Corporation. Mr. Urcis has served as a director of the Glaucoma Research Foundation, and as a Trustee of the Monterey Institute of International Studies.

Mr. Urcis is a member of the Audit Committee of our Board of Directors.

**Incumbent Directors Term Expiring 2004**

**Thomas C. Case**

Age 53  
Houston, Texas

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Mr. Case has served on our Board of Directors since 1999. Mr. Case has served as Chairman and Chief Executive Officer of Equipment Support Services, Inc. (a consolidator of heavy equipment dealerships in the United States) since September 2001. Mr. Case served as the President of Mobil Global Gas & Power, Inc. and was responsible for gas marketing and power development in North and South America from 1998 until December 1999. Mr. Case retired from Mobil on April 1, 2000. From 1996 to 1997, Mr. Case was the Executive Vice President of Duke Energy Trading and Market Services (formerly Pan Energy), a joint venture between Duke Energy and Mobil. From 1991 to 1996, he held various positions with Mobil serving at various times as President and Executive Vice President/Chief Operating Officer of Mobil Natural Gas Inc., Manager of Strategic Planning for Exploration and Production of Mobil and President of Mobil Russia.

Mr. Case is a member of the Audit Committee of our Board of Directors.

### **Uriel E. Dutton**

Age 72

Houston, Texas

Mr. Dutton became a member of our Board of Directors in February 2001 as a designee of WEUS Holding following our acquisition of Weatherford Global. Mr. Dutton has been counsel to and a partner with the law firm of Fulbright & Jaworski L.L.P. for more than the past five years, where his practice focuses on real estate and oil and gas matters. Mr. Dutton also serves as Trustee and Vice President of M.D. Anderson Foundation (a charitable trust).

Mr. Dutton serves as Chairman of the Audit Committee of our Board of Directors.

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### **Information about Committees, Meetings and Compensation of Directors**

The Board of Directors has established an Audit Committee and a Compensation Committee, but does not have a standing Nominating Committee. The Audit Committee and the Compensation Committee are comprised entirely of outside directors. The committee service of our directors is indicated on pages 2 through 4 of this Proxy Statement.

The Audit Committee recommends to the Board of Directors the engagement of the independent auditors and reviews with the independent auditors the scope and results of the audits, the internal accounting controls and the professional services furnished by the independent auditors. The Board of Directors has adopted a revised Audit Committee Charter, which was previously filed with the Securities and Exchange Commission as a part of our definitive proxy statement filed July 13, 2001. The charter may be obtained by accessing the SEC's website at [www.sec.gov](http://www.sec.gov) or by contacting us. All three members of our Audit Committee are "independent" as that term is defined in the New York Stock Exchange listing standards. In fiscal year 2002, the Audit Committee met nine times.

The Compensation Committee reviews and approves all salary arrangements and other compensation for officers. The Compensation Committee is also responsible for the administration of the Company's benefit plans. In fiscal year 2002, the Compensation Committee met five times.

In fiscal year 2002, the Board of Directors held six meetings. Each director attended at least 75% of the aggregate of all meetings of the Board of Directors and the Committees on which the director served during fiscal year 2002.

Directors who are not our officers receive an annual director fee of \$24,000 and reimbursement of reasonable out-of-pocket expenses. Such directors also receive between \$500 and \$1,000 per Board of Directors or Committee meeting attended, except in the case of a Chairman of a Committee who receives \$1,500 per meeting attended. Pursuant to the Company's Directors' Stock Plan, directors may elect to receive all or a portion of their future director fees in our common stock. In addition, directors who are not our officers are eligible to receive stock option awards under our Incentive Stock Option Plan. During fiscal year 2002, Messrs. Case, Duroc-Danner, Dutton, Pruellage, Segner, Urcis and Mr. Curtis W. Huff were each awarded 17,500 options under the plan, all of which have a one-year vesting schedule.

### **Compensation Committee Interlocks and Insider Participation**

During the last fiscal year, Messrs. Duroc-Danner, Huff, Pruellage, Segner and Urcis and Mr. John K. Castle served as members of our Compensation Committee. Mr. Duroc-Danner is President and Chief Executive Officer of Weatherford International Ltd. Weatherford International Ltd. owns approximately 45% of our outstanding common stock. See "Certain Relationships and Related Transactions" for a description of certain of our arrangements with Weatherford International.



**Section 16(a) Beneficial Ownership Reporting Compliance**

Executive officers, directors and certain persons who own more than ten percent of our common stock are required by Section 16(a) of the Securities Exchange Act of 1934 and related regulations to file reports of their ownership of common stock with the SEC and the New York Stock Exchange, and to furnish us with copies of the reports.

We received written representations from each such person who did not file an annual report with the SEC on Form 5 that no Form 5 was due. Based solely on our review of the reports and representations, we believe that all required Section 16(a) reports were timely filed in fiscal 2002, except for a certain report filed by Mr. Hilburn. Mr. Hilburn, our former Senior Vice President of Operations, was late in filing a Form 4 report with respect to four transactions.

**Transactions and Relationships with our Directors and Executive Officers**

See "Information about Committees, Meetings and Compensation of Directors," "Compensation Committee Interlocks and Insider Participation" and "Certain Relationships and Related Transactions."

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**EXECUTIVE OFFICERS**

The following table sets forth certain information regarding our executive officers as of June 30, 2002:

<b>Name</b>	<b>Age</b>	<b>Position</b>
Stephen A. Snider	54	President, Chief Executive Officer and Director
Ernie L. Danner	48	Executive Vice President and Director
Richard W. FitzGerald	48	Senior Vice President and Chief Financial Officer
Mark L. Carlton	47	Senior Vice President, General Counsel and Secretary
Kirk E. Townsend	44	Senior Vice President
Hanford P. Jones	50	Senior Vice President of Engineered Products
Richard Leong	52	Vice President
Shane S. Guiltner	39	Vice President
Roy P. Jacobs	50	Vice President

*Stephen A. Snider.* Mr. Snider's biographical information may be found on page 3 of this Proxy Statement.

*Ernie L. Danner.* Mr. Danner's biographical information may be found on page 2 of this Proxy Statement.

*Richard W. FitzGerald.* Mr. FitzGerald has served as our Senior Vice President and Chief Financial Officer since April 1999. Mr. FitzGerald held the position of Vice President Financial Planning and Services of KN Energy from February 1998 to April 1999. Prior to that time, Mr. FitzGerald served as Vice President and Controller of MidCon Corp., a wholly owned subsidiary of Occidental Petroleum Corporation, for a period in excess of five years.

*Mark L. Carlton.* Mr. Carlton joined us as Senior Vice President and Co-General Counsel in October 2000 and, effective December 8, 2000, became our Senior Vice President, General Counsel and Secretary. From 1982 until April 2000, Mr. Carlton held various legal positions with Mobil Corporation and its affiliates, serving most recently as Senior Counsel for Mobil Business Resources Corporation.

*Kirk E. Townsend.* Mr. Townsend is our Senior Vice President and is President, U.S. Division, of Universal Compression, Inc., our wholly owned subsidiary. Mr. Townsend served as Vice President of Sales of Universal Compression, Inc. from October 1999 to February 2001, when he became our Senior Vice President. In October 2001, Mr. Townsend became President, United States Division, of Universal Compression, Inc. In this position, Mr. Townsend is responsible for all business activities within the United States. Mr. Townsend joined us in 1979 as a domestic sales representative. In 1986, he became an international sales representative. Mr. Townsend was promoted to Vice President of Business Development in April 1999, and Vice President of Sales in October 1999. Mr. Townsend has over 23 years of sales and management experience in the natural gas compression industry.

*Hanford P. Jones.* Mr. Jones served as Vice President of Engineered Products of Universal Compression, Inc. from April 1999 to February 2001, when he became our Senior Vice President of Engineered Products. Mr. Jones is responsible for all engineering and fabrication

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production of Universal Compression, Inc.'s packaging division. Mr. Jones joined us in January 1999 as General Manager of Engineered Products of Universal Compression, Inc. From May 1998 to January 1999, Mr. Jones performed engineering and pipeline operation consulting services for various companies. Prior to May 1998, Mr. Jones was employed by NorAm Energy Corporation for a period in excess of 18 years in various capacities, including Region Manager of NorAm's Western Region, and later as Chief Engineer and Engineering Manager. Mr. Jones has over 25 years of engineering and management experience in the oil and gas industry.

*Richard Leong.* Mr. Leong joined us in December 2001 as our Vice President and as President, Asia Pacific Division, of Universal Compression, Inc. From 1996 until May 2001, Mr. Leong worked with

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Cooper Energy Services in various managerial and sales positions, serving most recently as Vice President, Sales & Marketing. Mr. Leong has over 29 years of marketing and general management experience in the energy industry.

*Shane S. Guiltner.* Mr. Guiltner is our Vice President and is President, Canada Division, of Universal Compression, Inc. Mr. Guiltner served as our Vice President and as General Manager of the Canadian division of Universal Compression, Inc. from June 1998 to October 2001, when he became President, Canadian Division, of Universal Compression, Inc. Mr. Guiltner is responsible for all of our operations in Canada. Mr. Guiltner joined the Company in July 1993 as a sales representative. In July 1995 he was promoted to Sales Manager and in November 1997 he was promoted to the position of Director of Marketing and Operations. Mr. Guiltner has over 18 years of sales and management experience in the natural gas compression industry.

*Roy P. Jacobs.* Mr. Jacobs served as Manager of International Sales of Universal Compression, Inc. from May 2000 to October 2001, when he was promoted to Director of the Latin America business segment. In December 2001, Mr. Jacobs became our Vice President and President, Latin America Division, of Universal Compression, Inc. Prior to joining us in May 2000, he worked with Production Operators, Inc., and its affiliates, in various managerial and sales positions. Mr. Jacobs has over 20 years of experience in the natural gas compression industry.

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### EXECUTIVE COMPENSATION

The following tables and narrative text discuss the compensation paid in fiscal years 2002, 2001 and 2000 to our Chief Executive Officer and our four other most highly compensated executive officers (the "Named Officers") during fiscal year 2002:

#### Summary Compensation Table

Name and Principal Position	Fiscal Year	Annual Compensation		Long-Term Compensation Awards		All Other Compensation (2)
		Salary	Bonus	Restricted Stock Awards (1)	Stock Options (Shares)	
Stephen A. Snider President & Chief Executive Officer	2002	\$ 265,000	\$ 155,356	\$ 856,500	250,000	\$ 19,230
	2001	222,917	350,437		161,007	17,159
	2000	170,000	35,000			15,000
Ernie L. Danner Executive Vice President	2002	205,000	103,013	571,000	95,000	15,869
	2001	69,250	232,365		104,057	310,019
	2000	37,875				6,226
Richard W. FitzGerald (3) Senior Vice President & Chief Financial Officer	2002	205,000	103,013	571,000	95,000	15,633
	2001	178,333	232,365		90,333	12,506
	2000	146,049	20,000		16,379	34,132

		Annual Compensation		Long-Term Compensation Awards		
Mark L. Carlton (4)	2002	160,000	67,000	285,500	40,000	10,243
Senior Vice President, General Counsel and Secretary	2001	76,398	75,566		50,000	1,600
	2000					
Kirk E. Townsend	2002	180,005	100,000	285,500	90,000	13,660
Senior Vice President	2001	163,750	170,023		64,286	14,959
	2000	229,521	15,000		11,508	21,878

- (1) Following is the aggregate number of shares of restricted stock and its value, based on the closing price of the Company's common stock on the New York Stock Exchange, as of March 31, 2002, held by each of the Named Officers: Mr. Snider, 30,000 shares valued at \$792,000; Mr. Danner, 20,000 shares valued at \$528,000; Mr. FitzGerald, 20,000 shares valued at \$528,000; Mr. Carlton, 10,000 shares valued at \$264,000; and Mr. Townsend, 10,000 shares valued at \$264,000. All such shares of restricted stock were granted to the Named Officers on August 16, 2001 and vested 0% on January 1, 2002 and will vest 25% on each January 1 thereafter until January 1, 2006. The values set forth in the table are based on \$28.55 per share, the closing price of the Company's common stock on the NYSE on August 16, 2001.
- (2) Represents matching contributions of \$6,727, \$5,204, \$5,204, \$3,877 and \$4,569 made by us in fiscal year 2002 under our 401(k) Savings Plan for each of Messrs. Snider, Danner, FitzGerald, Carlton and Townsend, respectively; payments of \$5,810, \$4,218, \$3,982 and \$2,821 made by us in fiscal year 2002 under our Employees' Supplemental Savings Plan for each of Messrs. Snider, Danner, FitzGerald and Townsend, respectively; health care premiums of \$6,168 made by us in fiscal year 2002 under our Executive Medical Plan on behalf of each of Messrs. Snider, Danner, FitzGerald, Carlton and Townsend; and life insurance premiums of \$525, \$279, \$279, \$198 and \$102 made by us in fiscal year 2002 under our group life insurance plan for each of Messrs. Snider, Danner, FitzGerald, Carlton and Townsend, respectively.
- (3) Mr. FitzGerald joined us in April 1999.
- (4) Mr. Carlton joined us in October 2000.

**Option Grants in Last Fiscal Year**

**Individual Grants**

Name	Number of Securities Underlying Options Granted (#)	Percent of Total Options Granted to Employees in Fiscal Year	Exercise or Base Price (\$/Share)	Expiration Date	Potential Realizable Value at Assumed Annual Rates of Stock Price Appreciation for Option Term (Ten Years) (1)	
					5%	10%
Stephen A. Snider	100,000	6.77%	\$ 33.60	04/20/11	\$ 2,113,104	\$ 5,354,832
	150,000	10.16	21.30	02/19/12	2,009,336	5,091,872
Ernie L. Danner	20,000	1.35	33.60	04/20/11	422,621	1,070,966
	75,000	5.08	21.30	02/19/12	1,004,668	2,545,936
Richard W. FitzGerald	20,000	1.35	33.60	04/20/11	422,621	1,070,966
	75,000	5.08	21.30	02/19/12	1,004,668	2,545,936
Mark L. Carlton	10,000	0.68	33.60	04/20/11	211,311	535,483
	30,000	2.03	21.30	02/19/12	401,867	1,018,374

## Individual Grants

Kirk E. Townsend	15,000	1.02	33.60	04/20/11	316,966	803,225
	75,000	5.08	21.30	02/19/12	1,004,668	2,545,936

(1)

The calculations at five percent and ten percent appreciation rates are established by the SEC and are not intended to forecast future appreciation rates for our common stock.

**Aggregated Option Exercises in Last Fiscal Year  
and Fiscal Year-End Option Values**

Name	Shares Acquired on Exercise	Value Realized	Number of Securities Underlying Unexercised Options at Fiscal Year-End (#)		Value of Unexercised in-the-Money Options at Fiscal Year-End	
			Exercisable	Unexercisable	Exercisable	Unexercisable
Stephen A. Snider	5,000	\$ 112,800	138,485	346,667	\$ 1,167,267	\$ 765,000
Ernie L. Danner	3,000	66,360	96,548	155,000	854,977	382,500
Richard W. FitzGerald			60,045	161,667	436,472	411,835
Mark L. Carlton			16,666	83,334		153,000
Kirk E. Townsend			42,460	133,334	318,364	426,500

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**PERFORMANCE GRAPH**

The following graph compares the performance of our common stock to the Standard & Poor's 500 Stock Index and Standard & Poor's Oil and Gas Drilling and Equipment Index from May 24, 2000, the first day of trading for our common stock, to March 31, 2002. The graph assumes that the value of the investment in our common stock, the S&P 500 Index and the S&P Oil and Gas Drilling and Equipment Index was \$100 at May 24, 2000 and that all dividends were reinvested quarterly.

**COMPARISON OF CUMULATIVE TOTAL RETURN  
BASED ON INITIAL INVESTMENT OF \$100 ON MAY 24, 2000**

*The performance graph shall not be deemed incorporated by reference by any general statement incorporating by reference this Proxy Statement into any filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, except to the extent that we specifically incorporate this information by reference, and shall not otherwise be deemed filed under those Acts.*

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## REPORT OF THE COMPENSATION COMMITTEE

### Compensation Policy

The goal of our compensation policy is to offer a cash and stock-based compensation package that attracts and retains executive officers and that aligns executive compensation with the interests of our stockholders. Our philosophy is to provide a base salary that is competitive with companies of similar size in the energy industry, annual bonus potential that is based on a combination of corporate and individual performance and long and short-term incentives. The Compensation Committee of the Board of Directors reviews our executive compensation programs annually to ensure these programs are competitive and reasonable. Our stock-based compensation decisions for executive officers are recommended to the full Board of Directors for approval.

### Compensation Policy Components

*Base Salary* Base salaries are competitive with those offered by companies of similar size in the energy industry. Individual salaries, which are reviewed annually, are based on individual skills and performance and market comparisons.

*Incentive Bonus* The Compensation Committee has adopted an Officers' Incentive Plan each year to provide each executive officer with the potential to earn a cash bonus expressed as a percentage of salary. The amount of each bonus paid to executive officers in fiscal year 2002 was determined by the Compensation Committee and based on the Fiscal Year 2002 Officers' Incentive Plan.

The Fiscal Year 2002 Officers' Incentive Plan provided for bonus payments upon the attainment of Company financial and operating goals, as well as individual performance. Sixty percent of the fiscal year 2002 bonus payment to each officer was based on an objective analysis of our financial performance, ten percent was based on an objective analysis of our annual safety performance, and thirty percent was based on a subjective analysis of individual performance. The Compensation Committee has the discretion to award bonuses in excess of the targeted amount in the event the goals are exceeded. Likewise, the Compensation Committee can award less than the targeted amount in the event any of the goals are not achieved.

*Stock Option Grants* The use of stock options is considered to be an important incentive to our executive officers for working toward our long-term growth. We believe that stock options provide our executive officers with a benefit that will increase only to the extent that the value of the common stock increases. The number of shares granted is based on the contribution of the executive officer, are subject to vesting over a three year period and have exercise prices equal to the market value of our stock on the date of the grant. In fiscal year 2002, our executive officers received grants representing 716,000 shares of common stock.

*Restricted Stock Grants* We also utilize grants of restricted stock as long-term compensation for our executive officers. The Compensation Committee can exercise its discretion in determining the vesting schedule for restricted stock. During fiscal year 2002, 100,000 shares of restricted stock were granted to six of our executive officers. Common stock subject to the restricted stock grants vested 0% on January 1, 2002 and will vest 25% on each January 1 thereafter until January 1, 2006. Generally, common stock subject to restricted stock grants will vest 0% upon the first anniversary of the grant and 25% on each anniversary thereafter through the fifth anniversary.

*Other Compensation Programs* Our 401(k) savings plan provides employees, including executive officers, the opportunity to defer up to 15% of their salary, through December 31, 2001, and up to 25% effective January 1, 2002, on a pre-tax basis through contributions to an account from which the employee may direct how the funds are invested. We match, with Company common stock, 50% of the first 6% of such employee contributions, with a maximum match of 3% of the employee's compensation. Prior to September 1, 2001, our matching contributions were in the form of cash and invested in the same manner

as the employee contributions. Effective September 1, 2001, our matching contributions were in the form of Company stock. Employees vest in the Company's contribution over five years, based on length of employment. Company stock is not an investment option for employees and the common stock cannot be converted except upon certain events, such as termination of employment or death.

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Our Employees' Supplemental Savings Plan provides executive officers the opportunity to defer up to 15% of their salary, through December 31, 2001, and up to 25% effective January 1, 2002. In addition, participants can defer up to 100% of their bonuses. The Company matches 50% of the first 6% of compensation, excluding any bonus, deferred. If Proposal 2 is approved by our stockholders, effective September 1, 2002, our matching contributions will be in the form of Company stock.

### Fiscal Year 2002 Compensation for the President and Chief Executive Officer

In fiscal year 2002, Mr. Snider received a base salary of \$265,000. His targeted bonus potential was 70% of this base salary and the Compensation Committee awarded him \$155,356, or 84% of the targeted amount of \$185,000. Mr. Snider was granted options representing 250,000 shares of common stock and 30,000 shares of restricted stock. In addition, the Company made matching contributions of \$3,312.50 and 143 shares of common stock to Mr. Snider's 401(k) account and \$5,809.62 to his account under the Supplemental Savings Plan.

The increase in Mr. Snider's total compensation was intended to make his compensation more competitive with those of similarly situated officers in comparable companies in the oilfield services sector and to recognize his efforts to grow the Company's business and increase shareholder value. The number of shares subject to options granted to Mr. Snider was determined to be an appropriate level to provide incentives to increase the value of the Company's common stock in the future.

### Compensation Deductions Limitations

Section 162(m) of the Internal Revenue Code, as amended, limits the deductibility of certain compensation expenses in excess of \$1,000,000 to any one individual in any fiscal year. Compensation that is "performance based" is excluded from this limitation. For compensation to be "performance based," it must meet certain criteria including certain predetermined objective standards approved by stockholders. The Compensation Committee intends to structure the compensation of the Company's executive officers in accordance with the requirements for deductibility under Section 162(m).

### Summary

In making decisions regarding executive compensation, the Committee compares current compensation levels with those of other companies within the oilfield service that compare favorably to our company with regard to market capitalization and other financial indicators by which we have historically measured the Company's performance. The Committee uses its discretion to determine a total compensation package of base salary, short-term and long-term incentives that are competitive with this group of peer companies.

Compensation Committee

Bernard J. Duroc-Danner,  
Chairman  
Lisa W. Rodriguez\*  
Edmund P. Segner, III

\*

Ms. Rodriguez became a member of the Compensation Committee effective as of May 31, 2002.

*The foregoing report shall not be deemed incorporated by reference by any general statement or reference to this Proxy Statement into any filing under the Securities Act or under the Securities Exchange Act, except to the extent that we specifically incorporate this information by reference, and shall not otherwise be deemed filed under those Acts.*

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### REPORT OF THE AUDIT COMMITTEE

In accordance with its written charter, the Audit Committee assists the Board of Directors in oversight of the accounting, auditing and financial reporting practices of the Company. A copy of the Audit Committee charter was previously filed with the Securities and Exchange Commission as a part of the Company's definitive proxy statement filed July 13, 2001.

The Audit Committee is responsible for, among other things, reviewing with the Company's independent auditors the scope and results of their audit engagement. In connection with the fiscal year 2002 audit, the Audit Committee:

reviewed and discussed with management the Company's audited financial statements for the fiscal year ended March 31, 2002;

discussed with Deloitte & Touche, LLP, the Company's independent auditors, the matters required to be discussed by Statement of Accounting Standards No. 61, as modified or supplemented; and

received from and discussed with Deloitte & Touche the written disclosures and letter from Deloitte & Touche required by Independence Standards Board Standard No. 1, as modified or supplemented, regarding their independence.

Based on the review and the discussions described in the preceding bullet points, the Audit Committee recommended to the Board of Directors that the audited financial statements for the fiscal year ended March 31, 2002 be included in the Company's Annual Report on Form 10-K for the fiscal year ended March 31, 2002 for filing with the SEC. The Audit Committee also recommended the reappointment of Deloitte & Touche as the Company's independent auditors.

The Company's management is responsible for the Company's financial reporting process, internal audit process and the preparation of the Company's financial statements. Deloitte & Touche is responsible for auditing the financial statements. The Audit Committee monitors and reviews these processes and procedures but does not conduct auditing or accounting reviews. The Audit Committee relies on the representations from management and Deloitte & Touche that the financial statements have been prepared in accordance with generally accepted accounting principles.

The members of the Audit Committee are independent as independence is defined by the listing standards of the New York Stock Exchange.

Submitted by the Audit  
Committee,

Uriel E. Dutton, *Chairman*  
Thomas C. Case  
Samuel Urcis

*The foregoing report shall not be deemed incorporated by reference by any general statement or reference to this Proxy Statement into any filing under the Securities Act or under the Securities Exchange Act, except to the extent that we specifically incorporate this information by reference, and shall not otherwise be deemed filed under those Acts.*

#### **SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT**

The following table sets forth, as of July 1, 2002, the beneficial ownership of our common stock by:

persons we know to be the beneficial owners of more than five percent of our issued and outstanding common stock;

our directors;

our Named Officers; and

all of our directors and executive officers as a group.

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Beneficial ownership is determined in accordance with the rules of the SEC. Except as indicated in the footnotes to this table, each stockholder named in the table has sole voting and investment power with respect to the shares set forth opposite the stockholder's name. Except as otherwise set forth below, shares of common stock not outstanding but deemed beneficially owned by virtue of a person or group having the right to acquire them within 60 days, including outstanding stock options, are treated as outstanding only for purposes of determining the percentage owned by such person or group, but are not treated as outstanding for the purpose of computing the percentage ownership by any other person. The address for each executive officer and director listed below is c/o Universal Compression Holdings, Inc., 4440 Britton Road, Houston, Texas 77041.

Name and Address of Beneficial Owner	Aggregate Number of Shares Beneficially Owned	Percentage of Outstanding Shares(1)
Weatherford International Ltd.(2) c/o Weatherford International, Inc. 515 Post Oak Boulevard, Suite 600 Houston, Texas 77027-3415	13,750,000	44.9%
Janus Capital Corporation(3) 100 Fillmore Street Denver, Colorado 80206-4923	1,896,985	6.2
Thomas C. Case(4)	10,334	*
Samuel Urcis(4)(5)	209,305	*
William M. Pruellage(4)	10,167	*
Edmund P. Segner, III(4)	11,000	*
Bernard J. Duroc-Danner(4)(6)	10,000	*
Lisa W. Rodriguez(6)		*
Uriel E. Dutton(4)	10,000	*
Stephen A. Snider(7)	210,674	*
Ernie L. Danner(8)	154,026	*
Richard W. FitzGerald(9)	71,542	*
Mark L. Carlton(10)	20,182	*
Kirk E. Townsend(11)	66,377	*
All directors and executive officers as a group (16 persons)(12)	844,037	2.8

\*

Less than 1% of our issued and outstanding shares of common stock.

- (1) Based upon 30,634,135 shares of common stock outstanding and 41,621 treasury shares issued that are not counted as outstanding in calculating the beneficial ownership percentage.
- (2) This information is based upon information furnished to us and on statements on file with the SEC.
- (3) Thomas H. Bailey is Chairman, President and Chief Executive Officer of Janus Capital and due to this position may be deemed to exercise control over Janus Capital and as such may be deemed to be a

beneficial owner of the shares held by Janus Capital. Mr. Bailey disclaims beneficial ownership of these shares. This information is based upon statements on file with the SEC.

- (4) Includes 10,000 shares of common stock subject to options, all of which fully vest on August 16, 2002, for each of Messrs. Case, Urcis, Pruellage, Segner, Duroc-Danner and Dutton.
- (5)



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Includes 99,135 shares of common stock subject to options, all of which are fully vested.

- (6) This director is an officer of Weatherford International Ltd., and due to this position may be deemed to exercise control over Weatherford International Ltd. and as such may be deemed to be a beneficial owner of the shares held by Weatherford International Ltd. This director disclaims beneficial ownership of these shares. This information is based upon information provided to us and on statements on file with the SEC.
- (7) Includes 171,818 shares of common stock subject to options, all of which are fully vested.
- (8) Includes 103,214 shares of common stock subject to options, all of which are fully vested.
- (9) Includes 70,044 shares of common stock subject to options, all of which are fully vested.
- (10) Includes 19,999 shares of common stock subject to options, all of which are fully vested.
- (11) Includes 52,460 shares of common stock subject to options, all of which are fully vested.
- (12) Includes an aggregate of 574,221 shares of common stock subject to options, all of which are fully vested, and an aggregate of 60,000 shares of common stock subject to options, all of which fully vest on August 16, 2002.

### CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

#### Arrangements with Weatherford International

*Registration Rights Agreement.* Concurrently with our acquisition of Weatherford Global Compression Services, L.P. ("Weatherford Global") in February 2001, we entered into a registration rights agreement with WEUS Holding, Inc., a wholly owned subsidiary of Weatherford International, Inc. In connection with the June 26, 2002 restructuring of Weatherford International, Inc., WEUS Holding's rights under the registration rights agreement were transferred to Weatherford International Ltd. Under this agreement, Weatherford International Ltd. has the right, on up to three occasions, to cause us to register at our expense Weatherford International Ltd.'s shares of our common stock under the Securities Act at any time by providing a written demand to us, subject to certain minimum dollar values. The registration rights agreement also provides Weatherford International Ltd. with certain "piggyback" registration rights, or rights to require us, subject to certain limitations, to include its shares of our common stock in other registration statements that we may file.

*Transitional Services Agreement.* Concurrently with the closing of the Weatherford Global acquisition in February 2001, Weatherford International, Inc. and Weatherford Global, as our subsidiary, entered into a transitional services agreement under which Weatherford International, Inc. would continue to provide certain administrative and support services, such as shared corporate office space and general communication and information services, to Weatherford Global until June 9, 2001. Weatherford Global paid Weatherford International, Inc. \$125,000 for the first 30 days of services. For the period subsequent to the initial 30 days, Weatherford Global agreed to pay Weatherford International, Inc. a fee based on a proportional amount of Weatherford International, Inc.'s costs and expenses in providing the services plus a 10% management fee. No such services were rendered by and no amounts were paid to Weatherford International, Inc. for the period subsequent to the initial 30 days. The agreement terminated on June 9, 2001.

*Board Representation.* In connection with our acquisition of Weatherford Global, WEUS Holding was granted the right to designate three members to our Board of Directors for so long as it owns at least 20% of our outstanding common stock. One WEUS Holding nominee is a Class A director with a term of office expiring in 2004, the second WEUS Holding nominee is a Class B director with a term of office expiring in 2002, and the third WEUS Holding nominee is a Class C director with a term of office expiring in 2003. In connection with the June 26, 2002 restructuring of Weatherford International, Inc., WEUS Holding's right to designate members to our Board of Directors was transferred to Weatherford International Ltd. If Weatherford International Ltd.'s ownership of our common stock falls below 20%, Weatherford

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International Ltd. may designate only two directors, and if its ownership falls below 10%, it may no longer designate directors to our Board. Weatherford International Ltd.'s current designees to our Board of Directors, including through WEUS Holding's previous designations, are Mr. Dutton (Class A), Ms. Rodriguez (Class B) and Mr. Duroc-Danner (Class C).

*Voting Agreement.* We also entered into a voting agreement with WEUS Holding concurrently with the Weatherford Global acquisition that provided that, until the earlier of (1) February 9, 2003 or (2) the date that Castle Harlan Partners III, L.P. and its affiliates owned less than 5% of our outstanding common stock, WEUS Holding and its affiliates would vote any shares of our common stock that they owned in excess of 33 $\frac{1}{3}$ % of our total outstanding shares in the same proportion that shares of our stock owned by the public were voted. The voting agreement terminated in December 2001 when Castle Harlan's and its affiliates' ownership of our outstanding common stock fell below 5%.

### **Registration Rights Agreements**

In connection with our acquisition of Tidewater Compression in 1998, we entered into a registration rights agreement with Castle Harlan and some of our other stockholders (including certain of our directors and officers and Energy Spectrum Partners, L.P.). Under the registration rights agreement, these stockholders generally have the right to require us to register any or all of their shares of our common stock under the Securities Act, at our expense, subject to certain minimum dollar values. In addition, these stockholders are generally entitled to include, at our expense, their shares of our common stock covered by the registration rights agreement in any registration statement that we propose to file with respect to registration of our common stock under the Securities Act. In addition, we entered into registration rights agreements in connection with our acquisitions of Gas Compression Services, Inc. and KCI, Inc. The Gas Compression Services agreement provides the former Gas Compression Services shareholders with two demands for shelf registrations, both of which have been filed. The KCI agreements provide the former KCI shareholders with a single demand for a shelf registration, which has been filed, and with piggyback registration rights. We also agreed in these registration rights agreements to indemnify the stockholders against specified liabilities, including liabilities under the Securities Act.

### **Voting Agreements**

In connection with our acquisition of Tidewater Compression in 1998, we entered into a voting agreement and two voting trust agreements. The voting agreement, which terminated upon completion of our equity offering in July 2001, required that some of our significant stockholders vote their shares of common stock in the same manner as Castle Harlan. The voting trust agreements provided that certain of our other stockholders, including some of our directors, assign their shares of our common stock to a voting trust for which John K. Castle served as trustee in exchange for interests in the trust. The voting trust agreements were terminated in December 2001.

### **Castle Harlan Board Representation**

In connection with our 1998 acquisition of Tidewater Compression, we entered into an agreement with Castle Harlan to nominate a total of three Castle Harlan designees for election to our Board of Directors for so long as Castle Harlan beneficially owns at least 15% of our outstanding stock (including

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shares over which it has voting control pursuant to voting agreements and trusts). Although Castle Harlan's right terminated upon completion of our equity offering in July 2001, its remaining designee to our Board, Mr. Pruellage, is serving a term expiring at our 2003 annual meeting of stockholders.

### **Transactions with an Officer and Director**

In consideration for consulting services rendered by Ernie L. Danner, one of our executive officers and directors, in connection with our Tidewater Compression acquisition in 1998, Castle Harlan agreed that upon its sale of more than 75% of the shares that Castle Harlan owns of our outstanding common stock, Castle Harlan will pay Mr. Danner \$500,000 if it realizes a return in excess of 100%, or \$750,000 if it realizes a return in excess of 300%, of its initial investment in the Company. Castle Harlan sold approximately one-half of its shares of our common stock in our equity offering in July 2001. In December 2001, Castle Harlan granted Mr. Danner 8,023 shares of its shares of our common stock in complete settlement of this agreement.

### **Employment Contracts, Termination of Employment and Change-in-Control Arrangements**

During fiscal year 2002, only one executive officer, Richard W. FitzGerald, had an employment agreement with the Company. This employment agreement expired in April 2002. The Company has elected, as a policy matter, not to offer employment agreements to its executive

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officers. In lieu of employment agreements, our executive officers are offered change of control agreements pursuant to which the executive officers may receive certain payments, including a lump sum payment of one year's compensation and continuation of our employee benefits for 12 months, in the event of termination upon a change of control in exchange for a two-year non-competition agreement. To date, Messrs. Carlton and Townsend have entered into change of control agreements with the Company. Prior to Mr. Hilburn's retirement from the Company in September 2001, Mr. Hilburn was party to a change of control agreement with the Company. In addition, the Company has agreed that Stephen A. Snider, our President and Chief Executive Officer, and his spouse will be entitled to continue to participate, at our expense, in our medical benefit plan following his retirement so long as he remains an active employee of the Company until his retirement.

### EQUITY COMPENSATION PLAN INFORMATION

The following table sets forth information as of March 31, 2002, with respect to certain of our compensation plans for which our common stock is authorized for issuance, aggregated as follows:

Plan category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders:			
(a) Incentive Stock Option Plan	2,637,903	\$24.52	226,425
(b) Employee Stock Purchase Plan	-0-	-0-	228,284
(c) Restricted Stock Plan	-0-	-0-	250,000
(d) Directors' Stock Plan	-0-	-0-	15,000
Equity compensation plans not approved by security holders:	Not applicable	Not applicable	Not applicable