

Bankrate, Inc.
Form DEF 14A
April 30, 2013
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

(RULE 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

PROXY STATEMENT PURSUANT TO SECTION 14(a) OF THE SECURITIES

EXCHANGE ACT OF 1934

Filed by the Registrant

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 Section 240.14a-12

Bankrate, Inc.

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(Name of Registrant as Specified In Its Charter)

N/A

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

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(4) Date Filed:

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BANKRATE, INC.

11760 U.S. Highway One, Suite 200

North Palm Beach, Florida 33408

(561) 630-2400

April 30, 2013

Dear Bankrate, Inc. Stockholders,

You are cordially invited to attend the Annual Meeting of Stockholders of Bankrate, Inc., to be held on June 12, 2013. The Annual Meeting will begin promptly at 1:00 p.m., local time, at Marriott Singer Island, 3800 North Ocean Drive, Singer Island, Florida 33404.

A Notice of Annual Meeting of Stockholders and the Proxy Statement for the meeting are attached. To ensure your representation at the Annual Meeting, you are urged to vote by proxy via the Internet or telephone pursuant to the instructions provided in the enclosed proxy card; or by completing, dating, signing and returning the enclosed proxy card.

The Notice of Annual Meeting and Proxy Statement on the following pages contain information about the official business of the Annual Meeting. Whether or not you expect to attend, please vote your shares now. Of course, if you decide to attend the Annual Meeting, you will have the opportunity to revoke your proxy and vote your shares in person. This Proxy Statement is also available at *investor.bankrate.com*.

We look forward to your participation and thank you for your support of our business.

Sincerely,

Thomas R. Evans

President and Chief Executive Officer

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BANKRATE, INC.

11760 U.S. Highway One, Suite 200

North Palm Beach, Florida 33408

(561) 630-2400

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

TO BE HELD JUNE 12, 2013

NOTICE IS HEREBY GIVEN that the Annual Meeting of Stockholders of Bankrate, Inc. will be held at Marriott Singer Island, 3800 North Ocean Drive, Singer Island, Florida 33404, at 1:00 p.m., local time, on June 12, 2013, for the following purposes:

1. To elect three (3) directors to the Board of Directors;
2. To ratify the appointment of Grant Thornton LLP as our independent registered public accounting firm for the current fiscal year; and
3. To transact any business as may properly come before the Annual Meeting by or at the direction of the Board of Directors or any adjournments or postponements.

The Board of Directors has fixed the close of business on April 22, 2013 as the record date for the determination of stockholders entitled to notice of, and to vote at, the Annual Meeting.

By Order of the Board of Directors,

James R. Gilmartin

Vice President, General Counsel and Corporate Secretary

April 30, 2013

North Palm Beach, Florida

This Proxy Statement is being mailed beginning on or around May 6, 2013 to all stockholders entitled to vote at the Annual Meeting.

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BANKRATE, INC.

11760 U.S. Highway One, Suite 200

North Palm Beach, Florida 33408

(561) 630-2400

PROXY STATEMENT

FOR THE ANNUAL MEETING OF STOCKHOLDERS

TO BE HELD ON

JUNE 12, 2013

INFORMATION CONCERNING SOLICITATION AND VOTING

Introduction

We are furnishing this Proxy Statement on behalf of the Board of Directors (the "Board of Directors") of Bankrate, Inc., a Delaware corporation, for use at our 2013 Annual Meeting of Stockholders, or at any adjournments or postponements of the meeting (the "Annual Meeting"), for the purposes set forth below and in the accompanying Notice of Annual Meeting. The Annual Meeting will be held at Marriott Singer Island, 3800 North Ocean Drive, Singer Island, Florida 33404, at 1:00 p.m. local time, on June 12, 2013.

As used in this Proxy Statement, the terms "us", "we", "our", refer to Bankrate, Inc., and, where appropriate, Bankrate, Inc., and its subsidiaries. The term "Common Stock" means shares of our common stock, par value, \$0.01 per share.

Stockholders Entitled to Notice and to Vote; Quorum

Only holders of record of our Common Stock at the close of business on April 22, 2013, which the Board of Directors has set as the record date, are entitled to notice of, and to vote at, the Annual Meeting. As of April 22, 2013, we had 100,047,441 shares of Common Stock outstanding and entitled to vote at the Annual Meeting, and our shares of Common Stock were held by approximately 22 stockholders of record. Each stockholder of record of Common Stock on the record date will be entitled to one vote for each share held on all matters to be voted upon at the Annual Meeting. There are no cumulative voting rights in the election of directors.

The presence, in person or by proxy, of a majority of the votes entitled to be cast on a matter to be voted on at the Annual Meeting constitutes a quorum for action on that matter. The shares of Common Stock represented by properly executed proxy cards or properly authenticated voting instructions recorded electronically through the Internet or by telephone, will be counted for purposes of determining the presence of a quorum at the Annual Meeting. Abstentions and broker non-votes will be counted toward fulfillment of quorum requirements. A broker non-vote occurs when a nominee holding shares for a beneficial owner does not vote on a particular proposal because the nominee does not have discretionary voting power with respect to that proposal and has not received instructions from the beneficial owner.

Distinction Between Holding Shares as a Stockholder of Record and as a Beneficial Owner

Some of our stockholders hold their shares through a broker, trustee, or other nominee rather than directly in their own name. As summarized below, there are some distinctions between shares held of record and those shares owned beneficially.

Stockholder of Record. If your shares are registered directly in your name with our transfer agent, Computershare Trust Company, N.A., then you are considered, with respect to those shares, the stockholder of record. As the stockholder of record, you have the right to grant your voting proxy directly to us or to a third party, or to vote in person at the Annual Meeting.

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Beneficial Owner. If your shares are held in a brokerage account, by a trustee or, by another nominee, then you are considered the beneficial owner of those shares. As the beneficial owner of those shares, you have the right to direct your broker, trustee, or nominee how to vote and you also are invited to attend the Annual Meeting. However, because a beneficial owner is not the stockholder of record, you may not vote these shares in person at the Annual Meeting unless you obtain a legal proxy from the broker, trustee or nominee that holds your shares, giving you the right to vote the shares at the Annual Meeting.

If you are not a stockholder of record, please understand that we do not know that you are a stockholder, or how many shares you own.

Voting Deadline

If you are a stockholder of record on the record date, then your proxy must be received no later than 11:59 p.m. on June 11, 2013 to be counted. If you are the beneficial owner of your shares held through a broker, trustee, or other nominee, please follow the instructions of your broker, trustee, or other nominee in determining the deadline for submitting your proxy.

Voting Without Attending the Annual Meeting

Whether you hold shares directly as a stockholder of record or through a broker, trustee, or other nominee, you may direct how your shares are voted without attending the Annual Meeting. You may give voting instructions by the Internet, by telephone, or by mail. Instructions are on the proxy card. The proxy holders will vote all properly executed proxies that are delivered in response to this solicitation, and not later revoked, in accordance with the instructions given by you.

Voting In Person

Shares held in your name as the stockholder of record on the record date may be voted in person at the Annual Meeting. Shares for which you are the beneficial owner but not the stockholder of record may be voted in person at the Annual Meeting only if you obtain a legal proxy from the broker, trustee, or other nominee that holds your shares giving you the right to vote the shares. Even if you plan to attend the Annual Meeting, we recommend that you vote by proxy as described below so that your vote will be counted if you later decide not to attend the Annual Meeting.

The vote you cast in person will supersede any previous votes that you may have submitted, whether by Internet, telephone, or mail.

Voting Requirements

At the Annual Meeting, stockholders will consider and act upon (1) the election of three directors, (2) the ratification of the appointment of our independent registered public accounting firm, and (3) such other business as may properly come before the Annual Meeting by or at the direction of the Board of Directors.

Our Bylaws provide that directors are elected by a plurality of the votes cast. This means that the director nominee with the most votes for a particular seat on the Board of Directors is elected for that seat. Only votes actually cast will be counted for purposes of determining whether a director nominee received the most votes for a particular seat on the Board of Directors. Abstentions and the withholding of authority by a stockholder (including broker non-votes) as to the election of directors (Proposal 1) are not treated as votes cast and thus have no effect on the results of the election.

Under our Bylaws, the ratification of the appointment of our independent registered public accounting firm (Proposal 2) must be approved by the affirmative vote of a majority of the shares of Common Stock present in person or by proxy and entitled to vote on this matter at the Annual Meeting. An abstention will have the same legal effect as a vote against this proposal. Broker non-votes will have no effect on the outcome of this proposal.

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Under current New York Stock Exchange (the "NYSE") rules, a broker, bank or other nominee may exercise discretionary voting power for the ratification of the selection of Grant Thornton LLP. However, the election of directors is a non-routine matter and the NYSE does not permit a broker, bank or other nominee to exercise discretionary voting power with regard to such election. Therefore, if you are a beneficial owner and do not provide your broker, bank or other nominee with voting instructions on the election of directors, then your vote will not count either for or against the election of the director nominees.

As of April 22, 2013, Ben Holding S.à r.l., our majority stockholder, owned 53,803,694 shares of Common Stock, constituting approximately 53.8% of the outstanding Common Stock. We believe that Ben Holding S.à r.l. will vote all of its shares of Common Stock in favor of the election of each of the director nominees and in favor of Proposal 2, and, therefore, the outcome of these matters is reasonably assured.

Treatment of Voting Instructions

If you provide specific voting instructions, your shares will be voted as instructed.

If you hold shares as the stockholder of record and sign and return a proxy card or vote by Internet or telephone without giving specific voting instructions, then your shares will be voted in accordance with the recommendations of our Board of Directors. Our Board of Directors recommends (1) a vote for the election of Mr. Seth Brody, Mr. Thomas R. Evans and Mr. Michael J. Kelly to our Board of Directors and (2) a vote for the ratification of the appointment of Grant Thornton LLP as our independent registered public accounting firm. In the event that any director nominee is unavailable for election, such shares may be voted for the election of such substitute nominee or nominees, if any, as the Board of Directors may select.

You may have granted to your broker, trustee, or other nominee discretionary voting authority over your account. Your broker, trustee, or other nominee may be able to vote your shares depending on the terms of the agreement you have with your broker, trustee, or other nominee.

The persons identified as having the authority to vote the proxies granted by the proxy card will also have discretionary authority to vote, in their discretion, to the extent permitted by applicable law, on such other business as may properly come before the Annual Meeting and any postponement or adjournment. The Board of Directors is not aware of any other matters that are likely to be brought before the Annual Meeting. If any other matter is properly presented for action at the Annual Meeting, including a proposal to adjourn or postpone the Annual Meeting to permit us to solicit additional proxies in favor of any proposal, the persons named in the proxy card will vote on such matter in their own discretion.

Revocability of Proxies

A stockholder of record who has given a proxy may revoke it at any time prior to its exercise at the Annual Meeting by (i) giving written notice of revocation to our Corporate Secretary, (ii) properly submitting a duly executed proxy bearing a later date, or (iii) appearing in person at the Annual Meeting and voting in person.

If you are the beneficial owner of shares held through a broker, trustee, or other nominee, you must follow the specific instructions provided to you by your broker, trustee, or other nominee to change or revoke any instructions you have already provided to your broker, trustee, or other nominee.

Costs of Proxy Solicitation

Proxies will be solicited from our stockholders by mail and through the Internet. We will pay all expenses in connection with the solicitation, including postage, printing and handling, and the expenses incurred by brokers, custodians, nominees and fiduciaries in forwarding proxy material to beneficial owners. We may engage a proxy solicitation firm to solicit proxies in connection with the Annual Meeting, and we estimate that the fee payable for such services would be less than \$10,000. It is possible that our directors, officers and other employees may make further solicitations personally or by telephone, facsimile or mail. Our directors, officers and other employees will receive no additional compensation for any such further solicitations.

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PROPOSAL 1: ELECTION OF DIRECTORS

Introduction

The Board of Directors is divided into three classes, and the members of each class serve for staggered three-year terms. At each annual meeting of stockholders, a class of directors is elected for a three-year term to succeed the directors of the same class whose terms are then expiring. The Board of Directors is currently comprised of two Class I directors (Mr. Bruce Nelson and Mr. Richard Pinola) whose terms expire at the 2015 Annual Meeting of Stockholders, three Class II directors (Mr. Brody, Mr. Evans and Mr. Kelly) whose terms expire at the Annual Meeting, and three Class III directors (Mr. Peter Morse, Mr. Christian Stahl and Mr. Mitch Truwit) whose terms expire at the 2014 Annual Meeting of Stockholders. The Board of Directors has nominated Mr. Brody, Mr. Evans and Mr. Kelly to stand for reelection as directors at the Annual Meeting. If reelected, they will each serve as a Class II director with a term expiring at the 2016 Annual Meeting of Stockholders. There are no family relationships among any of the directors or the nominees, nor is there any agreement or understanding between any director or nominee and any other person pursuant to which the director or nominee was elected or nominated, other than our employment agreement with Mr. Evans and the Fourth Amended and Restated Stockholders Agreement discussed in Corporate Governance Nomination of Directors and Certain Relationships and Related Party Transactions Stockholders Agreement below.

The Board of Directors recommends a vote FOR each of the nominees.

Information Concerning the Nominees and Directors

Biographical information for each director and nominee appears below. The information is based entirely upon information provided by the respective directors and nominees.

Nominees to Serve as Class II Directors (Term Expiring in 2016)

Seth Brody, age 37, has served on Bankrate's Board of Directors since 2010. Mr. Brody joined Apax Partners in 2008 as an Operating Executive in the New York office and is currently a Partner and Co-Head of the Apax Portfolio Support Group. Mr. Brody was Executive Vice President and General Manager, Ecommerce of Razorgator Interactive, Inc., an online seller of event tickets, from June 2008 to September 2008, and Group Vice President and General Manager, North America of Orbitz Worldwide, Inc., an online travel agency, from June 2006 to May 2009. He holds an M.B.A. from Harvard Business School. Mr. Brody's qualifications to serve on our Board of Directors include his extensive experience with a wide variety of online businesses and ventures and his deep knowledge of the online industry.

Thomas R. Evans, age 58, has served on Bankrate's Board of Directors and the board of directors of Bankrate's predecessor entity since April 2004, and was appointed President and Chief Executive Officer in June 2004. From August 1999 to August 2003, Mr. Evans served as Chairman and Chief Executive Officer of Official Payments Corp., specializing in processing consumer credit card payments for government taxes, fees and fines. From March 1998 to June 1999, Mr. Evans was President and Chief Executive Officer of GeoCities Inc., a community of personal Websites on the Internet. From January 1991 to February 1998, Mr. Evans was President and Publisher of U.S. News & World Report. In addition to his duties at U.S. News & World Report, Mr. Evans served as President of The Atlantic Monthly (1996-1998) and as President and Publisher of Fast Company (1995-1998), a magazine launched in 1995. Mr. Evans received a Bachelor of Science degree in business administration from Arizona State University. Mr. Evans also serves as a director of FutureFuel Corp. and as a director of Shutterstock, Inc. Mr. Evans' qualifications to serve on our Board of Directors include his extensive experience in the media and Internet industries, service as Chief Executive Officer of three public companies, and his leadership of Bankrate over the last eight years.

Michael J. Kelly, age 55, has served on Bankrate's Board of Directors since June 2012 and currently serves as Chairman of the Compensation Committee and as a member of the Audit Committee. Mr. Kelly previously served as president and CEO of The Weather Channel Companies from July 2009 to February 2012. He has over

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three decades of experience in the media industry. From 2004-2007, Mr. Kelly served as president of AOL Media Networks, responsible for all of AOL's advertising properties globally. From 2002-2004, Mike was the President of the Global Marketing group at Time Warner. From 2000-2002, he founded and served as CEO at American Town Network, a local digital media company. In 1983, Mr. Kelly began a 17-year career at Time, Inc. holding management positions at Fortune Magazine and serving as publisher of Entertainment Weekly. He also served as a senior advisor at Veronis Suhler Stevenson and was a Director and member of the Audit Committee at MediaMind. He currently holds board positions at American Town Network and Colspace Inc. He is also on the board of the American Advertising Federation, the Board of Councilors of the Carter Center in Atlanta and is a founding member of The Kelly Gang. Mr. Kelly's qualifications to serve on our Board of Directors include his broad experience and successes in both traditional and new media organizations.

Continuing Directors

Our directors continuing in office as Class III Directors, with terms expiring at the 2014 Annual Meeting of Stockholders, are as follows:

Peter C. Morse, age 66, currently serves as Chairman of Bankrate's Board of Directors and has served on Bankrate's Board of Directors and the board of directors of Bankrate's predecessor entity since 1993, as Chairman from 1997 until 1999 and since 2002, and as Chief Executive Officer from 1993 until 1997. In 1982, Mr. Morse founded Morse Partners, Inc., a private equity firm that acquires operating companies and provides expansion capital. He is also a general partner of Permit Capital LLC. From 1986 to 1990, Mr. Morse was Chairman of FAO Schwarz, the national chain of children's gift stores. Mr. Morse is a member of the Board of Governors of the Boys and Girls Clubs of America and the Board of Trustees for the J.M. Foundation. Mr. Morse is a Trustee Emeritus of Children's Hospital of Philadelphia where he served as a trustee from 1982 to 2010 and was Chairman of the Investment Committee of Children's Hospital of Philadelphia from 1987 to 2010. Mr. Morse served as a member of the Board of Directors of Georgetown University from 2004 to 2010. Mr. Morse holds a B.S.B.A. from Georgetown University and an M.B.A. from Columbia University Graduate School of Business. Mr. Morse's qualifications to serve on our Board of Directors include his extensive experience in investment matters, his familiarity with and knowledge of the history of Bankrate, and his leadership of Bankrate over the last 20 years.

Christian Stahl, age 42, has served on Bankrate's Board of Directors and the board of directors of Bankrate's predecessor entity since 2009. Mr. Stahl joined Apax Partners in 1999. He is an equity partner and a member of the executive committee of Apax Partners. Prior to joining Apax Partners, Mr. Stahl worked at Bain & Company. He holds an M.B.A. with distinction from INSEAD Business School. Mr. Stahl also currently serves as a director of Apax Partners LLP, Cengage Learning, Nelson Education Holdings, Takko Fashion and Tommy Hilfiger China. Mr. Stahl served as a director of Central European Media Enterprises Ltd. from 2006 to 2009. Mr. Stahl's qualifications to serve on our Board of Directors include his financial and business expertise across a broad set of industries, his experience as partner of a leading private equity investment group, and his service on several other public and private company boards of directors.

Mitch Truwit, age 44, has served on Bankrate's Board of Directors and the board of directors of Bankrate's predecessor entity since 2009 and currently serves as a member of the Compensation Committee. Mr. Truwit joined Apax Partners in 2006 as a partner in the New York office. Prior to joining Apax Partners in 2006, Mr. Truwit was President and Chief Executive Officer at Orbitz Worldwide in Chicago. Prior to joining Orbitz Worldwide, Mr. Truwit was the Chief Operating Officer at Priceline.com, Inc. Mr. Truwit's qualifications to serve on our Board of Directors include his extensive experience with several online businesses, his deep knowledge of the online industry, and his financial and investment experience as a partner of a leading private equity investment group.

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Our directors continuing in office as Class I Directors, with terms expiring at the 2015 Annual Meeting of Stockholders, are as follows:

Bruce Nelson, age 61, has served on Bankrate's Board of Directors since September 2011 and currently serves as a member of the Audit Committee. Mr. Nelson was Vice Chairman of the Omnicom Group from 2006 to 2011. Previously, he was Executive Vice President, Chief Marketing Officer, of the Interpublic Group, from 2000-2005. From 1998 -1999, he was Vice Chairman of Young & Rubicam Inc., the holding company of Y&R Advertising, Wunderman, Burston-Marsteller, and Landor Associates. Prior to that, Mr. Nelson pursued a multi-disciplinary career at McCann-Erickson Worldwide for 19 years, holding Executive Vice President titles as Director of Worldwide Accounts, and as a Chief Strategy Officer, Director of Strategy for Worldwide Accounts. He was the youngest Executive Creative Director in the agency's history. He is the author of three proprietary frameworks in which to view Brands: Immediacy Marketing: Selling in Real Time; The Brand Footprint: Branding Over Borders Over Time; and Shaping The Debate: Managing Leadership and Challenger Brands. For many years, Mr. Nelson was a lecturer on Branding at the Columbia Business School and the Yale School of Management. He has served on the Board of God's Love We Deliver in New York City and has served on the Boards of Official Payments Corp., and Prince Sports, Inc. Mr. Nelson's qualifications to serve on our Board of Directors include his vast knowledge as a marketing and strategy expert, as well as, his unique perspective and experience in helping financial service companies develop enduring brands.

Richard J. Pinola, age 67, has served on Bankrate's Board of Directors since June 2011 and currently serves as chairman of the Audit Committee, after previously serving on the board of directors of Bankrate's predecessor entity. Since July 2009 he has been a Principal in GPS Investment Group, LLC, Investment Counselors. He served as Chief Executive Officer and Chairman of Right Management Consultants from 1994 through January 2004. He served as a director of that company from 1990 and as CEO from July 1992 until Right Management Consultants was purchased by Manpower. Prior to joining Right Management Consultants, Mr. Pinola was President and Chief Operating Officer of Penn Mutual Life Insurance Company, a financial services firm. He also was a CPA with PriceWaterhouse and Co. He is Chairman of the audit committee of Corporate Property Associates 16, and he serves on the board of Corporate Property Associates 17, both managed by W. P. Carey, Inc. He is also on the boards of the Visiting Nurses Association and King's College. Apart from Bankrate, Mr. Pinola previously served on the board of KTRON International, Kenexa, Inc. and Nobel Learning Communities. In addition, Mr. Pinola has served on the boards of directors of the American Lung Association, Janney Montgomery Scott, the Life Office Management Association, and the Horsham Clinic. Mr. Pinola was the founder and director of The Living Wills Archive Company and a Founder and board member of the Mutual Association for Professional Services. Mr. Pinola holds a B.S. in Accounting from King's College and became a Certified Public Accountant in 1969. Mr. Pinola's qualifications to serve on our Board of Directors include his previous position as a board member of Bankrate as well as his more than 30 years of business experience in finance, sales, marketing, human resources, executive compensation, investor relations, and internal operations.

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**PROPOSAL 2: RATIFICATION OF SELECTION OF INDEPENDENT
REGISTERED PUBLIC ACCOUNTING FIRM**

Appointment of Independent Registered Public Accounting Firm

The Audit Committee of the Board of Directors has appointed the accounting firm of Grant Thornton LLP to serve as Bankrate's independent registered public accounting firm for the fiscal year ending December 31, 2013. A proposal to ratify that appointment will be presented at the Annual Meeting. Representatives of Grant Thornton LLP are expected to be present at the meeting. They will have the opportunity to make a statement if they desire to do so and will be available to respond to appropriate questions from stockholders.

Stockholder ratification of the selection of Grant Thornton LLP as our independent public accountants is not required by our bylaws or other applicable legal requirement. However, the Board of Directors is submitting the selection of Grant Thornton LLP to the stockholders for ratification as a matter of good corporate practice. If the stockholders fail to ratify the selection, the Audit Committee will reconsider whether or not to retain that firm. Even if the selection is ratified, the Audit Committee at its discretion may direct the appointment of a different independent accounting firm at any time during the year if it determines that such a change would be in our best interests and our stockholders best interests.

The affirmative vote of a majority of the shares of Common Stock present in person or by proxy and entitled to vote on this matter at the Annual Meeting will approve the proposal to ratify Grant Thornton as our independent auditors for the fiscal year ending December 31, 2013.

The Board of Directors unanimously recommends a vote FOR the ratification of our appointment of Grant Thornton LLP as our independent registered public accounting firm for the current fiscal year.

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CORPORATE GOVERNANCE

Board of Directors Meetings and Committees

During 2012, the Board of Directors held six meetings. Each incumbent director attended at least 75% of the aggregate number of meetings of the Board of Directors and committees of the Board of Directors on which he served.

Our Board of Directors has determined that Mr. Kelly, Mr. Nelson and Mr. Pinola are independent directors under the rules of the New York Stock Exchange.

Our directors meet in regularly scheduled executive sessions without management present. The Chairman of our Board leads these executive sessions.

Our Board of Directors currently has two standing committees – Audit and Compensation. Our Audit Committee is composed of three directors who are all independent. Our Compensation Committee is composed of two directors, of which one director is independent. Because Ben Holding S.à r.l. holds a majority of Bankrate’s common stock, we are a controlled company for purposes of the New York Stock Exchange rules. As a controlled company, we are not subject to the New York Stock Exchange rules requiring a listed company to have a compensation committee of three members that are each independent. In addition, we do not currently intend to establish a separate nominating and corporate governance committee, and nomination and corporate governance functions will be managed by the full Board of Directors until the rules change, we cease to be a controlled company or we otherwise determine to do so.

The members of the Audit Committee are Mr. Pinola (Chairman), Mr. Kelly and Mr. Nelson. Our Board of Directors has determined that Mr. Pinola is an audit committee financial expert as defined by the SEC, and that Messrs. Kelly, Nelson and Pinola meet the additional criteria for independence of audit committee members set forth in Rule of 10A-3(b)(1) under the Securities Exchange Act of 1934. The Audit Committee’s primary function is to assist the Board of Directors in fulfilling its oversight responsibilities by reviewing the financial reports and other financial information provided by us to governmental bodies or the public; our systems of internal controls regarding finance, accounting, legal compliance and ethics established by management and the Board of Directors; and our accounting and financial reporting process. The Audit Committee encourages continuous improvement of, and fosters adherence to, our policies, procedures and practices at all levels.

The members of the Compensation Committee are Mr. Kelly (Chairman) and Mr. Truwit. The Compensation Committee’s primary function is to discharge the Board of Director’s responsibilities relating to compensation of Bankrate’s executive officers. For the majority of 2012, the Board of Directors was responsible for setting compensation for our named executive officers. In December 2012, the Board of Directors established a Compensation Committee, which following its establishment is responsible for setting compensation for our named executive officers. While some of the parameters of each named executive officer’s compensation are set forth in the applicable employment agreements, the Compensation Committee will set performance goals for incentive compensation and review all other compensation and benefits for the named executive officers on an annual basis. The Compensation Committee will work with the Chief Executive Officer to ensure the compensation objectives are aligned with our mission and overall objectives and to provide a decision-making framework for use in formulating recommendations for each named executive officer’s compensation (other than with respect to his own compensation). The Compensation Committee may form and delegate authority to subcommittees as it deems appropriate. The Compensation Committee, which was formed at the end of 2012, did not meet during 2012. Neither the Board of Directors nor the compensation committee engaged a compensation consultant in 2012.

The Audit Committee and Compensation Committee each operate under a written charter adopted by the Board of Directors that is published on the investor relations section of Bankrate’s Web site at *investor.bankrate.com*.

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Compensation Committee Interlocks and Insider Participation

None of the members of our compensation committee in 2012 was, at any time during 2012 or at any other time an officer or employee of Bankrate, and, except as described in the section entitled Certain Relationships and Related Person Transactions, none had or has any relationships with Bankrate that are required to be disclosed under Item 404 of Regulation S-K. None of Bankrate's executive officers has served as a member of the board of directors, or as a member of the compensation or similar committee, of any entity that has one or more executive officers who served on our board of directors or compensation committee during 2012.

Board Leadership Structure and Risk Oversight

Our governance processes, including the Board's involvement in developing and implementing strategy, active oversight of risk, regular review of business results and evaluation of the Chief Executive Officer's performance and compensation, provide rigorous Board oversight of the Chief Executive Officer as he fulfills his various responsibilities.

The Board believes that it should have the flexibility to make determinations as to whether the same individual should serve as both the Chief Executive Officer and the Chairman of the Board. In determining the appropriate leadership structure, the Board considers, among other things, the current composition of the Board and challenges and opportunities specific to Bankrate.

Currently, the positions of Chairman and Chief Executive Officer are separated. The Chairman of our Board of Directors is Peter C. Morse, who has served in that capacity since 2002, and has been with Bankrate for 20 years. We believe that Mr. Morse's leadership skills, coupled with his intimate knowledge of the company, make him well qualified to serve as our Chairman at this time.

Management of risk is the direct responsibility of the Chief Executive Officer and other executive officers. Our Board of Directors has responsibility for the oversight of risk management on an enterprise-wide basis, making the assessment that management has appropriately identified the risks faced by the company, determined how those risks will evolve over time, and developed the proper actions for risk mitigation. The Board's approach is designed to support the achievement of our organizational and strategic objectives, supporting sound financial management and sustainable growth, while at the same time creating enhanced stockholder value. The Board evaluates the risk management practices developed and implemented by management and gauges whether these practices are operating as intended. The Board frequently reviews information regarding operations, cash and financial management, productivity, growth initiatives, and the risks associated with each.

The chairman, by leading Board meetings, facilitates reporting by the Audit Committee to the Board of its activities in risk oversight assistance to the Board. The chief executive officer's collaboration with the Board allows him to gauge whether management is providing adequate information for the Board to understand the interrelationships of our various business and financial risks. He is available to the Board to address any questions from directors regarding executive management's ability to identify and mitigate risks and weigh them against potential rewards.

We do not believe that there are any material compensation arrangements that provide meaningful incentives for employees, including the named executive officers and additional executive officers, to take risks that would be reasonably likely to have a material adverse effect on us.

Nomination of Directors

The Fourth Amended and Restated Stockholders Agreement, by and among Bankrate, Ben Holding S.à r.l., certain Bankrate directors and executives and certain other holders of Bankrate common stock, which we refer to as the Stockholders Agreement, provides Ben Holding S.à r.l. or any of its direct or subsequent transferees (other

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than pursuant to a widely distributed public sale or open market purchase) with special rights to designate directors for nomination to our Board of Directors. See Certain Relationships and Related Party Transactions Stockholders Agreement for further information. Pursuant to the Stockholders Agreement, as Ben Holding S.à r.l. currently holds a majority of Bankrate s common stock, Ben Holding S.à r.l. is entitled to nominate a majority of our Board, although currently only three of our eight directors were designated by Ben Holding S.à r.l. Ben Holding S.à r.l. is in turn beneficially owned by Apax US VII, L.P., Apax Europe VII-A, L.P., Apax Europe VII-B, L.P. and Apax Europe VII-1, L.P. The Executive Agreement, dated June 21, 2004 (as amended), between Mr. Evans and Bankrate provides that the Board of Directors will nominate Mr. Evans as a director of Bankrate during the period of his employment.

With respect to directors not nominated by Ben Holding S.à r.l., the Board of Directors identifies nominees by first evaluating the current members of the Board of Directors willing to continue in service. Current members of the Board of Directors with skills and experience that are relevant to our business and who are willing to continue in service are considered for re-nomination. If any member of the Board of Directors does not wish to continue in service, if the Board of Directors decides not to re-nominate a member for re-election or if the Board elects to increase the size of the Board by adding a new member, the Board of Directors then identifies the desired skills and experience of a new nominee in light of the criteria below. Current members of the Board of Directors are polled for suggestions as to individuals meeting the criteria described below. The Board of Directors may also engage in research to identify qualified individuals. In evaluating a director nominee, the Board of Directors considers the following factors:

the appropriate size of our Board of Directors;

our needs with respect to the particular talents and experience of our directors;

the nominee s knowledge, skills and experience, including experience in finance, administration or public service, in light of prevailing business conditions and the knowledge, skills and experience already possessed by other members of the Board of Directors;

whether the nominee is independent, as that term is defined under New York Stock Exchange listing standards;

the familiarity of the nominee with our industry;

the nominee s experience in political affairs;

the nominee s experience with accounting rules and practices; and

the desire to balance the benefit of continuity with the periodic injection of the fresh perspective provided by new Board of Directors members.

Our goal is to assemble a Board of Directors that brings together a variety of perspectives and skills derived from high quality business and professional experience. In doing so, the Board of Directors will also consider candidates with appropriate non-business backgrounds.

Other than the foregoing, there are no stated minimum criteria for director nominees, except that our Bylaws further provide that no person of age 72 or older is eligible for nomination to the Board of Directors. The Board of Directors may also consider such other factors as it may deem in our best interests and the best interest of our stockholders.

Subject to the rights of our majority stockholder, stockholders may nominate directors for election to the Board of Directors. In order to nominate a director for election to the Board of Directors, stockholders must follow the procedures set forth in our Bylaws, including timely receipt by the secretary of Bankrate of notice of the nomination and certain required disclosures with respect both to the nominating stockholder

and the recommended director nominee.

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Directors are elected by a plurality of votes at any meeting called for the election of directors at which a quorum is present. The presence of a majority of the holders of our Common Stock, whether in person or by proxy, constitutes a quorum. The Board of Directors did not receive any recommendations from stockholders requesting that the Board of Directors consider a candidate for inclusion among the nominees in our Proxy Statement for this Annual Meeting.

Communications with the Board of Directors

Every effort is made to ensure that our Board hears the views of interested parties. If you want to communicate directly with our independent directors, please mail your communication to the Corporate Secretary at the following address: Independent Directors, c/o Corporate Secretary, Bankrate, Inc., 11760 US Highway One, Suite 200, North Palm Beach, FL 33408.

Corporate Governance Guidelines

The Company's Corporate Governance Guidelines are published on the investor relations section of Bankrate's Web site at *investor.bankrate.com*.

Director Attendance at Annual Meeting of Stockholders

We invite all incumbent directors, as well as all nominees for election as director, to attend the Annual Meeting of Stockholders. One director attended last year's Annual Meeting.

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The names, ages, and current positions of our executive officers as of the date of this proxy statement are listed in the table below. Executive officers are elected annually by the Board of Directors at its meeting following the Annual Meeting of Stockholders to serve for a one-year term and until their successors are elected and qualified. There are no family relationships among the executive officers nor is there any agreement or understanding between any officer and any other person pursuant to which the officer was elected other than Bankrate's executive agreements with Messrs. Evans, DiMaria, Hoogterp, Ricciardelli and Ross. Mr. Evans serves as a director and an executive officer. For information pertaining to Mr. Evans' business experience, see Election of Directors.

Name	Age	Position
Thomas R. Evans	58	President, Chief Executive Officer and Director
Edward J. DiMaria	47	Senior Vice President-Chief Financial Officer
Daniel P. Hoogterp	53	Senior Vice President-Chief Technology Officer
Michael Ricciardelli	40	Senior Vice President-Business Development & Consumer Marketing
Donaldson M. Ross	49	Senior Vice President-Chief Revenue Officer

Edward J. DiMaria. Mr. DiMaria has served as our Senior Vice President Chief Financial Officer since April 2006. From February 2006 until April 2006, he served as our consultant, assisting us with our finance and accounting functions. Prior to that, Mr. DiMaria was an independent consultant for various clients on numerous matters, including private equity transactions, mergers and acquisitions, and other corporate finance projects. From August 2000 to August 2002, Mr. DiMaria was the Chief Financial Officer of Official Payments Corporation. From August 1994 to August 2000, Mr. DiMaria was employed by Best Friends Pet Care, Inc., where his final position was Executive Vice President and Chief Financial Officer. Mr. DiMaria has also held finance and accounting positions with Business Express, Inc., Advanced Network & Services, Inc., and was a member of the commercial audit division of KPMG LLP. Mr. DiMaria received his license as a Certified Public Accountant in the State of New York in 1993 and received his Bachelor of Business Administration degree with a major in Public Accounting from Pace University in New York.

Daniel P. Hoogterp. Mr. Hoogterp has served as our Senior Vice President Chief Technology Officer since May 2005. From November 2002 until May 2005, he served as Chief Executive Officer of TQuist, LLC, a technology consulting company. From February 2001 to September 2002, Mr. Hoogterp served as Executive Vice President and Chief Technology Officer of Enamics, Inc., a company specializing in business technology management. From July 1999 to February 2001, he served as Senior Vice President and Chief Technology Officer of Sagemaker, Inc., a provider of enterprise information portals. From March 1991 to July 1999, he served as Chief Executive Officer of Retrieval Technologies, Inc. Mr. Hoogterp received a Post-Graduate Certificate in Business from Heriott-Watt University's Edinburgh Business School in Scotland in 2004.

Michael Ricciardelli. Mr. Ricciardelli has served as Senior Vice President Business Development & Consumer Marketing since May 2007 having joined Bankrate in September 2006. Prior to joining Bankrate, he was Vice President Marketing & Media Sales at *Apartments.com/Classified Ventures*, an online apartment listings company, where he managed all marketing functions and online advertising sales efforts. From 1999 to 2003, he was Co-Founder & Vice President of Strategic Development for *Insurance.com*, a venture funded by Fidelity Capital and sold in 2003 to Comparison Market. Earlier in his career, Mr. Ricciardelli also held positions in strategy consulting and business development at Fidelity Investments, and financial analysis at Salomon Brothers.

Donaldson M. Ross. Mr. Ross has served as our Senior Vice President Chief Revenue Officer since September 2006. From June 2001 until September 2006, Mr. Ross was Senior Vice President-Sales & Marketing for Harris Connect, a leader in affinity marketing for the directory, Internet and data services business in the

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education and association market place. From 2000 to 2001, he held an executive management position at *zUniversity.com*. From 1989 to 1998, Mr. Ross held various positions in media sales and sales management at U.S. News & World Report, where he rose to the position of Vice President of Advertising Sales. Mr. Ross received his Bachelor of Arts degree from Denison University and his Masters in Advertising and Marketing from Michigan State University.

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EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

Bankrate is the Web's leading aggregator of financial rate information. We operate in a highly competitive environment and in order to compete we must attract, motivate and retain executives to lead our business. Our named executive officers for the 2012 fiscal year (who appear in the Summary Compensation Table below) were:

Thomas R. Evans, our President and Chief Executive Officer;

Edward J. DiMaria, Senior Vice President and our Chief Financial Officer;

Donaldson M. Ross, Senior Vice President and our Chief Revenue Officer;

Michael J. Ricciardelli, Senior Vice President, Business Development & Consumer Marketing; and

Daniel P. Hoogterp, Senior Vice President and our Chief Technology Officer.

Objectives of Our Executive Compensation Program

The primary objective of our compensation program is the same objective that we have for our overall operations: to create long-term value for our stockholders. We are also acutely aware of the competitive nature of our industry and design our compensation programs to attract motivate and retain our executives, including our named executive officers. Management and the Board of Directors worked together to establish, review and evaluate our compensation plans, policies and programs for 2012. In 2012, the Board of Directors approved the total compensation package awarded to each of our named executive officers, including the Chief Executive Officer. The Board of Directors worked directly with the Chief Executive Officer to ensure that the compensation objectives are aligned with our mission and overall objectives and to provide a decision-making framework for use in formulating recommendations for each named executive officer's compensation.

Our overall objective is to establish a compensation policy that will:

align the interests of named executive officers with those of our long-term stockholders;

attract, retain and provide incentives to highly-named qualified executive officers who drive our performance and help us achieve our business objectives; and

motivate our named executive officers to consistently deliver outstanding performance.

In addition, our compensation program is intended to reward individual performance in a way that emphasizes strategic thinking necessary to create long-term value while balancing rewards for short-term increases in operating results.

We compensate named executive officers with a combination of salary and incentives designed to focus their efforts on maximizing both our near-term and long-term financial performance. Compensation levels are determined based on a variety of factors. Typically, the most heavily weighted factor centers on our performance, as the Board of Directors believes that placing primary emphasis on performance most closely aligns the interests of management and stockholders. Our executive compensation packages are comprised primarily of base salary, incentive cash bonus program, and long-term incentive awards.

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The Board of Directors believes that each element of the total compensation program serves an important function in achieving the overall objectives of our compensation program. The Board of Directors strives to pay a base salary that is generally competitive within our industry to attract and retain top-level talent in a highly competitive market. The Board of Directors considers historical compensation information and the experiences that certain members of the Board of Directors have in our industry in determining what constitutes competitive

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compensation. The year-end cash incentive bonuses that are paid under our management incentive program are designed to provide named executive officers with a strong incentive to achieve individual and Bankrate, Inc. financial and operational goals, all of which are intended to drive year over year growth in a key performance metric. Finally, the long-term incentive awards granted to named executive officers, when granted, are designed to closely align the named executive officers' interests with those of our stockholders.

Setting Executive Compensation

Our current compensation program for named executive officers is largely based on individual employment arrangements that were entered into prior to the acquisition of Bankrate by Apax in 2009, with certain modifications in connection with that transaction. Mr. Ricciardelli is the only named executive officer who entered into an employment agreement following the acquisition of Bankrate, however, his employment agreement is substantially similar to the employment agreements with our other named executive officers.

Role of the Board of Directors and Compensation Committee

For the majority of 2012, the Board of Directors was responsible for setting compensation for our named executive officers. In December 2012, the Board of Directors established a Compensation Committee, which, following its establishment, is responsible for setting compensation for our named executive officers. While some of the parameters of each named executive officer's compensation are set forth in the applicable employment agreements, the Board of Directors sets performance goals for incentive compensation and reviews all other compensation and benefits for the named executive officers on an annual basis. None of our named executive officers participate in the setting or determination of their own compensation.

Role of Compensation Consultant; Benchmarking

We did not engage a compensation consultant in 2012. In addition, the Board of Directors does not currently use benchmarking or peer group analysis in making compensation decisions.

Risk Management

Consistent with SEC disclosure requirements, our management and the Compensation Committee have assessed our compensation programs and have concluded that our compensation policies and practices do not create risks that are reasonably likely to have a material adverse effect on us. The risk assessment process included a review of programs, policies and practices and focused on the balance of potential risk to potential reward, risk control, and the support of the programs and their risks to company strategy.

Named Executive Officer Compensation

Compensation Mix

The compensation package for our named executive officers generally aims to provide a strong link between the compensation of our named executive officers and the success of Bankrate. In 2012, the compensation package was limited to base salary and annual incentive cash bonuses, which collectively represent what we believe is appropriate pay for performance during the year. It is intended that our named executive officers earn a significant portion of their compensation from sources that are at risk based on the results of the operations and the overall performance of Bankrate. Base salary, which generally represents less than 50% of the annual cash compensation opportunity for our named executive officers, is the only portion of the compensation for our named executive officers that is not at risk. The annual bonus, which generally represents more than 50% of the annual cash compensation opportunity for our named executive officers, is at risk and determined based on our performance. None of the named executive officers received an annual bonus for 2012. We granted long-term incentive awards to our named executive officers in the past in connection with our initial public offering, but did not grant any such awards in 2012.

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Principal Components of Compensation of Our Named Executive Officers

The compensation package offered to our named executive officers consists of:

Base Salary. Base salary levels for each of our named executive officers, including the Chief Executive Officer, are generally set within a range of base salaries that the Board of Directors believes are competitive based on the Board of Directors' experience in the industry and with similar companies, as well as appropriate given our overall financial, operational, and strategic objectives and the qualifications and experience of the individual required for the job. In addition, the Board of Directors will generally review our past financial performance and future expectations, as well as the responsibilities and performance of each of our named executive officers. The initial annual base salary we have agreed to pay each named executive officer is specified in his employment agreement, but in most cases the annual base salary has been increased by the Board of Directors since entering into the employment agreements to reflect changes in the marketplace, increases in the cost of living and the increase in responsibilities for each of the named executive officers. Base salary is reviewed on an annual basis and decisions regarding base salary increases take into account the named executive officer's current base salary, the competitive marketplace, retention and other factors as described above. Our Chief Executive Officer is responsible for assessing the contributions and performance of each of the other named executive officers and reviewing his assessment with the Compensation Committee. The Compensation Committee reviews and assesses the performance of our Chief Executive Officer and also considers the recommendations that the Chief Executive Officer provides regarding the other named executive officers.

Incentive Cash Bonuses. Our named executive officers are expected to lead and grow our organization and as such we believe that a significant portion of our named executive officer's compensation should be tied to our overall performance. We maintain an incentive cash bonus program, the Management Incentive Program, which emphasizes pay-for-performance by providing our named executive officers with the opportunity to earn bonuses only if we achieve or exceed certain targets relating to our EBITDA.

The EBITDA goal is established at the beginning of each fiscal year by the Chief Executive Officer in consultation with each named executive officer and was approved by the Board of Directors in 2012. Based on this performance objective and the business plan and budget approved by the Board of Directors, in 2012 the Board of Directors established threshold minimum and target financial performance goals, for the purposes of paying incentive bonuses. For awards to be payable under the program, the minimum EBITDA performance threshold, which is based on year-over-year EBITDA growth, must be achieved, higher amounts are payable if we meet or exceed the established target. In 2012, the Board of Directors determined the incentive bonus financial performance goal taking into account various factors, including management's assessment of the probability of achieving higher levels of financial performance within the fiscal year. For 2012, the minimum EBITDA threshold for payment of bonuses was \$160 million, and the target level was \$175 million. Once these targets were set by the Board of Directors, the Board of Directors retained the discretion to adjust the targets to account for unusual or non-recurring events. Actual 2012 EBITDA for the purposes of the management incentive program, which does not include synergies, was \$123.1 million, resulting in no payout for 2012.

Target bonus opportunities are established for our named executive officers in their respective employment agreements, subject to adjustment by the Board of Directors. The target bonus opportunities established for our named executive officers in 2012 ranged from \$175,000 to \$300,000. The target bonus opportunities are individually communicated to the named executive officers and there is currently no formal document for the Management Incentive Program. In certain limited circumstances, the Board of Directors may also pay a discretionary bonus to a named executive officer for individual achievement, service or dedication to us. Discretionary bonuses, if any, are evaluated and awarded by the Board of Directors on a case by case basis and are heavily influenced by the circumstances giving rise to the award.

Long-Term Incentive Compensation. In connection with our initial public offering, we adopted the 2011 Equity Compensation Plan, pursuant to which we grant equity incentive awards to our employees, including each of our named executive officers. We generally use equity incentive awards to provide stock-based incentives to

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improve our financial performance and to recruit, retain and motivate professional, managerial and other personnel. Our equity incentive awards are designed to align the interests of our named executive officers with those of our stockholders by encouraging named executive officers to enhance our value. We did not grant any equity incentive awards to named executive officers in 2012.

Severance. Each of our named executive officers is entitled to severance upon certain terminations of employment in accordance with the terms of his employment agreement. The terms of the severance are more fully described in the narrative to the Summary Compensation Table below.

Limited Perquisites and Other Benefits. We maintain certain broad-based benefit plans in which our employees, including our named executive officers, are entitled to participate. These plans include health and life insurance and a qualified 401(k) savings plan. We make a safe harbor contribution equal to 3% for the qualified 401(k) savings plan (up to a maximum of \$7,500 for 2012), subject to Internal Revenue Code limitations. Our named executive officers also participate in an executive medical benefit program.

2012 Named Executive Officer Compensation

The specific decisions made for each of our named executive officers in 2012 reflect our overall compensation objectives described above, as well as our 2012 performance.

Base Salary. The Board of Directors conducted its annual review and evaluation of the compensation levels of our senior executive team and did not change base salaries for named executive officers in 2012. The base salaries were as follows:

Named Executive Officer	2012 Base Salary
Thomas R. Evans	\$ 480,000
Edward J. DiMaria	\$ 400,000
Donaldson M. Ross	\$ 375,000
Michael J. Ricciardelli	\$ 325,000
Daniel P. Hoogterp	\$ 300,000

Incentive Cash Bonus. As described above, employment agreements with our named executive officers provide for the named executive officers to participate in our annual bonus program. Our EBITDA for 2012 did not exceed the threshold level and based on such performance, it was determined by the Compensation Committee that no annual bonus should be paid to our named executive officers for 2012 performance. In addition, no discretionary bonuses were granted to named executive officers in 2012.