CA, INC.
Form DEF 14A
June 10, 2011

Table of Contents

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 (Amendment No.)

Filed by the Registrant þ

Filed by a Party other than the Registrant o

Check the appropriate box:

o Preliminary Proxy Statement
o Confidential, for Use of the Commission Only (as permitted by Rule 14a-6 (e)(2))
þ Definitive Proxy Statement
o Definitive Additional Materials
o Soliciting Material Pursuant to Section 240.14a-12.

CA, 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):

þ No fee required.

o Fee computed on table below per Exchange Act Rules 14a-6 (i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (Set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

o Fee paid previously with preliminary materials.

o Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11 (a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

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

(3) Filing Party:

(4) Date Filed:

Table of Contents

June 10, 2011

To Our Stockholders:

On behalf of the Board of Directors and management of CA, Inc., we are pleased to invite you to the 2011 annual meeting of stockholders. The meeting will be held at the Company s headquarters located at One CA Plaza, Islandia, New York 11749 on August 3, 2011 at 10:00 a.m. Eastern Daylight Time.

Additional details about the meeting, including the formal agenda, are contained in the accompanying Notice of Annual Meeting and Proxy Statement. At the meeting, there also will be a management report on our business and a discussion period during which you will be able to ask questions.

Whether or not you plan to attend the meeting in person, please vote your shares by following the instructions in the accompanying materials.

Thank you for your consideration and continued support.

Sincerely,

Arthur F. Weinbach	William E. McCracken
Chairman of the Board	*Chief Executive Officer*

Table of Contents

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

To the Stockholders of CA, Inc.:

The 2011 annual meeting of stockholders of CA, Inc. will be held on Wednesday, August 3, 2011, at 10:00 a.m. Eastern Daylight Time at the Company s headquarters located at One CA Plaza, Islandia, New York 11749, for the following purposes:

(1) to elect directors, each to serve until the next annual meeting and until his or her successor is duly elected and qualified;

(2) to ratify the appointment of KPMG LLP as our independent registered public accounting firm for the fiscal year ending March 31, 2012;

(3) to consider an advisory vote on compensation of our Named Executive Officers;

(4) to consider an advisory vote on the frequency of the advisory vote on compensation of our Named Executive Officers;

(5) to approve the CA, Inc. 2011 Incentive Plan;

(6) to approve the CA, Inc. 2012 Employee Stock Purchase Plan; and

(7) to transact any other business that properly comes before the meeting and any adjournment or postponement of the meeting.

The Board of Directors fixed the close of business on June 7, 2011 as the record date for determining the stockholders who are entitled to notice of and to vote at the meeting and any adjournment or postponement.

A list of stockholders entitled to vote at the meeting will be available for inspection upon the request of any stockholder for any purpose germane to the meeting at our principal offices, One CA Plaza, Islandia, New York 11749, during the 10 days before the meeting, during ordinary business hours, and will be available at the meeting location during the meeting.

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE ANNUAL MEETING OF STOCKHOLDERS TO BE HELD ON AUGUST 3, 2011:

The Notice of Annual Meeting, Proxy Statement, and Annual Report to Stockholders are available on the Internet at www.proxyvote.com.

Admission tickets and our meeting admittance procedures are on the outside back cover of the Proxy Statement. Whether or not you expect to attend, please vote your shares by following the instructions contained in the Proxy Statement.

C.H.R. DuPree
Senior Vice President, Corporate
Governance, and Corporate Secretary

Islandia, New York
June 10, 2011

TABLE OF CONTENTS

Table of Contents

CA, INC.
One CA Plaza
Islandia, NY 11749

PROXY STATEMENT

GENERAL INFORMATION

Introduction

This Proxy Statement is furnished to the holders of the common stock, par value $0.10 per share (Common Stock), of CA, Inc. (we, us, our or the Company) in connection with the solicitation of proxies by our Board of Directors for at our 2011 annual meeting of stockholders and any adjournment or postponement of the meeting. The meeting will be held on August 3, 2011 at 10:00 a.m. Eastern Daylight Time. The matters expected to be acted upon at the meeting are set forth in the preceding Notice of Annual Meeting. At present, the Board of Directors knows of no other business to come before the meeting.

Availability of Proxy Materials

If you received a notice regarding the availability of annual meeting proxy materials on the Internet (Notice of Internet Availability) for the annual meeting, you will not receive a printed copy of the proxy materials unless you specifically request one. The Notice of Internet Availability provides you with instructions on how to view our proxy materials on the Internet.

If you want to receive a paper or e-mail copy of the proxy materials, you may request one. There is no charge to you for requesting a copy. Please make your request for a copy as instructed in the Notice of Internet Availability by July 20, 2011 to facilitate timely delivery.

We plan to mail the Notice of Internet Availability on or about June 20, 2011. We will mail a printed copy of the proxy materials to certain stockholders, as in prior years, and we expect that mailing to begin on or about June 23, 2011.

Record Date and Voting Rights

Only stockholders of record at the close of business on June 7, 2011 are entitled to notice of and to vote at the meeting or any adjournment or postponement. On June 7, 2011, we had outstanding 507,382,702 shares of Common Stock. Each outstanding share of Common Stock is entitled to one vote. A majority of the outstanding shares of Common Stock, present or represented by proxy at the meeting, will constitute a quorum.

Stockholders of Record; Street Name

If your shares of Common Stock are registered directly in your name with our transfer agent, BNY Mellon Shareowner Services, you are considered the stockholder of record with respect to those shares, and the Notice of Internet Availability (and, if applicable, the mailed proxy materials) is sent directly to you. If your shares are held in an account at a bank, broker, or other similar organization, then you are the beneficial owner of shares held in street name, and the Notice of Internet Availability (and, if applicable, the mailed proxy materials) is forwarded to you by that firm. The firm holding your account is considered the stockholder of record for purposes of voting at the annual

1

Table of Contents

meeting. As a beneficial owner, you have the right to direct that firm on how to vote the shares held in your account. We may reimburse those firms for reasonable fees and out-of-pocket costs incurred in forwarding the Notice of Internet Availability (and, if applicable, the mailed proxy materials) to you.

Proxy Solicitation

We will bear the cost of our soliciting proxies. In addition to using the Internet, our directors, officers and employees may solicit proxies in person and by mailings, telephone, facsimile, or electronic transmission, for which they will not receive any additional compensation. We will also make arrangements with brokers and other custodians, nominees and fiduciaries to forward solicitation material to the beneficial owners of shares of Common Stock held by those persons, and we may reimburse those custodians, nominees and fiduciaries for reasonable fees and out-of-pocket expenses incurred. We have retained Morrow & Co., LLC to assist us in soliciting proxies for a fee of $7,500, plus expenses.

How to Vote

You may vote in the following ways:

In person: You may vote in person at the meeting.

By Internet: You may vote your shares by Internet at www.proxyvote.com.

By telephone: If you are located in the United States or Canada, you may vote your shares by calling 1-800-690-6903.

By mail: You may vote by mail if you receive a printed copy of the proxy materials, which will include a proxy card.

How Proxy Votes are Tabulated

Only the shares of Common Stock represented by valid proxies received and not revoked will be voted at the meeting. Votes cast at the meeting by proxy or in person will be tabulated by the Inspector of Election. The Inspector of Election will treat shares of Common Stock represented by a valid proxy as present at the meeting for purposes of determining a quorum, whether or not the proxy is marked as casting a vote or abstaining on any or all matters.

If you are a beneficial owner of shares held in street name and do not provide the firm that holds your shares with specific voting instructions, under the rules of various national and regional securities exchanges, the firm that holds your shares may generally vote on routine matters but cannot vote on non-routine matters. We believe that Proposal 2 Ratification of appointment of independent registered public accounting firm is a routine matter on which brokers can vote on behalf of their clients if clients do not furnish voting instructions. All other proposals are non-routine matters.

If the firm that holds your shares does not receive instructions from you on how to vote your shares on a non-routine matter, it will inform our Inspector of Election that it does not have the authority to vote on this matter with respect to your shares. This is generally referred to as a broker non-vote. Broker non-votes are treated as present for purposes of determining a quorum, but are not counted as votes for or against the matter in question or as abstentions, and they are not counted in determining the number of votes present for the particular matter.

If you are a stockholder of record and you:

indicate when voting on the Internet or by telephone that you wish to vote as recommended by our Board of Directors; or

sign and return a proxy card without giving specific voting instructions, then the proxy holders (*i.e.*, the persons named in the proxy card provided by our Board of Directors) will vote your shares in the manner recommended by our Board of Directors on all matters presented in this Proxy Statement and as the proxy holders may determine in their discretion with respect to any other matters properly presented for a vote at the meeting or any adjournment or postponement of the meeting.

Please note that if you hold your shares through a bank, broker or other nominee and you want to vote in person at the meeting, you must obtain a proxy from your bank, broker or other nominee authorizing you to vote those shares and you must bring that proxy to the meeting. If any other business properly comes before the meeting or any adjournment or postponement, it is the intention of the proxy holders named in the Board of Directors accompanying proxy card to vote the shares represented by the proxy card on those matters in accordance with their best judgment.

Vote Required to Approve Proposals

Assuming that a quorum is present at the meeting, the following votes are required under our governing documents and Delaware state law:

Item	**Vote Required**	**Effect of Abstentions and Broker Non-Votes on Vote Required**
Proposal 1 Election of directors	A majority of votes cast with regard to a director (which means that the number of votes cast for the director must exceed the number of votes cast against a director)*	Abstentions and broker non-votes will have no effect on the election of directors since only votes cast for and against a director will be counted
Proposal 2 Ratification of appointment of independent registered public accounting firm	Approval of the majority of votes cast	Abstentions will have the effect of a vote against the proposal If your broker holds shares in your name, the broker, in the absence of voting instructions from you, is entitled to vote your shares
Proposal 3 Advisory vote on executive compensation of our Named Executive Officers**	Approval of the majority of votes cast	Abstentions will have the effect of a vote against the proposal Any broker non-votes will reduce the absolute number, but not the percentage, of affirmative votes needed for approval
Proposal 4 Advisory vote on frequency of advisory vote on executive compensation of our Named Executive Officers**	The option that receives the greatest number of votes every one year, every two years or every three years will be considered the frequency that stockholders approve	Neither abstentions nor broker non-votes will affect the outcome

Proposal 5 Approval of CA, Inc. 2011 Incentive Plan	Approval of the majority of votes cast	Abstentions will have the effect of a vote against the proposal Any broker non-votes will reduce the absolute number, but not the percentage, of affirmative votes needed for approval

3

Table of Contents

Item	Vote Required	Effect of Abstentions and Broker Non-Votes on Vote Required
Proposal 6 Approval of CA, Inc. 2012 Employee Stock Purchase Plan	Approval of the majority of votes cast	Abstentions will have the effect of a vote against the proposal Any broker non-votes will reduce the absolute number, but not the percentage, of affirmative votes needed for approval

* If a director does not receive the required vote, the Board of Directors will have 90 days from the certification of the vote to accept or reject the director s resignation. For additional information, please see Proposal 1 Election of Directors.

** This vote is advisory and not binding on the Company, the Board of Directors or the Compensation and Human Resources Committee. However, the Board and the Compensation and Human Resources Committee will review the voting results and take them into consideration when making future decisions regarding compensation of our Named Executive Officers (who are identified in the Fiscal Year 2011 Summary Compensation Table, below) and the frequency of the advisory vote on the compensation of our Named Executive Officers.

How to Revoke Your Proxy

You may revoke your proxy at any time before it is exercised by filing a written revocation with the Corporate Secretary at CA, Inc., One CA Plaza, Islandia, NY 11749, by submitting a proxy bearing a later date (including by telephone or the Internet), or by voting in person at the meeting.

Householding

If you and other residents with the same last name at your mailing address own shares of Common Stock in street name, your broker or bank may have sent you a notice that your household will receive only one Notice of Internet Availability or annual report and proxy statement for each company in which you hold stock through that broker or bank. This practice of sending only one copy of proxy materials is known as householding. If you received a householding communication, your broker will send one copy of the Notice of Internet Availability or this Proxy Statement and our Annual Report for the fiscal year ended March 31, 2011 to your address unless contrary instructions were given by any stockholder at that address. If you received more than one copy of the Notice of Internet Availability or the proxy materials this year and you wish to reduce the number of copies you receive in the future and save us the cost of printing and mailing these documents, please contact your bank or broker.

You may revoke your consent to householding at any time by sending your name, the name of your bank or broker, and your account number to our Investor Relations Department at the address below. The revocation of your consent to householding will be effective 30 days following its receipt. In any event, if your household received a single set of the Notice of Internet Availability or proxy materials for this year, but you would prefer to receive your own copy, we will send a copy of the Notice of Internet Availability or the Proxy Statement and Annual Report to you if you send a written request to CA, Inc., Investor Relations Department, One CA Plaza, Islandia, NY 11749, or contact our Investor Relations Department at 1-800-225-5224.

Annual Report to Stockholders

Our Annual Report for the fiscal year ended March 31, 2011 accompanies this Proxy Statement and is also available on the Internet. Please follow the instructions in the Notice of Internet Availability if you want to review our Annual Report online. Our Annual Report contains financial and other information about us. The Annual Report is not a part of this Proxy Statement.

Table of Contents

INFORMATION REGARDING BENEFICIAL OWNERSHIP OF PRINCIPAL STOCKHOLDERS, THE BOARD AND MANAGEMENT

The following table sets forth information, based on data provided to us, with respect to beneficial ownership of shares of Common Stock as of June 7, 2011 for (1) each person known by us to beneficially own more than five percent of the outstanding shares of Common Stock, (2) each of our directors and nominees for election as directors, (3) the Named Executive Officers set forth in the Fiscal Year 2011 Summary Compensation Table, below (other than Mr. McCracken, who is listed under the Directors and Nominees heading) and (4) all of our directors, nominees and executive officers as a group. The table also sets forth the number of shares of Common Stock underlying deferred stock units and restricted stock units held by each of our directors as of June 7, 2011. Percentage of beneficial ownership is based on 507,382,702 shares of Common Stock outstanding as of June 7, 2011. Unless otherwise indicated, the address for the following stockholders is c/o CA, Inc., One CA Plaza, Islandia, NY 11749.

Beneficial Owner	**Number of Shares Beneficially Owned(1)(2)**	**Percent of Class**	**Shares Underlying Deferred Stock Units or Restricted Stock Units(3)**
Holders of More Than 5%:			
Walter H. Haefner Careal Holding AG Utoquai 49 8022 Zürich, Switzerland	125,813,380	24.80%	
NWQ Investment Management Company, LLC 2049 Century Park East, 16th Floor Los Angeles, CA 90067	41,077,972(4)	8.10%	
BlackRock, Inc. 55 East 52nd Street New York, NY 10055	34,973,727	6.89%	
Hotchkis and Wiley Capital Management, LLC 725 S. Figueroa Street 39th Floor Los Angeles, CA 90017	25,740,325(5)	5.07%	
Directors and Nominees:			
Raymond J. Bromark	1,000	*	20,596
Gary J. Fernandes	1,125	*	62,531
Rohit Kapoor	20,000	*	0(6)
Kay Koplovitz	0	*	12,573
Christopher B. Lofgren	0	*	40,158
William E. McCracken	181,230	*	69,442
Richard Sulpizio	0	*	8,173
Laura S. Unger	0	*	27,833
Arthur F. Weinbach	25,000	*	33,573
Renato (Ron) Zambonini	25,000	*	25,481

Named Executive Officers (Non-Directors):			
Nancy E. Cooper(7)	173,599	*	
George J. Fischer	353,972	*	
Amy Fliegelman Olli	171,678	*	
Ajei S. Gopal(8)	187,972	*	
All Directors, Nominees and Executive Officers as a Group (17 persons)	1,305,583	*	300,359

* Represents less than 1% of the Common Stock outstanding.

Table of Contents

(1) Except as indicated below, all persons have represented to us that they exercise sole voting power and sole investment power with respect to their shares.

(2) The amounts shown in this column include the following shares of Common Stock issuable upon exercise of stock options that either are currently exercisable or will become exercisable within 60 days after June 7, 2011: Mr. Fernandes, 1,125; Mr. McCracken, 103,571; Ms. Cooper, 107,446; Mr. Fischer, 158,479; Ms. Fliegelman Olli, 63,262; Mr. Gopal, 34,262; and all directors, nominees and executive officers as a group, 524,585.

(3) Under our prior and current compensation plans for non-employee directors, those directors have received a portion of their fees in the form of deferred stock units. In January immediately following termination of service, a director receives shares of Common Stock in an amount equal to the number of deferred stock units accrued in the director s deferred compensation account. Although the deferred stock units are derivative equity securities owned by the directors, the deferred stock units are not included in the column headed Number of Shares Beneficially Owned because the directors do not currently have the right to dispose of or to vote the underlying shares of Common Stock. See Compensation of Directors for more information. Includes 23,957 restricted stock units granted to Mr. McCracken on September 3, 2009 at the beginning of his service as interim executive Chairman of the Board, less shares withheld for applicable taxes upon vesting. Mr. McCracken s restricted stock units vest 20% on each anniversary of the grant date. Mr. McCracken s restricted stock units are not included in the column headed Number of Shares Beneficially Owned because Mr. McCracken does not currently have the right to dispose of or to vote the underlying shares of Common Stock.

(4) According to a Schedule 13G/A filed on February 14, 2011 by NWQ Investment Management Company, LLC (NWQ), NWQ exercises sole voting power over 31,768,880 shares and sole dispositive power over 41,077,972 shares. According to the Schedule 13G/A, the shares are beneficially owned by clients of NWQ.

(5) According to a Schedule 13G filed on February 14, 2011 by Hotchkis and Wiley Capital Management, LLC (HWCM), HWCM exercises sole voting power over 13,008,804 shares and sole dispositive power over 25,740,325 shares. According to the Schedule 13G, the shares are beneficially owned by clients of HWCM.

(6) Mr. Kapoor was elected to the Board of Directors in April 2011 and joined the Audit Committee in June 2011. He has not yet received a quarterly compensation payment for his service on the Board.

(7) Ms. Cooper retired as Chief Financial Officer effective on May 18, 2011. She will remain employed with the Company in a non-executive officer capacity until August 2011 to assist with the transition of the function to her successor.

(8) Mr. Gopal ceased to be Executive Vice President, Technology and Development, effective on April 1, 2011, and his employment with the Company terminated on May 20, 2011.

CORPORATE GOVERNANCE

The Board of Directors is responsible for oversight of the management of the Company. The Board has adopted Corporate Governance Principles, which along with the Company s charter and By-laws, and the charters of the committees of the Board, provide the framework for the governance of our Company.

Corporate Governance Principles

We periodically consider and review our Corporate Governance Principles. Our current Corporate Governance Principles are attached to this Proxy Statement as Exhibit A and can be found, together with other corporate governance information, on our website at investor.ca.com. The Board also evaluates the principal committee charters from time to time, as appropriate.

Code of Conduct

We maintain a Code of Conduct, which is applicable to all employees and directors, and is available on our website at investor.ca.com. Any waiver of a provision of our Code of Conduct that applies to our directors or executive officers will be contained in a report filed with the Securities and Exchange Commission (SEC) on Form 8-K or will be otherwise disclosed as permitted by law or regulation.

Each of our Corporate Governance Principles and our Code of Conduct is available free of charge in print to any stockholder who requests a copy by writing to our Corporate Secretary, at CA, Inc., One CA Plaza, Islandia, New York 11749.

Board Leadership Structure

The Board is currently led by our non-executive Chairman of the Board, Mr. Weinbach, who is an independent director. Our Corporate Governance Principles do not specify a policy with respect to the separation of the positions of Chairman and Chief Executive Officer or with respect to whether the Chairman should be a member of management or a non-management director. The Board recognizes that there is no single, generally accepted approach to providing Board leadership, and given the dynamic and competitive environment in which we operate, the Board s leadership structure may vary as circumstances warrant. The Board has determined that the leadership of the Board is currently best conducted by an independent Chairman.

The Chairman provides overall leadership to the Board in its oversight function, while the Chief Executive Officer, Mr. McCracken, provides leadership with respect to the day-to-day management and operation of our business. We believe the separation of the offices allows Mr. Weinbach to focus on managing Board matters and allows Mr. McCracken to focus on managing our business. In addition, we believe the separation of the offices enhances the objectivity of the Board in its management oversight role. To further enhance the objectivity of the Board, all members of our Board are independent except our Chief Executive Officer.

Board Role in Risk Oversight

Our management is responsible for managing risks affecting the Company, including identifying, assessing and appropriately mitigating risk. The responsibilities of the Board include oversight of the Company s risk management processes.

The Board exercises its risk oversight responsibilities primarily through its Compliance and Risk Committee, which regularly reviews and discusses with management the significant risks that may affect our enterprise. Our Executive Vice President, Risk, and Chief Administrative Officer (whose department includes our Chief Risk Officer) reports to the Compliance and Risk Committee with respect to the Company s enterprise risk management function, including operational, financial, strategic, legal and regulatory risks. Our Executive Vice President and General Counsel reports to the

Table of Contents

Compliance and Risk Committee with respect to the Company s business practices and compliance functions.

The other committees of the Board also provide risk oversight associated with their respective areas of responsibility. For example, the Audit Committee oversees risks related to our financial statements, our financial reporting processes, our internal control processes and accounting matters. In addition, the Compensation and Human Resources Committee provides oversight with respect to risks related to our compensation practices. The Corporate Governance Committee oversees risks related to our corporate governance structure and processes. In fulfilling their oversight responsibilities, all committees receive regular reports on their respective areas of responsibility from members of management. The Chair of each committee, in turn, reports regularly to the full Board on matters including risk oversight.

The Board believes that the Company s current Board and Committee leadership structure helps to promote more effective risk oversight by the Board.

Director Independence

The Board has determined that nine of the nominees (all of the nominees other than Mr. McCracken) are independent under The NASDAQ Stock Market LLC (NASDAQ) listing requirements and our Corporate Governance Principles. Mr. McCracken is deemed not to be independent because of his current position as our Chief Executive Officer.

In the course of the Board s determination regarding the independence of each non-employee director, the Board considers transactions, relationships and arrangements as required by the independence guidelines contained in our Corporate Governance Principles. There were no transactions, relationships or arrangements outside of the independence guidelines that required review by the Board for purposes of determining whether the directors were independent.

All members of the Audit, Compensation and Human Resources, and Corporate Governance Committees are independent directors as defined by NASDAQ listing requirements and our Corporate Governance Principles. Members of the Audit Committee also satisfy the separate independence requirements of the SEC.

Table of Contents

Board Committees and Meetings

The Board of Directors has established four principal committees the Audit Committee, the Compensation and Human Resources Committee, the Corporate Governance Committee and the Compliance and Risk Committee to carry out certain responsibilities and to assist the Board in meeting its fiduciary obligations. These committees operate under written charters, which have been adopted by the respective committees and by the Board. All the members of the Audit Committee, the Compensation and Human Resources Committee and the Corporate Governance Committee are independent under both our Corporate Governance Principles and NASDAQ listing requirements. The charters of the current committees can be reviewed on our website at investor.ca.com and are also available free of charge in print to any stockholder who requests them in the same manner as for our Corporate Governance Principles or the Code of Conduct described above.

During fiscal year 2011, the Board of Directors met 10 times. The independent directors meet at all regular Board meetings in executive session without any non-independent director present. Prior to Mr. Weinbach s election as Chairman in May 2010, the Lead Independent Director, Gary J. Fernandes, presided at these executive sessions. After being elected as Chairman, Mr. Weinbach, who is also an independent director, presided at these executive sessions. During fiscal year 2011, each director attended, in the aggregate, more than 75% of the Board meetings and meetings of the Board committees on which the director served.

The current members of the Board s four principal committees are as follows:

Independent Directors	**Audit**	**Compensation and Human Resources**	**Corporate Governance**	**Compliance and Risk**
R.J. Bromark	X (Chair)			
G.J. Fernandes		X (Chair)		X
R. Kapoor	X			
K. Koplovitz		X	X	
C.B. Lofgren			X (Chair)	X
R. Sulpizio		X	X	
L.S. Unger			X	X (Chair)
A.F. Weinbach	X	X		
R. Zambonini	X			
Employee Director				
W.E. McCracken				X

Number of Meetings in Fiscal Year 2011	6	12	9	4

Information about the principal responsibilities of these committees appears below.

Audit Committee

The general purpose of the Audit Committee is to assist the Board in fulfilling its oversight responsibilities with respect to:

the audits of our financial statements and the integrity of our financial statements and internal controls;

the qualifications and independence of our independent registered public accounting firm (including the Committee s direct responsibility for the engagement of the independent registered public accounting firm);

the performance of our internal audit function and independent registered public accounting firm;

Table of Contents

- our accounting and financial reporting processes; and
- the activity of our internal control function, including reviewing decisions with respect to scope, risk assessment, testing plans, and organizational structure.

The Board has determined that Mr. Bromark qualifies as an audit committee financial expert and that all members of the Audit Committee are independent under applicable SEC and NASDAQ rules. Additional information about the responsibilities of the Audit Committee is set forth in the Audit Committee charter.

Compensation and Human Resources Committee

The general purpose of the Compensation and Human Resources Committee is to assist the Board in fulfilling its responsibilities with respect to executive compensation and human resources matters, including to:

- develop an executive compensation philosophy and objectives and establish principles to guide the design and select the components of executive compensation;
- approve the amount and the form of compensation, as well as the other terms of employment, of the Company s executive officers (as defined in the applicable SEC regulations), including the Chief Executive Officer and the other Named Executive Officers (who are identified in the Fiscal Year 2011 Summary Compensation Table, below); and
- recommend to the Board approval of all executive compensation plans and programs.

Additional information about the Compensation and Human Resources Committee s responsibilities is set forth in the Compensation and Human Resources Committee charter.

Corporate Governance Committee

The general purpose of the Corporate Governance Committee is to assist the Board in fulfilling its responsibilities with respect to our governance, including making recommendations to the Board concerning:

- the size and composition of the Board, the qualifications and independence of the directors and the recruitment and selection of individuals to stand for election as directors;
- the organization and operation of the Board, including the nature, size and composition of committees of the Board, the designation of committee chairs, the designation of a Lead Independent Director, Chairman of the Board or similar position, and the distribution of information to the Board and its committees; and
- the compensation of non-employee directors.

Additional information about the Corporate Governance Committee s responsibilities is set forth in the Corporate Governance Committee charter.

Compliance and Risk Committee

The general purpose of the Compliance and Risk Committee is to:

provide general oversight of our risk and compliance functions;

provide input to our management in the identification, assessment, mitigation and monitoring of enterprise-wide risks faced by the Company; and

provide recommendations to the Board with respect to its review of our business practices and compliance activities and enterprise risk management.

Table of Contents

Additional information about the responsibilities of the Compliance and Risk Committee is set forth in the Compliance and Risk Committee charter.

Other Committees

From time to time, the Board also establishes special committees or ad hoc committees to assist the Board in carrying out its responsibilities. During fiscal year 2010, the Board established a special M&A Committee to review and approve certain acquisitions and divestitures. The current members of the M&A Committee are Messrs. Sulpizio (Chair), Bromark, Fernandes, Lofgren, Weinbach and Zambonini.

Director Nominating Procedures

The Corporate Governance Committee will consider director candidates recommended by stockholders. In considering candidates submitted by stockholders, the Committee will take into consideration the factors specified in our Corporate Governance Principles, as well as the current needs of the Board and the qualifications of the candidate. The Committee may also take into consideration the number of shares held by the recommending stockholder and the length of time that such shares have been held. To recommend a candidate for consideration by the Committee, a stockholder must submit the recommendation in writing, including the following information:

- the name of the stockholder and evidence of the stockholder s ownership of Common Stock, including the number of shares owned and the length of time the shares have been owned; and

- the name of the candidate, the candidate s résumé or a list of the candidate s qualifications to be a director of the Company, and the candidate s consent to be named as a director nominee if recommended by the Committee and nominated by the Board.

Recommendations and the information described above should be sent to the Corporate Secretary at CA, Inc., One CA Plaza, Islandia, New York 11749.

Once a person has been identified by the Corporate Governance Committee as a potential candidate, the Committee may: collect and review publicly available information regarding the person to assess whether the person should be considered further; request additional information from the candidate and the proposing stockholder; contact references or other persons to assess the candidate; and conduct one or more interviews with the candidate. The Committee may consider that information in light of information regarding any other candidates that the Committee may be evaluating at that time, as well as any relevant director search criteria. The evaluation process generally does not vary based on whether or not a candidate is recommended by a stockholder; however, as stated above, the Committee may take into consideration the number of shares held by the recommending stockholder and the length of time that those shares have been held.

In addition to recommending director candidates to the Corporate Governance Committee, stockholders may also nominate candidates for election to the Board at the annual meeting of stockholders. For the 2012 annual meeting, these nominations must be received by the Corporate Secretary no earlier than April 5, 2012 and no later than May 5, 2012 (unless the date of the 2012 annual meeting of stockholders is changed by more than 30 days from the one year anniversary date of the 2011 annual meeting of stockholders). These nominations must provide certain information specified in our By-laws. See Advance Notice Procedures for Our 2012 Annual Meeting, below, for more information.

In addition to stockholder recommendations, the Corporate Governance Committee may receive suggestions as to nominees from our directors, officers or other sources, which may be either unsolicited or in response to requests from the Committee for these suggestions. In addition, the Committee may engage search firms to assist it in identifying director candidates.

Table of Contents

Communications with Directors

The Board of Directors is interested in receiving communications from stockholders and other interested parties, which would include, among others, customers, suppliers and employees. These parties may contact any member (or members) of the Board or any committee, the non-employee directors as a group, or the Chair of any committee, by mail or electronically. In addition, the Audit Committee is interested in receiving communications from employees and other interested parties, which would include stockholders, customers, suppliers and employees, on issues regarding accounting, internal accounting controls or auditing matters. Any such correspondence should be addressed to the appropriate person or persons, either by name or title, and sent by postal mail to the office of the Corporate Secretary at CA, Inc., One CA Plaza, Islandia, New York 11749, or by e-mail to directors@ca.com.

The Board has determined that the following types of communications are not related to the duties and responsibilities of the Board and its committees and are, therefore, not appropriate: spam and similar junk mail and mass mailings; product complaints, product inquiries and new product suggestions; résumés and other job inquiries; surveys; business solicitations or advertisements; and any communication that is deemed unduly hostile, threatening, illegal or similarly unsuitable. Each communication received as described in the preceding paragraph will be forwarded to the applicable directors, unless the Corporate Secretary determines that the communication is not appropriate. Regardless, certain of these communications may be forwarded to other employees of the Company and Company advisors for review and action, when appropriate, or to the directors upon request.

Related Person Transactions

The Board has adopted a Related Person Transactions Policy, which is a written policy governing the review and approval or ratification of Related Person Transactions, as defined in SEC rules.

Under the Related Person Transactions Policy, each of our directors, nominees for director and executive officers must notify the General Counsel and/or the Office of Corporate Secretary of any potential Related Person Transaction involving that person or an immediate family member of that person. The General Counsel and/or the Office of Corporate Secretary will review each potential Related Person Transaction to determine if it is subject to the Related Person Transactions Policy. If so, the transaction will be referred for approval or ratification to the Corporate Governance Committee, which will approve or ratify the transaction only if it determines that the transaction is in, or is not inconsistent with, our best interests and the best interests of our stockholders. In determining whether to approve or ratify a Related Person Transaction, the Corporate Governance Committee may consider, among other things:

- the fairness to us of the Related Person Transaction;
- whether the terms of the Related Person Transaction would be on the same basis if the transaction, arrangement or relationship did not involve a related person;
- the business reasons for us to participate in the Related Person Transaction;
- the nature and extent of our participation in the Related Person Transaction;
- whether any Related Person Transaction involving a director, nominee for director or executive officer or an immediate family member of a director, nominee for director or executive officer would be immaterial under the categorical standards adopted by the Board with respect to director independence contained in our Corporate Governance Principles;

whether the Related Person Transaction presents an actual or apparent conflict of interest for any director, nominee for director or executive officer, the nature and degree of such conflict and whether any mitigation of such conflict is feasible;

the availability of other sources for comparable products or services;

Table of Contents

the direct or indirect nature and extent of the related person s interest in the Related Person Transaction;

the ongoing nature of the Related Person Transaction;

the relationship of the related person to the Related Person Transaction and with us and others;

the importance of the Related Person Transaction to the related person; and

the amount involved in the Related Person Transaction.

The Corporate Governance Committee will administer the Related Person Transactions Policy and may review, and recommend amendments to, the Related Person Transactions Policy from time to time.

Compensation Committee Interlocks and Insider Participation

During fiscal year 2011, there were no compensation committee interlocks and no insider participation in Compensation and Human Resources Committee decisions that were required to be reported under the rules and regulations of the Securities Exchange Act of 1934, as amended (the Exchange Act).

Table of Contents

COMPENSATION OF DIRECTORS

Only our non-employee directors receive compensation for their services as directors. Fees are paid to non-employee directors under our 2003 Compensation Plan for Non-Employee Directors (the 2003 Directors Plan). The 2003 Directors Plan also allows the Board of Directors to authorize the payment of additional fees to any eligible director who chairs a committee of the Board of Directors or to an eligible director serving as the lead independent director or Chairman of the Board. Currently, all of our non-employee directors receive compensation pursuant to the 2003 Directors Plan. In July 2010, the Board of Directors, upon the recommendation of the Corporate Governance Committee, modified the compensation arrangements for our non-employee directors, effective as of the beginning of the fiscal year on April 1, 2010. The following table shows the annual fees for our non-employee directors.

Annual Fee Description	**Fee Prior to April 1, 2010**	**Fee Effective April 1, 2010**
Non-Employee Director	$ 175,000	$ 275,000
Chairman of the Board	$ 175,000	$ 100,000
Audit Committee Chair	$ 25,000	$ 25,000
Compensation and Human Resources Committee Chair	$ 10,000	$ 15,000
Corporate Governance Committee Chair	$ 10,000	$ 10,000
Compliance and Risk Committee Chair	$ 10,000	$ 10,000

In establishing the changes to directors fees, the Board of Directors undertook a process involving considerable collaboration with Towers Watson, the independent compensation consultant who advises the Compensation and Human Resources Committee. At the recommendation of the Compensation and Human Resources Committee, Towers Watson was engaged to assist the Corporate Governance Committee and the Board with their deliberations by providing competitive market data and advice. The data provided by Towers Watson indicated, among other things, that the Board and its committees met, on average, more frequently than the boards and committees of the companies that comprised the Company s compensation benchmark group in effect at the time, while the fees received by our non-employee directors prior to the approval of the new fee structure were at the 15th percentile of the compensation benchmark group. The new fee structure results in total fees that rank between the 50th and 75th percentiles of the compensation benchmark group. Regular non-employee director fees had not been increased since August 2005.

In July 2010, the Board of Directors also amended the 2003 Directors Plan. The 2003 Directors Plan previously provided that all director fees were to be paid in the form of deferred stock units, but that each director could elect to receive up to 50% of his or her director fees in cash. The amended 2003 Directors Plan provides that the Corporate Governance Committee may establish a maximum cash election of less than 50%, starting with elections made for director service years beginning on or after January 1, 2011. The Board, upon recommendation by the Corporate Governance Committee, reduced the maximum cash election applicable to the annual $275,000 non-employee director fee from 50% of the non-employee director fee to $100,000, effective January 1, 2011, so that non-employee directors are required to receive a greater percentage of their directors fees in the form of equity. The maximum cash election for the chairman and committee chair fees continues to be 50% of those fees.

In settlement of the deferred stock units following termination of service, a director receives shares of Common Stock in an amount equal to the number of deferred stock units in the director s deferred compensation account. The deferred stock units are settled, at the election of the director, by delivery of shares of Common Stock either in a lump sum or in up to 10 annual installments beginning on the first business day of the calendar year after termination of service.

In addition to director fees, to further our commitment to support charities, non-employee directors are able to participate in our Matching Gifts Program. Under this program, we match contributions by directors up to an aggregate annual amount of $25,000 by a director to charities approved by us. Upon the mandatory retirement of a director in accordance with our director retirement policy, we also make a one-time donation of $10,000 to a charity specified by the retiring director.

We also provide directors with, and pay premiums for, director and officer liability insurance and we reimburse directors for reasonable expenses incurred in connection with Company business.

The following table includes information about compensation paid to our non-employee directors for the fiscal year ended March 31, 2011.

Fiscal Year 2011 Director Compensation Table

Director	Fees Earned or Paid in Cash(1) ($)	Stock Awards (1)(2) ($)	Option Awards(3) ($)	All Other Compensation (4)(5) ($)	Total ($)
R.J. Bromark	140,625	159,375	0		300,000
G.J. Fernandes	0	290,000	0		290,000
R. Kapoor(6)	0	0	0		0
K. Koplovitz	128,125	146,875	0	12,550	287,550
C.B. Lofgren	133,125	151,875	0	6,500	291,500
W.E. McCracken(7)					
R. Sulpizio	128,125	146,875	0	25,000	300,000
L.S. Unger	133,125	151,875	0	6,150	291,150
A.F. Weinbach(8)	0	365,278	0	25,000	390,278
R. Zambonini	128,125	146,875	0		275,000

(1) As noted above, all directors fees are paid in deferred stock units, except that directors may elect in advance to have a specified portion of those fees paid in cash. Prior to January 1, 2011, directors could elect to have up to 50% of all fees paid in cash. Effective January 1, 2011, the maximum cash election with respect to the $275,000 annual non-employee director fee was reduced from 50% of the non-employee director fee to $100,000. The maximum cash election for the chairman and committee chair fees continues to be 50% of those fees. The amounts in the Fees Earned or Paid in Cash column represent the amounts paid to directors who elected to receive a portion of their director fees in cash. In fiscal year 2011, Messrs. Fernandes and Weinbach elected to

receive 100% of their director fees in deferred stock units and Messrs. Bromark, Lofgren, Sulpizio and Zambonini and Mss. Koplovitz and Unger elected to receive a portion of their director fees in cash.

(2) As required by SEC rules, this column represents the aggregate grant date fair value of awards computed in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718, Compensation Stock Compensation for deferred stock units. The aggregate grant date fair value for deferred stock units is calculated by multiplying the number of deferred stock units by the closing market price of the Common Stock on the date the deferred stock units are credited to a director s account. These award fair values have been determined based on the assumptions set forth in Note 15, Stock Plans, in the Notes to the Consolidated Financial Statements in our Annual Report on Form 10-K for the fiscal year ended March 31, 2011.

Table of Contents

As of March 31, 2011, the following deferred stock units had been credited to each director s account:

Director	Aggregate Number of Deferred Stock Units
R.J. Bromark	20,596
G.J. Fernandes	62,531
R. Kapoor(6)	0
K. Koplovitz	12,573
C.B. Lofgren	40,158
W.E. McCracken(7)	47,707
R. Sulpizio	8,173
L.S. Unger	27,833
A.F. Weinbach(8)	33,573
R. Zambonini	25,481

(3) No stock options were granted to non-employee directors during fiscal year 2011. Under prior director compensation arrangements, directors received a portion of their fees in options, each to purchase a share of Common Stock. The options were granted as of the day of the annual meeting of stockholders, with an exercise price equal to the closing price of the Common Stock on that date and the options vested on the day before the next succeeding annual meeting date. As of March 31, 2011, Mr. Fernandes held 1,125 options with an exercise price of $23.37 and an expiration date of June 18, 2013, all of which are vested.

(4) The amounts in this column include contributions we made under our Matching Gifts Program in fiscal year 2011. Under our current Matching Gifts Program, we match up to $25,000 of director charitable contributions made in each fiscal year by each director. Because our matching gifts are processed several months after the related director contributions are reported to us, the matching gifts that are included in this column for fiscal year 2011 also include matching gifts that were made in fiscal year 2011 to match some director contributions made in fiscal year 2010. The contributions we made under our Matching Gifts Program in fiscal year 2011 were as follows: Ms. Koplovitz, $12,550; Mr. Lofgren, $6,500; Mr. Sulpizio, $25,000; Ms. Unger, $6,150; and Mr. Weinbach, $25,000.

(5) We provide directors with, and pay premiums for, director and officer liability insurance and reimburse directors for reasonable travel and accommodation expenses incurred in connection with Company business, the values of which are not included in this table.

(6)

Mr. Kapoor was elected to the Board of Directors in April 2011 and as a member of the Audit Committee in June 2011. He has not yet received a quarterly compensation payment for his service on the Board.

(7) As Chief Executive Officer, Mr. McCracken is compensated as an employee of the Company and received no compensation in his capacity as a director in fiscal year 2011. Mr. McCracken s deferred stock units were received by him as a non-employee director prior to his becoming an employee of the Company in fiscal year 2010. For a description of Mr. McCracken s fiscal year 2011 compensation, please see Compensation and Other Information Concerning Executive Officers, below.

(8) Mr. Weinbach was elected as non-executive Chairman of the Board on May 6, 2010, during fiscal year 2011.

PROPOSAL 1 ELECTION OF DIRECTORS

Nominees

On the recommendation of the Corporate Governance Committee, the Board of Directors has nominated the persons listed below for election as directors at the annual meeting, each to serve until the next annual meeting and until his or her successor is duly elected and qualified. Each of the nominees is an incumbent director.

Each of the nominees has confirmed to us that he or she expects to be able to continue to serve as a director until the end of his or her term. If, however, at the time of the annual meeting, any of the nominees named below is not available to serve as a director (an event that the Board does not anticipate), all the proxies granted to vote in favor of that director s election will be voted for the election of any other person or persons that the Board may nominate.

Our policy is that all directors and nominees should attend our annual meetings of stockholders. All of our directors then in office attended the 2010 annual meeting of stockholders.

Under our majority voting standard for uncontested elections of directors, a director nominee will be elected only if the number of votes cast for exceeds the number of votes against the director s election. In contested elections, the plurality voting standard will apply, under which the nominees receiving the most votes will be elected regardless of whether those votes constitute a majority of the shares voted at the meeting. Under our Corporate Governance Principles, if a director does not receive more votes for than votes against at an annual meeting of stockholders, generally the Board of Directors will have 90 days from the certification of the vote to accept or reject the individual s irrevocable resignation that all incumbent directors are required to submit before the mailing of the Proxy Statement for the annual meeting.

The Board does not have a formal policy with respect to diversity. However, the Board and the Corporate Governance Committee each believe that it is essential that the Board members represent diverse viewpoints, with a broad array of experiences, professions, skills, geographic representation and backgrounds that, when considered as a group, provide a sufficient mix of perspectives to allow the Board to best fulfill its responsibilities to the long-term interests of the Company s stockholders.

Set forth below are each nominee s name, age, principal occupation for at least the last five years and other biographical information, including the year in which each was first elected a director of the Company. In addition, the biographies discuss the particular experience, qualifications, attributes and skills of the director that, in light of the Company s business and structure, led the Board to conclude that the individual should serve on the Board of the Company.

RAYMOND J. BROMARK **Director since 2007** **Age 65**

Mr. Bromark is a retired Partner of PricewaterhouseCoopers, LLP (PwC), an international accounting and consulting firm. He joined PwC in 1967 and became a Partner in 1980. He was Partner and Head of the Professional, Technical, Risk and Quality Group of PwC from 2000 to 2006, a Global Audit Partner from 1994 to 2000 and Deputy Vice Chairman, Auditing and Business Advisory Services from 1990 to 1994. In addition, he served as a consultant to PwC from 2006 to 2007. Since March 2011, Mr. Bromark has been a director of Tesoro Logistics GP, LLC, the general partner of Tesoro Logistics LP, an operator, developer and acquirer of crude oil and refined products logistics assets.

He chairs the audit committee of Tesoro Logistics GP, LLC. Mr. Bromark was a director of World Color Press, Inc., a provider of printing services, and chaired its audit committee, from 2009 to 2010 when the company merged into another company. He is a member of the American Institute of Certified Public Accountants (the AICPA) and in previous years has participated as a member of the University of Delaware s Weinberg Center for Corporate Governance s Advisory Board. Mr. Bromark was PwC s representative on the AICPA s Center for Public Company Audit Firms Executive Committee. He has also been a member of the Financial Accounting Standards Board Advisory

Table of Contents

Council, the Public Company Accounting Oversight Board s Standing Advisory Group, the AICPA s Special Committee on Financial Reporting, the AICPA s SEC Practice Section Executive Committee and the AICPA s Ethics Executive Committee.

Qualifications

Mr. Bromark s qualifications include: extensive experience in accounting, auditing, financial reporting, and compliance and regulatory matters; deep understanding of financial controls and familiarity with large public company audit clients; and extensive experience in leadership positions at PwC.

GARY J. FERNANDES **Director since 2003** **Age 67**

Mr. Fernandes has been Chairman and President of FLF Investments, a family business involved with the acquisition and management of commercial real estate properties and other assets, since 1999. Mr. Fernandes retired as Vice Chairman of Electronic Data Systems Corporation (EDS), a global technology services company, in 1998, after serving as Senior Vice President of EDS from 1984 to 1996, and as Chairman of A.T. Kearney, a management consulting firm and a subsidiary of EDS, after serving from 1995 to 1998. He served on the board of directors of EDS from 1981 to 1998. After retiring from EDS, Mr. Fernandes founded Convergent Partners, a venture capital fund focusing on buyouts of technology-related companies, and was a partner from 1999 to 2000. In 1993, he founded Voyagers The Travel Store Holdings, Inc. (Voyagers), a chain of travel agencies, acting as president and sole shareholder. Voyagers filed a petition under Chapter 7 of the U.S. federal bankruptcy laws in 2001. He has served as a director of BancTec, Inc., a privately-held systems integration, manufacturing and services company, since 2003 and Blockbuster Inc., a provider of home entertainment services, since 2004. Mr. Fernandes also serves as an advisory director of MHT Partners, an investment banking firm serving mid-market companies. Mr. Fernandes was a director of webMethods, Inc., a business integration and optimization software company, from 2002 until 2005 and a director of 7-Eleven, Inc., an operator, franchisor, and licensor of convenience stores worldwide, from 1991 until 2005. He served as a director of E-Telecare Global Solutions, a provider of customer care outsourcing services, from 2007 until 2008, where he also served as Non-Executive Chairman of the Board. He serves on the Board of Governors of Boys & Girls Clubs of America. He also serves as a trustee of the O Hara Trust, a charitable trust that benefits the Boys & Girls Clubs of Dallas County, and the Hall-Voyer Foundation, a charity supporting educational and health programs in Honey Grove, Texas. Mr. Fernandes has chaired the audit, compensation and finance committees of a number of public companies.

Qualifications

Mr. Fernandes s qualifications include: extensive leadership experience at a large, complex, global public company; extensive experience in the technology industry; global business experience through 15 years of responsibility for EDS s international business; government and regulatory experience through oversight of EDS s U.S. government business; financial and investment experience; entrepreneurial experience; and public company governance experience as a member or chair of boards and board committees of public companies.

ROHIT KAPOOR **Director since April 2011** **Age 46**

Mr. Kapoor has been President and Chief Executive Officer of ExlService Holdings, Inc. (EXL Holdings), a provider of outsourcing and transformation services, since 2008, and has been a director of EXL Holdings since 2002.

Mr. Kapoor co-founded ExlService.com, Inc. (EXL Inc.), a wholly-owned subsidiary of EXL Holdings, in April 1999. Mr. Kapoor served as EXL Holdings Chief Financial Officer from November 2002 to June 2005 and from August 2006 to March 2007, as its Chief Operating Officer from June 2007 to April 2008 and as President and Chief Financial Officer of EXL Inc. since

Table of Contents

August 2000. Prior to founding EXL Inc., Mr. Kapoor served as a business head of Deutsche Bank from July 1999 to July 2000. From 1991 to 2000, Mr. Kapoor served in various capacities at Bank of America in the United States and Asia, including India.

Qualifications

Mr. Kapoor s qualifications include: extensive leadership experience at a public company; extensive accounting experience; international experience; entrepreneurial experience; governance experience as a member of the board of a public company; and a deep understanding of operational efficiencies.

KAY KOPLOVITZ **Director since 2008** **Age 66**

Ms. Koplovitz has been a principal of Koplovitz & Co., LLC, a media and investment firm, since 1998. She has been a director of Liz Claiborne, Inc., a designer and marketer of fashion apparel and accessories, since 1992, and Chairman of the Board since 2007. She is a founder of USA Network, an international cable television programming company, and served as its Chairman and Chief Executive Officer from 1977 to 1998. In 2001, Ms. Koplovitz co-founded Boldcap Ventures, a venture capital fund focused on investing in early to mid-stage companies, primarily in the healthcare and technology sectors, of which she is a governing board member. Ms. Koplovitz served as a director and member of the governance committee of Oracle Corporation, a database software and middleware company, from 1998 to 2001, and was a director of Instinet Group, Inc., an electronic brokerage services provider, from 2001 to 2007. From 2000 to 2001, Ms. Koplovitz served as Chief Executive Officer of Working Women Network, a multi-platform media company, which filed a petition under Chapter 7 of the U.S. federal bankruptcy laws in 2001 after Ms. Koplovitz left the company. Ms. Koplovitz serves as Chairman at Joy Berry Enterprises, Inc., a privately held publisher of children s books, and serves on the boards of Ion Media Networks, Inc., a privately owned television and media company, The Paley Center for Media (formerly the Museum of Television and Radio), Springboard Enterprises, a non-profit organization that supports emerging growth ventures led by women, and the International Tennis Hall of Fame and is a Trustee of Babson College.

Qualifications

Ms. Koplovitz s qualifications include: extensive executive leadership experience at a large, complex company; entrepreneurial experience; extensive marketing and sales experience; technology experience; venture capital investment experience; and public company governance experience as a member or chair of boards and board committees of public companies.

CHRISTOPHER B. LOFGREN **Director since 2005** **Age 52**

Mr. Lofgren has been President and Chief Executive Officer of Schneider National, Inc. (Schneider National), a provider of transportation and logistics services, since 2002. He served as Chief Operating Officer of Schneider National from 2001 to 2002, Chief Executive Officer of Schneider Logistics, a subsidiary of Schneider National, from 2000 to 2001, Chief Information Officer of Schneider National from 1996 to 2002, and Vice President, Engineering and Systems Development of Schneider National from 1994 to 1996. Prior to joining Schneider National, Mr. Lofgren held several positions at Symantec Corp., a security, storage and systems management solutions company, including Interim General Manager, Director of Engineering and Senior Engineer Manager. Prior to Symantec, Mr. Lofgren was a Senior Staff Engineer with Motorola, Inc., a telecommunications company. Mr. Lofgren serves on the Advisory

Boards of the School of Industrial and Systems Engineering and the Georgia Institute of Technology. He was inducted into the National Academy of Engineering in 2009.

Qualifications

Mr. Lofgren s qualifications include: extensive executive leadership experience at a large, complex company; extensive technology experience; and understanding of regulatory compliance through Schneider National s highly regulated industry.

WILLIAM E. McCRACKEN **Director since 2005** **Age 68**

Mr. McCracken has been Chief Executive Officer of the Company since January 2010. He was non-executive Chairman of the Board from June 2007 to September 2009 and Interim Executive Chairman of the Board from September 2009 to January 2010, and he served as executive Chairman of the Board from January 2010 to May 2010. He was President of Executive Consulting Group, LLC, a general business consulting firm, from 2002 to January 2010. During his 36-year tenure at International Business Machines Corporation (IBM), a manufacturer of information processing products and a technology, software and networking systems manufacturer and developer, Mr. McCracken held a variety of executive positions, including General Manager of IBM Printing Systems Division from 1998 to 2001, General Manager of Marketing, Sales and Distribution for IBM PC Company from 1994 to 1998 and President of IBM s EMEA and Asia Pacific PC Company from 1993 to 1994. From 1995 to 2001, he served on IBM s Chairman s Worldwide Management Council, a group of the top 30 executives at IBM. Mr. McCracken was a director of IKON Office Solutions, Inc., a provider of document management systems and services, from 2003 to 2008, where he served on its audit committee, compensation committee and strategy committee at various points in time during his tenure as a director. Mr. McCracken serves on the board of the National Association of Corporate Directors (NACD), a nonprofit membership organization for corporate board members. He is also Chairman of the Board of Trustees of Lutheran Social Ministries of New Jersey, a charitable organization that provides adoption, assisted living, counseling and immigration and refugee services.

Qualifications

Mr. McCracken s qualifications include: extensive executive leadership experience at large, complex, global public companies, including the Company; extensive technology experience; international management experience; government and regulatory experience through oversight of government business for managed operations at IBM; and public company governance experience as a member or chair of boards and board committees of public companies and as a director of the NACD.

RICHARD SULPIZIO **Director since 2009** **Age 61**

Mr. Sulpizio has been President and Chief Executive Officer of Qualcomm Enterprise Services, a division of Qualcomm Incorporated (Qualcomm) responsible for mobile communications and services to the transportation industry, since December 2009. Mr. Sulpizio served as President and Chief Operating Officer of Qualcomm, a developer of wireless technologies, products and services, from 1998 to 2001 and served in various other executive positions between 1991 and 1998. He served as a director of Qualcomm from 2000 to 2007. Mr. Sulpizio served as President and Chief Executive Officer of MediaFLO, USA, Inc., a Qualcomm subsidiary involved in bringing multimedia services to the wireless industry, from 2005 to 2006. Mr. Sulpizio served as President of Qualcomm Europe in 2004 and President of Qualcomm China from 2002 to 2003. Before joining Qualcomm, Mr. Sulpizio worked for eight years at Unisys Corporation, a worldwide information technology company, and 10 years at Fluor Corporation, an engineering and construction company. He has served as a director of ResMed, Inc., a global developer, manufacturer and marketer of medical products, since 2005, where he has served on its governance committee and compensation committee. He also serves on the advisory board of the University of California San Diego s Sulpizio Family Cardiovascular Center and the board of directors of the Danny Thompson Memorial Leukemia Foundation.

Table of Contents

Qualifications

Mr. Sulpizio s qualifications include: extensive executive leadership experience at a large, complex, global public company; extensive technology experience; international management experience; and public company governance experience as a member or chair of boards and board committees of public companies.

LAURA S. UNGER **Director since 2004** **Age 50**

Since January 2010, Ms. Unger has been a special advisor to Promontory Financial Group, a global consulting firm for financial services companies. She served as the Independent Consultant to JPMorgan Chase & Co., a global securities, investment banking and retail banking firm, for the global analyst conflict settlement from 2003 to 2010. From 2002 to 2003, Ms. Unger was employed by CNBC, a satellite and cable television business news channel, as a Regulatory Expert. Ms. Unger was a Commissioner of the SEC from 1997 to 2002, and served as Acting Chairperson of the SEC from February to August 2001. Ms. Unger served as Counsel to the U.S. Senate Committee on Banking, Housing and Urban Affairs from 1990 to 1997. Prior to working on Capitol Hill, Ms. Unger was an attorney with the Enforcement Division of the SEC. Ms. Unger has served as a director and member of the governance, compensation and audit committees of Ambac Financial Group, Inc., a holding company whose affiliates provide financial guarantees and financial services, since 2002 and a director and member of the nominating and governance committee of CIT Group, Inc., a provider of financing to small businesses and middle market companies, since 2010. Ms. Unger was a director and member of the nominating and governance committee and audit committee of the IQ Funds Complex, a group of closed-end mutual funds, from 2008 to 2010, a director and a member of the audit committee of Borland Software Corporation, a provider of software lifecycle management solutions, from 2002 to 2004 and a director and member of the audit committee of MNBA Corporation, a bank holding company, from 2004 to 2006. She also serves as a director of Children s National Medical Center Foundation.

Qualifications

Ms. Unger s qualifications include: government and public policy experience; legal and regulatory experience; extensive leadership experience at government agencies; and public company governance experience as a member or chair of boards and board committees of public companies.

ARTHUR F. WEINBACH **Director since 2008** **Age 68**

Mr. Weinbach has been Chairman of the Board of the Company since May 2010. From 2007 to June 2010, Mr. Weinbach was Executive Chairman and since July 2010 non-executive Chairman of Broadridge Financial Solutions, Inc., a provider of products and services for securities processing, clearing and outsourcing which was spun off from Automatic Data Processing, Inc. (ADP), a provider of business outsourcing solutions. Prior to the spin-off, Mr. Weinbach was associated with ADP from 1980 to 2007, serving as Chief Executive Officer from 1996 to 2006 and as Chairman until November 2007. Prior to joining ADP, Mr. Weinbach held various positions at Touche Ross & Co., an accounting firm and a predecessor of Deloitte & Touche LLP, and was a partner from 1975 to 1979. He has been a director of The Phoenix Companies, Inc., a provider of life insurance and annuity products, since 2008, chairman of its audit committee since 2009 and a member of its compensation committee since 2008. Previously, Mr. Weinbach served as a director of First Data Corporation, a provider of electronic commerce and payment solutions for merchants, financial institutions and card issuers, from 2000 to 2006, and as a member of its audit committee for much of that period. He was also a director of Schering-Plough Corporation, a pharmaceutical manufacturer, from 1999 to 2009, at which he chaired its audit and finance committees during various times. He is currently a Trustee of New Jersey SEEDS, a non-profit organization providing academic enrichment and leadership programs for high-achieving, low-income youth.

Table of Contents

Qualifications

Mr. Weinbach s qualifications include: extensive financial, accounting and auditing experience; international experience; technology experience; and public company governance experience as a member or chair of boards and board committees of public companies.

RENATO (RON) ZAMBONINI **Director since 2005** **Age 64**

Mr. Zambonini was Chairman of the Board of Cognos Incorporated (Cognos), a developer of business intelligence software, from 2004 until 2008, and a director from 1994 until 2008. Mr. Zambonini was Chief Executive Officer of Cognos from 1995 to 2004, President from 1993 to 2002, and Senior Vice President, Research and Development from 1990 to 1993. Prior to joining Cognos, Mr. Zambonini served as Vice President, Research and Development of Cullinet Software, Inc., a software developer, from 1987 to 1989. Mr. Zambonini has served as a director of Parametric Technology Corporation, a company that develops, markets and supports product development software solutions and related services, since May 2011. Mr. Zambonini served as a director of Reynolds & Reynolds, a software company servicing automotive dealerships, from 2003 to 2006, and a director of Emergis, Inc., an electronic commerce business, from 2004 to 2008. Mr. Zambonini served on the audit committee of Reynolds & Reynolds and the compensation committee of Emergis, Inc.

Qualifications

Mr. Zambonini s qualifications include: extensive executive leadership experience at a large, complex, public company; extensive technology experience; and public company governance experience as a member or chair of boards and board committees of public companies.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT YOU VOTE *FOR* EACH OF THE NOMINEES LISTED ABOVE (PROPOSAL 1).

PROPOSAL 2 RATIFICATION OF APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

KPMG LLP has been the Company s independent registered public accounting firm since the fiscal year ended March 31, 2000 and has been appointed by the Audit Committee to serve in that capacity for the fiscal year ending March 31, 2012, subject to ratification by our stockholders.

Our engagement letter with KPMG LLP contains procedures for the resolution of disputes between us and KPMG LLP. These procedures provide for the submission of a dispute to mediation if requested by us or if we agree to KPMG LLP s request for mediation. If we do not agree to KPMG LLP s request for mediation, if a dispute is not resolved by mediation within 90 days of the commencement of the mediation (or by the end of a longer period if agreed to by the parties) or if one of the parties declares that mediation is inappropriate to resolve the dispute, the engagement letter provides that arbitration will be used to resolve the dispute. In such an arbitration, the engagement letter provides that the panel of arbitrators will have no power to award non-monetary or equitable relief. Mediation or arbitration procedures and relief provisions of the type in our engagement letter with KPMG are common in engagement letters with large independent registered public accounting firms representing public companies, and we believe these customary provisions are in the best interests of our stockholders.

Although our By-laws do not require the submission of the selection of our independent registered public accounting firm to our stockholders for approval or ratification, the Audit Committee considers it desirable to obtain the views of our stockholders on that appointment. If our stockholders fail to ratify the appointment of KPMG LLP, the Audit Committee may reconsider its selection of the firm as our independent registered public accounting firm for the fiscal year ending March 31, 2012.

A representative of KPMG LLP will be present at the annual meeting, will have an opportunity to make a statement if he or she desires to do so, and will be available to respond to appropriate questions from stockholders.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT YOU VOTE *FOR* THE RATIFICATION OF THE APPOINTMENT OF KPMG LLP AS OUR INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM (PROPOSAL 2).

Audit and Other Fees Paid to KPMG LLP

The fees billed by KPMG LLP for professional services rendered for the fiscal years ended March 31, 2011 and March 31, 2010 are reflected in the following table:

Fee Category	Fiscal Year 2011 Fees	Fiscal Year 2010 Fees
Audit Fees	$ 11,948,000	$ 13,662,000
Audit-Related Fees	1,175,000	1,231,000
Tax Fees	603,000	1,059,000
All Other Fees		125,000

Total Fees	$ 13,726,000	$ 16,077,000

Audit Fees

Audit fees relate to: audit work performed in connection with the audit of our financial statements for the fiscal years ended March 31, 2011 and 2010 included in our Annual Reports on Form 10-K; the audit of the effectiveness of our internal control over financial reporting at March 31, 2011 and 2010; the reviews of the interim financial statements included in our Quarterly Reports on Form 10-Q for the fiscal years ended March 31, 2011 and 2010; as well as work that generally only the independent registered public accounting firm can reasonably be expected to provide, including comfort letters to underwriters and lenders, statutory audits of foreign subsidiaries, review of consent letters, SEC filings and comment letters, and discussions surrounding the proper application of financial accounting and reporting standards.

Audit-Related Fees

Audit-related fees are for assurance and related services that are traditionally performed by the independent registered public accounting firm, including employee benefit plan audits and special procedures required to meet certain regulatory requirements. The audit-related fees for fiscal year 2011 primarily include services in connection with business combinations ($594,000), benefit plan audits ($67,000), XBRL reporting ($227,000), software license compliance ($50,000), IASB convergence ($63,000) and an engagement under Statement on Auditing Standards (SAS) No. 70, *Service Organizations* ($86,000). The audit-related fees for fiscal year 2010 primarily include services in connection with business combinations ($972,000), benefit plan audits ($55,000), XBRL reporting ($92,000) and an engagement under SAS No. 70, *Service Organizations* ($90,000).

Tax Fees

Tax fees reflect all services, except those services specifically related to the audit of the financial statements, performed by the independent registered public accounting firm s tax personnel, including assisting with tax planning; supporting other tax-related regulatory requirements; and assisting with tax compliance and reporting matters. The tax fees for fiscal year 2011 primarily include services in connection with international and U.S. tax compliance matters and the preparation of U.S. income tax forms. The tax fees for fiscal year 2010 primarily include services in connection with international and U.S. tax compliance matters, preparation of U.S. income tax forms, as well as consulting on business combinations.

All Other Fees

All other fees represent fees for services related to certain of the Company s compliance programs and the Company s accounting and procedures manual, of which there were $125,000 in fiscal year 2010.

The Audit Committee has concluded that the provision of the non-audit services listed above is compatible with maintaining the independence of KPMG LLP.

Audit Committee Pre-Approval Policies and Procedures

The Audit Committee has adopted policies and procedures requiring Audit Committee pre-approval of the performance of all audit, audit-related and non-audit services (including tax services) by our independent registered public accounting firm. The Audit Committee may consult with management in determining which services are to be performed, but may not delegate to management the authority to make these determinations. The Audit Committee has also delegated to its Chairman the authority to pre-approve the performance of audit, audit-related and non-audit services by our independent registered public accounting firm (provided that tax services may be pre-approved only up to $100,000), if such approval is necessary or desirable in between meetings, provided that the Chairman must advise the Audit Committee no later than its next scheduled meeting.

AUDIT COMMITTEE REPORT

The Audit Committee has reviewed and discussed the Company s audited consolidated financial statements and internal controls for the fiscal year ended March 31, 2011 with management.

The Audit Committee has discussed with KPMG LLP, the Company s independent registered public accounting firm, the matters required to be discussed by Statement on Auditing Standards No. 61, as amended (AICPA, *Professional Standards*, Vol. 1. AU Section 380), as adopted by the Public Company Accounting Oversight Board in Rule 3200T.

The Audit Committee has received the written disclosures and the letter from KPMG LLP required by the applicable requirements of the Public Company Accounting Oversight Board regarding the independent accountant s communications with the Audit Committee concerning independence and has discussed with KPMG LLP its independence.

Based upon the review and discussions referred to above, the Audit Committee recommended to the Board of Directors that the Company s audited consolidated financial statements for the fiscal year ended March 31, 2011 be included in the Company s Annual Report on Form 10-K for the fiscal year ended March 31, 2011, for filing with the Securities and Exchange Commission.

THE AUDIT COMMITTEE

Raymond J. Bromark, Chair
Arthur F. Weinbach
Ron Zambonini

COMPENSATION AND HUMAN RESOURCES COMMITTEE REPORT ON EXECUTIVE COMPENSATION

The Compensation and Human Resources Committee (the Compensation Committee) has reviewed and discussed with management the following Compensation Discussion and Analysis section of this Proxy Statement. Based on its review and discussions with management, the Compensation Committee recommended to the Board of Directors that the Compensation Discussion and Analysis be included in this Proxy Statement.

THE COMPENSATION AND HUMAN RESOURCES COMMITTEE

Gary J. Fernandes, Chair
Kay Koplovitz
Richard Sulpizio
Arthur F. Weinbach

COMPENSATION DISCUSSION AND ANALYSIS

This section of the Proxy Statement contains the Company s discussion and analysis of the fiscal year 2011 compensation of the executive officers of the Company who are required by SEC rules to be named in our Summary Compensation Table that appears later in this Proxy Statement. We refer to these executives as our Named Executive Officers. For fiscal year 2011, our Named Executive Officers were:

William E. McCracken, Chief Executive Officer;

Nancy E. Cooper, Executive Vice President and Chief Financial Officer;

George J. Fischer, Executive Vice President and Group Executive, Worldwide Sales and Operations;

Amy Fliegelman Olli, Executive Vice President and General Counsel; and

Ajei S. Gopal, Executive Vice President, Technology and Development.

The Compensation Committee, which is composed of independent directors, made all compensation determinations with respect to the compensation of our Named Executive Officers for fiscal year 2011 and for performance cycles ending in fiscal year 2011.

Highlights of Fiscal Year 2011 Compensation

All compensation of the Named Executive Officers is determined by our independent Compensation Committee.

The Company has a pay-for-performance philosophy.

A substantial majority of total direct compensation is performance-based.

A substantial majority of performance-based compensation is paid in Company stock, and is weighted towards a focus on long-term performance.

Total direct compensation for the Named Executive Officers is generally targeted between the 50th and 75th percentiles of the Company s compensation benchmark group.

The elements of fiscal year 2011 regular direct compensation for the Named Executive Officers were:

- Base salary;
- Annual performance cash incentive;
- Stock options, subject to vesting over a three-year period;
- One-year performance shares, subject to vesting over a two-year period after completion of the performance cycle; and

- Three-year performance shares.

Although fiscal year 2011 was successful for the Company, the Company achieved less than 100% of its aggressive target goals for its performance-based compensation program. Consistent with the Company s pay-for-performance philosophy:

- The annual performance cash incentive and the one-year performance shares were paid out at approximately 84% of target.

- The payout of the fiscal year 2009-2011 three-year performance shares reflected less-than-target performance during the performance cycle, limiting the payout to 98.15% of target.

The Company paid retention awards to the Named Executive Officers other than the Chief Executive Officer under retention agreements that required them to remain employed with the Company from fiscal year 2010 into fiscal year 2011, due to the uncertainty surrounding the transition to the new Chief Executive Officer.

Compensation Philosophy and Plan Design

Philosophy

The Company maintains a pay-for-performance compensation philosophy and expects all executives to satisfy their respective performance objectives established by the Compensation Committee. Through this philosophy, the Compensation Committee intends to hold Named Executive Officers accountable for the Company s performance and for business decisions made during each fiscal year. To implement this philosophy, the Compensation Committee ties a substantial portion of each Named Executive Officer s compensation to the Company s performance. The Company compensates its Named Executive Officers based largely on the achievement of the Company s financial, operational and strategic objectives. The Company s compensation program is designed to appropriately balance the annual and long-term performance objectives of the Company and to promote the interests of our stockholders.

Performance-Based Compensation Developments

Introduction of Stock Option Awards

For fiscal year 2011, stock options were introduced to the executive compensation plan to provide additional direct alignment of the Company s compensation incentives with increases in stockholder value.

Introduction of Line-of-Sight Performance Metrics

The annual performance cash incentive and the one-year and three-year performance share awards are all payable based on the achievement of specific performance goals established by the Compensation Committee at the beginning of the pertinent performance cycle. For fiscal year 2011, line-of-sight business-specific performance metrics were added for the annual performance cash incentive for some executive officers, including one Named Executive Officer, to focus more directly on the performance of the business for which the particular executive is responsible.

Replacement of One-Year Performance Share Component

During fiscal year 2011, the Compensation Committee approved the prospective elimination of the one-year performance shares from the plan design for members of the Company s Executive Management Team (which includes the Named Executive Officers). The 33% of the value of the executive s long-term incentive award that was awarded in the form of one-year performance shares will be replaced by increasing the target value of the executive s three-year performance share award from 33% to 66%. The target value of the executive s stock option grant will remain at 34%. The purpose of this change is to more closely align the direct relationship of the performance goals with long-term Company performance. The elimination of the one-year performance shares for newly hired members of the Executive Management Team will be effective beginning in fiscal year 2012. To mitigate the decrease in annual vested compensation to current executive officers, the Compensation Committee approved a transition plan under which current executive officers long-term incentive award value has been granted as follows for fiscal year 2012:

20% in the form of stock options that will vest 34%, 33% and 33% on the first, second and third anniversaries of the date of grant, respectively;

20% in the form of one-year performance share awards that will be payable in the form of restricted stock that will vest 25% on the date the Compensation Committee certifies the achievement of performance goals for the fiscal year 2012 performance cycle and 75% on the first anniversary of the issuance of those shares; and

60% in the form of three-year performance share awards that vest on the date the Compensation Committee certifies the achievement of performance goals for the three-year performance cycle ending on March 31, 2014.

Target Direct Compensation Mix

The Compensation Committee believes that a significant portion of the total targeted direct compensation of the Named Executive Officers should be performance-based and, therefore, at-risk. The following graph illustrates that our Named Executive Officers have approximately 80%, on average, of their total targeted direct compensation contingent upon performance outcomes, with the largest percentage comprising long-term equity awards. For more information about annual performance cash incentive awards and long-term incentive compensation, see Performance-Based Compensation, below.

Compensation Decisions for Fiscal Year 2011

The following table reflects the decisions that the Compensation Committee made with respect to fiscal year 2011 compensation of the Named Executive Officers. The compensation shown in the table is cash and equity that was earned or received with respect to fiscal year 2011.

The table demonstrates that:

The Compensation Committee is implementing the Company s pay-for-performance philosophy.

A substantial majority of the Named Executive Officers total direct compensation is performance-based.

A substantial majority of the Named Executive Officers performance-based compensation is paid in Company stock.

Table of Contents

A substantial portion of the Named Executive Officers total direct compensation is weighted towards a focus on long-term performance, because the compensation remains unrealized due to a combination of long-term performance cycles and vesting terms.

	Fiscal 2011 Base Salary	Retention Award(2)	Fiscal 2011 Annual Performance Cash Incentive	Fiscal 2011 One-Year Performance Shares(3)		Stock Options(4)		Fiscal Thr Perf Share
				Shares	Value	Shares	Value	Shares
ken								
	$ 1,000,000		$ 1,500,000(7)	84,789		262,074		
l	$ 1,000,000		$ 1,266,000	24,288	$ 599,428	89,106	$ 465,133	
zed				47,146	$ 1,163,563	172,968	$ 902,893	
	$ 600,000		$ 600,000	33,915		104,829		31,096
l	$ 600,000	$ 600,000	$ 506,400	9,715	$ 239,766	35,642	$ 186,051	30,520
zed				18,857	$ 465,391	69,187	$ 361,156	
	$ 700,000		$ 700,000	40,698		125,796		29,459
l	$ 700,000	$ 600,000	$ 583,100	11,658	$ 287,719	42,771	$ 223,265	28,914
zed				22,628	$ 558,459	83,025	$ 433,391	
Olli								
	$ 600,000		$ 600,000	20,349		62,898		21,276
l	$ 587,500(8)	$ 500,000	$ 506,400	5,829	$ 143,860	21,386	$ 111,635	20,882
zed				11,314	$ 279,230	41,512	$ 216,693	
	$ 550,000		$ 550,000	25,436		78,621		16,366
l	$ 550,000	$ 550,000	$ 386,100	7,286	$ 179,818	26,732	$ 139,541	16,063
zed				14,142	$ 349,025	51,889	$ 270,861	

(1) Actual-realized compensation is compensation that is vested (*i.e.*, no longer subject to forfeiture under the terms of the award) and actual-unrealized compensation is unvested (*i.e.*, subject to forfeiture under the terms of the award).

(2) The Compensation Committee approved retention agreements with Mss. Cooper and Fliegelman Olli and Messrs. Fischer and Gopal during fiscal year 2010 that provided for each executive to receive one or more cash payments under certain circumstances if the executive remained employed with the Company in fiscal year 2010 and fiscal year 2011, during the transition to a new Chief Executive Officer. Ms. Cooper s retention award was paid in equal installments on May 15, 2010 and October 15, 2010. The retention awards for Ms. Fliegelman Olli

and Messrs. Fischer and Gopal were paid on April 15, 2011. See Other Important Compensation Matters Retention Agreements, below.

(3) The actual realized value of the shares of the Company s Common Stock underlying the one-year and three-year performance share awards is based on the closing price of the Common Stock on May 10, 2011 ($24.68), the date the Compensation Committee issued the Common Stock underlying the awards.

(4) Stock option awards granted during fiscal year 2011 vest in approximately equal installments on the first three anniversaries of the date of grant (June 25, 2010). For purposes of providing an illustrative value of the options, the Company shows the difference between the Common Stock price on the June 25, 2010 date of grant ($19.46) and the Common Stock price on May 10, 2011 ($24.68), the date the Compensation Committee approved the payout for all long-term incentive awards for the fiscal year ended March 31, 2011. This illustrative value could differ from the actual value of the stock options on the dates on which the stock options actually vest.

(5) This table does not reflect the fiscal year 2011-2013 three-year performance shares that were awarded in fiscal year 2011, because they will not be issued until the conclusion of the three-year performance cycle on March 31, 2013, subject to attainment of the applicable performance goals.

(6) Because Mr. McCracken joined the Company as Chief Executive Officer in January 2010, after the commencement of the performance cycle, he was not eligible for an award of fiscal year 2009-2011 three-year performance shares.

(7) Mr. McCracken s annual performance cash incentive award target was increased from $1,250,000 to $1,500,000 for fiscal year 2011 in connection with the negotiation of Mr. McCracken s initial employment agreement as Chief Executive Officer of the Company.

(8) The weighting of Ms. Fliegelman Olli s fiscal year direct compensation was adjusted for fiscal year 2011 in recognition of the expansion of her role, including the addition of oversight of the Company s internal audit function. Ms. Fliegelman Olli s annual base salary and annual performance cash incentive were each increased from $550,000 to $600,000 and her target long-term incentive award was reduced from $1,300,000 to $1,200,000. Ms. Fliegelman Olli s actual realized salary reflects that her salary at the increased rate was in effect for part of fiscal year 2011.

Compensation Based on Fiscal Year 2011 Performance

Although fiscal year 2011 was a successful year, the Company achieved less than 100% of its aggressive target performance goals for the fiscal year 2011 annual performance cash incentive awards and the fiscal year 2011 one-year performance share awards. Based on Company performance over fiscal years 2009-2011 (which included fiscal year 2011 performance), the Company achieved 98.15% of the target performance goals for the fiscal year 2009-2011 three-year performance shares.

The following table shows for each of the Named Executive Officers the payout level with respect to compensation based entirely or partially on fiscal year 2011 performance. The table also shows that performance-based compensation relating to fiscal year 2011 was a substantial majority of the total direct compensation of the Named Executive Officers and that a substantial majority of performance-based compensation was delivered in the form of equity.

	Payout as a Percentage of Target				
Name	**FY 2011 Annual Performance Cash Incentive**	**FY 2011 1-Year Performance Shares**	**FY 2009-2011 3-Year Performance Shares**	**Performance-Based Compensation as a Percentage of Total Direct Compensation**	**Equity Compensation as a Percentage of Performance-Based Compensation**
W.E. McCracken(1)	84.4%	84.25%		85%	81%
N.E. Cooper	84.4%	84.25%	98.15%	69%	81%
G.J. Fischer	83.3%	84.25%	98.15%	71%	82%
A. Fliegelman Olli	84.4%	84.25%	98.15%	59%	72%
A.S. Gopal	70.2%	84.25%	98.15%	64%	81%

(1) Because Mr. McCracken became Chief Executive Officer in January 2010, after the commencement of the performance cycle, he was not eligible for an award of fiscal year 2009-2011 three-year performance shares.

The Named Executive Officers are required to satisfy stock ownership requirements, which are described later in this Proxy Statement under the caption Other Important Compensation Policies Affecting Named Executive Officers Executive Stock Ownership Requirements. For fiscal year 2011, the Named Executive Officers were in compliance with the applicable stock ownership requirements, except Mr. McCracken, who became Chief Executive Officer in January 2010. As a result, in accordance with the terms of the stock ownership requirements, Mr. McCracken is required to retain 75% of the after-tax value of the Company stock that he receives upon vesting of equity awards until he satisfies the stock ownership requirements.

Table of Contents

Realized and Unrealized Compensation

A substantial portion of the Named Executive Officers compensation in relation to fiscal year 2011 performance remains unrealized because it is subject to time-vesting and continued employment conditions. These vesting conditions strengthen the alignment of our Named Executive Officers compensation with stockholder value because the ability to realize the value remains at risk for a longer period. The graph below compares realized performance-based compensation and unrealized performance-based compensation for fiscal year 2011. Equity values shown on the graph are based on the closing price of the Company s Common Stock on May 10, 2011, the date the Compensation Committee approved the award of Common Stock underlying the fiscal year 2011 one-year performance share awards. The stock options shown as realized will not vest until June 25, 2011, the first anniversary of the date of grant, provided that the Named Executive Officer remains employed by the Company through the vesting date. For purposes of providing an illustrative value of the options, the Company shows the difference between the Common Stock price on the June 25, 2010 date of grant ($19.46) and the Common Stock price on May 10, 2011 ($24.68), the date the Compensation Committee approved the payout for all long-term incentive awards for the fiscal year ended March 31, 2011. This illustrative value could differ from the actual value of the stock options on the dates on which the stock options actually vest.

Table of Contents

How Compensation is Set and Determined

Consistent with the Company s pay-for-performance compensation philosophy, in determining compensation for the Named Executive Officers, the Compensation Committee has adopted the fundamental principles described below. The Compensation Committee determines the appropriate strategy to incorporate these principles in our Named Executive Officers compensation program, and seeks to achieve the outcomes described below.

Table of Contents

Principle	Strategy	Outcome
Support a performance-based culture	Annually assess and appropriately reward executive performance against short-term and long-term financial, operating and strategic goals.	Attract and retain talented senior executives whose judgment is vital to the continued success of the Company.
Adopt a total rewards holistic view	Promote the various components of an employment experience including compensation, benefits, perquisites and career development.	Deliver stockholder return. Incentivize executives to provide strong financial results.
Include substantial portion of at-risk compensation	Set aggressive levels of performance-based compensation only to be paid when financial, strategic and operational criteria are achieved. Establish alignment of a substantial portion of our executives compensation to the Company s financial, strategic and operational performance.	Engage and incentivize executives to achieve short-term and long-term goals. Ensure business is conducted in an ethical manner.
Ensure appropriate compensation component mix	Balance the base salary, annual performance cash incentive, and long-term incentive compensation components of an executive s overall compensation package to the competitive market.	
Align to Company strategy	Annually review, assess, and implement change needed to ensure that the executive compensation program aligns with the Company s short-term and long-term strategy.	
Align with stockholders interests	Establish programs and policies that are transparent and meet governance and fiduciary commitments to our stockholders. Design programs that seek to deliver stockholder return. Deliver a substantial portion of compensation in stock. Maintain executive stock ownership requirements.	
Mitigate excessive risk taking	Compensation Committee has discretion to reduce any annual performance cash incentive or performance share award for any	

reason, including the quality and long-term strategic alignment of the results underlying the achievement of performance goals. Mandatory reduction of annual performance cash incentive for failure to complete annual ethics training. Claw back compensation in the case of substantial Company financial restatements as a direct result of intentional misconduct or fraud.

The process for determining compensation for our Named Executive Officers involves a three-tier review that includes:

- recommendations from the Chief Executive Officer and the Chief Human Resources Officer regarding each Named Executive Officer other than the Chief Executive Officer;
- recommendations from the Company s independent compensation consultant, Towers Watson; and
- approval by the independent Compensation Committee.

The Role of the Compensation Committee

The responsibilities of the Compensation Committee are set forth in the Compensation Committee s charter, which is available on our website at investor.ca.com. The Compensation Committee:

- develops an executive compensation philosophy and objectives and establishes principles to guide the design and select the components of executive compensation;
- approves the amount and the form of compensation, as well as the other terms of employment, of the Company s executive officers (as defined in the applicable SEC regulations), including the Chief Executive Officer and the other Named Executive Officers; and
- recommends to the Board approval of all executive compensation plans and programs.

The Compensation Committee may delegate its authority to one or more members or subcommittees, when deemed appropriate. The Compensation Committee consists entirely of directors who are independent as described in applicable NASDAQ rules and the Company s Corporate Governance Principles.

The Compensation Committee, together with independent members of the Board of Directors, oversees the performance of the Chief Executive Officer. The Compensation Committee also oversees executive management development and succession planning.

The Compensation Committee meets regularly in executive session, without management present. The Compensation Committee reports to the full Board at each regular Board meeting.

The Compensation Committee considers the Company s performance and each executive s individual contribution, experience and potential when evaluating compensation data. The Compensation Committee considers this data in establishing target total direct compensation opportunities for our Named Executive Officers and Executive Management Team, which is generally targeted to be within the 50th to 75th percentiles of compensation of executives in the selected compensation benchmarking group (as described below under Use of Compensation Benchmarking Data). After taking these factors, and the principles and strategies described above, into account, the Compensation Committee exercises its judgment in making compensation decisions.

The Compensation Committee also determines the form in which the compensation will be paid *i.e.*, cash or equity and determines the form of equity, including stock options, stock appreciation rights, restricted stock, restricted stock units or performance shares. In each year, including fiscal year 2011, the Compensation Committee approves a compensation program that it believes: (1) incorporates a well-balanced mix of short-term and long-term incentives and cash and non-cash components; (2) links pay to the achievement of goals that are tied to our strategic, operational and financial performance; and (3) helps achieve the objectives of our compensation policies that are described elsewhere in this Compensation Discussion and Analysis.

Table of Contents

The Role of the Compensation Consultant

During fiscal year 2011, the Compensation Committee engaged Towers Watson as its independent executive compensation consultant. Towers Watson provided the Compensation Committee with the following services:

- Advised with respect to the design, form, components and amounts of compensation for executive officers;
- Advised on the appropriate composition of the Company s compensation benchmarking group;
- Advised with respect to compensation arrangements for new executive hires;
- Reviewed the Company s current compensation programs and opined on whether those programs were competitive and well-balanced;
- Reviewed and advised with respect to market trends, regulatory issues and developments and their potential effect on executive compensation programs;
- Consulted with the Compensation Committee on appropriate performance metrics for the annual performance cash incentive and long-term incentive awards; and
- Advised on proxy disclosure rule changes related to compensation policies and programs.

The terms on which the Compensation Committee engages Towers Watson to perform work are set forth in a formal agreement containing a description of the scope of Towers Watson s services. The Compensation Committee engaged Towers Watson based on its experience, expertise and familiarity with the Company. A representative of Towers Watson usually attends sessions of the Compensation Committee that deal with executive compensation matters. In addition, management also works with Towers Watson at the direction of the Compensation Committee to prepare materials with respect to market data and best practices for the Compensation Committee s consideration when making compensation decisions.

The Role of Executive Management

The Compensation Committee considers the views and insights of the Chief Executive Officer and the Chief Human Resources Officer in making compensation decisions for Named Executive Officers and other executives. The Compensation Committee believes that the input of these executive officers with respect to the business environment, the Company s competitive status in various business areas, and the attributes and performance of individual executives is an essential component of the Compensation Committee s process. No executive officer provides any recommendation regarding the determination of his or her own compensation.

In fiscal year 2011, the Chief Executive Officer and the Chief Human Resources Officer made recommendations to the Compensation Committee with regard to each executive officer s base salary levels and individual incentive compensation targets (*i.e.*, annual performance cash incentive target and long-term incentive award target amounts), based on each executive s experience, role, potential and performance. The recommendations of the Chief Executive Officer and the Chief Human Resources Officer were then reviewed by the Compensation Committee with the assistance of Towers Watson.

Other executives who have a role in the Compensation Committee s process include the Company s Chief Financial Officer and its Corporate Controller (principal accounting officer), who both certified the level of attainment of the pre-established financial performance goals for the annual and long-term incentive components of the fiscal year 2011 compensation program. Based on the input of those officers, the Compensation Committee approved the level of attainment of the performance goals and the payouts based on that level of attainment. The final assessment of an executive s performance regarding the line-of-sight metric for executive officers, which included Mr. Gopal, was determined by the Chief Executive Officer.

Table of Contents

Use of Compensation Benchmarking Data

To design and determine the amount and mix of compensation payable to the Company s executive officers, including the Named Executive Officers, the Compensation Committee, with the assistance of Towers Watson, annually reviews a variety of data, including competitive market data for the most comparable positions at a sample of other companies that the Company often refers to as its peer group. Using a methodology recommended by Towers Watson, and with their assistance, the Compensation Committee selected a competitive benchmarking group that included the following attributes:

Companies in the industry in which the Company s business competes (i.e., systems software);

Companies in other similar technology industries (e.g., applications software, IT services, computer storage and peripherals, etc.) in which the Company competes for executive talent;

A sample of companies of these types that has median revenues that approximate the Company s revenue, since revenue size is considered by compensation consultants to have a high correlation with the scale and complexity of a business, which often dictates compensation levels; and

A company sample size that is sufficiently robust to offer a reasonable measure of statistical integrity.

The Compensation Committee selected the following companies for the competitive benchmarking group for fiscal year 2011:

Fiscal Year 2011 Compensation Benchmarking Group

Adobe Systems Incorporated	Compuware Corporation	QUALCOMM Incorporated*
Autodesk, Inc.	EMC Corporation*	salesforce.com, inc.*
Automatic Data Processing, Inc.*	Intuit Inc.	Seagate Technology plc*
BMC Software, Inc.	Juniper Networks, Inc.*	Sybase, Inc.*
Cadence Design Systems, Inc.	McAfee, Inc.	Symantec Corporation
Citrix Systems, Inc.	Microsoft Corporation*	Unisys Corporation*
Computer Sciences Corporation*	Oracle Corporation*	VMware, Inc.*

* Denotes a company that was added to the group for fiscal year 2011.

In balancing the attributes sought for the competitive benchmarking group, the Compensation Committee removed Acxiom Corporation, Novell, Inc. and Verisign, Inc. for fiscal year 2011.

Table of Contents

Elements of Compensation

The elements of regular compensation for the Company s Named Executive Officers for fiscal year 2011 were base salary, annual performance cash incentive compensation, long-term incentive compensation, broad-based employee benefit programs and limited perquisites. The following table briefly summarizes these elements of compensation, which are described in greater detail elsewhere in this Compensation Discussion and Analysis section.

TOTAL DIRECT COMPENSATION (Generally targeted between the 50th and 75th percentiles of compensation benchmark group)					TOTAL INDIREC COMPENSATION
Cash Compensation		Equity Compensation (Long-Term Incentive Awards)			All Other Compensation
ase Salary	Annual Performance Cash Incentive -At Risk-	Stock Options -At Risk-	1-Year Performance Shares -At Risk-	3-Year Performance Shares -At Risk-	Benefits & Perquisites
rpose:	**Purpose:**	**Purpose:**	**Purpose:**	**Purpose:**	**Purpose:**
o provide a mpetitive se level of ked mpensation cognizing the ecutive s sponsibilities, ills, and ntributions.	To recognize an executive s contributions in achieving the current fiscal year s goals.	To provide motivation to deliver stock price growth to stockholders.	To provide motivation to deliver on pre-established annual goals with payout that aligns to stockholder value.	To provide motivation to deliver on pre-established long-term goals that align to stockholder value.	To aid in the attractio of executives by providing a limited number of personal benefits allowing greater focus on business matters and increased productivit
escription:	**Description:**	**Description:**	**Description:**	**Description:**	**Description:**
ase salaries e reviewed nually by the mpensation mmittee.	A cash bonus. Paid only if current fiscal year goals are achieved. Cash incentive targets are established annually by the Compensation Committee. The Compensation Committee retains complete discretion to limit any award payouts.	A time-based equity award that will have value to grantee only if the stock price appreciates. 34% of the shares vest on the first anniversary of the option grant date and the additional 33% of the shares	A performance-based equity award in recognition of achievement of pre-established annual performance goals. 34% of the shares vest on the date of grant (*i.e.*, after the 1-year performance cycle goals are certified) and an additional 33% of the shares vest on each of the first and second anniversaries	A performance-based equity award in recognition of achievement of pre-established performance goals over a 3-year performance cycle. 100% of the shares vest on the date of grant (*i.e.*, after the 3-year performance cycle goals are certified). The Compensation	*E.g.*, retirement benefits; deferred compensation plan; relocation-alternative housing and transportation arrangements; personal use of Company transportation; severance benefits; supplemental change in control benefits; and financial planning.

vest on each of the second and third anniversaries of the option grant date.	of the stock grant date. The Compensation Committee retains complete discretion to limit any award payouts.	Committee retains complete discretion to limit any award payouts.

37

Table of Contents

The chart below further illustrates that the most significant portion of the Named Executive Officers compensation that was paid or earned in respect of fiscal year 2011 is based on Company performance, with approximately 85% of the Chief Executive Officer s total compensation and approximately 79% of the other Named Executive Officers total compensation being based on Company performance.

Performance-Based Compensation

The Company maintains a pay-for-performance compensation philosophy. The underlying principle of this philosophy is that executives should be compensated in a manner that will align executive compensation with stockholder interests and share price growth. Consistent with this philosophy, the Company has allotted the most substantial portion of Named Executive Officers compensation to Company stock. In addition, the Company s performance-based compensation program includes an annual performance cash incentive and long-term incentive awards that are intended to satisfy the requirements under Section 162(m) of the Internal Revenue Code (see Other Important Compensation Policies Affecting Named Executive Officers Tax Deductibility of Performance-Based Compensation, below).

Fiscal Year 2011 Annual Performance Cash Incentive Awards

The annual performance cash incentive award is an opportunity granted to an executive at the beginning of a fiscal year to earn an amount of cash after the end of the fiscal year, based on the level of attainment of financial, operational and strategic performance goals to be achieved during the fiscal year.

The following performance metrics for the fiscal year 2011 annual performance cash incentive awards were approved by the Compensation Committee at the beginning of the fiscal year 2011 performance cycle:

> ***Operating Income:*** SEC-disclosed income from continuing operations before interest and income taxes for fiscal year 2011, plus: (1) SEC-disclosed restructuring charges that were incurred during fiscal year 2011; and (2) SEC-disclosed non-GAAP operating adjustments, including, but not limited to, purchased software amortization, intangibles amortization, share-based compensation, and hedging adjustments.
>
> ***Revenue Growth:*** Growth in SEC-disclosed total revenue for fiscal year 2011, excluding the impact of foreign currency exchange.

The Operating Income and Revenue metrics exclude: (1) SEC-disclosed results from discontinued operations (adjusting the payout schedule to remove the effect of the discontinued operations from both actual and projected financial results); and (2) internally reported results from any acquisition that is included in SEC-disclosed results as a purchase transaction during fiscal year 2011 and that was not contemplated at the time the target performance goals were established.

> ***Line-of-Sight:*** Delivery by the Company s Technology and Development Group of a list of products specified at the beginning of the performance cycle as being important to producing new license agreement sales. The products must be delivered: (1) by the scheduled delivery date; (2) with the specified features and functionality; and (3) to the specified locations, including appropriate localization. If all products are determined by the Company s Executive Management Team to have been delivered as specified, the payout for this metric is 100%; otherwise the payout is 0%.

Fiscal year 2011 was the first year that the Compensation Committee decided to link the annual performance cash incentive to functional area performance goals in addition to financial metrics. This approach is intended to hold functional area executives accountable not only for the financial performance of the Company, but also for the operating performance of the businesses they directly oversee. The annual performance cash incentive award metrics included three distinct categories: (1) Corporate; (2) Worldwide Sales; and (3) Technology and Development.

Mr. McCracken and Mss. Cooper and Fliegelman Olli were assigned to the Corporate category, whose performance measures were weighted 60% on revenue growth and 40% on operating income. These executives were assigned to this category because this category is more closely aligned with the Company s overall business plan for fiscal year 2011, which is consistent with their overall corporate responsibilities. Mr. Fischer, as Executive Vice President and Group Executive, Worldwide Sales and Operations, was assigned to the Worldwide Sales category, which had performance measures with a higher weighting of 70% on revenue growth and a lower weighting of 30% on operating income, because he leads our sales team, which is primarily focused on increasing sales. This higher revenue-growth weighting for the Worldwide Sales category aligns with the Company s

Table of Contents

view that its sales team should be focused on engaging the market in a manner that will increase revenue year over year. In addition, and in line with our growth strategy, the Compensation Committee determined that Mr. Gopal, Executive Vice President, Technology and Development, should be assigned to the Technology and Development category, with performance measures weighted 65% on revenue growth, 20% on operating income, and 15% on line-of-sight performance metrics that were directly tied to product delivery, features, functionality and localization.

Determining Annual Performance Cash Incentive Award Payouts

At the end of fiscal year 2011, the Compensation Committee reviewed the Company s actual performance against both the financial goals and the line-of-sight performance goals. Although threshold performance results (*i.e.*, the results required to pay the minimum annual performance cash incentive awards) were achieved, the Company did not attain the targeted performance goals at 100%. The Compensation Committee discussed these results with the Chief Executive Officer, including the level of difficulty in achieving the targeted performance goals for fiscal year 2011. The Compensation Committee determined that the annual performance cash incentive awards would be paid out at actual formulaic attainment of the performance goals, and that the Compensation Committee would not exercise its discretion to reduce the payouts below the core plan level. For additional information, please see Other Important Compensation Policies Affecting Named Executive Officers Tax Deductibility of Performance-Based Compensation, below.

The table below shows the relationship of Company or individual performance against the performance goals to the level of attainment of the applicable performance goal, which is the formulaic basis for the payout of the annual performance cash incentive awards. The following performance metrics were applicable to the fiscal year 2011 annual performance cash incentive awards for the following Named Executive Officers:

Corporate Performance Metrics: Mr. McCracken and Mss. Cooper and Fliegelman Olli.

Worldwide Sales Group Performance Metrics: Mr. Fischer.

Technology and Development Group Performance Metrics: Mr. Gopal.

	Relationship of Performance to Payout (dollars in millions)								**Target Awar**
Metrics (Core Plan)	**Threshold**		**Target**		**Maximum**				
	Perf. Goal	**Payout (%)**	**Perf. Goal**	**Payout (%)**	**Perf. Goal**	**Payout (%)**	**Actual Performance**	**Payout Percentage Credited**	**Plan Weight of Resul**
ome	$ 1,444	25%	$ 1,527	100%	$ 1,700	200%	$ 1,498	91%	40%
vth	3.0%	25%	6.0%	100%	9.9%	200%	4.3%	80%	60%

Factor

ales Group	**Perf. Goal**	**Payout (%)**	**Perf. Goal**	**Payout (%)**	**Perf. Goal**	**Payout (%)**	**Actual Performance**	**Percentage Credited**	**Weight of Resul**
ome	$ 1,444	25%	$ 1,527	100%	$ 1,700	200%	$ 1,498	91%	30%

vth	3.0%	25%	6.0%	100%	9.9%	200%	4.3%	80%	70%

Factor

nd Group	Perf. Goal	Payout (%)	Perf. Goal	Payout (%)	Perf. Goal	Payout (%)	Actual Performance	Percentage Credited	Weight of Resul
ome	$ 1,444	25%	$ 1,527	100%	$ 1,700	200%	$ 1,498	91%	20%
vth	3.0%	25%	6.0%	100%	9.9%	200%	4.3%	80%	65%
	N/A		N/A		N/A		N/A	0%	15%

Factor

A reconciliation of non-GAAP financial measures in the above table to comparable GAAP financial measures is included in Supplemental Financial Information, below.

Fiscal Year 2011 Long-Term Incentive Awards

Consistent with the Company s fundamental pay-for-performance compensation philosophy, the Company allocates a substantial portion of its executive compensation to performance-based equity awards in the form of Company stock so that our executives interests are aligned with our

Table of Contents

stockholders interests. For fiscal year 2011, the total target value of each Named Executive Officer s long-term incentives consisted of 34% stock options, 33% one-year performance share awards and 33% three-year performance share awards.

* The one-year performance share component is being replaced beginning with the transition in fiscal year 2012. See Compensation Philosophy and Plan Design Performance-Based Compensation Developments Replacement of One-Year Performance Share Component, above.

Stock Options

In fiscal year 2011, 34% of the targeted total value of each Named Executive Officer s long-term incentive award was granted in stock options. The stock options were granted at the beginning of fiscal year 2011 and vest 34% on the first anniversary of the grant date of June 25, 2010 and 33% on each of the second and third anniversaries of the grant date (provided the executive remains employed through the respective vesting dates). The objective of the stock option grants and the three-year vesting schedule is to align the interests of our executives with the long-term performance of our stock price and the interests of our stockholders. The stock options have a term of seven years.

Fiscal Year 2011 One-Year Performance Share Awards

In fiscal year 2011, 33% of the targeted total value of each Named Executive Officer s long-term incentive award was granted in the form of one-year performance share awards that are settled in shares of Common Stock. The shares are issued on the date the Compensation Committee certifies the attainment of performance goals for the one-year performance cycle, with 34% of the shares being delivered unrestricted and the remainder vesting 33% on each of the first and second anniversaries of the date of issuance (provided the executive remains employed through the

Table of Contents

respective vesting dates). The objective of the one-year performance share awards was to align the interests of the Company s executives with the long-term performance of the Company s stock price and the interests of our stockholders and to promote retention. The performance metrics for the one-year performance share awards were weighted as follows for each of the Named Executive Officers: 50% on revenue growth, 25% on operating income and 25% on cash flow from operations.

The following describes the performance metrics for the fiscal year 2011 one-year performance share awards as approved by the Compensation Committee at the beginning of the performance cycle:

Operating Income: As defined under Fiscal Year 2011 Annual Performance Cash Incentive Awards, above.

Revenue Growth: As defined under Fiscal Year 2011 Annual Performance Cash Incentive Awards, above.

Cash Flow From Operations **(CFFO):** SEC-disclosed net cash provided by continuing operations for fiscal year 2011, plus restructuring and other payments for fiscal year 2011 as reported in the Company s fourth quarter fiscal year 2011 Supplemental Financials provided at investor.ca.com; excluding (1) SEC-disclosed results from discontinued operations (and adjusting the payout schedule to remove the effect of the discontinued operations from both actual and projected financial results); and (2) internally reported results from any acquisition that is included in SEC-disclosed results as a purchase transaction during fiscal year 2011 and that was not contemplated at the time the targets were established.

Determining Payout of Fiscal Year 2011 One-Year Performance Share Awards

At the end of fiscal year 2011, the Compensation Committee reviewed the Company s actual performance against the performance measures established at the beginning of fiscal year 2011 for the one-year performance share awards. Although threshold performance results (*i.e.*, the results required to pay the minimum one-year performance share awards) were achieved, the Company did not attain the targeted performance goals at 100%. The Compensation Committee discussed these results with the Chief Executive Officer, including the level of difficulty in achieving the targeted performance goals for fiscal year 2011. The Compensation Committee determined that the one-year performance share awards would be paid out at actual formulaic attainment of the performance goals, and that the Compensation Committee would not exercise its discretion to reduce the payouts below the core plan level.

	Relationship of Performance to Payout (dollars in millions)							T
	Threshold		Target		Maximum			
ear	Perf.	Payout	Perf.	Payout	Perf.	Payout	Actual	Payou Percent
formance Metrics (Core Plan)	Goal	(%)	Goal	(%)	Goal	(%)	Performance	Credit
	$ 1,444	25%	$ 1,527	100%	$ 1,700	200%	$ 1,498	91%
	3.0%	25%	6.0%	100%	9.9%	200%	4.3%	80%
	$ 1,389	25%	$ 1,484	100%	$ 1,610	200%	$ 1,439	86%

A reconciliation of non-GAAP financial measures in the above table to comparable GAAP financial measures is included in Supplemental Financial Information, below.

Fiscal Year 2009-2011 Three-Year Performance Share Awards

Except for Mr. McCracken, who became Chief Executive Officer in January 2010, after the Compensation Committee granted the fiscal year 2009-2011 three-year performance shares, the Named Executive Officers long-term incentive award for fiscal years 2009-2011 was granted in fiscal year 2009 in the form of three-year performance shares to be settled by the issuance of unrestricted shares of Common Stock at the conclusion of the three-year performance cycle ended March 31, 2011, based on the Company s performance for that three-year performance cycle. The awards were settled after the Compensation Committee certified the level of attainment of the performance goals established at the beginning of the performance cycle. The objective of the three-year performance share awards was to align the interests of executives with the long-term performance of the Company s stock price and the interests of our stockholders and to promote retention of the Named Executive Officers. The performance metrics for the three-year performance share awards for all of the Named Executive Officers were weighted: 50% on average three-year revenue growth and 50% on average three-year growth in cash flow from operations. These three-year performance shares were granted to the Executive Management Team, which includes the Named Executive Officers, because the Compensation Committee believed that members of the Executive Management Team are principally responsible for leading the execution of the Company s long-term strategy.

The following describes the performance metrics for the fiscal year 2009-2011 three-year performance cycle, which concluded on March 31, 2011, which were approved by the Compensation Committee at the beginning of the performance cycle:

Average Three-Year Revenue Growth: Average growth in SEC-disclosed total revenue for fiscal years 2009, 2010 and 2011, excluding the impact of foreign currency exchange.

Average Three-Year Adjusted CFFO Growth: Average growth in SEC-disclosed net cash provided by continuing operating activities for fiscal years 2009, 2010 and 2011, plus restructuring and other payments as reported in the Company s Supplemental Financials for those years provided at investor.ca.com.

Determining Payout of Fiscal Year 2009-2011 Three-Year Performance Share Awards

At the end of fiscal year 2011, the Compensation Committee reviewed the Company s actual performance against the performance measures established at the beginning of fiscal year 2009 for the fiscal year 2009-2011 three-year performance share awards. The Compensation Committee discussed the results with the Chief Executive Officer, including the degree and level of difficulty in achieving the targeted performance goals. The Compensation Committee determined that the three-year performance share awards would be paid out at actual formulaic attainment of the performance goals, and that it would not exercise its discretion to reduce the awards.

	Relationship of Performance to Payout (dollars in millions)							**Target Award**	
	Threshold		**Target**		**Maximum**				
009-2011 Three-Year Shares Performance Metrics	**Perf. Goal**	**Payout (%)**	**Perf. Goal**	**Payout (%)**	**Perf. Goal**	**Payout (%)**	**Actual Performance**	**Payout Percentage Credited**	**Plan Weighti of Result**
evenue Growth	2.0%	25%	4.0%	100%	6.0%	200%	2.7%	60.6%	50%
dj. CFFO Growth	0.0%	25%	5.1%	100%	9.6%	200%	6.2%	135.7%	50%
'actor									

A reconciliation of non-GAAP financial measures in the above table to comparable GAAP financial measures is included in Supplemental Financial Information, below.

Fiscal Year 2011-2013 Three-Year Performance Share Awards

At the beginning of fiscal year 2011, the Compensation Committee awarded fiscal year 2011-2013 three-year performance shares. The Compensation Committee established the performance metrics as average three-year growth in: revenue, operating income and cash flow from operations in constant currency over the performance cycle consisting of fiscal years 2011, 2012 and 2013. Subject to the similar exclusions described above with respect to the fiscal year 2011 annual performance cash incentive and one-year performance share awards, the performance metrics are weighted: 50% on average three-year revenue growth, 25% on average three-year operating income growth and 25% on average three-year cash flow from operations growth. The fiscal year 2011-2013 three-year performance shares comprise 33% of the targeted total value of each executive s fiscal year 2011 long-term incentive award. The three-year performance share awards are to be settled in the form of shares of Common Stock, which will be issued only after the Compensation Committee certifies the level of attainment of the applicable performance goals. The objective of the three-year performance share awards is to align the interests of the executives with the long-term performance of the Company s stock price and the interest of our stockholders, and to promote retention of the Named Executive Officers. The fiscal year 2011-2013 three-year performance shares were granted to the Executive Management Team, which includes Named Executive Officers, because the Compensation Committee believes that members of the Executive Management Team are principally responsible for leading the execution of the Company s long-term strategy.

The number of shares of Common Stock underlying fiscal year 2011-2013 three-year performance shares that the Named Executive Officers may earn is reflected in the Estimated Future Payouts under Equity Incentive Plan Awards column of the Fiscal Year 2011 Grants of Plan-Based Awards table, below. Because the three-year performance cycle ends with fiscal year 2013, the results for that performance cycle are not yet available and no payout will occur until after fiscal year 2013. The financial objectives for the fiscal year 2011-2013 three-year performance cycle reflected our internal, confidential business plan at the time the awards were established. At the time the fiscal year 2011-2013 three-year performance objectives were formulated, there was a substantial degree of difficulty with respect to achieving those objectives, since the threshold payout level would require performance above the level of our results for the fiscal year that ended immediately prior to the beginning of the three-year performance cycle.

Other Important Compensation Policies Affecting Named Executive Officers

Compensation Committee Discretion to Reduce Performance-Based Award Payouts

The Compensation Committee retains discretion to reduce the amount of any incentive compensation payout (including annual performance cash incentive and performance share awards) for any reason, including the results of the Compensation Committee s review of the basis on which the performance goals were achieved. This review includes an examination of, among other things, the quality and long-term strategic alignment of the performance underlying the attainment of the performance goals, as well as the long-term risks associated with the manner in which the performance goals were attained.

Executive compensation is also tied to the ethical standards of the Company. A failure to complete annual ethics training results in a mandatory 10% reduction of an executive s annual performance cash incentive. Moreover, in determining whether to exercise additional discretion to reduce payouts on the basis of issues relating to ethical standards, the Compensation Committee considers each executive s contribution to the establishment and maintenance of high ethical and compliance standards throughout his or her organization and, in general, throughout the Company. Management also notifies the Compensation Committee of any incidents or reports of unethical behavior or other misconduct. No reductions were made to any Named Executive Officer s annual performance cash incentive for ethical or other reasons with respect to payouts made for fiscal year 2011.

Policy on Adjustments or Recovery of Compensation

In April 2007, the Compensation Committee approved a compensation recovery (claw back) policy that is applicable in the event of a substantial restatement of our financial statements that is a direct result of the intentional misconduct or fraud of an executive officer or other senior executive. Under this policy, the Compensation Committee can, in its discretion, direct that we recover all or a portion of any award (which includes any cash or equity-based award or incentive compensation award) made to any executive officer or other senior executive who engaged in such intentional misconduct and/or fraud for any fiscal year that is negatively affected by such restatement. The amount the Compensation Committee can seek to recover is the amount by which the affected award exceeds the amounts that would have been payable to such person had the financial statements been initially filed as restated, or any greater or lesser amount (but not greater than the entire affected awards in the given period). The Compensation Committee will determine how we may recover this compensation, including by seeking repayment, reduction of any potential future

payments and/or an adjustment of what otherwise might have been a future increase in compensation or a compensatory grant.

Tax Deductibility of Performance-Based Compensation

Section 162(m) of the Internal Revenue Code limits the annual deductibility of compensation in excess of $1 million paid to the Chief Executive Officer and to the other three highest-paid executive officers (other than the Chief Financial Officer) unless this compensation qualifies as performance-based. For purposes of Section 162(m), compensation derived from the exercise of stock options generally qualifies as performance-based. In addition, we generally intend that incentive compensation paid in cash or in the form of restricted stock, restricted stock units or performance shares should qualify as performance-based and we believe that, for fiscal year 2011, incentive compensation paid to the Named Executive Officers in cash and equity qualified as performance-based. However, the Compensation Committee retains discretion to approve or revise annual, long-term or other compensation arrangements in a manner that does not permit the compensation to qualify for tax deductibility under Section 162(m).

The Compensation Committee redesigned the operation of the Company s annual performance cash incentive and long-term incentive plan beginning with awards made in fiscal year 2011. The redesigned plan is intended to give the Compensation Committee additional flexibility in the payout of awards by preserving discretion with respect to the achievement of specific goals while also satisfying the requirements of Section 162(m) of the Internal Revenue Code regarding the deductibility of performance-based compensation. Under the new design, at the beginning of the performance cycle for an award, the Compensation Committee:

Establishes a maximum plan funding level that reflects the maximum amounts of cash or stock that may be payable upon achievement of performance goals to be established;

Establishes a core plan funding level that reflects the expected payout of the awards upon achievement of performance goals to be established, which payout is lower than the maximum plan funding level; and

Establishes the performance metrics and objective performance goals relating to each award, reflecting anticipated payout levels that are below the maximum plan funding levels.

After completion of the performance cycle and certification of the extent to which the performance goals were achieved, the awards are determined under the maximum plan funding level based on the certified extent of achievement. The Compensation Committee then considers other factors relating to the manner in which the performance goals were attained, including the effect of events that were unforeseeable when the performance goals were established, and the Compensation Committee may exercise its discretion to pay out the awards at a lower level than the maximum plan. After the Compensation Committee s evaluation of these matters for the performance relating to the fiscal year 2011 annual performance cash incentive and the fiscal year 2011 one-year performance shares, the Compensation Committee exercised its discretion to pay out the awards at the core plan funding level.

Executive Stock Ownership Requirements

The objective of our Executive Stock Ownership Requirements is to align senior executives interests with those of stockholders and encourage growth in stockholder value. Our Executive Stock Ownership Requirements are applicable to a group of executives that includes the Named Executive Officers.

Under the Executive Stock Ownership Requirements, the amount of Common Stock each executive is required to own, which is stated as a multiple of the executive s base salary, reflects each executive s role and level of responsibility at the Company. The multiples applicable to the Named Executive Officers are as follows: (i) Chief

Executive Officer four times, (ii) the Chief Financial Officer three times and (iii) the other Named Executive Officers two times. A Named Executive Officer may dispose of shares of Company stock only so long as the Named Executive Officer s remaining ownership of Company stock equals or exceeds the applicable stock ownership requirement. If a Named Executive Officer is not in compliance with the applicable stock ownership requirement, the Named Executive Officer must maintain a minimum retention ratio of 75% of the after tax value of any Company stock that the Named Executive Officer receives upon vesting of any Company incentive award. Additionally, the Compensation Committee may, among other things, elect to reduce future equity awards or require cash incentives to be paid in shares of Company stock for executives who do not meet the minimum stock ownership requirement.

Other Important Compensation Matters

Effect of Termination of Employment on Performance-Based Compensation

If an executive s employment terminates prior to the end of the applicable performance cycle, the executive generally ceases to be eligible for any portion of his or her performance-based award. However, certain executive contracts may provide for the executive whose employment terminates prior to payout to be paid a prorated portion of his or her annual performance cash incentive bonus after the end of the performance cycle, based on the actual attainment of applicable performance goals. In addition, consistent with the terms of our long-term incentive awards, unless otherwise provided in an executive s employment contract, an executive forfeits any unvested one-year performance share awards and is entitled to receive a prorated portion of any three-year performance shares, to be paid out at the end of the performance cycle, based on actual performance of the Company. Unless otherwise provided in an executive s employment contract, an executive forfeits unvested stock options upon termination of employment. In addition, if employment is terminated due to disability or by the Company without cause, an executive may be eligible for a prorated portion of the award after the performance cycle based on the Company s actual performance. In the event of the executive s death, the executive s estate would receive a prorated portion of the target award only with respect to three-year performance share awards (based on the portion of the period completed through the date of death). All termination terms are also subject to the Compensation Committee s discretion. For further information please see Other Compensation Arrangements Provided to Our Named Executive Officers, below.

Employment Agreements

Three of the Named Executive Officers Mr. McCracken and Mss. Cooper and Fliegelman Olli have employment agreements with the Company. In each of these cases, the use of an employment agreement was deemed to be necessary to recruit or retain the executive. Generally, these employment agreements provide for severance equal to one year s base salary upon a termination of employment without cause or a resignation for good reason (each as defined in the respective agreement), although this can vary depending on specific circumstances.

Mr. Fischer does not have an employment agreement. Mr. Fischer is an at-will employee. The terms of Mr. Fischer s severance are subject to the CA, Inc. Severance Plan, which provides for two weeks pay for each year of service, not to exceed 52 weeks. Mr. Gopal, whose employment at the Company terminated on May 20, 2011, was hired as an at-will employee in 2006. His employment offer letter stipulated that he was entitled to a severance payment equal to his base salary if he were terminated by the Company without cause. In connection with his termination of employment, the Company paid Mr. Gopal a cash severance payment pursuant to the terms of his offer letter. Mr. Gopal also received accelerated vesting with respect to 45,000 restricted shares granted to him in connection with special retention awards. See Estimated Payments in the Event of Termination of Employment or Following a Change in Control, below, for additional information.

Deferred Compensation Plan

The Company maintains an Executive Deferred Compensation Plan, under which our executive officers, including the Named Executive Officers, may be eligible to defer a portion of their annual performance cash incentive. In addition, upon Ms. Cooper s hiring in 2006, the Company credited certain amounts to a deferred compensation account for her benefit to compensate for retirement and other benefits that were being forfeited with her prior employer.

Change in Control Severance Policy

Our Change in Control Severance Policy is intended to maintain continuity of management in the event of a change in control. The Compensation Committee has broad latitude to amend this policy and to add or remove executives as participants under the policy, as it deems appropriate. In fiscal year 2011 the Compensation Committee determined that it will not enter into any new or materially amended agreements with executive officers providing for excise tax gross-up provisions with respect to payments contingent upon a change in control. For additional information about the Change in Control Severance Policy, please see Other Compensation Arrangements Provided to Our Named Executive Officers Change in Control Severance Policy, below.

Retention Agreements

During fiscal year 2010, the Company entered into retention agreements with Mss. Cooper and Fliegelman Olli and Messrs. Fischer and Gopal. The purpose of these agreements was to retain key members of senior management during the transition from the former Chief Executive Officer, the search for a new Chief Executive Officer and the initial period of employment of a new Chief Executive Officer by providing those executives with the opportunity to earn one or more cash payments generally equivalent in the aggregate to a year s base salary should the executives remain employed through the Chief Executive Officer transition period from fiscal year 2010 into fiscal year 2011. Each executive would receive the retention award payment only if, prior to a milestone date in fiscal year 2011, the executive s employment did not terminate for any reason other than termination without cause or resignation for good reason or, in some instances, the Company s non-renewal of the executive s employment agreement.

Ms. Cooper s retention award agreement provided for two cash payments of $300,000 each payable on May 1, 2010 and October 1, 2010, provided that her employment did not terminate before October 1, 2010. Ms. Cooper s retention award was paid in on May 15, 2010 and October 15, 2010. The retention award agreements for Messrs. Fischer and Gopal and Ms. Fliegelman Olli provided for cash payments of $600,000, $550,000 and $500,000, respectively, payable on April 1, 2011, provided their employment did not terminate prior to April 1, 2010. The retention awards for Ms. Fliegelman Olli and Messrs. Fischer and Gopal were paid on April 15, 2011.

In addition, the Compensation Committee also approved as a term of the retention award agreements for Messrs. Fischer and Gopal, who did not have employment agreements, that should either executive s employment terminate before July 28, 2012, any unvested portion of Mr. Fischer s 45,000 shares of restricted stock and Mr. Gopal s 45,000 shares of restricted stock would vest upon termination of employment.

In deciding to enter into the retention agreements, the Compensation Committee considered a variety of factors, including the following:

- Each of the four Named Executive Officers had been hired by the retiring Chief Executive Officer;
- There was uncertainty surrounding the internal and external search for a new Chief Executive Officer;
- The market for senior executives in technology companies continued to be particularly competitive; and
- The Company was in the process of developing an aggressive new strategy, and senior management stability was crucial to the successful development and early execution of that strategy.

The Compensation Committee believes that the retention arrangements were strategically effective in retaining the four Named Executive Officers during the period of transition.

COMPENSATION AND OTHER INFORMATION CONCERNING EXECUTIVE OFFICERS

Fiscal Year 2011 Summary Compensation Table

The following table includes information concerning compensation paid to or earned by our Chief Executive Officer, Chief Financial Officer and our three other most highly compensated executive officers (the Named Executive Officers) for the fiscal year ended March 31, 2011.

rincipal Position	Fiscal Year	Salary ($)	Bonus ($)	Stock Awards (1)($)	Option Awards (2)($)	Non-Equity Incentive Plan Compensation (3)($)	All Other Compensa-tion (4)($)
IcCracken(5)	2011	1,000,000		4,073,518	1,473,826	1,266,000	214,091
ive Officer	2010	1,114,584	1,300,000	561,879	492,621	242,507	36,627
oper(6)	2011	600,000	600,000(7)	1,629,378	589,527	506,400	42,048
f Financial Officer	2010	600,000		2,386,153		674,400	53,778
	2009	600,000		1,878,198		394,740	42,982
cher(8) p Executive, ales & Operations	2011	700,000	600,000(7)	1,955,254	707,439	583,100	47,742
l(9) ology & t	2011	550,000	550,000(7)	1,222,022	442,141	386,100	39,489
man Olli(10)	2011	587,500	500,000(7)	977,627	353,719	506,400	175,990
ral Counsel	2010	550,000		1,697,154		618,200	162,398

(1) This column shows the aggregate grant date fair value in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 718, Compensation Stock Compensation, for all restricted stock, restricted stock units and performance shares granted in fiscal years 2011, 2010 and 2009. These award fair values have been determined based on the assumptions set forth in Note 15, Stock Plans, in the Notes to the Consolidated Financial Statements in the Company s fiscal year 2011 Annual Report on Form 10-K (Form 10-K) and Note 11 and Note 10 in the Company s fiscal year 2010 and fiscal year 2009 Form 10-Ks, respectively. The following amounts represent the grant date fair values of the stock underlying the fiscal year 2011 one-year performance share awards authorized for issuance at the conclusion of the fiscal year 2011 performance cycle: Mr. McCracken, $2,050,198; Ms. Cooper, $820,065; Mr. Fischer, $984,078; Mr. Gopal, $615,042; and Ms. Fliegelman Olli, $492,039. The following amounts represent the grant date fair value of the stock underlying the fiscal year 2011-2013 three-year performance share awards assuming target payouts: Mr. McCracken, $2,023,320; Ms. Cooper, $809,314; Mr. Fischer, $971,176; Mr. Gopal, $606,979; and

Ms. Fliegelman Olli, $485,588. Additional information about the awards reflected in this column is set forth in the notes to the Fiscal Year 2011 Grants of Plan-Based Awards table and the Outstanding Equity Awards at Fiscal Year-End table, below.

(2) This column shows the grant date fair value in accordance with FASB ASC Topic 718 for all stock option awards granted in fiscal years 2011 and 2010. These award fair values have been determined based on the assumptions set forth in Note 15, Stock Plans, in the Notes to the Consolidated Financial Statements in the Company s fiscal year 2011 Form 10-K.

(3) The amounts in this column for fiscal year 2011 represent the annual performance cash incentives described under Compensation Discussion and Analysis Performance-Based Compensation Fiscal Year 2011 Annual Performance Cash Incentive Awards Determining Annual Performance Cash Incentive Award Payouts, above. These amounts were paid early in fiscal years 2012, 2011 and 2010 for performance in fiscal years 2011, 2010 and 2009, respectively. We also accrued these amounts for financial reporting purposes in fiscal years 2011, 2010 and 2009, respectively. Pursuant to the terms of his employment agreement, Mr. McCracken was paid a prorated portion of his fiscal year 2010 annual performance cash incentive based on (1) the portion of the fiscal year during which he served as Chief Executive Officer and (2) the actual level of attainment of the Company s performance goals.

(4) The All Other Compensation column includes for fiscal year 2011 the perquisites and other personal benefits detailed below, as well as contributions we made under our 401(k) plan and related supplemental defined contribution retirement plans:

	McCracken ($)	**Cooper ($)**	**Fischer ($)**	**Gopal ($)**	**Fliegelman Olli ($)**
Company automobile use(a)	8,092	6,171	0	0	0
Company aircraft use(b)	123,609	1,941	15,301	0	6,629
Relocation-alternative Company accommodations(c)	0	1,961	0	0	76,901