The Audit Committee has the responsibility of reviewing and supervising the financial controls of the Company. The Audit Committee's responsibilities include (i) making recommendations to the

Board of Directors of the Company with respect to the Company's financial statements and the appointment of independent auditors, (ii) reviewing significant audit and accounting policies and practices of the Company, (iii) meeting with the Company's independent public accountants concerning, among other things, the scope of audits and reports and (iv) reviewing the performance of overall accounting and financial controls of the Company

COMPENSATION OF DIRECTORS

Directors who do not receive compensation as officers or employees of the Company or any of its affiliates will be paid an annual retainer fee of $25,000 and a fee of $1,000 for each meeting of the Board of Directors or any committee thereof they attend, plus reasonable out-of-pocket expenses.

On July 22, 1996, the Company granted options to acquire 750,000 shares of Company Common Stock to Mr. Perelman for services rendered and to be rendered to the Company by Mr. Perelman in his capacity as Chairman of the Board of Directors Such options have an exercise price of $21 50 per share (market price on the date of grant) and vest with respect to one third of the shares subject to the options on the date of grant, and with respect to an additional one third of such shares on each of July 22, 1997 and July 22, 1998. The options expire on July 22, 2006

ITEM 11. EXECUTIVE COMPENSATION

EXECUTIVE COMPENSATION

The following table presents certain information concerning compensation paid or accrued for services rendered to the Company in all capacities during the three years ended December 31, 1996 for the Chief Executive Officer and the two other executive officers of the Company whose total annual salary and bonus in the last fiscal year exceeded $100,000 (collectively, the "Named Executive Officers")

SUMMARY COMPENSATION TABLE

		ANNUAL COMPENSATION		
NAME AND PRINCIPAL POSITION	YEAR	SALARY ($)	BONUS ($)	OTHER ANNUAL COMPENSATI
James R Maher				
President and Chief	1996	1,000,000	4,972,685(a)	
Executive Officer	1995	500,000	1,250,000	
Theo W. Folz				
President and Chief Executive	1996	1,072,500(d)	1,487,750(d)	51,243(