GLOBAL PAYMENTS INC
Form DEF 14A
August 21, 2009

As filed with the Securities and Exchange Commission on August 21, 2009

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

SCHEDULE 14A

(RULE 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

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

EXCHANGE ACT OF 1934

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

Check the appropriate box:

¨ Preliminary Proxy Statement

¨ **Confidential, For Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**

x Definitive Proxy Statement

¨ Definitive Additional Materials

¨ Soliciting Material Pursuant to Section 240.14a-12

GLOBAL PAYMENTS 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):

x No fee required.

¨ 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:

¨ Fee paid previously with preliminary materials.

¨ 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:

GLOBAL PAYMENTS INC.

10 GLENLAKE PARKWAY, NORTH TOWER

ATLANTA, GEORGIA 30328

NOTICE OF 2009 ANNUAL MEETING OF SHAREHOLDERS

To the Shareholders:

The 2009 annual meeting of shareholders (the Annual Meeting) of Global Payments Inc. (the Company) will be held at our offices at 10 Glenlake Parkway, North Tower, Atlanta, Georgia, 30328-3473 on September 30, 2009, at 11:00 a.m., Atlanta time, for the following purposes:

1. To elect three Class III directors to serve until the annual meeting of shareholders in 2012, or until their successors are duly elected and qualified or until their earlier resignation, retirement, disqualification, removal from office or death;

2. To ratify the reappointment of Deloitte & Touche LLP as the Company s independent public accountants;

3. To approve a list of qualified business criteria for performance-based awards to be granted under the Global Payments Inc. Third Amended and Restated 2005 Incentive Plan (the 2005 Plan); and

4. To transact any other business that may properly come before the Annual Meeting or any adjournments or postponements thereof.

Only shareholders of record at the close of business on August 7, 2009 are entitled to receive notice of, and to vote at, the Annual Meeting or any adjournment or postponement thereof. You may vote your shares via the Internet or by telephone, as instructed in the Notice of Electronic Availability of Proxy Materials, or if you received your proxy materials by mail, you may also vote by mail.

YOUR VOTE IS IMPORTANT

Submitting your proxy does not affect your right to vote in person if you attend the Annual Meeting. Instead, it benefits us by reducing the expenses of additional proxy solicitation. Therefore, you are urged to submit your proxy as soon as possible, regardless of whether or not you expect to attend the Annual Meeting. You may revoke your proxy at any time before its exercise by (i) delivering written notice of revocation to our Corporate Secretary, Suellyn P. Tornay, at the above address, (ii) submitting to us a duly executed proxy card bearing a later date, (iii) voting via the Internet or by telephone at a later date, or (iv) appearing at the Annual Meeting and voting in person; provided, however, that no such revocation under clause (i) or (ii) shall be effective until written notice of revocation or a later dated proxy card is received by the Corporate Secretary at or before the Annual Meeting, and no such revocation under clause (iii) shall be effective unless received on or before 1:00 a.m., Central Time, on September 30, 2009.

When you submit your proxy, you authorize Paul R. Garcia or Suellyn P. Tornay or either one of them, each with full power of substitution, to vote your shares at the Annual Meeting in accordance with your instructions or, if no instructions are given, for the election of the Class III nominees, for the ratification of the reappointment of Deloitte & Touche LLP (Deloitte) as the Company s independent public accountants and for the approval of the list of qualified business criteria for performance-based awards to be granted under the 2005 Plan. The proxies, in their discretion, are further authorized to vote on any adjournments or postponements of the Annual Meeting, for the election of one or more persons to the Board of Directors if any of the nominees becomes unable to serve or for good cause will not serve, on matters which the Board does not know a reasonable time before making the proxy solicitations will be presented at the Annual Meeting, or any other matters which may properly come before the Annual Meeting and any postponements or adjournments thereto.

By Order of the Board of Directors,

SUELLYN P. TORNAY,

Executive Vice President,

General Counsel and Corporate Secretary

Dated: August 21, 2009

August 21, 2009

GLOBAL PAYMENTS INC.

10 GLENLAKE PARKWAY, NORTH TOWER

ATLANTA, GEORGIA 30328

PROXY STATEMENT

A. Introduction

This Proxy Statement is being furnished to solicit proxies on behalf of the Board of Directors of Global Payments Inc. (the Company or we) for use at the 2009 annual meeting of shareholders (the Annual Meeting), and at any adjournments or postponements thereof. The Annual Meeting will be held at our offices at 10 Glenlake Parkway, North Tower, Atlanta, Georgia, 30328-3473 on September 30, 2009, at 11:00 a.m., Atlanta time, for the following purposes:

1. To elect three Class III directors to serve until the annual meeting of shareholders in 2012, or until their successors are duly elected and qualified or until their earlier resignation, retirement, disqualification, removal from office or death,

2. To ratify the reappointment of Deloitte & Touche LLP as the Company s independent public accountants,

3. To approve a list of qualified business criteria for performance-based awards to be granted under the Global Payments Inc. Third Amended and Restated 2005 Incentive Plan (the 2005 Plan); and

4. To transact any other business that may properly come before the Annual Meeting or any adjournments or postponements thereof.

Notice of Electronic Availability of Proxy Statement and Annual Report. As permitted by the Securities and Exchange Commission rules, we are making this proxy statement and our annual report available to our shareholders electronically via the Internet. The notice of electronic availability contains instructions on how to access this proxy statement and our annual report and vote online. You will not receive a printed copy of the proxy materials in the mail. Instead, the notice instructs you on how to access and review all of the important information contained in the proxy statement and annual report. The notice also instructs you on how you may submit your proxy over the Internet or by telephone. If you would like to receive a printed copy of our proxy materials, you should follow the instructions for requesting such materials contained on the notice.

The Notice of Electronic Availability of Proxy Materials and this Proxy Statement are first being mailed to shareholders on or about August 21, 2009.

B. Quorum and Voting

(1) Voting Shares. Pursuant to our Amended and Restated Articles of Incorporation, only the Company s common shares, no par value (the Common Stock), may be voted at the Annual Meeting.

(2) Record Date. Only those holders of Common Stock of record at the close of business on August 7, 2009, are entitled to receive notice and to vote at the Annual Meeting or any adjournment or postponement thereof. On that date, there were 80,653,542 shares of Common Stock issued and outstanding, held by approximately 2,493 shareholders of record. These holders are entitled to one vote per share.

(3) Quorum. In order for any business to be conducted, the holders of a majority of the shares entitled to vote at the Annual Meeting must be present (a Quorum), either in person or represented by proxy. Abstentions and votes withheld, and shares represented by proxies reflecting abstentions or votes withheld, will be treated as present for purposes of determining the existence of a Quorum at the Annual Meeting. They will not be considered as votes for or against any matter for which the respective shareholders have indicated their intention to abstain or withhold their votes. Broker or nominee non-votes, which occur when shares held in street name by brokers or nominees who indicate that they do not have discretionary authority to vote on a particular matter, will not be considered as votes for or against that particular matter. Broker and nominee non-votes will be treated as present for purposes of determining the existence of a Quorum and may be entitled to vote on other matters at the Annual Meeting.

(4) Voting Options. The first proposal, which is the election of three directors in Class III, will require the vote of the holders of a plurality of the shares of Common Stock represented and entitled to vote at the Annual Meeting at which a Quorum is present. Shareholders may (i) vote for each nominee, or (ii) withhold authority to vote for any nominee. If a Quorum is present, a vote to withhold and a broker non-vote will have no effect on the outcome of the election of directors. The three nominees receiving the most votes will be elected to serve as the Class III Directors for a three-year term.

With respect to the second proposal, the ratification of the reappointment of Deloitte as the Company s independent public accountants, shareholders may (i) vote for, (ii) vote against, or (iii) abstain from voting on the proposal. An abstention will have the same effect as a vote against, while a broker non-vote will have no effect on the outcome of the reappointment of Deloitte as the Company s independent public accountants.

With respect to the third proposal, the approval of a list of qualified business criteria for performance-based awards to be granted under the Global Payments Inc. Third Amended and Restated 2005 Incentive Plan (the 2005 Plan) in order to preserve federal income tax deductions, shareholders may (i) vote for, (ii) vote against, or (iii) abstain from voting on the proposal. An abstention will have the same effect as a vote against, while a broker non-vote will have no effect on the outcome of the approval.

(5) How to Vote If you received a notice of electronic availability, you cannot vote your shares by filling out and returning the notice. The notice, however, provides instructions on how to vote by Internet, by telephone or by requesting and returning a paper proxy card.

Internet and Telephone Voting. Shareholders of record can simplify their voting and reduce our costs by voting their shares via the Internet or by telephone. Shareholders may submit their proxy voting instructions via the Internet or telephone by following the instructions provided in the notice of electronic availability. The Internet and telephone voting procedures are designed to authenticate shareholders identities, to allow shareholders to vote their shares, and to confirm that their instructions have been properly recorded. If your shares are held in the name of a bank or broker, the availability of Internet and telephone voting will depend on the voting processes of the applicable bank or broker; therefore, it is recommended that you follow the voting instructions on the form you receive. If you received a printed version of the proxy materials by mail, you may vote by following the instructions provided with your proxy materials and on your proxy card.

(6) Default Voting. When a proxy is timely executed and not revoked, the shares represented by the proxy will be voted in accordance with the instructions indicated in the proxy. IF NO INSTRUCTIONS ARE INDICATED, HOWEVER, PROXIES WILL BE VOTED FOR THE ELECTION OF EACH OF THE DIRECTOR NOMINEES NAMED IN PROPOSAL 1, FOR PROPOSAL 2 RELATING TO THE RATIFICATION OF THE REAPPOINTMENT OF DELOITTE AS THE COMPANY S INDEPENDENT PUBLIC ACCOUNTANTS, AND FOR PROPOSAL 3 RELATING TO THE APPROVAL OF A LIST OF QUALIFIED BUSINESS CRITERIA FOR PERFORMANCE-BASED AWARDS TO BE GRANTED UNDER THE GLOBAL PAYMENTS INC. THIRD AMENDED AND RESTATED 2005 INCENTIVE PLAN.

The Board of Directors is not presently aware of any business to be presented for a vote at the Annual Meeting other than the proposals noted above. If any other matter properly comes before the meeting, the proxy holders will vote as recommended by the Board or, if no recommendation is made, in their own discretion.

(7) Revocation of a Proxy. A shareholder s submission of a proxy via the Internet, by telephone, or by mail does not affect the shareholder s right to attend in person. A shareholder who has given a proxy may revoke it at any time prior to its being voted at the Annual Meeting by (i) delivering written notice of revocation to our Corporate Secretary, Suellyn P. Tornay, at our address listed on the first page of this proxy statement, (ii) properly submitting to us a duly executed proxy card bearing a later date, (iii) voting via the Internet or by telephone at a later date, or (iv) appearing at the Annual Meeting and voting in person; provided, however, that no such revocation under clause (i) or (ii) shall be effective until written notice of revocation or a later dated proxy card is received by the Corporate Secretary at or before the Annual Meeting, and no such revocation under clause (iii) shall be effective unless received on or before 1:00 a.m. Central Time on September 30, 2009.

(8) Adjourned Meeting. If a Quorum is not present, the Annual Meeting may be adjourned by the holders of a majority of the shares of Common Stock represented at the Annual Meeting. The Annual Meeting may be rescheduled at the time of the adjournment with no further notice of the reconvened meeting if the date, time and place of the reconvened meeting are announced at the adjourned meeting before its adjournment; provided, however, that if a new record date is or must be fixed, notice of the reconvened meeting must be given to the shareholders of record as of the new record date. An adjournment will have no effect on the business to be conducted at the meeting.

PROPOSAL ONE:

ELECTION OF DIRECTORS; NOMINEES

Our Bylaws provide that the number of directors constituting the Board of Directors shall be not less than two nor more than twelve, as determined from time to time by resolution of the shareholders or of the Board of Directors. Our Board of Directors has adopted a resolution that the Board should have nine members. The Board of Directors currently consists of nine members, who are divided into three classes, with the term of office of each class ending in successive years. Each class of directors serves staggered three-year terms.

The three directors in Class III, Alex W. Hart, William I Jacobs, Alan M. Silberstein, have been nominated for election at the Annual Meeting. The Class III Directors will be elected to hold office until the 2012 annual meeting of shareholders, or until their respective successors have been duly elected and qualified, or until their respective earlier resignation, retirement, disqualification, removal from office or death. In the event that any of the nominees is unable to serve (which is not anticipated), the persons designated as proxies will cast votes for such other person(s) as they may select.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE FOR THE ELECTION OF ALL OF THE NOMINEES FOR DIRECTOR.

The affirmative vote of the holders of a plurality of the shares of Common Stock represented and entitled to vote at the Annual Meeting at which a quorum is present is required for the election of each of the nominees. If a choice is specified on the proxy card by a shareholder, the shares will be voted as specified. If no specification is made, the shares will be voted FOR each of the three nominees.

A. Certain Information Concerning the Nominees and Directors

The following table sets forth the names of the nominees and the directors continuing in office, their ages, the month and year in which they first became directors of the Company, their positions with the Company, their principal occupations and employers for at least the past five years, any other directorships held by them in companies that are subject to the reporting requirements of the Securities Exchange Act of 1934 or any company registered as an investment company under the Investment Company Act of 1940, as well as additional information. There is no family relationship between any of our executive officers or directors. There are no arrangements or understandings between any of our directors and any other person pursuant to which any of them was elected as a director, other than arrangements or understandings with the directors solely in their capacities as such. For information concerning membership on committees of the Board of Directors, see Other Information about the Board and its Committees below.

NOMINEES FOR DIRECTOR

Class III

Term Expiring Annual Meeting 2012

Name and Age	**Month and Year First Became Director, Positions with the Company, Principal Occupations During at Least the Past Five Years, and Other Directorships**
Alex W. Hart	Director of the Company (since February 2001)
(69)	Business Consultant (since October 1997); Chief Executive Officer of Advanta Corporation (1995-1997); Executive Vice Chairman of Advanta Corporation (1994); President and Chief Executive Officer of MasterCard International (1988-1994); Director, Fair Isaac Corporation and VeriFone, Inc.; Chairman of the Board and Director, Silicon Valley Bancshares.
William I Jacobs	Director of the Company (since February 2001)
(67)	Business Advisor (since August 2002); Managing Director and Chief Financial Officer of The New Power Company (2000-2002) (1); Senior Executive Vice President, Strategic Ventures for MasterCard International (1999-2000); Executive Vice President, Global Resources for MasterCard International (1995-1999); Executive Vice President, Chief Operating Officer, Financial Security Assurance, Inc. (1984-1994); Director, Asset Acceptance Capital Corp.
Alan M. Silberstein	Director of the Company (since September 2003)
(61)	President, Allston Associates LLP (previously Silco Associates Inc.) (since October 2004) (2); President and Chief Operating Officer, Debt Resolve, Inc. (2003-2004) (3); President and Chief Executive Officer, Western Union (2000-2001); Chairman and Chief Executive Officer, Claim Services, Travelers Property Casualty Insurance (1996-1997); Executive Vice President, Retail Banking, Midlantic Corporation (1992-1995); Director, Capital Access Network, Inc.

(1) National residential and small business energy provider.

(2) Management services firm.

(3) Provider of online collections services.

MEMBERS OF THE BOARD OF DIRECTORS CONTINUING IN OFFICE

Class I

Term Expiring Annual Meeting 2010

Name and Age	Month and Year First Became Director, Positions with the Company, Principal Occupations During at Least the Past Five Years, and Other Directorships
Edwin H. Burba, Jr.	Director of the Company (since February 2001)
(72)	National Security Leadership and Business Consultant (since 1993); Commander in Chief, Forces Command, United States Army (1989-1993); Commanding General, Combined Field Army of the Republic of Korea and United States (1988-1989).
Raymond L. Killian	Director of the Company (since September 2003)
(72)	Chairman Emeritus, Investment Technology Group, Inc. (since March 2007) (1); Chairman, Investment Technology Group, Inc. (1997-2007); President and Chief Executive Officer, Investment Technology Group, Inc. (1995-2002 and 2004-2007); Executive Vice President, Jefferies Group, Inc. (1985-1995); Vice President, Institutional Sales, Goldman Sachs & Co. (1982-1985).
Ruth Ann Marshall	Director of the Company (since September 2006)
(55)	President, Americas for MasterCard International (2000-2006) (2); Senior Executive Vice President, Concord, EFS (1995-1999); Director, Pella Corporation and ConAgra, Inc.

(1) Specialized agency brokerage and technology firm.

(2) A global payment solutions company.

Class II

Term Expiring Annual Meeting 2011

Name and Age	Month and Year First Became Director, Positions with the Company, Principal Occupations During at Least the Past Five Years, and Other Directorships
Paul R. Garcia (57)	Chairman of the Board of the Company (since October 2002); Director and Chief Executive Officer of the Company (since February 2001); Chief Executive Officer of NDC eCommerce, a division of National Data Corporation (July 1999 - January 2001); President and Chief Executive Officer of Productivity Point International (March 1997 September 1998); Group President of First Data Card Services (1995 1997); Chief Executive Officer of National Bancard Corporation (NaBANCO) (1989 1995).
Gerald J. Wilkins	Director of the Company (since November 2002)
(51)	Chief Financial Officer, Habitat for Humanity International (2007-2008) (1); President, WJG Consulting, Inc. (2003-2007) (2); Executive Vice President and Chief Financial Officer of AFC Enterprises, Inc. (2000-2003) (3); Chief Financial Officer of AFC Enterprises, Inc. (1995-2000); Vice President, International Business Planning, KFC International (1993-1995).
Michael W. Trapp	Director of the Company (since July 2003)

(69)	President, Sands Partners, Inc. (since 2000) (4); Managing Partner, Southeast area, Ernst & Young LLP (1993-2000); Director, The Ann Taylor Stores Corporation.

(1) Nonprofit housing ministry.

(2) Independent consulting firm.

(3) Franchisor and operator of quick-service restaurants.

(4) Investment business.

B. Other Information about the Board and its Committees

(1) Meetings. During the fiscal year ended May 31, 2009 (the 2009 fiscal year), our Board of Directors held six meetings. All directors attended 75% or more of the combined total of the Board of Directors meetings and meetings of the committees on which they served during the period for which the respective director served on the Board of Directors or the applicable committee.

(2) Fiscal Year 2009 Director Compensation. The following table reflects the compensation payable to the outside directors of the Company. Since we do not offer any non-equity incentive plan compensation or any pension benefits to our directors, and there was no other compensation required to be disclosed, columns (e), (f), and (g) have been eliminated.

DIRECTOR COMPENSATION

Name (a)	**Fees Earned or Paid in Cash ($) (b)**	**Stock Awards ($)(1) (c)**	**Option Awards ($)(2) (d)**	**Total (h)**
Edwin H. Burba	$ 67,500	$ 45,006	$ 56,199	$ 168,705
Paul R. Garcia (3)				
Alex W. Hart	$ 67,500	$ 45,006	$ 56,199	$ 168,705
William I Jacobs	$ 94,500	$ 70,004	$ 56,199	$ 220,703
Raymond L. Killian	$ 72,000	$ 45,006	$ 56,199	$ 173,205
Ruth Ann Marshall	$ 55,500	$ 45,006	$ 48,472	$ 148,978
Alan M. Silberstein	$ 64,500	$ 45,006	$ 56,199	$ 165,705
Michael W. Trapp	$ 73,000	$ 45,006	$ 56,199	$ 174,205
Gerald J. Wilkins	$ 60,000	$ 45,006	$ 56,199	$ 161,205

(1) The amount shown in this column is the number of shares received multiplied by the value of the stock on the date of the grant. Additional details are set forth in the section entitled *Compensation Policy* below. Such shares are entitled to receive dividends once issued but at the same rate as all of the Company s shareholders.

(2) The amounts shown in this column reflect stock option awards granted in fiscal year 2009 and in prior years. The amounts are valued based on the amounts recognized for financial statement reporting purposes for option awards during fiscal year 2009 related to service-based vesting conditions pursuant to FAS 123R, except that, in accordance with rules of the SEC, any estimate for forfeitures is excluded from, and does not reduce, such amounts. See Note 11 to the Consolidated Financial Statements included in our Annual Report on Form 10-K for the fiscal year ended May 31, 2009 for a discussion of the relevant assumptions used in calculating these amounts pursuant to FAS 123R. Additional details regarding the grant are set forth in the section entitled *Amended and Restated 2000 Non-Employee Director Stock Option Plan* below.

(3) Mr. Garcia is a member of the Board of Directors and is also an employee of the Company and does not receive any additional compensation for his role as a director.

(3) Compensation Policy. We have a policy regarding the compensation of directors, which provides that a non-employee director who serves as the lead director is compensated at a rate of $75,000 per year in cash and receives shares of the Company s stock worth approximately $70,000. A non-employee director who serves as the chairperson of the audit committee receives $55,000 in cash and stock worth approximately $45,000. A non-employee director who serves as a chairperson of any other committee receives $50,000 in cash and stock worth approximately $45,000. Each other non-employee director receives an annual retainer of $45,000 in cash and shares of stock worth approximately $45,000. All Company stock issued pursuant to the director compensation policy is valued at the then-prevailing market price and is issued under our Amended and Restated 2005 Incentive Plan. Pursuant to the foregoing policy, Mr. Jacobs received 1,599

shares of stock, and each of the other non-employee directors received 1,028 shares of stock. Such stock is issued and cash is paid on the business day following each annual meeting of shareholders. By paying part of the annual consideration in stock, we believe that this encourages ownership of our stock by our directors.

In addition, all non-employee directors received $1,500 per Board meeting attended, except for the lead director who received $2,500 per Board meeting. Non-employee directors who served on a committee received $1,500 per committee meeting, while the chairperson of such committee received $2,500 per committee meeting. Telephonic meetings and telephonic participation are compensated at $1,000 per meeting. We do not compensate a director who is also an employee of the Company for his or her services as a director. Directors were also compensated for their out-of-pocket expenses incurred in connection with attendance at Board and committee meetings.

(4) Amended and Restated 2000 Non-Employee Director Stock Option Plan. We maintain the Amended and Restated 2000 Non-Employee Director Stock Option Plan (the 2000 Director Plan), which provides for the grant to each of our non-employee directors of an option to purchase shares of Common Stock having a valuation according to the Black-Scholes option pricing model of $80,000. The purpose of the 2000 Director Plan is to advance the interests of the Company by encouraging ownership of our Common Stock by non-employee directors, thereby giving such directors an increased incentive to devote their efforts to our success. The options are granted to non-employee directors upon election or appointment to the Board and on the business day following each annual meeting of shareholders. Option grants under the 2000 Director Plan are pro-rated for partial years of service. All options granted in fiscal year 2009 under the 2000 Director Plan will become exercisable as to 25% of the shares after the first year, 25% after the second year, 25% after the third year, and 25% after the fourth year of service from the grant date, except that such options will become fully exercisable upon the death, disability or retirement of the grantee, or upon the grantee s failure to be re-nominated or re-elected as a director. Upon a grantee s termination as a director for any reason, the options held by such person under the 2000 Director Plan will remain exercisable for five years or until the earlier expiration of the option. The exercise price for each option granted under the 2000 Director Plan will be the fair market value of the shares of Common Stock subject to the option on the date of the grant. Each option granted under the 2000 Director Plan will, to the extent not previously exercised, terminate and expire on the date which is 10 years after the grant date of the option unless the 2000 Director Plan provides for earlier termination. During the fiscal year ended May 31, 2009, the eight non-employee directors received a stock option grant for the purchase of 6,250 shares of the Company s Common Stock at an exercise price of $43.78 per share.

(5) Outstanding Options for Directors. The following table reflects the outstanding options (vested and unvested) for each non-employee director as of May 31, 2009. The value is calculated by multiplying the number of options outstanding by the difference between the value of our stock on the first business day after May 31, 2009, which was $36.61, and the exercise price of the option.

Non-employee Directors	**Options Outstanding as of May 31, 2009 (includes vested and unvested)**	**Value as of the first business day following May 31, 2009 (includes vested and unvested)**	
Edwin H. Burba	61,312	$	880,967
Alex W. Hart	45,572	$	485,935
William I Jacobs	61,312	$	880,967
Raymond L. Killian	32,190	$	189,823
Ruth Ann Marshall	16,022	$	0
Alan M. Silberstein	32,190	$	189,823
Michael W. Trapp	33,416	$	213,883
Gerald J. Wilkins	29,730	$	147,376

(6) Lead Director. The lead director s duties generally include serving as the chairperson for all executive sessions of the non-management directors and communicating to the Chief Executive Officer the

results of non-management executive Board sessions. Mr. Jacobs serves as our lead director. Any interested party may contact the lead director by directing such communications to him at our address (10 Glenlake Parkway, North Tower, Atlanta, Georgia 30328-3473). Any such correspondence received by us will be forwarded to Mr. Jacobs.

(7) Director Independence. Each year the Board of Directors undertakes a review of director independence based on the standards for director independence included in the New York Stock Exchange corporate governance rules. The Board considers whether or not there existed any relationships and transactions during the past three years between each director or any member of his or her immediate family, on the one hand, and the Company and its subsidiaries and affiliates, on the other hand. The purpose of the review was to determine whether or not any such relationships and transactions existed and, if so, whether any such relationships or transactions were inconsistent with a determination that the director is independent. In fiscal year 2009, there were no such relationships or transactions between the non-employee directors and the Company to review and, as a result, the Board of Directors has determined that all of the directors, except Mr. Garcia (who serves as the Company s Chief Executive Officer), are independent of the Company and its management.

(8) Committees. Our Board of Directors has a separately-designated Audit Committee, a Compensation Committee, a Governance and Nominating Committee, and a Technology Committee. The Audit Committee has been established in accordance with Section 3(a)(58)(A) of the Exchange Act. The Board of Directors has determined that all members of the four committees satisfy the independence requirements of the SEC and the New York Stock Exchange. Each of the committee charters and our corporate governance guidelines are available on our website (www.globalpaymentsinc.com), and will be provided free of charge, upon written request of any shareholder addressed to Global Payments Inc., 10 Glenlake Parkway, North Tower, Atlanta, Georgia 30328-3473, Attention: Investor Relations. Certain information regarding the functions of the Board s committees and their present membership is provided below.

(9) Audit Committee. As of the end of fiscal year 2009, the members of the Audit Committee were Mr. Trapp (Chairperson), Mr. Wilkins, and Mr. Silberstein. The Audit Committee operates under a written charter adopted by the Board of Directors which is available on our website (www.globalpaymentsinc.com). The Audit Committee annually reviews a report by the independent auditors describing the firm s internal quality control procedures; reviews the scope, plan and results of the annual audit of the financial statements by our independent auditors; reviews the scope, plan and results of the internal audit program; reviews the nature and extent of non-audit professional services performed by the independent auditors; and annually recommends to the Board of Directors the firm of independent public accountants to be selected as our independent auditors for the next fiscal year. During fiscal year 2009, the Audit Committee held four meetings, each of which was separate from a regular Board meeting.

(10) Audit Committee Financial Expert. The Board of Directors has determined that the chairman of the Audit Committee, Mr. Trapp, is an audit committee financial expert and is independent as independence for audit committee members is defined under the rules established by the SEC and the New York Stock Exchange.

(11) Compensation Committee. As of the end of fiscal year 2009, the members of the Compensation Committee were General Burba (Chairperson), Mr. Hart, Mr. Jacobs, Mr. Killian and Ms. Marshall. The Committee operates under a written charter which is available on our website (www.globalpaymentsinc.com). This committee reviews levels of compensation, benefits, and performance criteria for our executive officers and administers the Amended and Restated 2000 Long Term Incentive Plan, the 2000 Employee Stock Purchase Plan, the 2000 Director Plan, and the Amended and Restated 2005 Incentive Plan. The Compensation Committee charter allows the Committee to delegate certain matters within its authority to individuals, and the Committee may form and delegate authority to subcommittees as appropriate. In addition, the Committee has the authority under its charter to retain outside advisors to assist the Committee in the performance of its duties, and for fiscal year 2009 the Committee retained the services of Hewitt Associates, an independent compensation consulting firm. The Compensation Discussion and Analysis section of this proxy statement describes our processes and procedures for the consideration and determination of executive

compensation, including the role of the executive officers in determining compensation, and describes the role of Hewitt in more detail.

During fiscal year 2007, the Compensation Committee also hired Hewitt to assist with a review of the director compensation. The Compensation Committee, with Hewitt s assistance, made recommendations to the full Board, which were approved on July 24, 2007 and which took effect on September 27, 2007 and will remain in effect for three years. The executives have no role in determining Board compensation. During fiscal year 2009, the Compensation Committee held four meetings, all of which were separate from regular Board meetings.

(12) Compensation Committee Interlocks and Insider Participation. None of the members of the Compensation Committee has ever served as an officer or an employee of the Company or any of its subsidiaries and has never had any relationship requiring disclosure by the Company under Item 404 of Regulation S-K.

(13) Governance and Nominating Committee. As of the end of fiscal year 2009, the members of the Governance and Nominating Committee were Mr. Hart (Chairperson), General Burba, Mr. Jacobs, and Ms. Marshall. The Committee operates under a formal charter which is available on our website (www.globalpaymentsinc.com). This committee is responsible for developing and recommending to the Board of Directors a set of corporate governance principles applicable to us, determining the structure of the Board and its committees, and for identifying, nominating, proposing, and qualifying nominees for open seats on the Board of Directors, based primarily on the following criteria:

- Experience as a member of senior management or director of a significant business corporation, educational institution, or not-for-profit organization;

- Particular skills or experience that enhances the overall composition of the Board of Directors;

- Serves on no more than five other publicly-held corporation boards of directors; and

- Serves on no more than three other audit committees of boards of directors of publicly-held corporations.

In evaluating nominees, the Committee will also take into account the consideration that members of the Board of Directors should collectively possess a broad range of skills, expertise, industry knowledge and other knowledge, business experience and other experience useful to the effective oversight of our business.

The Governance and Nominating Committee does not consider or accept nominees to the Board of Directors nominated by shareholders. The Governance and Nominating Committee considers candidates for director who are recommended by other members of the Board of Directors and by management, as well as those identified by any outside consultants retained by the committee to assist in identifying possible candidates.

Members of the Governance and Nominating Committee must discuss and evaluate possible candidates prior to recommending them to the Board. This committee had one formal meeting during fiscal year 2009.

(14) Technology Committee. As of the end of fiscal year 2009, the members of the Technology Committee were Mr. Killian (Chairperson), Mr. Hart, and Mr. Silberstein. The Committee operates under a formal charter which is available on our website (www.globalpaymentsinc.com). This committee is to serve as a liaison between the Board and management with regard to matters related to information technology and information security and to review the practices and key initiatives of the Company related to information technology and information security. During fiscal year 2009, the Technology Committee held two meetings, both of which were separate from regular Board meetings.

(15) Communications from Security Holders. Any security holder may contact any member of the Board of Directors by directing such communication to such Board member at our address (10 Glenlake

Parkway, North Tower, Atlanta, Georgia 30328-3473). Any such correspondence received by us shall be forwarded to the applicable Board member.

(16) Attendance at Annual Meeting. All directors are expected to attend our annual meeting of shareholders. On the date of the fiscal year 2008 annual shareholder meeting, there were nine members on our Board of Directors, and all nine members were present at the meeting.

PROPOSAL TWO:

RATIFICATION OF THE REAPPOINTMENT OF AUDITORS

A. Deloitte & Touche LLP

The Audit Committee recommends, and the Board of Directors selects, independent public accountants for the Company. The Audit Committee has recommended that Deloitte & Touche LLP, or Deloitte, who served during the fiscal year ended May 31, 2009, be selected for the fiscal year ending May 31, 2010, and the Board has approved the selection. Unless a shareholder directs otherwise, proxies will be voted for the approval of the selection of Deloitte as independent public accountants for fiscal year ending May 31, 2010. If the appointment of Deloitte is not ratified by the shareholders, the Board will consider the selection of other independent public accountants for 2010.

A representative of Deloitte will be present at the 2009 Annual Meeting. The representative will be given the opportunity to make a statement, if he or she desires to do so, and will be available to respond to appropriate questions from shareholders.

B. Audit Fees

The aggregate fees billed by Deloitte for professional services rendered for the audit of our annual financial statements and the reviews of the financial statements included in our quarterly reports on Form 10-Q were $1,941,000 for fiscal year 2008 and $2,622,000 for fiscal year 2009.

C. Audit-Related Fees

Audit-related fees are the fees billed by Deloitte for professional services rendered for assurance and related services that are reasonably related to the performance of the audit or review of our financial statements. The audit-related fees billed during fiscal year 2008 were $82,000 and during fiscal year 2009 were $172,000. The fees paid in fiscal years 2008 and 2009 were for services in connection with acquisition due diligence procedures and audits of financial statements included in certain Asia-Pacific jurisdiction tax returns, as required by local statute.

D. Tax Fees

The aggregate fees billed by Deloitte for professional services rendered for tax compliance, tax advice, and tax planning services were $750,000 for fiscal year 2008 and $544,000 for fiscal year 2009. In fiscal year 2008, $180,000 of such fees were for tax return preparation and compliance, and $570,000 were for tax consulting and advisory services. In fiscal year 2009, $107,000 of such fees were for tax return preparation and compliance and $437,000 were for tax consulting and advisory services.

E. All Other Fees.

Except as described above, there were no other fees billed by Deloitte for professional services in fiscal year 2008 or fiscal year 2009.

F. Audit Committee Pre-Approval Policies

The Audit Committee must approve any audit services and any permissible non-audit services provided by Deloitte prior to the commencement of the services. In making its pre-approval determination,

the Audit Committee considers whether providing the non-audit services is compatible with maintaining the auditor s independence. To minimize relationships which could appear to impair the objectivity of the independent registered public accounting firm, it is the Audit Committee s practice to restrict the non-audit services that may be provided to us by our independent auditor to audit-related services, tax services and merger and acquisition due diligence and integration services.

The Audit Committee has delegated to the Chair of the Audit Committee the authority to approve non-audit services by the independent registered public accounting firm within the guidelines set forth above, provided that the fees associated with the applicable engagement are not anticipated to exceed $100,000. Any decision by the Chair to pre-approve non-audit services must be presented to the full Audit Committee for ratification at its next scheduled meeting. All of the services described under the headings Audit Fees, Audit-Related Fees, Tax Fees, and All Other Fees were approved by the Audit Committee in accordance with the foregoing policy.

G. Audit Committee Review

Our Audit Committee has reviewed the services rendered and the fees billed by Deloitte for the fiscal year ended May 31, 2009. The Audit Committee has considered whether or not the provision of non-audit services described above under the headings Audit-Related Fees and All Other Fees is compatible with maintaining Deloitte s independence and have determined that the provision of such services does not affect Deloitte s independence.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE RATIFICATION OF THE REAPPOINTMENT OF THE INDEPENDENT PUBLIC ACCOUNTANTS.

PROPOSAL THREE:

APPROVE QUALIFIED BUSINESS CRITERIA FOR PERFORMANCE-BASED AWARDS UNDER THE 2005 INCENTIVE PLAN

The Company currently maintains the Global Payments Inc. Third Amended and Restated 2005 Incentive Plan (the 2005 Plan), which was originally approved by the shareholders on September 21, 2004, and has since been amended and restated three times by the Board of Directors. A copy of the 2005 Plan, as most recently amended and restated, is attached to this proxy statement as Exhibit A.

The 2005 Plan contains a list of business criteria (Qualified Business Criteria) with respect to which the Compensation Committee may establish objectively determinable performance goals for performance-based awards under the 2005 Plan that are fully deductible without regard to the $1,000,000 deduction limit imposed by Section 162(m) of the U.S. Internal Revenue Code of 1986 (the Code). In order to preserve the Company s ability to continue to grant certain fully deductible performance-based awards, a list of Qualified Business Criteria must be approved by the shareholders no less often than every five years. The Board of Directors recommends that the shareholders re-approve at the annual meeting the list of Qualified Business Criteria for the 2005 Plan set out below under the caption Performance Goals.

As of July 24, 2009, there were approximately 1,360 of the Company s employees, officers, directors and consultants eligible to participate in the 2005 Plan. As of that date, there were approximately 3,195,280 shares of our common stock subject to outstanding awards and approximately 3,677,686 shares of our common stock were reserved and available for future awards under the 2005 Plan. If the Qualified Business Criteria are not re-approved by the shareholders at the annual meeting, any Awards (other than options or stock appreciation rights) granted under the 2005 Plan after the annual meeting will not qualify for the performance-based compensation deduction from Code Section 162(m) and may, therefore, result in the non-deductibility of some or all of such Awards.

Performance Goals. All options and stock appreciation rights granted under the 2005 Plan will be exempt from the $1,000,000 deduction limit imposed by Code Section 162(m). The Compensation Committee may designate any other award granted under the 2005 Plan as a qualified performance-based award in order to make the award fully deductible without regard to the $1,000,000 deduction limit imposed by Code Section 162(m). If an award is so designated, the Compensation Committee must establish objectively determinable performance goals for the award based on one or more of the following business criteria, which may be expressed in terms of company-wide objectives or in terms of objectives that relate to the performance of an affiliate or a division, region, department or function within the Company or an affiliate:

- Revenue
- Sales
- Profit (net profit, gross profit, operating profit, economic profit, profit margins or other corporate profit measures)
- Earnings (EBIT, EBITDA, earnings per share, or other corporate earnings measures)
- Net income (before or after taxes, operating income or other income measures)
- Cash (cash flow, cash generation or other cash measures)
- Stock price or performance
- Total shareholder return (stock price appreciation plus reinvested dividends)
- Return on Equity
- Return on assets
- Return on Investment
- Market share
- Improvements in capital structure
- Expenses (expense management, expense ratio, expense efficiency ratios or other expense measures)
- Business expansion or consolidation (acquisitions and divestitures)

THE BOARD OF DIRECTORS RECOMMENDS THAT THE SHAREHOLDERS RE-APPROVE AT THE ANNUAL MEETING THE FOREGOING LIST OF BUSINESS CRITERIA FOR THE PURPOSES OF FUTURE PERFORMANCE-BASED AWARDS THAT ARE INTENDED TO BE FULLY DEDUCTIBLE UNDER CODE SECTION 162(M).

CERTAIN INFORMATION CONCERNING THE EXECUTIVE OFFICERS

The following table sets forth the names of our executive officers, their ages, their positions with the Company, and their principal occupations and employers for at least the past five years. There are no arrangements or understandings between any of our executive officers and any other person pursuant to which any of them was elected an officer, other than arrangements or understandings with our officers acting solely in their capacities as such. Our executive officers serve at the pleasure of our Board of Directors.

Name	Age	Current Position(s)	Position with Global Payments and Other Principal Business Affiliations
Paul R. Garcia	57	Chairman of the Board of Directors and Chief Executive Officer	Chairman of the Board of Directors (since October 2002); Chief Executive Officer of Global Payments (since February 2001); Chief Executive Officer of NDC eCommerce (July 1999 January 2001); President and Chief Executive Officer of Productivity Point International (March 1997 September 1998); Group President of First Data Card Services (1995 1997); Chief Executive Officer of National Bancard Corporation (NaBANCO) (1989 1995).
James G. Kelly	47	President and Chief Operating Officer	President and Chief Operating Officer (since November 2008); Senior Executive Vice President (April 2004 November 2008) and Chief Operating Officer (since October 2005) of Global Payments; Chief Financial Officer of Global Payments (February 2001-October 2005), Chief Financial Officer of NDC eCommerce (April 2000 January 2001); Managing Director, Alvarez & Marsal (March 1996 April 2000); Director, Alvarez & Marsal (1992 1996) and Associate, Alvarez & Marsal (1990 1992); and Manager, Ernst & Young s mergers and acquisitions/audit groups (1989 1990).
David E. Mangum	43	Executive Vice President and Chief Financial Officer	Executive Vice President and Chief Financial Officer (since November 2008) of Global Payments; Executive Vice President of Fiserv Corp., which acquired CheckFree Corporation in December 2007, (December 2007 August 2008) (1); Executive Vice President and Chief Financial Officer of CheckFree Corporation (July 2000 to December 2007); Senior Vice President, Finance and Accounting of CheckFree Corporation (September 1999 June 2000); Vice President, Finance and Administration, Managed Systems Division for Sterling Commerce, Inc. (July 1998 September 1999).

Joseph C. Hyde	35	President - International	President - International (since November 2008); Executive Vice President and Chief Financial Officer (October 2005 November 2008) of Global Payments; Senior Vice President of Finance of Global Payments (December 2001 October 2005); Vice President of Finance of Global Payments (February 2001-December 2001); Vice President of Finance of NDC eCommerce (June 2000 January 2001); Associate, Alvarez & Marsal (1998 2000); Analyst, The Blackstone Group (1996-1998).
Suellyn P. Tornay	48	Executive Vice President and General Counsel	Executive Vice President (since June 2004) and General Counsel for the Company (since February 2001); Interim General Counsel for National Data Corporation (1999 2001); Group General Counsel, eCommerce Division of National Data Corporation (1996 1999); Senior Attorney, eCommerce Division of National Data Corporation (1987 1995); Associate at Powell, Goldstein, Frazer, & Murphy (1985 1987).
Carl J. Williams	57	Advisor Business Development and International Operations	Advisor Business Development and International Operations (since November 2008); President World-Wide Payment Processing of Global Payments (March 2004 November 2008); President and CEO of Baikal Group, LLC (March 2002 February 2004) (2); President of Spherion Assessment Group, a business unit of Spherion Inc. (NYSE: SFN) (May 1996 February 2002); Chairman and CEO of HR Easy, Inc., (acquired by Spherion Inc.) (1996 1998); Executive Vice President National Processing Corporation, President of the Merchant Services Division (1992 1996); President & CEO of JBS, Inc. (1981 1992) (acquired by National Processing Corporation).
Morgan M. Schuessler	39	Executive Vice President and Chief Administrative Officer	Executive Vice President and Chief Administrative Officer (since November 2008); Executive Vice President, Human Resources and Corporate Communications of Global Payments (June 2007 - November 2008); Senior Vice President, Human Resources and Corporate Communications of Global Payments (June 2006 June 2007); Senior Vice President, Marketing and Corporate Communications of Global Payments (October 2005 June 2006); Vice President, Global Purchasing Solutions of American Express Company (February 2002 February 2005). (3)

Daniel C. O Keefe	43	Senior Vice President and Chief Accounting Officer	Senior Vice President and Chief Accounting Officer of the Company (since August 2009); Vice President, Accounting Policy of the Company (April 2009-August 2009); Vice President and Chief Accounting Officer of Ocwen Financial Corporation (November 2006-April 2009) (4); Vice President, Business Management of RBS Lynk (February 2005-October 2006) (5); Assistant Controller, External Reporting of Beazer Homes USA, Inc. (November 2002-February 2005) (6).

(1) Provider of financial services technology

(2) Management consulting services.

(3) A global payments network and travel company.

(4) Business process outsourcing provider to the financial services industry, specializing in loan servicing, mortgage fulfillment and receivables management services.

(5) Provider of payment processing services.

(6) Residential homebuilder.

COMMON STOCK OWNERSHIP OF MANAGEMENT

The following table sets forth information as of July 23, 2009, with respect to the beneficial ownership of the Company s Common Stock by the nominees to the Board, by the directors of the Company, by each of the persons named in the Summary Compensation Table, and by the 16 persons, as a group, who were directors and/or executive officers of the Company on July 23, 2009.

Except as explained in the footnotes below, the named persons have sole voting and investment power with regard to the shares shown as beneficially owned by them.

Name of Beneficial Owner	Amount and Nature of Beneficial Ownership		Percent of Class (1)
Paul R. Garcia	1,348,004	(2)	1.7%
Edwin H. Burba, Jr.	52,487	(3)	*
Alex W. Hart	44,621	(4)	*
William I Jacobs	76,507	(5)	*
Raymond L. Killian, Jr.	24,075	(6)	*
Ruth Ann Marshall	6,263	(7)	*
Alan M. Silberstein	24,075	(8)	*
Michael W. Trapp	25,539	(9)	*
Gerald J. Wilkins	18,585	(10)	*
David E. Mangum	15,066	(11)	*
Joseph C. Hyde	120,854	(12)	*
James G. Kelly	492,134	(13)	*
Carl J. Williams	123,295	(14)	*
Suellyn P. Tornay	88,148	(15)	*
All Directors and Executive Officers as a group	2,503,990	(16)	3.0%

* Less than one percent.

(1) The percentage calculations are based on 80,535,270 shares of Common Stock outstanding on July 23, 2009, plus shares that could be acquired through the exercise of stock options that are currently exercisable or will become exercisable within 60 days of July 23, 2009.

(2) This amount includes 62,883 shares of restricted stock over which Mr. Garcia currently has sole voting power and includes options to purchase 1,010,809 shares which are currently exercisable or will become exercisable within 60 days. This amount includes 44,430 shares held by a grantor-retained annuity trust of which Mr. Garcia s wife is the trustee.

(3) This amount includes options to purchase 47,635 shares which are currently exercisable or will become exercisable within 60 days. This amount includes 4,532 shares held in a trust of which General Burba and his wife are co-trustees.

(4) This amount includes options to purchase 31,895 shares which are currently exercisable or will become exercisable within 60 days.

(5) This amount includes options to purchase 47,635 shares which are currently exercisable or will become exercisable within 60 days.

(6) This amount includes options to purchase 18,513 shares which are currently exercisable or will become exercisable within 60 days.

(7) This amount includes options to purchase 3,537 shares which are currently exercisable or will become exercisable within 60 days.

(8) This amount includes options to purchase 18,513 shares which are currently exercisable or will become exercisable within 60 days.

(9) This amount includes options to purchase 19,739 shares which are currently exercisable or will become exercisable within 60 days. This amount includes 5,800 shares held in a trust of which Mr. Trapp and his wife are co-trustees.

(10) This amount includes options to purchase 14,053 shares which are currently exercisable or will become exercisable within 60 days.

(11) This amount includes 15,000 shares of restricted stock over which Mr. Mangum has sole voting power.

(12) This amount includes 13,305 shares of restricted stock over which Mr. Hyde has sole voting power and options to purchase 86,529 shares which are currently exercisable or will become exercisable within 60 days.

(13) This amount includes 20,962 shares of restricted stock over which Mr. Kelly currently has sole voting power and options to purchase 394,246 shares which are currently exercisable or will become exercisable within 60 days.

(14) This amount includes 20,416 shares of restricted stock over which Mr. Williams currently has sole voting power and options to purchase 83,410 shares which are currently exercisable or will become exercisable within 60 days.

(15) This amount includes 9,843 shares of restricted stock over which Ms. Tornay currently has sole voting power and options to purchase 59,949 shares which are currently exercisable or will become exercisable within 60 days.

(16) This amount includes 1,868,975 options which are currently exercisable or will become exercisable within 60 days.

COMMON STOCK OWNERSHIP BY CERTAIN OTHER PERSONS

The following table sets forth information as of the date indicated with respect to the only persons who are known by the Company to be the beneficial owners of more than 5% of the outstanding shares of Common Stock.

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class on December 31, 2008 based on 80,195,000 shares outstanding
T. Rowe Price Associates, Inc. (1) 100 East Pratt Street Baltimore, Maryland 21202	10,197,912	12.7%
EARNEST Partners, LLC (2) 1180 Peachtree Street Suite 2300 Atlanta, Georgia 30309	4,808,321	6.0%
Capital Research Global Investors (3) 333 South Hope Street Los Angeles, CA 90071	4,795,000	6.0%
TimesSquare Capital Management, LLC (4) 1177 Avenue of the Americas 39th Floor New York, NY 10036	4,119,160	5.1%

(1) This information is contained in a Schedule 13G filed by T. Rowe Price Associates, Inc. and T. Rowe Price Mid-Cap Growth Fund, Inc. with the Securities and Exchange Commission on February 11, 2009. T. Rowe Price Associates, Inc. reports sole dispositive power of all shares listed above and sole voting power for 2,209,140 shares, while T. Rowe Price Mid-Cap Growth Fund, Inc. reports sole dispositive power over none of the shares listed above and sole voting power for 4,150,000 shares.

(2) This information is contained in a Schedule 13G filed by EARNEST Partners, LLC with the Securities and Exchange Commission on February 13, 2009. EARNEST Partners, LLC reports sole dispositive power of all shares listed above, sole voting power for 1,939,424 shares, and shared voting power for 1,170,497 shares.

(3) This information is contained in a Schedule 13G filed by Capital Research Global Investors with the Securities and Exchange Commission on February 13, 2009. Capital Research Global Investors reports sole dispositive power and sole voting power of all shares listed above but disclaims beneficial ownership.

(4) This information is contained in a Schedule 13G filed by TimesSquare Capital Management, LLC with the Securities and Exchange Commission on February 9, 2009. TimesSquare Capital Management, LLC reports sole dispositive power of all shares listed above and sole voting power for 3,459,500 shares.

COMPENSATION AND OTHER BENEFITS:

COMPENSATION DISCUSSION AND ANALYSIS

2009 Compensation Highlights

Fiscal year 2009 was a successful year for Global Payments; however the deterioration in the worldwide economy presented its challenges. Our executive compensation was impacted by these challenges, as well as by our stock price.

- Fiscal year 2009 base salary decisions reflected in this proxy statement were made in July 2008, before the stock market downturn, and reflect market factors at that time. The Named Executive Officers will not receive a salary increase for fiscal year 2010.

- Fiscal year 2009 bonus payouts reflect healthy growth in our earnings and revenues, as defined to exclude the impact of restructuring, other non-recurring charges, and the impact of changes in foreign currency.

- The earned level of fiscal year 2009 performance-based restricted stock awards reflects performance below target, largely as a result of the impact of changes in foreign currency. The executives received only 37% of their targeted value.

- Fiscal year 2009 stock option grants (with the exception of the new hire grant made to Mr. Mangum) were made at $44.29 and will create no value to executives unless the stock price exceeds that level. The stock price at the end of the first business day after May 31, 2009 was $36.61.

Following is additional detail regarding our executive pay program.

A. Introduction

In the paragraphs that follow, we provide an overview and analysis of our compensation program and policies, the material compensation decisions we have made under those programs and policies, and the material factors that we considered in making those decisions. Following this section is a series of tables containing specific information about the compensation earned or paid in fiscal year 2009 to the following individuals, to whom we refer as our Named Executive Officers or NEOs for the purposes of this proxy statement.

Paul R. Garcia Chairman and Chief Executive Officer

David E. Mangum Executive Vice President and Chief Financial Officer (hired November 1, 2008)

Joseph C. Hyde President International

James G. Kelly President and Chief Operating Officer

Carl J. Williams Advisor Business Development and International Operations

Suellyn P. Tornay Executive Vice President and General Counsel

The discussion below is intended to help you understand the detailed information provided in those tables and put that information into context within our overall compensation program.

B. Objectives of Compensation Policies

We design our compensation program with a view to retaining and attracting executive leadership of a caliber and level of experience necessary to effectively manage our complex, growth-oriented, and global businesses. Our objective is to have a compensation program that will allow us to:

- Support the financial and business objectives of the organization;
- Attract, motivate, and retain highly qualified executives;
- Create an environment where high performance is expected and rewarded;

- Deliver an externally competitive total compensation structure;
- Allow flexibility in design and administration to support aggressive growth initiatives; and
- Align the interests of our executives with our shareholders.

In order to do this effectively, our program must:

- Provide our executives with total compensation opportunities at levels that are competitive for comparable positions;
- Provide variable, at-risk incentive awards opportunities that are only payable if specific goals are achieved;
- Provide significant upside opportunities for exceptional performance; and
- Align our executives interests with those of our shareholders by making stock-based incentives a core element of our executives compensation.

Opportunities for at-risk compensation are market-based, while actual payments are performance-based. The target levels of the program are based on competitive market data. The amount that is actually paid to an executive considers company and individual performance. This policy results in actual compensation that is appropriate given our level of performance.

C. Role of the Independent Compensation Consultant

The Compensation Committee retained an independent compensation consultant from Hewitt Associates. The consultant takes guidance from and reports directly to the Compensation Committee. She advises the Compensation Committee on current and future trends and issues in executive compensation and on the competitiveness of the compensation structure and levels of our executives, including the Named Executive Officers. At the request of the Committee and to provide context for the Committee s compensation decisions made for fiscal year 2009, Hewitt performed the following services for the Committee late in fiscal year 2008. Because Mr. Mangum was hired during fiscal year 2009, we used the Hewitt market data for the CFO position provided in late fiscal year 2008 to make the compensation recommendations which were approved by the Committee.

- Conducted a market review and analysis for the Named Executive Officers and for other executives whose compensation is determined by the Compensation Committee to determine whether their total targeted compensation levels were competitive with positions of a similar scope in similarly sized companies;
- Conducted pay and performance relationship analyses to evaluate the correlation of Company performance and pay levels to those of the peer group companies;
- Compared our long term incentive plan design to those of our peer group to assess plan competitiveness within our market for talent;
- Conducted an analysis of the prevalence of perquisites and retirement income benefits among the companies in our peer group;

Conducted an analysis compared to the peer group of existing share dilution in order to measure any impacts to shareholder voting power and earnings per share based (or EPS) on stock outstanding;

Prepared tally sheets on the Named Executive Officers, except for Mr. Mangum, for the Compensation Committee to review the total wealth accumulated during the executives tenure with the Company and the impact to the Company in the event of a termination or change in control; and

Attended a Committee meeting to discuss these items with the Committee.

D. Market Data

We consider the compensation levels, programs, and practices of certain other companies to assist us in setting our executive compensation so that it is market competitive. For fiscal year 2009, the following peer group was utilized for this purpose. All of the companies in the peer group are in the transaction processing or data services business. We compete for talent with several of these peer companies.

Acxiom Corp	Equifax	Heartland Payment Systems
Alliance Data Systems	Euronet Worldwide	Moneygram International
Convergys Corporation	Fair Isaac Corporation	Paychex
CSG Systems International	Global Cash Access Holdings	Total System Services

The Compensation Committee annually reviews and updates the list of companies comprising the peer group to ensure we have an appropriate marketplace focus.

Before the Compensation Committee met in executive session to set fiscal year 2009 compensation, the independent consultant collected and analyzed comprehensive market data for its use. The consultant presented size-adjusted market values for base salary, short term incentives, and long term incentives, using peer group proxy data as the primary data source and supplementing it as necessary with general industry information from Hewitt s proprietary executive compensation database. The results of the analysis were that fiscal year 2008 total compensation for our Named Executive Officers (at target performance levels) fell below the average of the market for similar jobs, except for Mr. Williams, whose fiscal year 2008 total compensation at target performance level was at the market average.

E. How Decisions Are Made and the Role of Executive Officers

Our Chief Executive Officer (Paul R. Garcia), with the assistance of our human resources department, develops compensation recommendations for the executive officers who report directly to him (including the Named Executive Officers) based upon market data supplied by the independent consultant, the Company s performance relative to goals approved by the Compensation Committee, individual performance versus personal objectives, and other individual contributions to the Company s performance. Mr. Garcia is not involved in determining his own compensation. The Compensation Committee reviews and approves all compensation elements for the Named Executive Officers and sets the compensation of the CEO, after receiving advice from the independent consultant.

F. Overview of Executive Compensation Program Elements

The following elements comprise our compensation program for executives:

- base salary;
- short term incentives;
- long term incentives;
- retirement benefits; and
- other benefits, such as certain limited perquisites.

To provide flexibility in using the different elements of compensation from year to year, the Compensation Committee does not have a policy with regard to the allocation among the major elements of compensation, including base salary, short term incentives, and long term incentives but tends to approximate the mix of pay inherent in the market data. Our fiscal year 2009 decisions for each of our Named Executive Officers resulted in total target compensation falling within fifteen percent of the median of the market. The following executive pay at target levels was set by the Compensation Committee for fiscal year 2009:

Name	Base Salary ($)	Cash Incentive ($)	Performance Units (#)	Stock Options (#)
Paul R. Garcia	$ 950,000	$ 950,000	52,684	39,513
David E. Mangum	$ 400,000	$ 280,000	N/A (2)	N/A (2)
Joseph C. Hyde	$ 400,000	$ 280,000	12,513	9,385
James G. Kelly	$ 600,000 (1)	$ 450,000	17,217	12,913
Carl J. Williams	$ 500,000	$ 350,000	14,582	10,937
Suellyn P. Tornay	$ 350,000	$ 192,500	8,656	6,492

(1) Mr. Kelly s base salary was increased from $550,000 to $600,000 in November 2008 upon his promotion to President and COO.

(2) Mr. Mangum s cash compensation was determined by the Committee using the peer group market analysis conducted by Hewitt. Mr. Mangum did not participate in the fiscal year 2009 long-term incentive program and did not receive performance shares; however, he did receive 20,000 stock options and 15,000 time-based restricted stock shares upon his hire in November 2008. The date of his grant was November 3, 2008, and the stock price (which is the grant price of the options) was $42.03 a share.

When the Committee established the EPS goals for the annual performance and performance unit plans that are described throughout this narrative, it calculated the relationship between the additional earnings represented and the incremental short-term incentive and performance unit payouts that would be owed as a result of the executives reaching their goals. This maintains an equilibrium between shareholder reward and executive reward between the target and maximum goal levels.

(1) Base Salary. Base salary provides our executive officers with a level of compensation consistent with their skills, responsibilities, experience and performance in relation to comparable positions in the marketplace. Base salary is the one fixed component of our executives compensation. The Compensation Committee reviews the base salaries of our executive officers annually. Base salary increases determined at the beginning of fiscal year 2009 for all the Named Executive Officers were in a 10% to 12% range rounded to the nearest whole percentage. Mr. Kelly received a second salary increase of 9% upon his promotion to President and COO in November 2008, which represented a full year salary increase of 20% when combined with his initial increase at the start of fiscal year 2009.

Recommendations for fiscal year 2009 were approved at the July 2008 Compensation Committee meeting. The Committee met in executive session to discuss the increase for Mr. Garcia and the other executives. Base salary increases for the executives are effective on June 1 of each year.

(2) Short Term Incentives. We provide our Named Executive Officers with short term incentive opportunities to motivate and reward them for the achievement of the Company s defined business goals and objectives and to reward individual performance. Our short term incentive program includes an annual performance plan and our commitment and accountability program.

(a) Annual Performance Plan. The annual performance plan provides an opportunity for executives to earn variable at-risk cash compensation. Each executive is assigned a target award opportunity, expressed as a percentage of base salary. The fiscal year 2008 target opportunities were lower than the market levels provided by the consultant. Based on the review of the data, the Compensation Committee increased and set each executive s target bonus opportunities for fiscal year 2009 as follows: Mr. Garcia $950,000 or 100% of his base salary, which was increased from 80% of his base salary in fiscal year 2008; Mr. Mangum $280,000 or 70% of his base salary, which was determined upon his hire in November 2008; Mr. Hyde $280,000 or 70% of his base salary, which was increased from 55% of his base salary in fiscal year 2008; Mr. Kelly $450,000 or 75% of his base salary, which was increased from 60% of his base salary in fiscal year 2008; Mr. Williams $350,000 or 70% of his base salary, which was increased from 55% of his base salary in fiscal year 2008; and Ms. Tornay $192,500 or 55% of her base salary, which was increased from 50% of her base salary in fiscal year 2008.

For fiscal year 2009, there were three weighted components of the annual performance plan. There were two Company objectives, diluted earnings per share (EPS) and revenue, and a set of individual objectives that varied from person to person. The rationale for using each component in the plan is outlined in the following table:

Metric	Definition	Rationale for Use
EPS	GAAP diluted earnings per share, excluding the impact of restructuring and other non-recurring charges and the impact of changes in foreign currency.	We believe EPS most closely aligns the performance of executives to the interests of shareholders, given that it is the primary metric we use to evaluate new business opportunities as well as the performance of existing operations.
Revenue	GAAP revenue, excluding the impact of restructuring and other non-recurring charges and the impact of changes in foreign currency.	As a growth-oriented company, we consider that revenue growth is critical to the Company s success.
Individual Objectives	Objectives differ by executive.	Individual objectives promote accountability for personal performance regarding areas under the executive s responsibility.

The three parts of the annual performance plan were calculated separately. The target opportunity was allocated among the three elements based upon the table below.

Name	Diluted EPS FY09	Revenue FY09	Individual Objectives FY09
Paul R. Garcia	50%	30%	20%
All Other NEOs	40%	30%	30%

The range of possible payouts for each performance measure varied by person, by measure and in total as shown in the tables below. Each executive can earn up to 100% of the individual objectives component. For each of the corporate components, Mr. Garcia can earn up to 225%, Mr. Kelly can earn up to approximately 215%, and the other NEOs can earn up to 200%. Once calculated, all bonus payments are totaled and then rounded up to the nearest $1,000.

For Mr. Garcia:

Degree of Performance Attainment	Diluted EPS Weighted 50%	Revenue Weighted 30%	Individual Objectives Weighted 20%	Total Opportunity
Maximum	225%	225%	100%	200%
Target	100%	100%	100%	100%
Threshold	50%	50%	0%	40%
Below Threshold	0%	0%	0%	0%

For Mr. Kelly:

Degree of Performance Attainment	Diluted EPS Weighted 40%	Revenue Weighted 30%	Individual Objectives Weighted 30%	Total Opportunity
Maximum	215%	215%	100%	180%
Target	100%	100%	100%	100%
Threshold	50%	50%	0%	35%
Below Threshold	0%	0%	0%	0%

For the Executives (other than Mr. Garcia and Mr. Kelly):

Degree of Performance Attainment	Diluted EPS Weighted 40%	Revenue Weighted 30%	Individual Objectives Weighted 30%	Total Opportunity
Maximum	200%	200%	100%	170%
Target	100%	100%	100%	100%
Threshold	50%	50%	0%	35%
Below Threshold	0%	0%	0%	0%

For example, if an executive (other than Mr. Garcia or Mr. Kelly) made a base salary of $200,000 per year, and his target bonus was 50% of his base salary, his target bonus would be $100,000. Based upon the relative weighting set forth in the table above, the target bonus would be apportioned $40,000 for diluted EPS results (40%), $30,000 for revenue results (30%), and $30,000 for individual goals (30%). The executive s target diluted EPS payout was $40,000, so he could earn from zero to 200% (or from $0 to $80,000) for this portion of the bonus. The executive s target revenue bonus was $30,000, so he could earn from zero to 200% (or from $0 to $60,000) for this portion of the bonus. Finally, the executive s target bonus for individual goals was $30,000, so he could earn from zero to 100% (or from $0 to $30,000) for performance against individual goals. The total payout opportunity in this example is from 0% to 170% (or from $0 to $170,000).

(i) Diluted EPS Payout

The following table contains the range of diluted EPS goals for fiscal year 2009 and the applicable payout percentages. The diluted EPS goal excludes the impact of restructuring and other non-recurring charges and the impact of changes in foreign currency, but includes the impact of the planned U.K. acquisition.

		Percentage of target bonus apportioned to diluted EPS		
Degree of Performance Attainment	Diluted EPS	Mr. Garcia	Mr. Kelly	Other NEOs
Maximum	$ 2.40	225%	215%	200%
Target	$ 2.30	100%	100%	100%
Threshold	$ 2.12	50%	50%	50%
Below Threshold	Less than $ 2.12	0%	0%	0%

The actual diluted EPS result for the Company for fiscal year 2009 on a GAAP basis was $0.46, which represents a 77% decrease from fiscal year 2008 GAAP EPS of $2.01. Factoring in the adjustments described above (namely the impairment charge in our money transfer segment), diluted EPS for fiscal year 2009 was $2.47. Using straight line interpolation, the payout was at the maximum of the target amount of the bonus apportioned to diluted EPS results. The diluted EPS performance resulted in the following payouts to the Named Executive Officers: Mr. Garcia $1,068,750; Mr. Mangum $224,000; Mr. Hyde $224,000; Mr. Kelly $385,714; Mr. Williams $280,000; and Ms. Tornay $154,000.

(ii) Revenue Payout

The following table contains the range of revenue goals for fiscal year 2009 and the applicable payout percentages. The revenue goal excludes the impact of restructuring and other non-recurring charges and the impact of changes in foreign currency, but includes the impact of the planned U.K. acquisition.

		Percentage of target bonus apportioned to revenue		
Degree of Performance Attainment	**Revenue (millions)**	**Mr. Garcia**	**Mr. Kelly**	**Other NEOs**
Maximum	$ 1,735	225%	215%	200%
Target	$ 1,675	100%	100%	100%
Threshold	$ 1,542	50%	50%	50%
Below Threshold	Less than $ 1,542	0%	0%	0%

The actual revenue for the Company for fiscal year 2009 on a GAAP basis was $1,602 million, rounded to the nearest $1 million, which represents an increase slightly above 25% over fiscal year 2008 GAAP revenue of $1,274 million. Factoring in the adjustments described above, revenue for fiscal 2009 was $1,690 million. Using straight line interpolation, the payout was approximately 131% for Mr. Garcia, approximately 128% for Mr. Kelly, and approximately 125% for the remaining executives of the target amount of the bonus apportioned to revenue results. The revenue performance resulted in the following payouts to the Named Executive Officers: Mr. Garcia $372,376; Mr. Mangum $104,602; Mr. Hyde $104,602; Mr. Kelly $172,841; Mr. Williams $130,753; and Ms. Tornay $71,914.

(iii) Payout Based upon Individual Performance Objectives

The third component of the bonus payout was based upon individual performance objectives. Each of the executives could earn from zero to 100% of the payout amount allocated to individual performance. Individual performance objectives are established annually in writing. The Compensation Committee and the Lead Director set the individual performance objectives for the CEO, and the CEO approves the individual objectives for the other executives. Examples of actual individual performance objectives for our Named Executive Officers for fiscal year 2009 included:

- financial objectives within the individual s business or functional area
- the development and execution of specific business strategies
- the completion of business development activities
- the timely implementation of technology projects
- changes and/or improvements to internal processes
- success of recruiting key employees
- items specific to the individual s professional development

This individual assessment promotes accountability for each executive s personal performance and helps differentiate our executives compensation based on individual contributions. At the end of the year, the CEO reviews the performance of each Named Executive Officer (other than himself) against his or her objectives and makes a recommendation to the Compensation Committee regarding this portion of the bonus. The Lead Director and the Compensation Committee review Mr. Garcia s performance against his objectives and determine the amount payable. Based upon the performance against such objectives, the payouts for each executive were as follows: Mr. Garcia $183,000 or approximately 96%; Mr. Mangum $84,000 or 100%; Mr. Hyde $84,000 or 100%; Mr. Kelly $122,850 or approximately 91%; Mr. Williams $89,247 or approximately 85%; and Ms. Tornay $57,750 or 100%.

(iv) Summary of the Annual Performance Plan

The following table summarizes the final annual performance incentive plan payouts for each executive based on fiscal year 2009 performance:

Name	Diluted EPS ($)	Revenue ($)	Individual Objectives ($)	Total Payout ($)	Final ($)
Paul R. Garcia	$ 1,068,750	$ 372,376	$ 183,000	$ 1,624,126	$ 1,625,000
David E. Mangum	$ 224,000	$ 104,602	$ 84,000	$ 412,602	$ 413,000
Joseph C. Hyde	$ 224,000	$ 104,602	$ 84,000	$ 412,602	$ 413,000
James G. Kelly	$ 385,714	$ 172,841	$ 122,850	$ 681,405	$ 682,000
Carl J. Williams	$ 280,000	$ 130,753	$ 89,247	$ 500,000	$ 500,000
Suellyn P. Tornay	$ 154,000	$ 71,914	$ 57,750	$ 283,664	$ 284,000

(b) Commitment and Accountability Discretionary Awards. In addition to the annual performance plan, all employees, including the executives, can earn discretionary bonuses. These bonuses are paid for specific accomplishments during the year that were not anticipated at the beginning of the year or were in addition to the executive s individual objectives. Examples of the type of accomplishments that could result in a discretionary bonus would be the closing of a major acquisition or the completion of a major project. In 2009, discretionary bonuses were given to the Named Executive Officers based on their involvement in and for the achievement of the HSBC acquisition in the United Kingdom. Discretionary bonuses paid in fiscal year 2009 are as follows:

Name	Commitment and Accountability Discretionary Award ($)	Percentage of FY08 Bonus
Paul R. Garcia	$ 436,500	50%
David E. Mangum	n/a (1)	n/a (1)
Joseph C. Hyde	$ 100,800	40%
James G. Kelly	$ 180,500	50%
Carl J. Williams	$ 135,900	45%
Suellyn P. Tornay	$ 99,000	50%

(1) Mr. Mangum was not employed at the time of the acquisition and did not receive a discretionary award for 2009.

(3) Long Term Incentive Program. Each year the Company grants Long Term Incentive Awards, which we refer to as LTIs, to executives and other key employees throughout the Company. All LTI grants are made pursuant to our Amended and Restated 2005 Incentive Plan, the material terms of which were approved by our shareholders. All grants of LTIs to the Named Executive Officers are approved by the Compensation Committee. We believe the LTIs align the executives interests with those of the shareholders by linking their compensation to stock price.

The Compensation Committee evaluates the peer group market data for long term incentives as provided by the independent consultant to determine Mr. Garcia s LTI grant at target and approve the recommended LTI grants at target for the other Named Executive Officers.

In fiscal year 2009, the LTIs granted to the executives included stock options as well as performance-based restricted stock units (performance units). We allocated 25% of the total grant value to stock options and 75% to performance units. Allocation of the grant to stock options and performance units was determined using a 40% valuation for options and a 90% valuation for performance units, both suggested by the independent consultant to represent the risk-adjusted present value of the grants, which was consistent with the methodology used to develop the market data for long-term incentives. Per-share grant values for stock options were derived by multiplying the closing price of the stock on the date of grant ($44.29) by the 40% valuation, resulting in a per-share value of $17.716. To determine the number of options to be granted to each executive, we divided the executive s grant value apportioned to stock options by the per-share grant value for options. Per-share grant values for performance units were derived by multiplying the closing price of the stock on the date of grant ($44.29) by the 90% valuation, resulting in a share value of $39.861. To determine the number of performance units to be granted to each executive, we divided the executive s grant value apportioned to performance-based restricted stock by the per-share grant value for performance units. Any fractional shares are rounded up to the nearest whole share.

For example, if an executive s LTI grant value was $200,000, we would have multiplied $200,000 by 25% to derive the portion of the grant to be allocated to stock options ($50,000), reserving the remaining 75% of the grant value ($150,000) to be allocated to performance units. Then we would have divided the stock option allocation by the estimated per-option grant value of $17.716, and the performance-based restricted stock allocation by the estimated per-share grant value of $39.861. As a result, the executive would have received 2,823 options at an exercise price of $44.29 and 3,764 performance shares.

(a) Stock Options. We believe stock options provide an incentive for long term creation of shareholder value. Stock options only have value to the extent the price of the Company s stock appreciates relative to the exercise price. The exercise price is the closing price of the stock on the grant date. We do not grant discounted options or re-price existing options. The granted stock options vest over a four-year period at a rate of 25% per year. During fiscal year 2009, the Compensation Committee approved the following stock option grants for each of the Named Executive Officers:

Name	**Number of shares granted**	**Date granted**	**Exercise price**
Paul R. Garcia	39,513	7/31/2008	$ 44.29
David E. Mangum	n/a (1)	n/a (1)	n/a (1)
Joseph C. Hyde	9,385	7/31/2008	$ 44.29
James G. Kelly	12,913	7/31/2008	$ 44.29
Carl J. Williams	10,937	7/31/2008	$ 44.29
Suellyn P. Tornay	6,492	7/31/2008	$ 44.29

(1) Mr. Mangum did not participate in the fiscal year 2009 long-term incentive program; however, he did receive 20,000 stock options upon his hire in November 2008. The date of his grant was November 3, 2008 and the stock price was $42.03 a share.

(b) Performance-Based Restricted Stock Units (Performance Units). In addition to stock options, we issue performance units under our long term incentive program in order to motivate employees, to reward the achievement of specified financial or market goals, and encourage increased stock ownership by executives. Performance units are converted into a stock grant only if the Company s performance during the fiscal year exceeds pre-established goals.

For fiscal year 2009, the Compensation Committee approved modifications to our performance units to bring the range of opportunity provided under them closer to market norms. The first such modification was to increase the maximum opportunity to 150% and the second modification was to decrease the threshold opportunity to 50%. These changes are reflected in the following table applicable to the grant of performance units:

Degree of Performance Attainment	% of Target Award Applicable to Diluted EPS Results Earned	% of Target Award Applicable to Revenue Results Earned	% of Target Award Applicable to Operating Margin Results Earned	Total
Maximum	50%	50%	50%	150%
Target	33.33%	33.33%	33.34%	100%
Threshold	16.67%	16.67%	16.66%	50%
Below Threshold	0%	0%	0%	0%

At the beginning of fiscal year 2009, executives were each granted a target number of performance units attributable to a diluted EPS result, revenue result, and operating margin result, with revenue and EPS weighted at 33.33% and operating margin weighted at 33.34%. These metrics were chosen based upon the following rationale:

Long Term Incentive Performance-Based Restricted Stock Plan

Metric	Definition	Rationale for Use
EPS	GAAP diluted earnings per share, excluding the impact of restructuring, HSBC U.K. acquisition and other non-recurring charges but including impacts of other acquisitions and changes in foreign currency.	We believe EPS most closely aligns the performance of executives to the interests of shareholders given it is the primary metric we use to evaluate new business opportunities as well as the performance of existing operations.
Revenue	GAAP revenue, excluding the impact of restructuring, HSBC U.K. acquisition and other non-recurring charges but including impacts of other acquisitions and changes in foreign currency.	As a growth-oriented company, we consider revenue growth critical to the Company s success.
Operating Margin	Ratio of operating income to revenue on a GAAP basis, excluding the impact of restructuring, HSBC U.K. acquisition and other non-recurring charges but including impacts of other acquisitions and changes in foreign currency.	We use this measure to assess the quality and efficiency of our operations.

The following is a table summarizing the target performance units granted during fiscal year 2009.

Name	Target Performance Units Based on Diluted EPS Results	Target Performance Units Based on Revenue Results	Target Performance Units Based on Margin Results	Total Performance Units at Target Opportunity for Fiscal Year 2009
Paul R. Garcia	17,560	17,560	17,564	52,684
David E. Mangum (1)	n/a	n/a	n/a	n/a
Joseph C. Hyde	4,171	4,171	4,171	12,513
James G. Kelly	5,738	5,738	5,741	17,217
Carl J. Williams	4,860	4,860	4,862	14,582
Suellyn P. Tornay	2,885	2,885	2,886	8,656

(1) Mr. Mangum did not participate in the fiscal year 2009 long-term incentive plan; however, he did receive 15,000 time-based restricted stock shares upon his hire in November 2008. The date of his grant was November 3, 2008 and the stock price was $42.03 a share.

Depending on the diluted EPS, revenue and operating margin results, the executives could earn from 0% to 150% of the applicable target amount.

(i) Portion Attributable to Diluted EPS Results

The following table contains the diluted EPS goals and the applicable reward amounts for fiscal year 2009. The diluted EPS goals exclude the impact of restructuring, other non-recurring charges, and the U.K. acquisition but include other acquisitions and changes in foreign currency.

Degree of Performance Attainment	Diluted EPS	% of Target Award Applicable to EPS Results Earned
Maximum	$ 2.38	50%
Target	$ 2.18	33.33%
Threshold	$ 2.08	16.67%
Below Threshold	Less than $ 2.08	0%

The actual diluted EPS result for the Company for fiscal year 2009 on a GAAP basis was $0.46, which represents a 77% decrease from fiscal year 2008 GAAP EPS of $2.01. Factoring in the adjustments described above (namely the impairment charge in our money transfer segment), diluted EPS for fiscal 2009 was $2.04. Because EPS performance did not meet the applicable plan threshold, the executives did not earn the performance units attributable to the EPS result.

(ii) Portion Attributable to Revenue Results

The following table contains the revenue goals and the applicable award amounts for fiscal year 2009. The revenue goals exclude the impact of restructuring, other non-recurring charges, and the U.K. acquisition but include other acquisitions and changes in foreign currency.

Degree of Performance Attainment	Revenue (Millions)	% of Target Award Applicable to Revenue Results Earned
Maximum	$ 1,529	50%
Target	$ 1,434	33.33%
Threshold	$ 1,402	16.67%
Below Threshold	Less than $ 1,402	0%

The actual revenue for the Company for fiscal year 2009 on a GAAP basis was $1,602, rounded to the nearest $1 million, which represents an increase slightly above 25% over fiscal year 2008 GAAP revenue of $1,274 million. Factoring in the adjustments described above, revenue for fiscal year 2009 was $1,398 million. Because revenue performance did not meet the applicable plan threshold, the executives did not earn the performance units attributable to the revenue result.

(iii) Portion Attributable to Operating Margin Results

The following table contains the operating margin goals and the applicable award amounts for fiscal year 2009. The operating margin goals exclude the impact of restructuring, other non-recurring charges, and the U.K. acquisition but include other acquisitions and changes in foreign currency.

Degree of Performance Attainment	Operating Margin	% of Target Award Applicable to Operating Margin Results Earned
Maximum	20.0%	50%
Target	17.5%	33.34%
Threshold	15.0%	16.66%
Below Threshold	Less than 15.0%	0%

The actual operating margin result for the Company for fiscal year 2009 on a GAAP basis was 10%, which represents a 49% decrease from fiscal year 2008 GAAP operating margin of 19.7%. Factoring in the adjustments described above (namely the impairment charge in our money transfer segment), operating margin for fiscal 2009 was 18%. Using straight line interpolation, the payout was 110%. This resulted in each of the executives receiving the following number of performance units: Mr. Garcia 19,321; Mr. Mangum n/a; Mr. Hyde 4,589; Mr. Kelly 6,314; Mr. Williams 5,348; and Ms. Tornay 3,175.

(iv) Conversion of Performance Units into Restricted Stock

Once the number of performance units earned was determined for each executive, the units were converted into shares of restricted stock with the following vesting schedule: 25% vested immediately and the remaining 75% of the shares will vest in three equal installments over the next three years. The following table summarizes the conversion of the performance shares to restricted stock for each executive, which equates to approximately 37% of the targeted grant for each:

Name	Number of performance units earned
Paul R. Garcia	19,321
David E. Mangum	n/a(1)
Joseph C. Hyde	4,589
James G. Kelly	6,314
Carl J. Williams	5,348
Suellyn P. Tornay	3,175

(1) Mr. Mangum did not participate in the fiscal year 2009 long-term incentive plan and did not receive performance units.

(4) Retirement Benefits. The only retirement benefit provided to all of our executives consists of the Company s 401(k) plan. We also maintain a pension plan that was available to all employees but was closed to new employees hired after June 1, 1998. Ms. Tornay is the only Named Executive Officer who was hired before such time and, therefore, is the only Named Executive Officer who participates in the pension plan. Additional information regarding the pension plan is contained in the Compensation Tables and Narratives section under the heading Pension Benefits.

(5) Other Benefits. The Named Executive Officers are eligible to participate in other health and welfare programs that are available to substantially all full-time salaried employees. The only other benefits are limited perquisites, which are set forth in footnote (3) to the Summary Compensation Table contained in the Compensation Tables and Narratives section.

G. Employment Agreements

We offer employment agreements to a limited number of key employees, which includes all of the Named Executive Officers (except for Mr. Mangum, whose employment agreement is being negotiated). We believe this is necessary in order to retain and attract highly-qualified executives, but we also believe that the employment agreements provide benefit to the Company. Each of the Named Executive Officers who is a party to an employment agreement has agreed not to disclose confidential information or compete with us, and not to solicit our customers or recruit our employees, for a period of 24 months following the termination of his or her employment. In exchange, we offer limited income and benefit protections to the executive. Mr. Williams employment agreement was altered to reflect his changed position, and during fiscal year 2010 he will no longer be an executive officer. Additional information regarding the terms of these agreements is contained in the Compensation Tables and Narratives section under the heading Employment Agreements.

H. Policy Regarding Timing of Equity Grants

Historically, we have not timed the grant of equity awards to coincide with, precede, or follow the release of material non-public information. Our current policy is to make the annual grant to all eligible employees on the next business day following the filing of our annual report on Form 10-K.

I. Perquisites

Perquisites are a relatively minor aspect of the compensation program. We believe the limited perquisites we offer are consistent with other companies. The perquisites offered by the Company are set forth in footnote (3) to the Summary Compensation Table contained in the Compensation Tables and Narratives section. We believe that, considered both individually and in the aggregate, the perquisites we offer to our Named Executive Officers are reasonable and appropriate.

J. Target Stock Ownership Guidelines

The Compensation Committee has implemented stock ownership guidelines for executives. This fosters Common Stock ownership and aligns the interests of our executives with our shareholders. Within five years of the later of (1) June 1, 2007 or (2) the executive s initial appointment to his or her position, each executive should own shares valued as a percentage of base salary as follows: CEO 5 times base salary, and the other executives 2 times base salary.

K. Tax Considerations

Section 162(m) of the U.S. Internal Revenue Code places a limit of $1,000,000 on the amount of compensation that we may deduct in any one year with respect to any one of our Named Executive Officers. However, qualifying performance-based compensation will not be subject to the deduction limit if certain requirements are met. To maintain flexibility in compensating our executives, the Compensation Committee reserves the right to use its judgment to authorize compensation payments that may be subject to the limit when the Compensation Committee believes that such payments are appropriate. Accordingly, certain components of our executive compensation program are designed to be qualifying performance-based compensation under 162(m) while others are not.

L. Policies Regarding Gross-Up

There are very limited circumstances under which we gross-up a benefit to compensate an executive for the taxes payable on such benefit. We do gross-up a portion of the fees paid in connection with financial planning, amounts paid in connection with the executive s attendance at the Company s President s Club and Chairman s Club award trips, and certain sums paid in connection with foreign relocation or assignment. We also provide a gross-up for excise taxes that may be due with respect to the change of control provisions contained in some of the employment agreements, which is described in the Compensation Tables and Narratives section under the sub-heading *Summary of Employment Agreements.*

M. Accounting Considerations

We account for all compensation paid in accordance with GAAP. The accounting treatment is not expected to have a material effect on the selection of forms of equity compensation or on other compensation decisions.

N. Proposed Changes for FY 2010

To remain competitive in personnel recruitment and retention, the Compensation Committee approved changes to some elements of the compensation program for fiscal year 2010 to embrace market practices. Concerning base pay, the Named Executive Officers will not receive a salary increase for fiscal year 2010. For the incentive plans, the EPS, revenue and operating margin metrics, coupled with a sharing ratio (short term incentive/long term incentive payouts as a function of earnings), associated with the plans were reviewed and adjusted to protect shareholder interest while remaining market competitive.

In addition for 2010, the bonus opportunity, at target, will increase for the three following Named Executive Officers: Mr. Garcia (to 120% of base salary), Mr. Kelly (to 85% of base salary), and Mr. Mangum (to 75% of base salary). The peer group benchmark data provided by the independent compensation consultant in late fiscal year 2009 indicated that the target opportunities for these officers were below the market median, and the Compensation Committee determined that such an increase was appropriate to ensure the target opportunities offered to these executives are competitive with the marketplace.

In addition, in order to maintain a market competitive long term incentive program, the performance-based restricted stock units plan will be adjusted for 2010 to allow the Named Executive Officers to earn up to a maximum 200% of awarded units at the target level. The ability to earn up to a maximum of 50% of awarded units at achievement of objectives at the threshold level remains unchanged.

COMPENSATION COMMITTEE REPORT

The Compensation Committee has reviewed and discussed the foregoing section entitled Compensation Discussion and Analysis with management. Based on such review and discussion, the Committee recommended to the Board of Directors that the Compensation Discussion and Analysis be included in this proxy statement, which is to be incorporated by reference into our annual report on Form 10-K for fiscal year 2009.

COMPENSATION COMMITTEE

Edwin H. Burba, Jr., Chairperson

Alex W. Hart

William I Jacobs

Raymond L. Killian

Ruth Ann Marshall

COMPENSATION TABLES AND NARRATIVES

A. Summary Compensation Table

The following table presents certain summary information concerning compensation paid or accrued by the Company for services rendered in all capacities during the fiscal year ended May 31, 2009 (2009 fiscal year), during the fiscal year ended May 31, 2008 (2008 fiscal year), and during the fiscal year ended May 31, 2007 (2007 fiscal year) for (i) the principal executive officer of the Company; (ii) the principal financial officer of the Company, (iii) each of the three other most highly compensated executive officers of the Company (determined as of the end of the 2009 fiscal year) and (iv) one additional individual for whom disclosure would have been required but for the fact that the individual was not serving as an executive officer of the Company at the end of the 2009 fiscal year. The persons referenced in (i) through (iv) above are our Named Executive Officers.

SUMMARY COMPENSATION TABLE

Name and Principal Position (a)	**FY (b)**	**Salary ($) (c)**	**Bonus ($) (d)**	**Stock Awards ($)(1) (e)**	**Option Awards ($) (2) (f)**	**Non-Equity Incentive Plan Compensation ($) (g)**	**Change in Pension value and Nonqualified Deferred Compensation Earnings ($) (h)**	**All Other Compensation ($) (i)**	**Total ($) (j)**
Paul R. Garcia	2009	$ 950,000	$ 436,500	$ 1,235,757	$ 704,311	$ 1,625,000		$ 39,444(3)	$ 4,991,012
Chairman and Chief Executive Officer	2008	$ 850,000		$ 964,675	$ 917,315	$ 873,000		$ 31,447(3)	$ 3,636,437
	2007	$ 779,077		$ 528,423	$ 1,395,149	$ 732,000		$ 35,504(3)	$ 3,470,153
David Mangum	2009	$ 230,769(5)		$ 91,941	$ 36,225	$ 413,000		$ 16,000(3)	$ 787,935
Executive Vice President and Chief Financial Officer	2008	n/a(5)	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	2007	n/a(5)	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Joseph C. Hyde	2009	$ 400,000	$ 100,800	$ 262,941	$ 174,570	$ 413,000		$ 83,517(3)	$ 1,434,828
President International	2008	$ 365,000		$ 197,741	$ 172,023	$ 252,000		$ 46,496(3)	$ 1,033,260
	2007	$ 349,231	$ 25,000	$ 141,562	$ 301,084	$ 236,000		$ 36,414(3)	$ 1,089,291
James G. Kelly	2009	$ 578,846	$ 180,500	$ 410,779	$ 289,726	$ 682,000		$ 17,624(3)	$ 2,159,475
President and Chief Operating Officer	2008	$ 500,000		$ 328,525	$ 403,678	$ 361,000		$ 11,404(3)	$ 1,604,607
	2007	$ 479,385	$ 35,000	$ 227,073	$ 638,875	$ 316,000		$ 11,998(3)	$ 1,708,331
Carl J. Williams	2009	$ 500,000	$ 135,900	$ 381,201	$ 228,277	$ 500,000		$ 152,069(3)	$ 1,897,447
Advisor Business Development and International Operations	2008	$ 450,000		$ 421,150	$ 272,491	$ 302,000		$ 264,216(3)	$ 1,709,857
	2007	$ 419,384		$ 328,204	$ 326,188	$ 285,000		$ 234,047(3)	$ 1,592,823
Suellyn P. Tornay	2009	$ 350,000	$ 99,000	$ 188,492	$ 120,764	$ 284,000	$ 465(4)	$ 14,337(3)	$ 1,057,058
Executive Vice President and General Counsel	2008	$ 312,000		$ 144,692	$ 157,645	$ 198,000	(4)	$ 9,265(3)	$ 821,602
	2007	$ 298,769	$ 40,000	$ 77,286	$ 238,625	$ 170,000	$ 9,784(4)	$ 10,715(3)	$ 845,179

(1) The amounts shown in this column applicable to fiscal year 2009 reflect restricted stock or restricted stock unit awards granted in the applicable fiscal year and in prior years. The amounts are valued based on the amounts recognized for financial statement reporting purposes during fiscal year 2009 pursuant to Financial Accounting Standards Board Statement of Financial Accounting Standards 123 (revised 2004), Share-Based Payment (which we refer to as FAS 123R), except that, in accordance with rules of the SEC, any estimate for forfeitures related to service-based vesting conditions is excluded from, and does not reduce, such amounts. See Note 11 to the Consolidated Financial Statements included in our Annual Report on Form 10-K for the fiscal year ended May 31, 2009 for a discussion of the relevant assumptions used in calculating these amounts pursuant to FAS 123R.

The amounts shown in this column applicable to fiscal year 2008 reflect restricted stock or restricted stock unit awards granted in the applicable fiscal year and in prior years. The amounts are valued based on the amounts recognized for financial statement reporting purposes during fiscal year 2008 pursuant to FAS 123R, except that, in accordance with rules of the SEC, any estimate for forfeitures related to service-based vesting conditions is excluded from, and does not reduce, such amounts. See Note 9 to the Consolidated Financial Statements included in our Annual Report on Form 10-K for the fiscal year ended May 31, 2008 for a discussion of the relevant assumptions used in calculating these amounts pursuant to FAS 123R.

The amounts shown in this column applicable to fiscal year 2007 reflect restricted stock or restricted stock unit awards granted in fiscal year 2007 and in prior years. The amounts are valued based on the amounts recognized for financial statement reporting purposes during fiscal year 2007 pursuant to FAS 123R, except that, in accordance with rules of the SEC, any estimate for forfeitures related to service-based vesting conditions is excluded from, and does not reduce, such amounts. See Note 8 to the Consolidated Financial Statements included in our Annual Report on Form 10-K for the fiscal year ended May 31, 2007 for a discussion of the relevant assumptions used in calculating these amounts pursuant to FAS 123R.

(2) The amounts shown in this column applicable to fiscal year 2009 reflect stock option awards granted in the applicable fiscal year and in prior years. The amounts are valued based on the amounts recognized for financial statement reporting purposes for option awards during fiscal year 2009 pursuant to FAS 123R, except that, in accordance with rules of the SEC, any estimate for forfeitures related to service-based vesting conditions is excluded from, and does not reduce, such amounts. See Note 11 to the Consolidated Financial Statements included in our Annual Report on Form 10-K for the fiscal year ended May 31, 2009 for a discussion of the relevant assumptions used in calculating these amounts pursuant to FAS 123R.

The amounts shown in this column applicable to fiscal year 2008 reflect stock option awards granted in the applicable fiscal year and in prior years. The amounts are valued based on the amounts recognized for financial statement reporting purposes for option awards during fiscal year 2008 pursuant to FAS 123R, except that, in accordance with rules of the SEC, any estimate for forfeitures related to service-based vesting conditions is excluded from, and does not reduce, such amounts. See Note 9 to the Consolidated Financial Statements included in our Annual Report on Form 10-K for the fiscal year ended May 31, 2008 for a discussion of the relevant assumptions used in calculating these amounts pursuant to FAS 123R.

The amounts shown in this column applicable to fiscal year 2007 reflect stock option awards granted in fiscal year 2007 and in prior years. The amounts are valued based on the amounts recognized for financial statement reporting purposes for option awards during fiscal year 2007 pursuant to FAS 123R, except that, in accordance with rules of the SEC, any estimate for forfeitures related to service-based vesting conditions is excluded from, and does not reduce, such amounts. See Note 8 to the Consolidated Financial Statements included in our Annual Report on Form 10-K for the fiscal year ended May 31, 2007 for a discussion of the relevant assumptions used in calculating these amounts pursuant to FAS 123R.

(3) The table below provides additional detail regarding the components of the All Other Compensation column for fiscal year 2009:

ALL OTHER COMPENSATION FOR FISCAL YEAR 2009

Name	Defined Contribution Company Match	Financial Planning (1)	Attendance at Company s President s Club/ Chairman s Club Award Trips	Club Dues	Transportation Allowance	Airfare for Spouse and Children re: Foreign Assignment of Executive	Rent and Utilities re: Temporary Foreign Assignment (1)	Executive Relocation (1)	Stipend for Foreign Assignment	Tax Gross up Payments (2)	Total
Garcia	$ 9,200	$ 18,645	$ 5,304	$ 2,109						$ 4,186	$ 39,444
Mangum	$ 7,000	$ 7,665								$ 1,335	$ 16,000
Hyde	$ 10,069	$ 15,554		$ 5,688		$ 6,229	$ 9,999	$ 14,080	$ 4,615	$ 17,283	$ 83,517
Kelly	$ 9,938		$ 4,870							$ 2,816	$ 17,624
Williams	$ 9,718				$ 10,592	$ 3,982	$ 113,213	$ 14,564			$ 152,069
Tornay	$ 9,843		$ 3,035							$ 1,458	$ 14,337

(1) Some of these amounts were paid in foreign currency. In the case of Mr. Hyde, the payment currency was British Pound Sterling, and in the case of Mr. Williams, the payment currency was Hong Kong Dollars. The exchange rate used to convert these amounts into from Pound Sterling into US Dollars was the exchange rate in effect on the date when the invoice was paid, which varied over time, but was within the range of 1.4705 1.6749. The Hong Kong Dollar amounts were converted into US Dollars for this table using an exchange rate of 7.67.

(2) The amounts included in this column are for compensation associated with financial planning services and with attendance at the Company s President s Club and/or Chairman s Club award trips. For Mr. Hyde this total also includes amounts for rent and utilities, relocation, and airfare for spouse and child, all related to a foreign assignment.

(4) The amount shown in this column applicable to fiscal year 2009 reflects the increase in actuarial present value of Ms. Tornay s benefit under the defined benefit pension plan during fiscal year 2009. During fiscal year 2008, there was a decrease in actuarial present value of Ms. Tornay s benefit under the defined benefit pension plan of $10,007. The amount shown in this column applicable to fiscal year 2007 reflects the increase in actuarial present value of Ms. Tornay s benefit under the defined benefit pension plan during fiscal year 2007.

(5) Mr. Mangum did not begin to work for the Company until November 1, 2008.

B. Grants of Plan-Based Awards

The following table sets forth information concerning grants of plan-based awards during the 2009 fiscal year to the Named Executive Officers. A detailed description of the Non-Equity Incentive Plan Awards disclosed in this table under columns (c), (d), and (e) is contained in the Compensation Discussion and Analysis section under the sub-heading *Annual Performance Plan.* A detailed description of the Equity Incentive Plan Awards disclosed in this table under columns (f), (g), and (h) is contained in the Compensation Discussion and Analysis section under the sub-heading *Performance-Based Restricted Stock Units.* The actual results and the payouts realized under both types of awards are also described in that section.

GRANTS OF PLAN-BASED AWARDS

		Non-Equity Incentive Plan Awards (1)(2)			Equity Incentive Plan Awards (1)(3)(4)						
Name (a)	**Grant Date (b)**	**Threshold ($) (c)**	**Target ($) (d)**	**Max. ($) (e)**	**Threshold (#) (f)**	**Target (#) (g)**	**Max. (#) (h)**	**All Other Stock Awards Number of Shares of Stock or Units (#)(9) (i)**	**All Other Option Awards: Number of Securities Underlying Options (#) (1) (j)**	**Exercise or Base Price of Option Awards ($/Sh) (k)**	**Grant Date Fair Value of Stock and Option Awards ($) (l)**
Paul R. Garcia	7/31/08	$ 380,000	$ 950,000	$ 1,900,000							n/a
	7/31/08				26,342	52,684	79,026				$ 855,727(5)
	7/31/08								39,513	$ 44.29	$ 531,055(6)
David E. Mangum (8)	11/3/08	$ 98,000	$ 280,000	$ 476,000							n/a
	11/3/08				n/a	n/a	n/a	15,000			$ 630,450(7)
	11/3/08								20,000	$ 42.03	$ 248,400(6)
Joseph C. Hyde	7/31/08	$ 98,000	$ 280,000	$ 476,000							n/a
	7/31/08				6,257	12,513	18,770				$ 203,247(5)
	7/31/08								9,385	$ 44.29	$ 126,134(6)
James G. Kelly	7/31/08	$ 157,500	$ 450,000	$ 810,000							n/a
	7/31/08				8,609	17,217	25,826				$ 279,647(5)
	7/31/08								12,913	$ 44.29	$ 173,551(6)
Carl J. Williams	7/31/08	$ 122,500	$ 350,000	$ 595,000							n/a
	7/31/08				7,291	14,582	21,873				$ 236,863(5)
	7/31/08								10,937	$ 44.29	$ 146,993(6)
Suellyn P. Tornay	7/31/08	$ 67,375	$ 192,500	$ 327,250							n/a
	7/31/08				4,328	8,656	12,984				$ 140,621(5)
	7/31/08								6,492	$ 44.29	$ 87,252(6)

(1) All grants were made pursuant to the Amended and Restated 2005 Incentive Plan.

(2) At the time of the grant, which was July 31, 2008, the amounts contained in columns (c), (d), and (e) were opportunities which are further described in the Compensation Discussion and Analysis section under the sub-heading *Annual Performance Plan.* At the time of the filing of this proxy statement, the actual results were certified, and each of the Named Executive Officers received the following amounts: Mr. Garcia $1,625,000; Mr. Mangum $413,000; Mr. Hyde $413,000; Mr. Kelly $682,000; Mr. Williams $500,000; and Ms. Tornay $284,000. The dollar amounts listed in the foregoing sentence are the amounts that are reflected in the Summary Compensation Table under column (g).

(3) At the time of the grant, which was July 31, 2008, the number of units contained in columns (f), (g), and (h) were opportunities which are further described in the Compensation Discussion and Analysis section under the sub-heading *Performance-Based Restricted Stock Units.* At the time of the filing of this proxy statement, the actual results were certified, and each of the Named Executive Officers (other than Mr. Mangum) received the following performance-based restricted stock units: Mr. Garcia 19,321; Mr. Hyde 4,589; Mr. Kelly 6,314; Mr. Williams 5,348; and Ms. Tornay 3,175. As described in the Compensation Discussion and Analysis section, such performance-based restricted stock units were converted into shares of restricted stock. 25% of the shares were paid to the executive immediately, and the remaining 75% of the shares will vest in three equal installments over the next three years.

(4) In connection with the awards listed above in column (f), (g), and (h), the grantees did not have the right to vote such shares, and dividends were not payable to the grantees with respect to such performance-based restricted stock units until they were converted into shares of restricted stock after the results for fiscal year 2009 were certified, which was in July of fiscal year 2010. Once converted, dividends were paid on such shares at the same rate as all of the Company s shareholders.

(5) The grant date fair value for equity incentive plan awards contained in this column is based on the grant date fair value of the number of performance-based restricted stock units actually received by the executive as set forth in footnote (3) above and not on any estimate as of the grant date. By the time this proxy statement was filed, the performance period had ended and the actual results were available. The grant date fair value is determined by multiplying the number of performance-based restricted stock units received by the Company s share price on the grant date, in accordance with FAS123R.

(6) The grant date fair value of option awards contained in this column are valued pursuant to FAS 123R, except that, in accordance with rules of the SEC, any estimate for forfeitures related to service-based vesting conditions is excluded from, and does not reduce, such amounts. See Note 11 to the Consolidated Financial Statements included in our Annual Report on Form 10-K for the fiscal year ended May 31, 2009 for a discussion of the relevant assumptions used in calculating these amounts.

(7) The grant date fair value of the restricted stock award is calculated by multiplying the number of restricted stock awards received by the Company s share price on the grant date, which was $42.03, in accordance with FAS 123R. See Note 11 to the Consolidated Financial Statements included in our Annual Report on Form 10-K for the fiscal year ended May 31, 2009 for a discussion of the relevant assumptions used in calculating these amounts.

(8) Mr. Mangum did not begin to work for the Company until November 1, 2008.

(9) The restricted stock award granted herein will vest over a four-year period in four equal installments on the anniversary date of the grant. Mr. Mangum will be paid dividends on the restricted stock, but at the same rate as all of the Company s shareholders. He also has the right to vote the shares even while they are restricted.

C. Outstanding Equity Awards at Fiscal Year End

The following table provides the outstanding equity grants for each Named Executive Officer on May 31, 2009. The table includes outstanding equity grants from past years as well as current year equity grants. Since the Company has not issued options pursuant to an equity incentive plan referred to in column (d), that column has been eliminated.

OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END

	Option Awards				Stock Awards			
Name (a)	Number of Securities Underlying Unexercised Options (#) Exercisable (1) (b)	Number of Securities Underlying Unexercised Options (#) Unexercisable (2) (c)	Option Exercise Price ($) (e)	Option Expiration Date (f)	Number of Shares or Units of Stock That Have Not Vested (#)(3) (g)	Market Value of Shares or Units of Stock That Have Not Vested ($)(4) (h)	Equity Incentive Plan Awards: Number of Unearned Shares, Units, or Other Rights That Have Not Vested (#)(5) (i)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($)(6) (j)
Paul R. Garcia	26,852	0	$ 7.330	12/19/2010	71,074	$ 2,602,019	19,321	$ 707,342
	64,664	0	$ 7.330	12/19/2010				
	55,892	0	$ 7.330	12/19/2010				
	110,000	0	$ 13.025	6/1/2011				
	200,000	0	$ 18.235	6/3/2012				
	140,000	0	$ 16.905	8/7/2013				
	154,000	0	$ 23.350	6/1/2014				
	135,000	45,000	$ 31.575	7/19/2015				
	32,500	32,500	$ 45.860	6/2/2016				
	10,386	31,158	$ 37.400	7/31/2017				
	0	39,513	$ 44.290	7/31/2018				
Total	**929,294**	**148,171**						
David E. Mangum	0	20,000	$ 42.030	11/3/2018	15,000	$ 549,150	n/a	n/a
Total	**0**	**20,000**						
Joseph C. Hyde	22,500	0	$ 22.500	6/25/2014	14,943	$ 547,063	4,589	$ 168,003
	22,500	7,500	$ 31.575	7/19/2015				
	15,000	5,000	$ 32.200	8/24/2015				
	8,500	8,500	$ 45.860	6/2/2016				
	2,216	6,648	$ 37.400	7/31/2017				
	0	9,385	$ 44.290	7/31/2018				
Total	**70,716**	**37,033**						
James G. Kelly	64,368	0	$ 13.025	6/1/2011	23,692	$ 867,364	6,314	$ 231,156
	100,000	0	$ 18.235	6/3/2012				
	61,224	0	$ 16.905	8/7/2013				
	76,000	0	$ 23.350	6/1/2014				
	60,000	20,000	$ 31.575	7/19/2015				
	15,000	15,000	$ 45.860	6/2/2016				
	3,463	10,386	$ 37.400	7/31/2017				
	0	12,913	$ 44.290	7/31/2018				
Total	**380,055**	**58,299**						
Carl J. Williams	32,500	0	$ 21.605	3/15/2014	29,266	$ 1,071,428	5,348	$ 195,790
	7,500	0	$ 23.350	6/1/2014				
	7,500	7,500	$ 31.575	7/19/2015				
	12,500	12,500	$ 45.860	6/2/2016				
	3,463	10,386	$ 37.400	7/31/2017				
	0	10,937	$ 44.290	07/31/2018				
Total	**63,463**	**41,323**						
Suellyn P. Tornay	9,000	0	$ 18.235	6/3/2012	10,935	$ 400,330	3,175	$ 116,237
	8,002	0	$ 16.905	8/7/2013				
	10,000	0	$ 22.500	6/25/2014				
	22,500	7,500	$ 31.575	7/19/2015				
	6,000	6,000	$ 45.860	6/2/2016				

	1,662	4,986	$ 37.400	7/31/2017
	0	6,492	$ 44.290	7/31/2018
Total	**57,164**	**24,978**		

(1) The vesting schedule for the exercisable options reflected in column (b) for each Named Executive Officer is contained in the following tables. Awards were granted under our 2000 Long Term Incentive Plan, as amended and restated (2000), or our Amended and Restated 2005 Incentive Plan (2005):

Name	Grant Date	Vest Date	Plan	Shares	Price
Garcia, Paul R.	2/1/2001	12/19/2004	2000	10,000	$ 7.330
	2/1/2001	12/19/2005	2000	26,852	$ 7.330
	2/1/2001	12/19/2005	2000	54,664	$ 7.330
	2/1/2001	12/19/2005	2000	55,892	$ 7.330
	6/1/2001	6/1/2005	2000	50,000	$ 13.025
	6/1/2001	6/1/2006	2000	60,000	$ 13.025
	6/3/2002	6/3/2004	2000	40,000	$ 18.235
	6/3/2002	6/3/2005	2000	50,000	$ 18.235
	6/3/2002	6/3/2006	2000	50,000	$ 18.235
	6/3/2002	6/3/2007	2000	60,000	$ 18.235
	8/7/2003	8/7/2004	2000	35,000	$ 16.905
	8/7/2003	8/7/2005	2000	35,000	$ 16.905
	8/7/2003	8/7/2006	2000	35,000	$ 16.905
	8/7/2003	8/7/2007	2000	35,000	$ 16.905
	6/1/2004	6/1/2005	2000	38,500	$ 23.350
	6/1/2004	6/1/2006	2000	38,500	$ 23.350
	6/1/2004	6/1/2007	2000	38,500	$ 23.350
	6/1/2004	6/1/2008	2000	38,500	$ 23.350
	7/19/2005	7/19/2006	2005	45,000	$ 31.575
	7/19/2005	7/19/2007	2005	45,000	$ 31.575
	7/19/2005	7/19/2008	2005	45,000	$ 31.575
	6/2/2006	6/2/2007	2005	16,250	$ 45.860
	6/2/2006	6/2/2008	2005	16,250	$ 45.860
	7/31/2007	7/31/2008	2005	10,386	$ 37.400
Total outstanding options vested on or before 5/31/09				**929,294**	

Name	Grant Date	Vest Date	Plan	Shares	Price
Mangum, David E.	n/a	n/a	n/a	n/a	n/a
Total outstanding options vested on or before 5/31/09				**0**	

Name	Grant Date	Vest Date	Plan	Shares	Price
Hyde, Joseph C	6/25/2004	6/25/2006	2000	7,500	$ 22.500
	6/25/2004	6/25/2007	2000	7,500	$ 22.500
	6/25/2004	6/25/2008	2000	7,500	$ 22.500
	7/19/2005	7/19/2006	2005	7,500	$ 31.575
	7/19/2005	7/19/2007	2005	7,500	$ 31.575
	7/19/2005	7/19/2008	2005	7,500	$ 31.575
	8/24/2005	8/24/2006	2005	5,000	$ 32.200
	8/24/2005	8/24/2007	2005	5,000	$ 32.200
	8/24/2005	8/24/2008	2005	5,000	$ 32.200
	6/2/2006	6/2/2007	2005	4,250	$ 45.860

	6/2/2006	6/2/2008	2005	4,250	$ 45.860
	7/31/2007	7/31/2008	2005	2,216	$ 37.400
Total outstanding options vested on or before 5/31/09				**70,716**	

Name	**Grant Date**	**Vest Date**	**Plan**	**Shares**	**Price**
Kelly, James G.	6/1/2001	6/1/2004	2000	11,586	$ 13.025
	6/1/2001	6/1/2005	2000	23,992	$ 13.025
	6/1/2001	6/1/2006	2000	28,790	$ 13.025
	6/3/2002	6/3/2004	2000	20,000	$ 18.235
	6/3/2002	6/3/2005	2000	25,000	$ 18.235
	6/3/2002	6/3/2006	2000	25,000	$ 18.235
	6/3/2002	6/3/2007	2000	30,000	$ 18.235
	8/7/2003	8/7/2004	2000	15,306	$ 16.905
	8/7/2003	8/7/2005	2000	15,306	$ 16.905
	8/7/2003	8/7/2006	2000	15,306	$ 16.905
	8/7/2003	8/7/2007	2000	15,306	$ 16.905
	6/1/2004	6/1/2005	2000	19,000	$ 23.350
	6/1/2004	6/1/2006	2000	19,000	$ 23.350
	6/1/2004	6/1/2007	2000	19,000	$ 23.350
	6/1/2004	6/1/2008	2000	19,000	$ 23.350
	7/19/2005	7/19/2006	2005	20,000	$ 31.575
	7/19/2005	7/19/2007	2005	20,000	$ 31.575
	7/19/2005	7/19/2008	2005	20,000	$ 31.575
	6/2/2006	6/2/2007	2005	7,500	$ 45.860
	6/2/2006	6/2/2008	2005	7,500	$ 45.860
	7/31/2007	7/31/2008	2005	3,463	$ 37.400
Total outstanding options vested on or before 5/31/09				**380,055**	

Name	**Grant Date**	**Vest Date**	**Plan**	**Shares**	**Price**
Williams, Carl J.	3/15/2004	3/15/2008	2000	32,500	$ 21.605
	6/1/2004	6/1/2008	2000	7,500	$ 23.350
	7/19/2005	7/19/2008	2005	7,500	$ 31.575
	6/2/2006	6/2/2007	2005	6,250	$ 45.860
	6/2/2006	6/2/2008	2005	6,250	$ 45.860
	7/31/2007	7/31/2008	2005	3,463	$ 37.400
Total outstanding options vested on or before 5/31/09				**63,463**	

Name	**Grant Date**	**Vest Date**	**Plan**	**Shares**	**Price**
Tornay, Suellyn P.	6/3/2002	6/3/2007	2000	9,000	$ 18.235
	8/7/2003	8/7/2007	2000	8,002	$ 16.905
	6/25/2004	6/25/2008	2000	10,000	$ 22.500
	7/19/2005	7/19/2006	2005	7,500	$ 31.575
	7/19/2005	7/19/2007	2005	7,500	$ 31.575
	7/19/2005	7/19/2008	2005	7,500	$ 31.575
	6/2/2006	6/2/2007	2005	3,000	$ 45.860

	6/2/2006	6/2/2008	2005	3,000	$ 45.860
	7/31/2007	7/31/2008	2005	1,662	$ 37.400
Total outstanding options vested on or before 5/31/09				**57,164**	

(2) The vesting schedule for the unexercisable options reflected in column (c) for each Named Executive Officer is contained in the following tables:

Name	Grant Date	Vest Date	Plan	Shares	Price
Garcia, Paul R.	7/19/2005	7/19/2009	2005	45,000	$ 31.575
	6/2/2006	6/2/2009	2005	16,250	$ 45.860
	6/2/2006	6/2/2010	2005	16,250	$ 45.860
	7/31/2007	7/31/2009	2005	10,386	$ 37.400
	7/31/2007	7/31/2010	2005	10,386	$ 37.400
	7/31/2007	7/31/2011	2005	10,386	$ 37.400
	7/31/2008	7/31/2009	2005	9,879	$ 44.290
	7/31/2008	7/31/2010	2005	9,878	$ 44.290
	7/31/2008	7/31/2011	2005	9,878	$ 44.290
	7/31/2008	7/31/2012	2005	9,878	$ 44.290
Total outstanding options which were unvested on 5/31/09				**148,171**	

Name	Grant Date	Vest Date	Plan	Shares	Price
Mangum, David E.	11/3/2008	11/3/2009	2005	5,000	$ 42.030
	11/3/2008	11/3/2010	2005	5,000	$ 42.030
	11/3/2008	11/3/2011	2005	5,000	$ 42.030
	11/3/2008	11/3/2012	2005	5,000	$ 42.030
Total outstanding options vested on or before 5/31/09				**20,000**	

Name	Grant Date	Vest Date	Plan	Shares	Price
Hyde, Joseph C	7/19/2005	7/19/2009	2005	7,500	$ 31.575
	8/24/2005	8/24/2009	2005	5,000	$ 32.200
	6/2/2006	6/2/2009	2005	4,250	$ 45.860
	6/2/2006	6/2/2010	2005	4,250	$ 45.860
	7/31/2007	7/31/2009	2005	2,216	$ 37.400
	7/31/2007	7/31/2010	2005	2,216	$ 37.400
	7/31/2007	7/31/2011	2005	2,216	$ 37.400
	7/31/2008	7/31/2009	2005	2,347	$ 44.290
	7/31/2008	7/31/2010	2005	2,346	$ 44.290
	7/31/2008	7/31/2011	2005	2,346	$ 44.290
	7/31/2008	7/31/2012	2005	2,346	$ 44.290
Total outstanding options which were unvested on 5/31/09				**37,033**	

Name	Grant Date	Vest Date	Plan	Shares	Price
Kelly, James G.	7/19/2005	7/19/2009	2005	20,000	$ 31.575
	6/2/2006	6/2/2009	2005	7,500	$ 45.860

	6/2/2006	6/2/2010	2005	7,500	$ 45.860
	7/31/2007	7/31/2009	2005	3,462	$ 37.400
	7/31/2007	7/31/2010	2005	3,462	$ 37.400
	7/31/2007	7/31/2011	2005	3,462	$ 37.400
	7/31/2008	7/31/2009	2005	3,229	$ 44.290
	7/31/2008	7/31/2010	2005	3,228	$ 44.290
	7/31/2008	7/31/2011	2005	3,228	$ 44.290
	7/31/2008	7/31/2012	2005	3,228	$ 44.290
Total outstanding options which were unvested on 5/31/09				**58,299**	

Name	**Grant Date**	**Vest Date**	**Plan**	**Shares**	**Price**
Williams, Carl J.	7/19/2005	7/19/2009	2005	7,500	$ 31.575
	6/2/2006	6/2/2009	2005	6,250	$ 45.860