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DIGITAL IMPACT INC /DE/
Form SC 13D
April 05, 2005

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
SCHEDULE 13D
Under the Securities Exchange Act of 1934

DIGITAL IMPACT, INC.

(Name of Issuer)

COMMON STOCK
\$0.001 PAR VALUE

(Title of Class of Securities)

25385G 10 6

(CUSIP Number)

Jerry Jones
Acxiom Corporation
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(Name, Address and Telephone Number of Person
Authorized to Receive Notices and Communications)

March 25, 2005

(Date of Event Which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition of the securities of the issuer of the securities covered by this Schedule 13D, and is filing this schedule because of §§240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the appropriate box below.

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule. Schedules filed electronically shall include a signed original and five copies of the schedule for other parties to whom copies are to be sent.

* The remainder of this cover page shall be filled out for a reporting person's initial filing on behalf of the issuer of the securities of the subject class of securities, and for any subsequent amendment containing information which would materially change the information on the prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" with the Commission under the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act or any other provisions of the Act (however, see the Notes).

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CUSIP No. 25385G 10 6

1. Name of Reporting Person: ACXIOM CORPORATION I.R.S. Identification Nos. of above persons (e) 71-0581897

2. Check the Appropriate Box if a Member of a Group (See Instructions):
(a)
(b)

3. SEC Use Only:

4. Source of Funds (See Instructions):
WC & BK

5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e):

6. Citizenship or Place of Organization:
DELAWARE

Number of Shares Beneficially Owned By Each Reporting Person With	7. Sole Voting Power: 0
	8. Shared Voting Power: 0
	9. Sole Dispositive Power: 0
	10. Shared Dispositive Power: 5,138,461*

11. Aggregate Amount Beneficially Owned by Each Reporting Person:
5,138,461*

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions):
 N/A

13. Percent of Class Represented by Amount in Row (11):
13.7%**

14. Type of Reporting Person (See Instructions):
CO

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 * Beneficial ownership of the common stock referred to herein is being reported hereunder reporting person may be deemed to have beneficial ownership of such shares as a result of Agreements described in Items 3, 4 and 5 hereof. Neither the filing of this Schedule 13D nor shall be deemed to constitute an admission by Acxiom Corporation or Adam Merger corporat beneficial owner of any of the common stock referred to herein for purposes of Section 13(d) Exchange Act of 1934, as amended, or for any other purpose, and such beneficial ownership is expr

** Based on 37,406,514 shares of common stock of Digital Impact, Inc. outstanding Schedule 14d-9 filed by Digital Impact, Inc. with the Securities and Exchange Commission on April

CUSIP No. 25385G 10 6

 1. Name of Reporting Person: ADAM MERGER CORPORATION
 I.R.S. Identification Nos. of above pers only):
 Applied For

 2. Check the Appropriate Box if a Member of a Group (See Instructions):
 (a)
 (b)

 3. SEC Use Only:

 4. Source of Funds (See Instructions):
 AF

 5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e):

 6. Citizenship or Place of Organization:
 DELAWARE

Number of Shares Beneficially Owned By Each Reporting Person With	7. Sole Voting Power: 0 ----- 8. Shared Voting Power: 0 ----- 9. Sole Dispositive Power: 0 ----- 10. Shared Dispositive Power: 5,138,461*
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 11. Aggregate Amount Beneficially Owned by Each Reporting Person:
 5,138,461*

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12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions):
|_ | N/A

13. Percent of Class Represented by Amount in Row (11):
13.7%**

14. Type of Reporting Person (See Instructions):
CO

CUSIP No. 25385G 10 6

* Beneficial ownership of the common stock referred to herein is being reported hereunder reporting person may be deemed to have beneficial ownership of such shares as a result of Agreements described in Items 3, 4 and 5 hereof. Neither the filing of this Schedule 13D nor shall be deemed to constitute an admission by Acxiom Corporation or Adam Merger corporat beneficial owner of any of the common stock referred to herein for purposes of Section 13(d) Exchange Act of 1934, as amended, or for any other purpose, and such beneficial ownership is expr

** Based on 37,406,514 shares of common stock of Digital Impact, Inc. outstanding Schedule 14d-9 filed by Digital Impact, Inc. with the Securities and Exchange Commission on April

Item 1. Security and Issuer.

The class of equity securities to which this statement relates is the common stock, \$0.0 Stock"), of Digital Impact, Inc., a Delaware corporation (the "Company"), including the associate (the "Rights" and together with the Common Stock, the "Shares"). The principal executive offices Bovet Road, Suite 220, San Mateo, CA 94402.

Item 2. Identity and Background.

This Statement is filed jointly by Acxiom Corporation, a Delaware corporation ("Acxiom") Delaware corporation ("Purchaser"). The agreement by and among Acxiom and Purchaser relating to is attached as Exhibit 1 hereto.

The address of the principal business and the principal executive offices of each of Acx Way, P. O. Box 8180, Little Rock, AR 72203. The name, business address, present principal occupat of each director and executive officer of Acxiom and Purchaser is set forth on Schedule I hereto.

Acxiom integrates data, services and technology to create and deliver customer and infor many of the largest, most respected companies in the world. Purchaser is a wholly-owned subsidia purpose of making a tender offer for all of the outstanding Shares of the Company.

The name, business address, present principal occupation or employment and citizenship o officer of Acxiom and Purchaser are set forth on Schedule I hereto.

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Neither Acxiom nor Purchaser, nor, to the best of Acxiom's or Purchaser's knowledge, has in Schedule I, been convicted in a criminal proceeding (excluding traffic violations or similar minor offenses) or in a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result thereof is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating performance of, any act under federal or state securities laws, or finding violations with respect to such laws during the last 12 months.

Item 3. Source and Amount of Funds or Other Consideration.

The Offer is not conditioned upon any financing arrangements. Acxiom and the Purchaser estimate that the cash and funds required to purchase all of the outstanding Shares pursuant to the Offer and the Merger will be approximately \$245,000,000, plus related transaction fees and expenses. The Purchaser will acquire all such funds from Acxiom's cash on hand and borrowings against its committed credit facility for this purpose. Under the terms of the Restated Credit Facility, dated as of March 24, 2005, JPMorgan Chase Bank, N. A., as agent, and Acxiom's agreement to make revolving loans and to acquire participations in letters of credit and swingline loans in the amount of \$245,000,000. The commitments under Acxiom's credit facility expire, and all borrowings under such facility, on or before March 31, 2010. Loans under the facility bear interest at varying rates depending upon the type of borrowing. Acxiom's credit facility is qualified in its entirety to such agreement, a copy of which is filed as an exhibit to this Schedule TO and incorporated herein by reference.

Item 4. Purpose of Transaction.

On March 25, 2005, Acxiom, the Purchaser and the Company entered into an Agreement and Plan of Merger (the "Merger Agreement"). The Merger Agreement provides for the commencement of a tender offer by the Purchaser to purchase the Company, at a price of \$3.50 per Share, net to the seller in cash, upon the terms and subject to the conditions set forth in the Offer to Purchase and the related Letter of Transmittal (which, together with any amendments or supplements thereto, constitute the "Offer"). Copies of the Offer to Purchase and the related Letter of Transmittal are filed as exhibits to this Schedule TO filed by Acxiom with the Securities and Exchange Commission on April 1, 2005 (the "Schedule TO") and incorporated herein by reference.

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The Offer is subject to the conditions, among others, that (a) prior to the expiration of the Offer, the number of Shares tendered in the Offer and not properly withdrawn that number of Shares which, together with the number of Shares beneficially owned by Acxiom or Purchaser, represents at least 50.1% of the total number of outstanding Shares on a fully diluted basis ("on a fully diluted basis" means the number of Shares outstanding, together with all Shares that would be required to issue upon the conversion of any convertible securities or upon the exercise of any options to purchase Shares, excluding, however, any securities not convertible or exercisable on or prior to August 31, 2005) for payment (the "Minimum Condition"), and (b) any waiting period under the Hart-Scott-Rodino Antitrust Act, as amended (the "HSR Act"), and under any other comparable antitrust or trade regulation reasonably applicable to the Offer of Shares pursuant to the Offer or to the Merger having expired or been terminated. The Offer is subject to the terms and conditions.

The Merger Agreement provides that, promptly upon the purchase of and payment for Shares, the Purchaser shall be entitled to elect or designate such number of directors, rounded up to the next whole number, as shall be the product of (i) the total number of directors on the Company Board (giving effect to the directors elected or designated to the Merger Agreement) and (ii) the percentage that the number of Shares so purchased and paid for bears to the total number of Shares then outstanding. The Company has agreed, upon request of the Purchaser, promptly to increase the number of directors, secure the resignations of such number of directors, or any combination of the foregoing, as is necessary to be so elected or designated to the Company Board and, in accordance with Section 14(f) of the Securities Exchange Act of 1934, as promulgated thereunder in connection therewith, to cause Acxiom designees to be so elected; provided that the Effective Time there shall be at least two continuing directors on the Company Board who are not Acxiom or Purchaser.

Consummation of the Merger is conditioned upon, among other things, the approval of the vote of stockholders of the Company, as required by the Delaware General Corporation Law (the "DGCL"). The affirmative vote of at least a majority of the outstanding Shares is the only vote of any class of stock that would be necessary to approve and adopt the Merger Agreement at any required meeting of the Company.

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following the purchase of Shares by Purchaser pursuant to the Offer, Purchaser and its affiliates owning the outstanding Shares, Purchaser will be able to effect the Merger without the affirmative vote of a

In connection with the execution of the Merger Agreement, Acxiom and the Purchaser entered into agreements with each director and executive officer of the Company (each a "Tendering Stockholder"). The Tendering Stockholders own approximately 13.7% of the Shares (other than Shares subject to repurchase) outstanding (approximately 13.7% on a basis). The Tendering Stockholders also hold options to acquire and restricted stock related to 13.7% of the Shares. Pursuant to the Stockholder Agreements, any Shares acquired by the Tendering Stockholders after the date of the Offer (including Shares acquired upon the exercise of stock options) are subject to the provisions of the Stockholder Agreements.

Each Tendering Stockholder has agreed that, unless their respective Stockholder Agreement provides otherwise, (i) the Tendering Stockholder will validly tender or cause to be validly tendered its Shares to Purchaser promptly as practicable, and in any event no later than the tenth business day following the commencement of the Offer; any Shares held in the name of a brokerage firm or similar agent or intermediary will be tendered to Purchaser but in any event not later than five business days prior to the initial scheduled expiration date of the Offer; the Tendering Stockholder will not withdraw or cause to be withdrawn any of the Tendering Stockholder's Shares unless the Offer is terminated or has expired without Purchaser purchasing all Shares validly tendered to Purchaser; the Tendering Stockholder has also agreed that unless their respective Stockholder Agreement is terminated as described above, they will not transfer, assign, sell, gift-over, pledge or otherwise dispose of any or all of their Shares or any interest in their Shares, enter into any contract, option or other agreement, arrangement or understanding with respect to their Shares, act as a proxy, power-of-attorney or other authorization or consent with respect to any of their Shares; (ii) they will not enter into a voting trust, or enter into a voting agreement or arrangement with respect to any of their Shares; (iii) they will not give notice of an intent to exercise, any options unless the Shares underlying such options become subject to the terms of the Stockholder Agreement upon such option exercise; or (vi) take any other action, other than in such a manner as is necessary as an officer or director of the Company, that would in any way restrict, limit or interfere with the Tendering Stockholder's obligations under their respective Stockholder Agreement or the transactions contemplated by the Merger Agreement. The Stockholder Agreements terminate upon the earlier to occur of (i) the time of acceptance for purchase of the Shares by Purchaser and (ii) the date of termination of the Merger Agreement in accordance with its terms.

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The purpose of the Offer is to acquire control of, and the entire equity interest in, the Company. The Merger is to acquire all outstanding Shares not tendered and purchased pursuant to the Offer. If the Offer is consummated, Purchaser intends to consummate the Merger as promptly as practicable.

The Company Board has approved the Merger and the Merger Agreement. Depending upon the terms of the Offer, Purchaser pursuant to the Offer, the Company Board may be required to submit the Merger Agreement to the Company stockholders for approval at a stockholders' meeting convened for that purpose in accordance with the DGCL. If stockholders' approval of the Merger Agreement must be approved by a majority of all votes entitled to be cast at such meeting.

If the Minimum Condition is satisfied, the Purchaser will have sufficient voting power to call a meeting of the Company stockholders' meeting without the affirmative vote of any other stockholder. If the Minimum Condition is not satisfied, then the then outstanding Shares pursuant to the Offer, the Merger may be consummated without a stockholders' approval of the Company's stockholders. The Merger Agreement provides that the Purchaser will be the surviving corporation. The certificate of incorporation and bylaws of the Purchaser will be the certificate of incorporation and bylaws of the Surviving Corporation following the Merger; provided that the name of the Surviving Corporation will be "Digital Impact Inc."

Plans for the Company. Pursuant to the terms of the Merger Agreement, promptly upon the consummation of the Merger, the Shares by the Purchaser pursuant to the Offer, Acxiom currently intends to seek maximum representation of the Company in the Merger Agreement regarding the presence of at least two Continuing Directors on the Board of Directors of the Surviving Corporation at the Effective Time. The Purchaser currently intends, as soon as practicable after consummation of the Merger.

It is expected that, initially following the Merger, the business and operations of the Company will continue to be conducted in this Offer to Purchase, be continued substantially as they are currently being conducted. Acxiom

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the Company's headquarters in San Mateo, California, and to retain the Company's existing management to evaluate the business and operations of the Company during the pendency of the Offer and after the Merger and will take such actions as it deems appropriate under the circumstances then existing. The Company will review such information as part of a comprehensive review of the Company's business, operations, and management with a view to optimizing development of the Company's potential in conjunction with the Offer.

The above is a summary of the material provisions of the Merger Agreement and the Stockholders' Agreement, which is filed as exhibits to the Schedule TO. The summary is qualified in its entirety by reference to the Merger Agreement and the Stockholders' Agreements, which are incorporated by reference herein.

Except as set forth in this Schedule 13D (including any information incorporated herein by reference), with the transaction described above, neither Acxiom nor Purchaser has any plan or proposal that differs from the transactions described in subparagraphs (a) through (j) of Item 4 of Schedule 13D.

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Item 5. Interest in Securities of the Issuer.

(a)-(b) For the purpose of Rule 13d-3 promulgated under the Securities Exchange Act of 1934 ("Act"), Acxiom and Purchaser, by reason of the execution and delivery of the Stockholders' Agreements, are deemed to have beneficial ownership (within the meaning of Rule 13d-3 under the Exchange Act) of the 5,138,461 Shares of the Company included in the Stockholders' Agreements, which represent approximately 13.7% of the Shares. Except as set forth in the Stockholders' Agreements, Acxiom or, to their knowledge, any person listed in Schedule 1 hereto, owns beneficially any Shares of the Company.

With respect to the voting of the Shares, Acxiom and Purchaser do not have the power to vote the Shares. Neither the filing of this Schedule 13D nor any of its contents shall be deemed to constitute an offer of securities. Purchaser is the beneficial owner of the Shares referred to in this Item 5 for purposes of Section 13(d)(3) of the Exchange Act, and such beneficial ownership is expressly disclaimed.

(c) Except for the execution and delivery of the Stockholders' Agreements and the Merger Agreement, the Shares were effected by Purchaser, Acxiom or, to their knowledge, any person listed in Schedule 1 hereto, prior to the date hereof.

(d) Not applicable.

(e) Not applicable.

References to, and descriptions of, the Merger Agreement and the Stockholders' Agreement are intended to be complete and are qualified in their entirety by reference to the copy of the Merger Agreement and the Stockholders' Agreements, respectively, copies of which are filed as Exhibits (d)(1) and (d)(2), which are incorporated by reference in this Item 5 in their entirety where such references and descriptions are made.

Item 6. Contracts, Arrangements, Understandings or Relationships With Respect to Securities of the Issuer.

To the best knowledge of Acxiom and Purchaser, there are no contracts, arrangements, understandings or relationships (including, but not limited to, transfer or voting of any of the securities, finder's fees, option arrangements, puts or calls, guarantees of profits, division of profits or loss, or the giving of any special consideration between the persons enumerated in Item 2, and any other person, with respect to any securities of the Company) or securities pledged or otherwise subject to a contingency the occurrence of which would give another person investment power over such securities other than standard default and similar provisions contained in the Merger Agreement or the Stockholders' Agreements.

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Item 7. Material to be Filed as Exhibits.

Exhibit 1: Joint Filing Agreement, dated April 4, 2005, between Acxiom Corporation and Adam Merge

Exhibit 2: Offer to Purchase dated April 1, 2005 by Acxiom and Purchaser (incorporated herein by Acxiom and Purchaser with the Securities and Exchange Commission on April 1, 2005).

Exhibit 3: Agreement and Plan of Merger, dated March 25, 2005, among Acxiom, Purchaser and the Co reference to Exhibit 10.1 to Acxiom's Current Report on Form 8-K dated March 29, 2005)

Exhibit 4: Form of Stockholder Agreement, dated March 25, 2005, between Acxiom and certain stockh herein by reference to Exhibit (d)(2) to the Schedule TO filed by Acxiom and Purchaser

Exhibit 5: Third Amended and Restated Credit Agreement dated as of March 24, 2005 among Acxiom Co thereto and JPMorgan Chase Bank, N. A. (incorporated herein by reference to Exhibit 10 Form 8-K dated March 29, 2005).

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SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the statement is true, complete and correct.

Dated: April 4, 2005

ADAM MERGER CORPORATION

By: /s/ Jerry C. Jones

Name: Jerry C. Jones

Title: Vice President/Assistant Se

ACXIOM CORPORATION

By: /s/ Jerry C. Jones

Name: Jerry C. Jones

Title: Business Development/Legal

DIRECTORS AND EXECUTIVE OFFICERS OF ACXIOM AND PURCHASER

1. Directors and Officers of Acxiom. The following table sets forth the name, pre employment and material occupations, positions, offices or employments for the past five years of Acxiom. Unless otherwise indicated, the current business address of each person is #1 Information

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Arkansas 72203. Unless otherwise indicated, each director and officer is a citizen of the United States.

Charles D. Morgan - Director & Officer. Mr. Morgan joined Acxiom as an officer in 1972. He has been a Director since 1975, and serves as Acxiom's Company Leader. He is also a director and past Chairman of the Arkansas Marketing Association. In addition, he serves as a member and is the past Chairman of the Board of Directors of Acxiom. Mr. Morgan was employed by IBM Corporation prior to joining Acxiom. Mr. Morgan holds a mechanical engineering degree from the University of Arkansas.

Rodger S. Kline - Director & Officer. Mr. Kline serves as Acxiom's Chief Finance & Administrative Officer and has served as a director of the Company since 1975. Mr. Kline holds a degree in electrical engineering from the University of Arkansas at Fayetteville, where he has served since 1990 as Chairman of the College of Engineering. Prior to joining Acxiom, Mr. Kline spent seven years with IBM Corporation and two years as an officer in the United States Army.

James T. Womble - Director & Officer. Mr. Womble joined Acxiom in 1974 and serves as a director of the Company and Development Leader. Previously, Mr. Womble served as one of Acxiom's Client Services Organization. Mr. Womble was employed by IBM Corporation. He holds a degree in civil engineering from the University of Arkansas.

William T. Dillard II - Director. Mr. Dillard has served since 1968 as a member of the Dillard's Board of Directors. He is currently Chief Executive Officer of Dillard's, Inc. of Little Rock, Arkansas, a chain of traditional department stores with outlets in 29 states. In addition to serving as a director of Dillard's, Inc., Mr. Dillard is also a director of Dillard's, Inc. and serves on the J.P. Morgan Chase & Co. Texas Regional and National Advisory Boards. He holds a degree in administration from Harvard University and a bachelor's degree in the same field from the University of Arkansas.

Harry C. Gambill - Director. Mr. Gambill is a director and has held the position of Chief Executive Officer of Gambill LLC, a company engaged in the business of providing consumer credit reporting services, analytic services since April 1992. Mr. Gambill joined Trans Union in 1985 as Vice President/General Manager. He was past Chairman of the Consumer Data Industry Association, and former Director of Damian Services Company, a technology company. He holds degrees in business administration and economics from Arkansas State University. Mr. Gambill is on the ASU Business School Advisory Board.

Dr. Mary L. Good - Director. Dr. Good is the Dean of the College of Information Science and Systems at the University of Arkansas at Little Rock and is the Donaghey University Professor. She is also a managing member of the Board of Directors and is a board member of BiogenIdec, Inc., IDEXX Laboratories, Inc., Research Solutions, LLC, and Acxiom. Dr. Good served for four years as the Under Secretary for Technology for the Technology Administration in President Clinton's administration, while simultaneously chairing the National Science and Technology Council's Technological Innovation (NSTC/CTI) and serving on the National Science and Technology Council's Technological Innovation (NSTC/CTI) and serving on the National Science and Technology Council's Technological Innovation (NSTC/CTI). From 1988 - 1993, Dr. Good served as the Senior Vice President of technology at Allied Signal, Inc. where she provided technology transfer and commercialization support for new technologies. During the eight years prior to joining Allied Signal, Dr. Good was President of Allied Signal's Engineered Material Research Center, President of Signal Research Corporation, and Research for UPO, Inc. From 1954 - 1980, Dr. Good was a professor at both the University of New Orleans and Louisiana State University, where she achieved LSU's highest professional rank, Boyd Professor. She was appointed to the White House by President Carter in 1980 and again by President Reagan in 1986. She served as Chairman of that Board of Advisors by President Bush to become a member of the President's Council of Advisors on Science and Technology. Dr. Good is an elected member of the National Academy of Engineering, a past president of the American Chemical Society, a past Fellow of the American Association for the Advancement of Science. Dr. Good received her B.S. in chemistry from the University of Central Arkansas and her M.S. and Ph.D. degrees in inorganic chemistry from the University of Arkansas. She has received awards and honorary degrees from many colleges and universities, including most recently the College of Arts and Sciences at Polytechnic University of New York, Louisiana State University, and Michigan State University.

Dr. Ann Die Hasselmo - Director. Dr. Hasselmo is Managing Director of Academic Search Consultations, the oldest and largest higher education consultation and academic search firm in the United States for over 30 years and presidencies. Prior to assuming that position, Dr. Hasselmo was Vice President and Partner in A.T. Consulting, a consulting practice. From 1992-2001, she served as President of Hendrix College in Conway, Arkansas. She is currently a member of Air University of the U. S. Air Force and a former member of the Board of Directors of the National Association of Educational Publishers. She is past Chair of the Board of Directors of the National Association of Independent Colleges and Universities, the National Collegiate Athletic Association, the American Council on Education's Council of Fellows. Her memberships have included the American Council on Education Board, the Arkansas Repertory Theatre Board, and the NCAA Executive Committee. She formerly served as President of Memorial College and Associate Provost at Tulane University. Dr. Hasselmo graduated summa cum laude from the University of Houston, and a Ph.D. in counseling psychology from Texas A&M University.

William J. Henderson - Director. Mr. Henderson was the 71st Postmaster General of the United States from 1971 to 1981.

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lead the world's largest postal system. He served in that position from May 1998 until his retirement. His appointment as Postmaster General and Chief Executive Officer, Mr. Henderson served as Chief Executive Officer, he served as Vice President of employee relations, then became Chief Marketing Officer and Senior Vice President of service in Washington, D.C., he has served in postal management positions in Chicago, Greensboro, and other locations. In 1997, Mr. Henderson received the Postal Service's John Wanamaker Award, and in 1998 he received the Roger W. Jones Award for Executive Leadership. In 1998, Mr. Henderson also received an honorary membership in the National Postal Forum for his work with the nation's professional mailing industry. Mr. Henderson is a member of ComScore Networks, the Committee for Economic Development, the Marrow Donor Foundation, and Natural Resources Defense Fund. Chairman of the Board of GMS Inc., a partner of Signature Systems, and a Fellow with the National Academy of Sciences. Mr. Henderson is a graduate of the University of North Carolina at Chapel Hill and served in the

Thomas F. McLarty, III - Director. Mr. McLarty is Vice Chairman of the Board of Directors of Asbury Automotive Group, one of the largest automotive retailers in the United States. He is also Chairman and CEO of McLarty Management Company, Inc. of Little Rock, Arkansas, and President of Kissinger McLarty Associates, a member of the Americas Society of New York City, the Inter-American Dialogue of Washington, D.C., the Study of the Presidency, and the M.D. Anderson Cancer Center in Houston. He also serves on the boards of several entities. In 1983 he became chairman and chief executive officer of Arkla, a Fortune 500 natural gas producer. President George Bush to the National Petroleum Council and the National Council on Environmental Quality. Member of the St. Louis Federal Reserve Board from 1989 through 1992. Beginning in 1992, he served President George H.W. Bush as Chief of Staff, Counselor to the President, and Special Envoy for the Americas, with over five years of service in the Cabinet and on the National Economic Council. He holds a degree in business administration from the University of North Carolina at Chapel Hill.

Stephen M. Patterson - Director. Mr. Patterson is the former President, CEO, and major shareholder of LeisurDirect, a direct mail company. Leisure Arts was acquired by Time Warner in 1992. Mr. Patterson is currently Chairman of LeisurDirect Enterprises for which he served as President from 1994-2000. He currently is serving as Vice Chairman of Hendrix College. Mr. Patterson served on the Board of Directors of Worthen Bank and its successor, First Citizens Bank. Mr. Patterson has a bachelor of arts degree from Hendrix College, an electrical engineering degree from the University of Illinois, and a master's of business administration degree, also from Columbia University.

David J. Allen - Officer. Mr. Allen joined Acxiom in 1997 and currently serves the Multi-Industry Client Group as Group Leader. Previously, he served as group leader in Acxiom's London office. Prior to joining Acxiom, Mr. Allen holds a bachelor's degree in biological sciences from the University of East Anglia (UK). He is a citizen of the UK.

Robert S. Bloom - Officer. Mr. Bloom joined Acxiom in 1992 and currently serves as Company Financial Controller. Prior to joining Acxiom, he was employed for six years with Wilson Sporting Goods Co. as chief financial officer of its international division. Prior to his employment with Wilson, Mr. Bloom was employed by Arthur Andersen & Co. most recently as audit manager. Mr. Bloom, a Certified Public Accountant, holds a degree in accounting from the University of Illinois.

R. Bruce Carroll - Officer. Mr. Carroll joined Acxiom in 2000 and currently serves as Strategic Director of Data Engineering. Prior to joining Acxiom, he was Senior Vice President of R.L. Polk, where he managed Polk's data engineering and marketing. Before its acquisition by Polk in 1996, he was President of Blackburn Marketing Services in Toronto, a marketing conglomerate which included Canadian-based Compusearch and US-based Carfax. Prior to his nine years with Polk, Mr. Carroll was President/CEO of Claritas Inc. for ten years, based in Washington, D.C., then was Managing Director of Marketing Technologies in London. He holds undergraduate and graduate degrees in history and economics from the University of Illinois.

Cindy K. Childers - Officer. Ms. Childers joined Acxiom in 1985 and currently serves as Company Vice President of Human Resources. In this role, Ms. Childers leads strategic planning and execution in such areas as business culture, organizational development, associate development, recruiting, human resources and corporate communications. Previously, she served as Vice President of Services business unit and oversaw all of the financial and accounting functions of the Company. Ms. Childers is a Certified Public Accountant in audit and tax for KPMG Peat Marwick. Ms. Childers holds a bachelor's degree in business administration from the University of Central Arkansas.

C. Alex Dietz - Officer. Mr. Dietz joined Acxiom in 1970 and served as a Vice President until 1992. He has served in a variety of senior level management positions with Acxiom and currently serves as the Senior Vice President of Infrastructure Technology Organization Leader. Mr. Dietz holds a degree in electrical engineering from the University of Illinois.

Scott D. Hambuchen - Officer. Mr. Hambuchen joined Acxiom in 1992 as a software engineer and developer of Windows-based GUI software applications. He currently serves as the Universal Services & Support Group Leader. Mr. Hambuchen was the Industry Solutions Group Leader for Acxiom's Multi-Industry Client Service Group. He has managed operations in the United Kingdom, France and Spain. Mr. Hambuchen holds a degree in industrial engineering from the University of Illinois.

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Arkansas.

L. Lee Hodges - Officer. Mr. Hodges joined Acxiom in 1998 and currently serves as Chief Operations Officer. Previously, Mr. Hodges was the Outsourcing and IT Services Leader. Prior to joining Acxiom, he was employed by Tascor, the outsourcing subsidiary of Norrell Corporation, most recently serving as a Senior Vice President. Mr. Hodges served in a number of engineering, sales, marketing and executive positions with IBM for 20 years. He holds a bachelor's degree in industrial engineering from Pennsylvania State University.

Richard K. Howe - Officer. Mr. Howe joined Acxiom in 2004 as its Marketing Organization Leader. Prior to joining Acxiom, Mr. Howe was employed by Fair Isaac & Company as a Business Unit Vice President managing all of Fair Isaac's Global Operations. From 1999 - 2001, Mr. Howe was the CEO and Chairman of the Board of ieWild Inc., a technology company that provided services to financial institutions, which was acquired by HNC Software, Inc. in 2001. From 1990 - 1999 Mr. Howe was employed by a large marketing, project management, sales management, software development and construction engineering firm. Mr. Howe holds a degree in structural engineering from Concordia University, Canada, and a master's degree in engineering from the University of Canada.

Catherine L. Hughes - Officer. Ms. Hughes joined Acxiom in 1988 as General Counsel and Corporate Governance Officer and Secretary. Prior to joining Acxiom, Ms. Hughes was employed as a Senior Counsel at the Rose Law Firm in Little Rock, Arkansas. Previously she served as a Senior Law Clerk with the Rose Law Firm in Little Rock, Arkansas, and as an Assistant Attorney General for the State of Arkansas. Ms. Hughes holds a doctorate degree from the University of Arkansas at Little Rock School of Law, and a B.A. degree in political science from the University of Arkansas at Little Rock.

Jerry C. Jones - Officer. Mr. Jones joined Acxiom in 1999 and currently serves as Business Development Director. Prior to joining Acxiom, he was employed for 19 years as an attorney with the Rose Law Firm in Little Rock, Arkansas. Mr. Jones has a broad range of business interests. He is a member of the Board of Directors of Entrust, Inc. and the Arkansas Bar Association. Mr. Jones holds a degree in public administration and a law degree from the University of Arkansas.

Michael J. Lloyd - Officer. Mr. Lloyd joined Acxiom in 1989 and currently serves as Delivery Manager. Mr. Lloyd is also responsible for Acxiom's Program Management Office and Opportunity Engagement Process. Mr. Lloyd has held various leadership positions within Acxiom, most recently serving as Client Services Group Leader focused on managing large financial services accounts. He holds a BBA in finance from the University of Central Arkansas.

Holly K. Marr - Officer. Ms. Marr joined Acxiom in 1986 and currently serves as Associate Communications Director. Ms. Marr served in a number of leadership roles in organizational development, operational effectiveness and human resources management. Her industry experience includes the insurance, investment/brokerage, automotive, telecommunications and services industries. She holds a bachelor's degree from Hendrix College in Conway, Arkansas.

Jefferson D. Stalnaker - Officer. Mr. Stalnaker currently serves as the Client Services Organization Director. He joined Acxiom in 1995 and during his tenure has served in a number of roles in the financial services industry. He served as Company Financial Operations Leader. Prior to that, Mr. Stalnaker previously served for several years as a senior financial officer of Acxiom's largest operating organization while also serving in a business development role for Acxiom. Prior to joining Acxiom, he was employed by the Arkansas Public Service Commission as a senior financial officer. Mr. Stalnaker worked for several years as a regional public accounting firm located in Little Rock, Arkansas. He holds a degree in business administration with a major in accounting from the University of Central Arkansas.

Thomas B. Walker - Officer. Mr. Walker joined Acxiom in 1990 and currently serves as Outsourcing Director. Prior to joining Acxiom, Mr. Walker had eighteen years experience with IBM Corporation and served in various roles for 15 years, on the Regional Support Staff and as an S.E. Manager while in St. Louis, on the Headquarters Support Staff for three years, and as a Branch Marketing Support Manager in Washington, D.C. for four years. He holds a degree in Engineering from the University of Arkansas.

Timothy Watts - Officer. Mr. Watts joined Acxiom in 1987 and currently serves as an Account Executive. Mr. Watts has a long relationship. In previous leadership roles at Acxiom, Mr. Watts was responsible for Acxiom's relationships with clients in the financial, hightech, insurance, investment/brokerage, media and telecommunications industries. Prior to joining Acxiom, Mr. Watts was employed for five years with United Parcel Service in Dayton, Ohio. He attended the University of Dayton in Dayton, Ohio.

Kevin R. Zaffaroni - Officer. Mr. Zaffaroni joined Acxiom in 1997. He is currently Acxiom's International Director. Prior to moving to London in his current capacity, Mr. Zaffaroni was a Group Leader responsible for client services in the United States including finance, health care and government. Before joining Acxiom, he was employed for 22 years at various companies and held several management positions. He also served as Director of Systems Integration and Outsourcing at Acxiom.

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predecessor to IBM

2. Directors and Officers of the Purchaser. The following table sets forth the name, employment and material occupations, positions, offices or employments for the past five years of the Purchaser. Unless otherwise indicated, the current business address of each person is #1 Information Systems Building, Little Rock, Arkansas 72203. Each director and officer is a citizen of the United States of America.

Rodger S. Kline - Director & Officer. Mr. Kline is a director, President and CFO of the Purchaser and Finance & Administration Leader. He joined Acxiom in 1973 and has served as a director of the Company. Mr. Kline has a degree in electrical engineering from the University of Arkansas at Fayetteville, where he has served on the College of Engineering Advisory Council. Prior to joining Acxiom, Mr. Kline spent seven years with the Army as an officer in the U.S. Army.

Jerry C. Jones - Director & Officer. Mr. Jones is a director, Vice President and Assistant Secretary of the Purchaser. Mr. Jones joined Acxiom in 1999 and currently serves as Business Development/Legal Leader for the Company. Prior to joining Acxiom, Mr. Jones served for 19 years as an attorney with the Rose Law Firm in Little Rock, Arkansas, representing a broad range of clients, including a member of the Board of Directors of Entrust, Inc. and the Arkansas Virtual Academy. Mr. Jones holds a law degree and an administration and a law degree from the University of Arkansas.

Robert S. Bloom - Officer. Mr. Bloom is the Treasurer of the Purchaser. Mr. Bloom joined Acxiom in 1999 and currently serves as Company Financial Relations Leader and Treasurer. Prior to joining Acxiom, he was employed for six years with Wilson Andersen & Co. as chief financial officer of its international division. Prior to his employment with Wilson Andersen & Co. for nine years, serving most recently as audit manager. Mr. Bloom, a Certified Public Accountant, holds a degree in accounting from the University of Illinois.

Dathan A. Gaskill - Officer. Mr. Gaskill is a Vice President and Assistant Treasurer of the Purchaser. Mr. Gaskill currently serves as Acxiom's Corporate Finance Leader. Previously, Mr. Gaskill spent 13 years in various capacities as an analyst and director of research, specifically focused in the information technology and telecommunications industry. Mr. Gaskill holds a degree in computer science and an MBA from the University of Arkansas at Little Rock.

Wayne C. Gregory - Officer. Mr. Gregory is an Assistant Secretary/Treasurer of the Purchaser. He currently serves as its leader of external reporting. Previously, Mr. Gregory was employed for five years with the Purchaser in the position of senior accountant. He is a Certified Public Accountant and holds a bachelor of science degree from the University of Arkansas.

Catherine L. Hughes - Officer. Ms. Hughes is the Secretary of the Purchaser. She joined Acxiom in 1999 and currently serves as Corporate Secretary, and currently serves as Corporate Governance Officer and Secretary. Prior to joining Acxiom, Ms. Hughes was employed as a corporate securities attorney with the Rose Law Firm in Little Rock, Arkansas. Previously, Ms. Hughes served as a Clerk with the Federal District Court of the Eastern District of Arkansas, and as an Assistant Attorney General in Arkansas. Ms. Hughes received her juris doctorate degree from the University of Arkansas at Little Rock. Ms. Hughes also holds a degree in political science and philosophy from the University of Arkansas at Little Rock.