

CA, INC.  
Form DEF 14A  
July 24, 2009

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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**SCHEDULE 14A  
INFORMATION**

**PROXY STATEMENT PURSUANT TO SECTION 14(a) OF THE SECURITIES  
EXCHANGE ACT OF 1934 (Amendment No. )**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to Section 240.14a-11(c) or Section 240.14a-2.

**CA, Inc.**

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-12.
  - (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:

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

(1) Amount Previously Paid:

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

(3) Filing Party:

(4) Date Filed:

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July 24, 2009

To Our Stockholders:

On behalf of the Board of Directors and management of CA, Inc., we are pleased to invite you to the 2009 Annual Meeting of Stockholders. The meeting will be held at the Company's headquarters located at One CA Plaza, Islandia, New York 11749 on September 14, 2009 at 10:00 a.m. Eastern Daylight Time.

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

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

Thank you for your consideration and continued support.

Sincerely,

William E. McCracken  
*Chairman of the Board*

John A. Swainson  
*Chief Executive Officer*

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**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS**

To the Stockholders of CA, Inc.:

The 2009 Annual Meeting of Stockholders of CA, Inc. will be held on Monday, September 14, 2009 at 10:00 a.m. Eastern Daylight Time at the Company's headquarters located at One CA Plaza, Islandia, New York 11749, for the following purposes:

- (1) to elect directors, each to serve until the next annual meeting and until his or her successor is duly elected and qualified;
- (2) to ratify the appointment of KPMG LLP as our independent registered public accountants for the fiscal year ending March 31, 2010;
- (3) to consider a stockholder proposal; and
- (4) to transact any other business that properly comes before the meeting and any adjournment or postponement of the meeting.

The Board of Directors fixed the close of business on July 17, 2009 as the record date for determining the stockholders who are entitled to notice of and to vote at the meeting and any adjournment or postponement.

To enter the meeting, you will need an admission ticket or other proof that you were a stockholder on July 17, 2009. Admission tickets are on the outside back cover of this Notice of Annual Meeting and Proxy Statement. If you hold your shares through a broker or nominee, you will need to bring either a copy of the voting instruction card provided by your broker or nominee, or a copy of a brokerage statement showing your ownership as of July 17, 2009.

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

**IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE ANNUAL MEETING OF STOCKHOLDERS TO BE HELD ON SEPTEMBER 14, 2009:**

**The Notice of Annual Meeting, Proxy Statement, and Annual Report to Stockholders are available on the Internet at [www.proxyvote.com](http://www.proxyvote.com).**

Whether or not you expect to attend, please vote your shares by following the instructions contained in the Proxy Statement.

C.H.R. DuPree  
*Senior Vice President, Corporate  
Governance, and Corporate Secretary*  
Islandia, New York  
July 24, 2009

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**CA, INC.**  
**One CA Plaza**  
**Islandia, NY 11749**

**PROXY STATEMENT**

**GENERAL INFORMATION**

**Introduction**

This Proxy Statement is furnished to the holders of the common stock, par value \$0.10 per share ( Common Stock ), of CA, Inc. ( we, us, our or the Company ) in connection with the solicitation of proxies by our Board of Directors for the 2009 annual meeting of stockholders and any adjournment or postponement of the meeting. The meeting will be held on September 14, 2009, at 10:00 a.m. Eastern Daylight Time. The matters expected to be acted upon at the meeting are set forth in the preceding Notice of Annual Meeting. At present, the Board of Directors knows of no other business to come before the meeting.

**Meeting Admittance Procedures**

To enter the meeting, you will have to present an admission ticket or other proof that you were a stockholder of the Company on the July 17, 2009 record date. Admission tickets are on the outside back cover of this Notice of Annual Meeting and Proxy Statement. If you hold your shares of Common Stock through a broker or nominee, you will have to bring either a copy of the voting instruction card provided by your broker or nominee, or a copy of a brokerage statement showing your ownership of Common Stock as of July 17, 2009. You may also be required to present official identification containing your recent photograph (such as a driver's license or passport). We may inspect your packages and bags and we may require you to check them, and in some cases, we may not permit you to enter the meeting with them. Please note that, at our discretion, we may exclude cameras, mobile phones, recording equipment and other electronic devices. Please do not bring non-essential packages, bags or other items to the meeting. We may take other security measures in connection with the meeting. Please allow sufficient time and otherwise plan accordingly.

**Notice of Internet Availability**

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

If you want to receive a paper or e-mail copy of the proxy materials, you may request one. There is no charge to you for requesting a copy. Please make your request for a copy as instructed in the Notice of Internet Availability by September 1, 2009 to facilitate timely delivery.

We plan to mail the Notice of Internet Availability on or about August 4, 2009. We will mail a printed copy of the proxy materials to certain stockholders, as in prior years, and we expect that mailing to begin on or about August 4, 2009.



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**Stockholders of Record; Street Name**

If your shares of Common Stock are registered directly in your name with our transfer agent, BNY Mellon Shareowner Services, you are considered the stockholder of record with respect to those shares, and the Notice of Internet Availability (and, if applicable, the mailed proxy materials) was sent directly to you. If your shares are held in an account at a brokerage firm, bank, broker-dealer, or other similar organization, then you are the beneficial owner of shares held in street name, and the Notice of Internet Availability (and, if applicable, the mailed proxy materials) was forwarded to you by that firm. The firm holding your account is considered the stockholder of record for purposes of voting at the annual meeting. As a beneficial owner, you have the right to direct that firm on how to vote the shares held in your account. We may reimburse those firms for reasonable fees and out-of-pocket costs incurred in forwarding the Notice of Internet Availability (and, if applicable, the mailed proxy materials) to you.

**Proxy Solicitation**

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

**Voting**

The shares of Common Stock represented by valid proxies received and not revoked will be voted at the meeting.

If you are a stockholder of record and you:

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

sign and return a proxy card without giving specific voting instructions,

then the proxy holders (*i.e.*, the persons named in the proxy card provided by our Board of Directors) will vote your shares in the manner recommended by our Board of Directors on all matters presented in this Proxy Statement and as the proxy holders may determine in their discretion with respect to any other matters properly presented for a vote at the meeting.

If you are a beneficial owner of shares held in street name and do not provide the firm that holds your shares with specific voting instructions, under the rules of various national and regional securities exchanges, the firm that holds your shares may generally vote on routine matters but cannot vote on non-routine matters. If the firm that holds your shares does not receive instructions from you on how to vote your shares on a non-routine matter, it will inform our Inspector of Election that it does not have the authority to vote on this matter with respect to your shares. This is generally referred to as a broker non-vote. (Please see Broker Non-Votes, below.)

When our Inspector of Election tabulates the votes for any particular matter, broker non-votes will be counted for purposes of determining whether a quorum is present, but will not otherwise be counted. We encourage you to provide

voting instructions to the firm that holds your shares by carefully following the instructions provided in the Notice of Internet Availability.

Please note that if you hold your shares through a bank, broker or other nominee and you want to vote in person at the meeting, you must obtain a proxy from your bank, broker or other nominee authorizing you to vote those shares and you must bring that proxy to the meeting. If any other

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business properly comes before the meeting or any adjournment or postponement, it is the intention of the proxy holders named in the Board of Directors accompanying proxy card to vote the shares represented by the proxy card on those matters in accordance with their best judgment.

### **Broker Non-Votes**

A broker non-vote occurs when your broker submits a proxy for your shares but does not indicate a vote on a particular matter because the broker has not received voting instructions from you and does not have authority to vote on that matter without instructions from you. Broker non-votes are treated as present for purposes of determining a quorum, but are not counted as votes for or against the matter in question or as abstentions, and they are not counted in determining the number of votes present for the particular matter.

Under the rules applicable to brokers, if your broker holds shares in your name, the broker, in the absence of voting instructions from you, is entitled to vote your shares on Proposals 1 and 2.

### **Revocability of Proxy**

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

### **Record Date and Voting Rights**

Only stockholders of record at the close of business on July 17, 2009 are entitled to notice of and to vote at the meeting or any adjournment or postponement. On July 17, 2009, we had outstanding 523,799,655 shares of Common Stock. Each outstanding share of Common Stock is entitled to one vote. A majority of the outstanding shares of Common Stock, present or represented by proxy at the meeting, will constitute a quorum.

Votes cast at the meeting by proxy or in person will be tabulated by the Inspector of Election. The Inspector of Election will treat shares of Common Stock represented by a valid proxy as present at the meeting for purposes of determining a quorum, whether or not the proxy is marked as casting a vote or abstaining on any or all matters. Abstentions and broker non-votes are counted as present and entitled to vote for purposes of determining a quorum.

Assuming that a quorum is present at the meeting, a majority of the votes cast at the meeting with regard to a director will be required to elect the director, which means that the number of votes cast for the director must exceed the number of votes cast against the director. Abstentions and broker non-votes will have no effect on the election of directors since only votes cast for and against a director will be counted. If a director does not receive the requisite vote, the Board of Directors will have 90 days from the certification of the vote to accept or reject the individual's irrevocable resignation that all incumbent directors were required to submit before the mailing of this Proxy Statement. For additional information, please see Proposal 1 Election of Directors.

Assuming that a quorum is present at the meeting, the affirmative vote of the holders of a majority of the shares of Common Stock present or represented by proxy at the meeting and entitled to vote on the subject matter will be required to approve Proposal 2, the ratification of our independent registered public accountants, and Proposal 3, the stockholder proposal. In determining whether Proposal 2 or 3 has received the requisite number of affirmative votes, abstentions will have the effect of a vote against the proposal, and broker non-votes, if any, will reduce the absolute number, but not the percentage, of affirmative votes needed for approval of these proposals.



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**Householding**

If you and other residents with the same last name at your mailing address own shares of Common Stock in street name, your broker or bank may have sent you a notice that your household will receive only one Notice of Internet Availability or annual report and proxy statement for each company in which you hold stock through that broker or bank. This practice of sending only one copy of proxy materials is known as householding. If you received a householding communication, your broker will send one copy of the Notice of Internet Availability or this Proxy Statement and our Annual Report for the fiscal year ended March 31, 2009 to your address unless contrary instructions were given by any stockholder at that address. If you received more than one copy of the Notice of Internet Availability or the proxy materials this year and you wish to reduce the number of copies you receive in the future and save us the cost of printing and mailing these documents, please contact your broker.

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

**Annual Report**

Our Annual Report for the fiscal year ended March 31, 2009 accompanies this Proxy Statement and is also available on the Internet. Please follow the instructions in the Notice of Internet Availability if you want to review our Annual Report on line. Our Annual Report contains financial and other information about us. The Annual Report is not a part of this Proxy Statement.

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

The following table sets forth information, based on data provided to us, with respect to beneficial ownership of shares of Common Stock as of July 17, 2009 for (1) each person known by us to beneficially own more than five percent of the outstanding shares of Common Stock, (2) each of our directors and nominees for election as directors, (3) the Named Executive Officers set forth in the Fiscal Year 2009 Summary Compensation Table, below (other than Mr. Swainson, who is listed under the Directors and Nominees heading) and (4) all of our directors, nominees and executive officers as a group. The table also sets forth the number of shares of Common Stock underlying deferred stock units held by each of our directors as of July 17, 2009.

<b>Beneficial Owner</b>	<b>Number of Shares Beneficially Owned(1)(2)</b>	<b>Percent of Class</b>	<b>Additional Shares Underlying Deferred Stock Units(3)</b>
<i>Holders of More Than 5%:</i>			
Walter H. Haefner Careal Holding AG Utoquai 49 8022 Zurich, Switzerland	125,813,380(4)	24.02%	
NWQ Investment Management Company, LLC 2049 Century Park East, 16th Floor Los Angeles, CA 90067	42,240,573(5)	8.06%	
Hotchkis & Wiley Capital Management, LLC 725 S. Figueroa Street, 39th Floor Los Angeles, CA 90017	30,485,610(6)	5.82%	
<i>Directors and Nominees:</i>			
Raymond J. Bromark	1,000	*	10,082
Alfonse M. D Amato	20,250(7)	*	28,383(7)
Gary J. Fernandes	1,125	*	42,799
Kay Koplovitz	0	*	3,048
Robert E. La Blanc	7,750	*	44,993
Christopher B. Lofgren	0	*	29,384
William E. McCracken	0	*	46,381
John A. Swainson	1,172,188	*	
Laura S. Unger	0	*	17,912
Arthur F. Weinbach	5,000	*	11,147
Renato (Ron) Zambonini	0	*	15,956
<i>Named Executive Officers (Non-Directors):</i>			
Russell M. Artzt	1,941,872	*	
Michael J. Christenson	443,346	*	
Nancy E. Cooper	218,924	*	
Kenneth V. Handal	399,535	*	

All Directors, Nominees and Executive Officers as a  
Group (22 persons)

5,183,086(7)

\*

250,085(7)

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

- (1) Except as indicated below, all persons have represented to us that they exercise sole voting and investment power with respect to their shares.
- (2) The amounts shown in this column include the following shares of Common Stock issuable upon exercise of stock options that either are currently exercisable or will become exercisable within 60 days after July 17, 2009: Mr. D Amato, 20,250; Mr. Fernandes, 1,125; Mr. La Blanc, 6,750; Mr. Swainson, 760,048; Mr. Artzt, 1,273,650; Mr. Christenson, 194,774; Ms. Cooper, 71,804; Mr. Handal, 298,474; and all directors, nominees and executive officers as a group, 3,067,663.
- (3) Under our prior and current compensation plans for non-employee directors, those directors have received a portion of their fees in the form of deferred stock units. In January immediately following termination of service, a director receives shares of Common Stock in an amount equal to the number of deferred stock units accrued in the director's deferred compensation account. Although the deferred stock units are derivative equity securities owned by the directors, the deferred stock units are not included in the column headed "Number of Shares Beneficially Owned" because the directors do not have the right currently to dispose of or to vote the underlying shares of Common Stock. See "Compensation of Directors" for more information.
- (4) According to a Schedule 13D/A filed on October 30, 2003, Walter H. Haefner, through Careal Holding AG, a company wholly owned by Mr. Haefner, exercises sole voting power and sole dispositive power over these shares.
- (5) According to a Schedule 13G/A filed on February 17, 2009 by NWQ Investment Management Company, LLC ( "NWQ" ), NWQ exercises sole voting power over 36,998,397 shares and sole dispositive power over 42,240,573 shares. According to the Schedule 13G/A, the shares are beneficially owned by clients of NWQ.
- (6) According to a Schedule 13G/A filed on February 13, 2009 by Hotchkis & Wiley Capital Management, LLC ( "HWCM" ), HWCM exercises sole voting power over 19,298,733 shares and sole dispositive power over 30,485,610 shares. According to the Schedule 13G/A, the shares are owned of record by clients of HWCM and HWCM disclaims beneficial ownership of the shares.
- (7) The 10th anniversary of Senator D Amato's service as a director occurred on June 29, 2009. In accordance with our director retirement policy, Senator D Amato retired as a director on that date.



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**PROPOSAL 1 ELECTION OF DIRECTORS**

**Nominees**

On the recommendation of the Corporate Governance Committee, the Board of Directors has nominated the persons listed below for election as directors at the annual meeting, each to serve until the next annual meeting and until his or her successor is duly elected and qualified. Each of the nominees is an incumbent director. Robert E. La Blanc, who is currently an incumbent director, has reached age 75. In accordance with our director retirement policy, he will not stand for re-election at the annual meeting. The size of the Board will be reduced to nine directors effective immediately prior to the election of directors at the annual meeting.

The Board has determined that eight of the nominees (all of the nominees other than Mr. Swainson) are independent under The NASDAQ Stock Market LLC ( "NASDAQ" ) listing requirements and our Corporate Governance Principles (the "Corporate Governance Principles" ), which are attached to this Proxy Statement as Exhibit A. Mr. Swainson is deemed not to be independent because of his current position as our Chief Executive Officer.

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

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

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

Our policy is that all directors and nominees should attend our annual meetings of stockholders. All of our directors then in office attended the 2008 Annual Meeting of Stockholders.

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

Set forth below are each nominee's name, age, principal occupation for the last five years and other biographical information, including the year in which each was first elected a director of the Company.

**Raymond J. Bromark**, 63, has been a director since 2007. He is a retired Partner of PricewaterhouseCoopers LLP ( PwC ). Mr. Bromark was Head, Professional, Technical, Risk and Quality Group of PwC from 2001 to 2006 and provided consulting services to PwC from July 2006 through April 2007. He is a member of the American Institute of Certified Public Accountants (the AICPA ) and the University of Delaware 's Weinberg Center for Corporate Governance 's Advisory

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Board. Mr. Bromark was PwC's representative on the AICPA's Center for Public Company Audit Firms Executive Committee. He was also a member of the Financial Accounting Standards Board Advisory Council, the Public Company Accounting Oversight Board's Standing Advisory Group and the AICPA's Special Committee on Financial Reporting, its SEC Practice Section Executive Committee and its Ethics Executive Committee.

**Gary J. Fernandes**, 65, has been a director since 2003. Mr. Fernandes has been Chairman and President of FLF Investments, a family business involved with the acquisition and management of commercial real estate properties and other assets, since 1999. Mr. Fernandes retired as Vice Chairman of Electronic Data Systems Corporation (EDS), a global technology services company, in 1998, after serving on the Board of Directors of EDS since 1981. After retiring from EDS, Mr. Fernandes founded Convergent Partners, a venture capital fund focusing on buyouts of technology-related companies. He also served as Chairman and CEO of GroceryWorks, Inc., an internet grocery fulfillment company, until 2001. He currently serves on the Board of Directors of BancTec, Inc., a privately held systems integration, manufacturing and services company, and Blockbuster International, a provider of home entertainment services. Mr. Fernandes also serves as an advisory director of MHT Partners, a Dallas-based investment banking firm serving mid-market companies. He serves on the Board of Governors of Boys & Girls Clubs of America, and is a director of the Boys & Girls Club of Dallas. He also serves as a trustee of the O'Hara Trust and the Hall-Voyer Foundation.

**Kay Koplovitz**, 64, has been a director since 2008. Ms. Koplovitz has been a principal of Koplovitz & Co. LLC, a media and investment firm since 1998. She has been a director of Liz Claiborne, Inc., a designer and marketer of fashion apparel and accessories since 1992, and Chairman of the Board since January 1, 2007. She is the founder of USA Network, an international cable television programming company and served as its Chairman and Chief Executive Officer from 1977 to 1998. In 2001, Ms. Koplovitz established Boldcap Ventures, a venture capital fund of which she is a governing board member. Ms. Koplovitz serves on the boards of a number of not-for-profit organizations, including The Paley Center for Media, Springboard Enterprises and the International Tennis Hall of Fame.

**Christopher B. Lofgren**, 50, has been a director since 2005. He has been President and Chief Executive Officer of Schneider National, Inc., a provider of transportation and logistics services since 2002. Prior to being appointed CEO, Mr. Lofgren served as Chief Operating Officer from 2000 to 2002, and Chief Information Officer from 1996 to 2002. Mr. Lofgren also serves on the Advisory Boards of the School of Industrial and Systems Engineering and the College of Engineering of the Georgia Institute of Technology. He was inducted into the National Academy of Engineering in 2009.

**William E. McCracken**, 66, has been a director since 2005. He has been President of Executive Consulting Group, LLC since 2002. Mr. McCracken has been Chairman of the Board of the Company since June 2007. During a 36-year tenure at International Business Machines Corporation (IBM), Mr. McCracken held several different executive offices, including serving as general manager of the IBM Printing Systems Division and general manager of Worldwide Marketing of IBM PC Company. He is also Chairman of the Board of Trustees of Lutheran Social Ministries of New Jersey.

**John A. Swainson**, 55, has been Chief Executive Officer of the Company since February 2005 and a director since November 2004. From November 2004 to February 2005, he served as our Chief Executive Officer-elect. From July to November 2004, Mr. Swainson was Vice President of Worldwide Sales and Marketing of the Software Group of IBM, responsible for selling its diverse line of software products through multiple channels. From 1997 to July 2004, he was General Manager of the Application Integration and Middleware division of IBM's Software Group, a division he started in 1997. He is the lead director of Visa Inc., and is also a director of Cadence Design Systems, Inc.

**Laura S. Unger**, 48, has been a director since 2004. She was a Commissioner of the SEC from November 1997 to February 2002, including Acting Chairperson of the SEC from February to August 2001. From June 2002 through June 2003, Ms. Unger was employed by CNBC as a Regulatory

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Expert. Before being appointed to the SEC, Ms. Unger served as Counsel to the United States Senate Committee on Banking, Housing and Urban Affairs from October 1990 to November 1997. Prior to working on Capitol Hill, Ms. Unger was an attorney with the Enforcement Division of the SEC. Ms. Unger serves as a director of Ambac Financial Group, Inc., the IQ Funds Complex, and Children's National Medical Center Foundation. She also acts as the Independent Consultant to JP Morgan Chase for the Global Analyst Conflict Settlement.

**Arthur F. Weinbach**, 66, has been a director since April 2008. He has been Executive Chairman and Chairman of the Board of Broadridge Financial Solutions, Inc., a financial services company, since April 2007. Mr. Weinbach was associated with Automatic Data Processing, Inc. ( ADP ), the predecessor of Broadridge Financial Solutions, Inc., from 1980 to 2007, serving as Chief Executive Officer from 1996 to 2006 and as Chairman until November 2007. He is also a director of Schering-Plough Corporation and The Phoenix Companies. He is also currently a Trustee of New Jersey SEEDS, a non-profit organization.

**Renato (Ron) Zambonini**, 62, has been a director since 2005. He was Chairman of the Board of Cognos Incorporated, a developer of business intelligence software, from May 2004 until January 2008, and a director from 1994 until January 2008. Mr. Zambonini was Chief Executive Officer of Cognos from September 1995 to May 2004 and President from January 1993 until April 2002.

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

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**RELATED PERSON TRANSACTIONS**

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

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

- the fairness to us of the Related Person Transaction;
- whether the terms of the Related Person Transaction would be on the same basis if the transaction, arrangement or relationship did not involve a related person;
- the business reasons for us to participate in the Related Person Transaction;
- the nature and extent of our participation in the Related Person Transaction;
- whether any Related Person Transaction involving a director, nominee for director or an immediate family member of a director or nominee for director would be immaterial under the categorical standards adopted by the Board with respect to director independence contained in our Corporate Governance Principles;
- whether the Related Person Transaction presents an actual or apparent conflict of interest for any director, nominee for director or executive officer, the nature and degree of such conflict and whether any mitigation of such conflict is feasible;
- the availability of other sources for comparable products or services;
- the direct or indirect nature and extent of the related person's interest in the Related Person Transaction;
- the ongoing nature of the Related Person Transaction;
- the relationship of the related person to the Related Person Transaction and with us and others;
- the importance of the Related Person Transaction to the related person; and
- the amount involved in the Related Person Transaction.

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

Since the beginning of fiscal year 2009, there has been one Related Person Transaction. Erica Christensen La Blanc, a daughter-in-law of Mr. La Blanc, served as a non-executive employee of the Company. She receives an annual salary and employee benefits valued at approximately \$138,000. This Related Person Transaction was approved in accordance with the Policy.

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**LITIGATION INVOLVING DIRECTORS AND EXECUTIVE OFFICERS**

**Stockholder Class Action and Derivative Lawsuits Filed Prior to 2004 Background**

The Company, its former Chairman and CEO Charles B. Wang, its former Chairman and CEO Sanjay Kumar, its former Chief Financial Officer Ira Zar, and its Vice Chairman and Founder Russell M. Artzt were defendants in one or more stockholder class action lawsuits filed in July 1998, February 2002, and March 2002 in the United States District Court for the Eastern District of New York (the Federal Court), alleging, among other things, that a class consisting of all persons who purchased the Company's Common Stock during the period from January 20, 1998 until July 22, 1998 were harmed by misleading statements, misrepresentations, and omissions regarding the Company's future financial performance.

In addition, in May 2003, a class action lawsuit captioned *John A. Ambler v. Computer Associates International, Inc., et al.* was filed in the Federal Court. The complaint in this matter, a purported class action on behalf of the CA Savings Harvest Plan (the CASH Plan) and the participants in, and beneficiaries of, the CASH Plan for a class period from March 30, 1998 through May 30, 2003, asserted claims of breach of fiduciary duty under the federal Employee Retirement Income Security Act (ERISA). The named defendants were the Company, the Company's Board of Directors, the CASH Plan, the Administrative Committee of the CASH Plan, and the following current or former employees and/or former directors of the Company: Messrs. Wang, Kumar, Zar, Artzt, Peter A. Schwartz (the Company's former Chief Financial Officer), and Charles P. McWade (the Company's former head of Financial Reporting and Business Development); and various unidentified alleged fiduciaries of the CASH Plan. The complaint alleged that the defendants breached their fiduciary duties by causing the CASH Plan to invest in Company securities and sought damages in an unspecified amount.

A stockholder derivative lawsuit was filed by Charles Federman against certain current and former directors of the Company, based on essentially the same allegations as those contained in the February and March 2002 stockholder lawsuits discussed above. This action was commenced in April 2002 in the Delaware Chancery Court, and an amended complaint was filed in November 2002. The defendants named in the amended complaint were former Company directors The Honorable Alfonse M. D'Amato, Shirley Strum Kenny and Messrs. Wang, Kumar, Artzt, Willem de Vogel, Richard Grasso, Roel Pieper, and Lewis S. Ranieri. The Company was named as a nominal defendant. The derivative suit alleged breach of fiduciary duties on the part of all the individual defendants and, as against the former management director defendants, insider trading on the basis of allegedly misappropriated confidential, material information. The amended complaint sought an accounting and recovery on behalf of the Company of an unspecified amount of damages, including recovery of the profits allegedly realized from the sale of Common Stock.

On August 25, 2003, the Company announced the settlement of the above-described class action lawsuits against the Company and certain of its present and former officers and directors, alleging misleading statements, misrepresentations, and omissions regarding the Company's financial performance, as well as breaches of fiduciary duty. At the same time, the Company also announced the settlement of a derivative lawsuit, in which the Company was named as a nominal defendant, filed against certain present and former officers and directors of the Company, alleging breaches of fiduciary duty and, against certain management directors, insider trading, as well as the settlement of an additional derivative action filed by Charles Federman that had been pending in the Federal Court. As part of the class action settlement, which was approved by the Federal Court in December 2003, the Company agreed to issue a total of up to 5.7 million shares of Common Stock to the stockholders represented in the three class action lawsuits, including payment of attorneys' fees. The Company completed the issuance of the settlement shares as well as payment of \$3.3 million to the plaintiffs' attorneys in legal fees and related expenses in 2004.





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In settling the derivative suits, which settlement was approved by the Federal Court in December 2003, the Company committed to maintain certain corporate governance practices. Under the settlement, the Company, the individual defendants and all other current and former officers and directors of the Company were released from any potential claim by stockholders arising from accounting-related or other public statements made by the Company or its agents from January 1998 through February 2002 (and from March 11, 1998 through May 2003 in the case of the employee ERISA action). The individual defendants were released from any potential claim by or on behalf of the Company relating to the same matters.

On October 5, 2004 and December 9, 2004, four purported Company stockholders served motions to vacate the Order of Final Judgment and Dismissal entered by the Federal Court in December 2003 in connection with the settlement of the derivative action. These motions primarily sought to void the releases that were granted to the individual defendants under the settlement. On December 7, 2004, a motion to vacate the Order of Final Judgment and Dismissal entered by the Federal Court in December 2003 in connection with the settlement of the 1998 and 2002 stockholder lawsuits discussed above (together with the October 5, 2004 and December 9, 2004 motions, the 60(b) Motions ) was filed by Sam Wyly and certain related parties (the Wyly Litigants ). The motion sought to reopen the settlement to permit the moving stockholders to pursue individual claims against certain present and former officers of the Company. The motion stated that the moving stockholders did not seek to file claims against the Company.

**Derivative Actions Filed in 2004**

In June and July 2004, three purported derivative actions were filed in the Federal Court by Ranger Governance, Ltd. ( Ranger ), Bert Vladimir and Irving Rosenzweig against certain current or former employees and/or directors of the Company (the Derivative Actions ). In November 2004, the Federal Court issued an order consolidating the Derivative Actions. The plaintiffs filed a consolidated amended complaint (the Consolidated Complaint ) on January 7, 2005. The Consolidated Complaint names as defendants Messrs. Wang, Kumar, Zar, McWade, Schwartz, de Vogel, Grasso, Pieper, Artzt, D Amato, and Ranieri, Stephen Richards, Steven Woghin, David Kaplan, David Rivard, Lloyd Silverstein, Michael A. McElroy, Gary Fernandes, Robert E. La Blanc, Jay W. Lorsch, Kenneth Cron, Walter P. Schuetze, KPMG LLP, and Ernst & Young LLP. The Company is named as a nominal defendant. The Consolidated Complaint seeks from one or more of the defendants (1) contribution towards the consideration the Company had previously agreed to provide current and former stockholders in settlement of certain class action litigation commenced against the Company and certain officers and directors in 1998 and 2002 (see Stockholder Class Action and Derivative Lawsuits Filed Prior to 2004 Background ), (2) compensatory and consequential damages in an amount not less than \$500 million in connection with the investigations giving rise to the Deferred Prosecution Agreement ( DPA ) entered into between the Company and the United States Attorney s Office ( USAO ) in 2004 and a consent to enter into a final judgment ( Consent Judgment ) in a parallel proceeding brought by the SEC regarding certain of the Company s past accounting practices, including its revenue recognition policies and procedures during certain periods prior to the adoption of the Company s new business model in October 2000. (In May 2007, based upon the Company s compliance with the terms of the DPA, the Federal Court ordered dismissal of the charges that had been filed against the Company in connection with the DPA, and the DPA expired. The injunctive provisions of the Consent Judgment permanently enjoining the Company from violating certain provisions of the federal securities laws remain in effect.), (3) unspecified relief for violations of Section 14(a) of the Exchange Act for alleged false and material misstatements made in the Company s proxy statements issued in 2002 and 2003, (4) relief for alleged breach of fiduciary duty, (5) unspecified compensatory, consequential and punitive damages based upon allegations of corporate waste and fraud, (6) unspecified damages for breach of duty of reasonable care, (7) restitution and rescission of the compensation earned under the Company s executive compensation plan and (8) pursuant to Section 304 of the Sarbanes-Oxley Act, reimbursement of bonus or other incentive-based equity compensation and alleged profits realized from sales of



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securities issued by the Company. Although no relief is sought from the Company, the Consolidated Complaint seeks monetary damages, both compensatory and consequential, from the other defendants, including current or former employees and/or directors of the Company, Ernst & Young LLP and KPMG LLP in an amount totaling not less than \$500 million.

On February 1, 2005, the Company established a Special Litigation Committee of independent members of its Board of Directors to, among other things, control and determine the Company's response to the Derivative Actions and the 60(b) Motions. On April 13, 2007, the Special Litigation Committee issued its reports, which announced the Special Litigation Committee's conclusions, determinations, recommendations and actions with respect to the claims asserted in the Derivative Actions and the 60(b) Motions. The Special Litigation Committee also served a motion which seeks to dismiss and realign the claims and parties in accordance with the Special Litigation Committee's recommendations. As summarized below, the Special Litigation Committee concluded as follows:

The Special Litigation Committee has concluded that it would be in the best interests of the Company to pursue certain of the claims against Messrs. Wang and Schwartz.

The Special Litigation Committee has concluded that it would be in the best interests of the Company to pursue certain of the claims against the former Company executives who have pled guilty to various charges of securities fraud and/or obstruction of justice including Messrs. Kaplan, Richards, Rivard, Silverstein, Woghin and Zar. The Special Litigation Committee has determined and directed that these claims be pursued by the Company using counsel retained by the Company, unless the Special Litigation Committee is able to successfully conclude its ongoing settlement negotiations with these individuals.

The Special Litigation Committee has reached a settlement (subject to court approval) with Messrs. Kumar, McWade and Artzt.

The Special Litigation Committee believes that the claims (the Director Claims) against current and former Company directors Messrs. Cron, D'Amato, de Vogel, Fernandes, Grasso, La Blanc, Lorsch, Pieper, Ranieri and Schuetze, Ms. Kenny, and Alex Vieux should be dismissed. The Special Litigation Committee has concluded that these directors did not breach their fiduciary duties and the claims against them lack merit.

The Special Litigation Committee has concluded that it would be in the best interests of the Company to seek dismissal of the claims against Ernst & Young LLP, KPMG LLP and Mr. McElroy.

The Special Litigation Committee has served a motion which seeks dismissal of the Director Claims, the claims against Ernst & Young LLP, KPMG LLP and Mr. McElroy, and certain other claims. In addition, the Special Litigation Committee has asked for the Federal Court's approval for the Company to be realigned as the plaintiff with respect to claims against certain other parties, including Messrs. Wang and Schwartz.

**Current Procedural Status of Stockholder Class Action and Derivative Lawsuits Filed Prior to 2004 and Derivative Actions Filed in 2004**

By letter dated July 19, 2007, counsel for the Special Litigation Committee advised the Federal Court that the Special Litigation Committee had reached a settlement of the Derivative Actions with two of the three derivative plaintiffs Bert Vladimir and Irving Rosenzweig. In connection with the settlement, both of these plaintiffs have agreed to support the Special Litigation Committee's motion to dismiss and to realign. The Company has agreed to pay the attorney's fees of Messrs. Vladimir and Rosenzweig in an amount up to \$525,000 each. If finalized, this settlement would require approval of the Federal Court. On July 23, 2007, Ranger filed a letter with the Federal Court objecting to the proposed settlement. On October 29, 2007, the Federal Court denied the Special Litigation Committee's motion

to dismiss and realign, without prejudice to renewing the motion after a decision by the appellate court regarding the Federal Court's decisions concerning the 60(b) Motions.

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In a memorandum and order dated August 2, 2007, the Federal Court denied all of the 60(b) Motions and reaffirmed the 2003 settlements (the August 2 decision ). On August 24, 2007, Ranger and the Wyly Litigants filed notices of appeal of the August 2 decision. On August 16, 2007, the Special Litigation Committee filed a motion to amend or clarify the August 2 decision, and the Company joined that motion. On September 12, 2007 and October 4, 2007, the Federal Court issued opinions denying the motions to amend or clarify. On September 18, 2007, the Wyly Litigants and Ranger filed notices of appeal of the September 12 decision. The Company filed notices of cross-appeal of the September 12 and October 4 decisions on November 2, 2007. Oral argument on the appeals and cross-appeals occurred on March 11, 2009. On July 23, 2009, the United States Court of Appeals for the Second Circuit issued a summary order affirming the August 2, September 12 and October 4, 2007 decisions of the Federal Court referenced above. The summary order also acknowledged that the Ranger Governance litigation that was part of the 2004 Derivative Actions was not before the Second Circuit and, therefore, the Company could renew its motion to dismiss and realign that had been dismissed without prejudice in the October 29, 2007 decision referenced above.

## Texas Litigation

On August 9, 2004, a petition was filed by Sam Wyly and Ranger against the Company in the District Court of Dallas County, Texas, seeking to obtain a declaratory judgment that plaintiffs did not breach two separation agreements they entered into with the Company in 2002 (the 2002 Agreements ). On February 18, 2005, Mr. Wyly filed a separate lawsuit in the United States District Court for the Northern District of Texas (the Texas Federal Court ) alleging that he is entitled to attorneys fees in connection with the original litigation filed in the District Court of Dallas County, Texas. The two actions have been consolidated. On March 31, 2005, the plaintiffs amended their complaint to allege a claim that they were defrauded into entering the 2002 Agreements and to seek rescission of those agreements and damages. On September 1, 2005, the Texas Federal Court granted the Company s motion to transfer the action to the Federal Court. On November 9, 2007, plaintiffs served a motion to reopen discovery for 90 days to permit unspecified additional document requests and depositions. The Federal Court denied plaintiffs discovery motion on August 29, 2008 and certified that discovery was complete on September 3, 2008. On September 15, 2008, the Company moved for summary judgment dismissing all of plaintiffs claims, and plaintiffs moved for reconsideration of the Federal Court s August 29, 2008 order denying plaintiffs discovery motion. These motions are fully briefed and pending determination by the Federal Court.

## General

The Company is obligated to indemnify its officers and directors under certain circumstances to the fullest extent permitted by Delaware law. As a part of that obligation, the Company has advanced and will continue to advance certain attorneys fees and expenses incurred by current and former officers and directors in various litigations and investigations arising out of similar allegations, including the litigation described above under the caption Litigation Involving Directors and Executive Officers.

Additional information about litigation involving the Company s directors and executive officers is contained in our periodic and other reports filed with the SEC.

**Table of Contents****BOARD COMMITTEES AND MEETINGS**

The Board of Directors has established three principal committees – the Audit Committee, the Compensation and Human Resources Committee and the Corporate Governance Committee – to carry out certain responsibilities and to assist the Board in meeting its fiduciary obligations. These committees operate under written charters, which have been adopted by the respective committees and by the Board. All the members of these committees are independent under both our Corporate Governance Principles and NASDAQ listing requirements. In June 2008, the Board of Directors established a Compliance and Risk Committee and modified the responsibilities of the Audit and Compliance Committee (renamed the Audit Committee) to transfer some responsibilities to the Compliance and Risk Committee. Also in June 2008, the Board dissolved its Strategy Committee. The charters of the current committees can be reviewed on our website at investor.ca.com and are also available free of charge in print to any stockholder who requests them in the same manner as for our Corporate Governance Principles or the Code of Conduct described below. The current members of the committees are as follows:

<b>Independent Directors</b>	<b>Audit</b>	<b>Compensation and Human Resources</b>	<b>Corporate Governance</b>	<b>Compliance and Risk</b>
R. Bromark	X (Chair)			
G. Fernandes		X (Chair)		X
K. Koplovitz			X	
R. La Blanc	X			
C. Lofgren(1)			X (Chair)	X
W. McCracken(2)		X		X
L. Unger			X	X (Chair)
A. Weinbach	X	X		
R. Zambonini(2)	X			
<b>Employee Director</b>				
J. Swainson				X

(1) In June 2008, Mr. Lofgren succeeded Mr. Lorsch as Chair of the Corporate Governance Committee.

(2) Messrs. McCracken and Zambonini are the members of the Special Litigation Committee, described under the heading Litigation Involving Directors and Executive Officers – Derivative Actions Filed in 2004, above.

Information about the principal responsibilities and meetings of these committees appears below.

The general purpose of the *Audit Committee* is to assist the Board in fulfilling its oversight responsibilities with respect to: (1) the audits of our financial statements and the integrity of our financial statements and internal controls; (2) the qualifications and independence of our independent registered public accountants (including the Committee's direct responsibility for the engagement of the independent registered public accountants); (3) the performance of our internal audit function and independent registered public accountants; (4) our accounting and financial reporting processes; and (5) the activity of our internal control function, including reviewing decisions with respect to scope, risk assessment, testing plans, and organizational structure. The Board has determined that Messrs. Bromark and Weinbach each qualify as an audit committee financial expert and that all members of the Committee are independent under applicable SEC and NASDAQ rules. Additional information about the responsibilities of the Audit Committee is set forth in the Audit Committee charter. During fiscal year 2009, the Committee met eight times and acted by unanimous written consent on one occasion.



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The general purpose of the *Compensation and Human Resources Committee* is to assist the Board in fulfilling its responsibilities with respect to executive compensation and human resources matters, including: (1) reviewing and approving corporate goals and objectives relevant to the compensation of the Chief Executive Officer; in coordination with the Corporate Governance Committee, evaluating his or her performance in light of those goals and objectives; and determining and approving his or her compensation, including determinations regarding equity-based and other incentive compensation awards, based upon such evaluation and (2) overseeing the evaluation of executive officers other than the Chief Executive Officer in connection with its oversight of executive management development and succession planning, and determining the compensation of executive officers, including determinations regarding equity-based and other incentive compensation awards. Additional information about the Committee's responsibilities is set forth in the Compensation and Human Resources Committee charter. During fiscal year 2009, the Committee met six times.

The general purpose of the *Corporate Governance Committee* is to assist the Board in fulfilling its responsibilities with respect to our governance, including making recommendations to the Board concerning: (1) the size and composition of the Board, the qualifications and independence of the directors and the recruitment and selection of individuals to stand for election as directors; (2) the organization and operation of the Board, including the nature, size and composition of committees of the Board, the designation of committee chairs, the designation of a Lead Independent Director, Chairman of the Board or similar position, and the distribution of information to the Board and its committees; and (3) the compensation of non-employee directors. Additional information about the Committee's responsibilities is set forth in the Corporate Governance Committee charter. During fiscal year 2009, the Committee met six times and acted by unanimous written consent on one occasion.

During fiscal year 2009, the Compensation and Human Resources Committee and the Corporate Governance Committee met once in a joint session to discuss management succession planning, as contemplated by their respective charters.

The general purpose of the *Compliance and Risk Committee* is to: (1) provide general oversight of our enterprise risk management and business practices and compliance functions; (2) provide input to our management in the identification, assessment and mitigation of enterprise-wide risks faced by the Company both internally and externally; and (3) provide recommendations to the Board with respect to its review of our business practices and compliance activities and enterprise risk management. Additional information about the responsibilities of the Compliance and Risk Committee is set forth in the Committee's charter. The Compliance and Risk Committee was formed in June 2008. During fiscal year 2009, the Committee met twice.

In June 2008, the Board dissolved its *Strategy Committee* and the Committee's responsibilities were reassumed by the Board. The general purpose of the Strategy Committee was to provide input to management in their development of our corporate strategy and to provide recommendations to the Board with respect to its review and approval of the corporate strategy. The members of the Strategy Committee during fiscal year 2009 were Messrs. Lofgren (Chair), Bromark, Fernandes, McCracken, Swainson and Zambonini. During fiscal year 2009, the Committee met once.

During fiscal year 2009, the Board of Directors met 10 times and acted by unanimous written consent on two occasions. The independent directors meet at all regular Board meetings in executive session without any non-independent director present. The Chairman of the Board, who is an independent director, presides at these executive sessions. During fiscal year 2009, each director attended, in the aggregate, more than 75% of the Board meetings and meetings of the Board committees on which the director served.

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**NOMINATING PROCEDURES**

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

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

the name of the candidate, the candidate's résumé or a listing of his or her qualifications to be a director of the Company, and the person's consent to be named as a director nominee if recommended by the Committee and nominated by the Board.

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

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

In addition to recommending director candidates to the Corporate Governance Committee, stockholders may also nominate candidates for election to the Board at the annual meeting of stockholders. These nominations must be received by the Corporate Secretary not less than 90 days or more than 120 days before the anniversary date of our most recent annual meeting of stockholders and must provide certain information specified in our By-laws. See Advance Notice Procedures for 2010 Annual Meeting, below, for more information.

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

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**COMMUNICATIONS WITH DIRECTORS**

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

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

**CORPORATE GOVERNANCE**

Directly and through the Corporate Governance Committee, the Board periodically reviews corporate governance developments.

We periodically consider and review our Corporate Governance Principles. In May 2009, we amended our Corporate Governance Principles to include a stock ownership guideline for non-employee directors and a limitation on the number of boards of public companies on which our directors may serve. Our Corporate Governance Principles are attached to this Proxy Statement as Exhibit A and can be found, together with other corporate governance information, on our website at [investor.ca.com](http://investor.ca.com). The Board also evaluates the principal committee charters from time to time, as appropriate.

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

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

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**COMPENSATION OF DIRECTORS**

Only our non-employee directors receive compensation for their services as directors. Their compensation is based on a director service year that lasts from annual meeting to annual meeting. Under our 2003 Compensation Plan for Non-Employee Directors (the 2003 Directors Plan), each non-employee director receives an annual fee that is fixed by the Board and paid in the form of deferred stock units, except that up to 50% of that fee may be paid in cash, if elected by the director in advance. Following termination of service, a director receives shares of Common Stock in an amount equal to the number of deferred stock units in the director's deferred compensation account. The 2003 Directors Plan also allows the Board of Directors to authorize the payment of additional fees to any eligible director who chairs a committee of the Board of Directors or to an eligible director serving as the lead director or Chairman of the Board. Currently, all of our non-employee directors receive compensation pursuant to the 2003 Directors Plan.

Each non-employee director receives an annual director fee of \$175,000. In addition, the non-executive Chairman of the Board receives an annual Chairman's fee of \$175,000, the Chair of the Audit Committee receives an annual Chair's fee of \$25,000 and each non-employee Chair of each other committee of the Board of Directors receives an annual Chair's fee of \$10,000. These additional fees are also payable in deferred stock units, unless the director elects to receive up to 50% in cash, as described above for annual fees.

In May 2009, the Corporate Governance Committee reviewed the annual compensation of the Chairman. The Committee considered: (a) the extraordinary amount of time and effort that Mr. McCracken devoted; (b) the contribution he made in serving in that role during the challenging circumstances of the past year; and (c) certain expenses he incurred in serving in that role since he became non-executive Chairman that are not reimbursable to him under existing Company policy. Steven Hall Partners, special outside compensation consultants to the Committee, provided the Company with relevant competitive market data and assisted with the evaluation of the Chairman's compensation level. Based on this review, and on the recommendations of the Corporate Governance Committee and Steven Hall Partners, on May 19, 2009, the Board approved a payment of \$359,000 to the Chairman. (Of this amount, approximately \$100,000 was paid to Mr. McCracken in respect of expenses that he incurred in connection with his service and for which he reimbursed the Company.) This payment was made under the 2003 Directors Plan in the form of deferred stock units and cash (pursuant to the Chairman's existing election under the plan). Because the payment relates primarily to services rendered during fiscal year 2009, the amount is included in the compensation information for Mr. McCracken set forth in the table below.

In addition to director fees, to further our commitment to support charities, non-employee directors are able to participate in our Matching Gifts Program. Under this program, we match contributions by directors up to an aggregate annual amount of \$25,000 by a director to charities approved by us.

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

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The following table includes information about compensation paid to our non-employee directors for the fiscal year ended March 31, 2009.

**Fiscal Year 2009 Director Compensation Table**

<b>Director</b>	<b>Fees Earned or Paid in Cash (\$)(1)</b>	<b>Stock Awards (\$)(1)(2)</b>	<b>Option Awards (\$)(3)</b>	<b>All Other Compensation (\$)(4)(5)(6)</b>	<b>Total (\$)</b>
R. Bromark	100,000	100,000	0		200,000
A. D Amato(7)	87,500	87,500	0	25,000	200,000
G. Fernandes	0	185,000	0	10,000	195,000
K. Koplovitz(8)	32,083	32,083	0		64,166
R. La Blanc	0	175,000	0	25,000	200,000
C. Lofgren	0	185,000	0	12,500	197,500
J. Lorsch(9)	0	78,750	0		78,750
W. McCracken	334,000	375,000	0	12,050	721,050
W. Schuetze(9)	38,403	38,403	0		76,806
L. Unger	91,528	91,528	0	5,050	188,106
A. Weinbach(10)	0	168,194	0	22,479	190,673
R. Zambonini	87,500	87,500	0		175,000

(1) As noted above, 100% of directors' fees are paid in deferred stock units, except that up to 50% of such fees may be paid in cash, if elected by the director in advance. The amounts in the Fees Earned or Paid in Cash column represent the amounts paid to directors who elected to receive a portion of their director fees in cash. In fiscal year 2009, Messrs. Bromark, D Amato, McCracken, Schuetze and Zambonini and Ms. Koplovitz and Ms. Unger elected to receive 50% of their director fees in cash; and Messrs. Fernandes, La Blanc, Lofgren, Lorsch and Weinbach received 100% of their director fees in deferred stock units.

(2) As required by SEC rules, this column includes amounts we expensed during fiscal year 2009 under Statement of Financial Accounting Standards No. 123(R) ( FAS 123(R) ) for deferred stock units. The compensation cost for deferred stock units is calculated by multiplying the number of deferred stock units by the closing market price of the Common Stock on the date the deferred stock units are credited to a director's account. Because there is no additional service period and no risk of forfeiture, the compensation cost is expensed in total when the deferred stock units are credited. The amounts reflected in this column also represent the grant date fair value in

accordance with FAS 123(R) of the deferred stock units granted to directors in fiscal year 2009. These award fair values have been determined based on the assumptions set forth in Note 10, Stock Plans, in the Notes to the Consolidated Financial Statements in our Annual Report on Form 10-K for the fiscal year ended March 31, 2009. This column also includes the deferred stock unit portion of the payment to Mr. McCracken described above, relating primarily to his service during fiscal year 2009, but which was paid after fiscal year 2009 and was not expensed during fiscal year 2009. The amount included relating to the payment represents the grant date fair value of the award in accordance with FAS 123(R).

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As of March 31, 2009, the following deferred stock units had been credited to each director's account:

<b>Director</b>	<b>Aggregate Number of Deferred Stock Units</b>
R. Bromark	8,647
A. D. Amato(7)	27,123
G. Fernandes	40,145
K. Koplovitz(8)	1,793
R. La Blanc	42,473
C. Lofgren	26,731
J. Lorsch(9)	
W. McCracken*	43,871
W. Schuetze(9)	
L. Unger	16,586
A. Weinbach(10)	8,637
R. Zambonini	14,701

\* Includes 11,261 shares, constituting the portion of the payment of \$359,000 that was paid in deferred stock units after fiscal year 2009 but primarily with respect to fiscal year 2009 services, as described above.

(3) No options were granted to directors during fiscal year 2009. Under prior director compensation arrangements, directors received a portion of their fees in options, each to purchase a share of Common Stock. The options were granted as of the day of the annual meeting of stockholders, with an exercise price equal to the closing price of the Common Stock on that date and the options vested on the day before the next succeeding annual meeting date. As of March 31, 2009, the following options were outstanding for each director, all of which are vested:

<b>Director</b>	<b>Number of Securities Underlying Unexercised Options</b>	<b>Option Exercise Price (\$)</b>	<b>Option Expiration Date</b>
R. Bromark	0		
A. D. Amato(7)	6,750	51.44	8/26/2009

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	6,750	32.38	8/31/2010
	6,750	11.04	8/28/2012
G. Fernandes	1,125	23.37	6/18/2013
K. Koplovitz(8)	0		
R. La Blanc	6,750	11.04	8/28/2012
C. Lofgren	0		
J. Lorsch(9)	6,750	11.04	8/28/2012
W. McCracken	0		
W. Schuetze(9)	6,750	11.04	8/28/2012
L. Unger	0		
A. Weinbach(10)	0		
R. Zambonini	0		

(4) The amounts in this column include contributions we made under our Matching Gifts Program in fiscal year 2009. Under our current Matching Gifts Program, we match up to \$25,000 of director



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charitable contributions made in each fiscal year by each director. Because our matching gifts are processed several months after the related director contributions are reported to us, the matching gifts that are included in this column for fiscal year 2009 also include matching gifts that were made in fiscal year 2009 to match some director contributions made in fiscal year 2008 as follows: Mr. D Amato, \$25,000; Mr. Fernandes, \$10,000; Mr. La Blanc, \$25,000; Mr. Lofgren, \$12,500; Mr. McCracken \$12,050; Mr. Weinbach, \$22,479; and Ms. Unger, \$5,050.

- (5) We provide directors with, and pay premiums for, director and officer liability insurance and reimburse directors for reasonable travel expenses incurred in connection with Company business, the values of which are not included in this table.
- (6) The amount of any perquisites less than \$10,000 for each director is not required to be shown, pursuant to SEC rules.
- (7) Senator D Amato retired as a director on June 29, 2009.
- (8) Ms. Koplovitz was first elected as a director on November 19, 2008.
- (9) Messrs. Lorsch and Schuetze retired as directors on September 9, 2008.
- (10) Mr. Weinbach was first elected as a director on April 15, 2008.

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**COMPENSATION AND HUMAN RESOURCES COMMITTEE PROCESSES AND PROCEDURES FOR DETERMINATION OF EXECUTIVE COMPENSATION**

The Compensation and Human Resources Committee of the Board of Directors (the Compensation Committee ) consists entirely of directors who are independent as described in applicable NASDAQ rules. The Compensation Committee's responsibilities include overseeing our compensation plans and policies, establishing the performance measures under our annual and long-term incentive programs that cover executive officers, and approving executive officer compensation and authorizing awards under our equity-based plans, in consultation with the Chief Executive Officer and executive management, when appropriate.

Although the Compensation Committee has delegated its authority to the Chief Executive Officer with respect to equity grants and compensation matters in certain circumstances, the Compensation Committee has not delegated such authority with respect to the compensation matters of our executive officers under the Exchange Act, including the Named Executive Officers (as shown in the Fiscal Year 2009 Summary Compensation Table, below).

The Compensation Committee's Chairman regularly reports to the Board on Compensation Committee actions and recommendations of the Compensation Committee. The Compensation Committee's charter reflects these responsibilities and reporting relationships, and the Board and the Compensation Committee periodically review and revise the charter. The Compensation Committee, together with the Corporate Governance Committee, is also charged with oversight of executive management development and succession planning, on behalf of the Board.

**Processes and Procedures for the Consideration and Determination of Executive Compensation**

As described in additional detail in Compensation Discussion and Analysis, below, the Compensation Committee makes the final determinations about the amount and form of the executive officers' base salaries and incentive compensation and other compensation plans or policies in which our executives may participate such as the Company's broad-based employee benefit plans. In making these determinations, the Compensation Committee considers input from a number of sources.

The Compensation Committee considers the views and insights of management, including executive officers, in making compensation decisions for Named Executive Officers and others. No Named Executive Officer provides input into his or her own specific compensation. Since the input of executive officers with respect to the business environment and competitive status in various business areas is an essential component of the Compensation Committee's process, the input of executive officers is critical.

In fiscal year 2009, our Chief Executive Officer (the CEO ) and our Executive Vice President of Global Human Resources (the EVP-HR ) made recommendations to the Compensation Committee with regard to each executive officer's base salary levels and individual incentive compensation targets (*i.e.*, annual performance cash incentive target and long-term incentive plan (LTIP) target amounts), based on each executive's experience, role, potential and performance. The CEO separately discussed with, and made recommendations to, the Compensation Committee regarding the compensation of the EVP-HR. The EVP-HR and Towers Perrin, the outside executive compensation consultant to the Compensation Committee, discussed the CEO's compensation with the Compensation Committee, without the CEO being present.

As described below, before the Compensation Committee made its decisions regarding compensation for the executive officers, the recommendations of the CEO and EVP-HR were reviewed and compared with competitive market data based on publicly-available data for a selected peer group, as well as survey data for companies in the

computer software and services industry.

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In addition to approving the base salary and target incentive compensation amounts, the Compensation Committee also determines the form in which the compensation will be paid *e.g.*, cash or equity (and for equity, stock options, stock appreciation rights, restricted stock or restricted stock units or performance shares). Starting with fiscal year 2006, the Compensation Committee approved a compensation program that the Compensation Committee believes (i) incorporates a well-balanced mix of short-term and long-term incentives and cash and non-cash components, (ii) links pay to the achievement of goals that are tied to our operational performance and (iii) helps achieve the objectives described in Compensation Discussion and Analysis below with respect to compensation. As detailed below, this compensation program was also followed in fiscal year 2009.

Early in fiscal year 2009, the CEO and the Company's Chief Operating Officer and Chief Financial Officer made a recommendation to the Compensation Committee for the performance metrics and targets for the annual and long-term incentive components of the fiscal year 2009 compensation program, which were then approved by the Compensation Committee. These recommendations were consistent with and based on the corporate targets and goals set for fiscal year 2009 at that time.

In fiscal year 2009, in addition to working with our internal Human Resources department, finance and legal personnel, as well as external counsel to the Compensation Committee, the Compensation Committee retained the services of Towers Perrin to assist in the Compensation Committee's review of senior management compensation levels and programs. The Compensation Committee continued to engage Towers Perrin, based on their experience, expertise and familiarity with the Company. Towers Perrin has been advising the Compensation Committee since 2001. Towers Perrin advised the Compensation Committee on the design of the current compensation program for executives, which is described in more detail below under Compensation Discussion and Analysis.

**COMPENSATION AND HUMAN RESOURCES COMMITTEE REPORT ON  
EXECUTIVE COMPENSATION**

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

**THE COMPENSATION AND  
HUMAN RESOURCES COMMITTEE**

Gary J. Fernandes, Chair  
William E. McCracken  
Arthur F. Weinbach

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**COMPENSATION DISCUSSION AND ANALYSIS**

**Fiscal Year 2009 and the Economic Crisis**

During fiscal year 2009, the global financial markets faced unprecedented challenging conditions. As a result of this economic crisis, stockholders generally became increasingly focused on many corporate practices, including executive compensation practices. At some companies, stockholders questioned whether compensation arrangements are appropriately designed, whether they provide the right incentives and whether they are aligned with the long-term interests of those companies and their stockholders.

Although our Company is able to distinguish itself from many of the companies in industries that were directly involved in the collapse of the financial markets, our business environment during fiscal year 2009 was challenging. Nevertheless, we believe that our Company executed well in the face of the difficult economy. We believe that the current economic conditions provide a compelling reason to explain to our stockholders why the Compensation Committee believes that the Company's executive compensation program is well designed, appropriately balanced and effective. We are confident that our compensation program is aligned with the short-term and long-term interests of the Company and our stockholders.

**Overall Review of the Company's Executive Compensation Program**

During fiscal year 2009, the Company's management and the Compensation Committee reviewed the Company's executive compensation program and concluded that:

Our executive compensation program is a well-balanced, performance-based program that provides incentives to focus appropriately on both annual and long-term performance.

Our executive incentive compensation program compensates executives based on the achievement of performance goals that are directly linked to the Company's strategic, operational and financial objectives.

Our executive compensation program includes a significant equity component. Our executive compensation program also includes stock ownership guidelines in which executives are expected to accumulate and retain stock equal to a multiple of their base salary. For additional information regarding our executive stock ownership guidelines, please see "Other Important Compensation Policies Affecting Named Executive Officers Executive Stock Ownership Guidelines," below.

Our executive compensation program permits the Compensation Committee to exercise discretion to reduce performance-based compensation for any reason, even if performance goals are attained. This discretion enables the Compensation Committee to consider the terms of compensation awards in totality including formulaic outcomes as well as assessment of individual and corporate behavior, including but not limited to risk management.

Our executive compensation program has a compensation recovery policy that permits the Company to "claw back" compensation in the case of a substantial restatement of the Company's financial statements that is a direct result of intentional misconduct or fraud. This policy enables the Company to control the limits of compensation and ensure that it will not reward certain inappropriate behavior.

The current executive compensation program's objectives are to:

attract and retain talented senior executives whose efforts and judgments are vital to the continued success of the Company;

recognize executives' efforts and performance during each fiscal year and over the longer term;

align compensation with the interests of our stockholders; and

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encourage our executives to conduct business in a manner that is accountable to our stockholders and does not expose the Company to inappropriate risk.

**Determination of Fiscal Year 2009 Compensation**

**Elements of Compensation**

Our executives' aggregate compensation is based on total compensation opportunities that include base salary, annual performance cash incentive, and long-term equity incentive compensation, as well as broad-based employee benefit programs and limited perquisites. Aggregate compensation approved by the Compensation Committee at the beginning of fiscal year 2009 was generally targeted to be competitive among compensation of a selected group of companies in the computer software and services industry, assuming predetermined performance objectives were attained at the target level.

Our long-term incentive compensation includes: (1) a fiscal year 2009 one-year performance share award for a performance cycle that commenced on April 1, 2008 and ended on March 31, 2009, and which is subject to a three-year pro-rated vesting schedule; and (2) a three-year performance share award for a performance cycle that commenced at the beginning of fiscal year 2009 and concludes at the end of fiscal year 2011.

The recommendations regarding aggregate compensation, including base salary amounts and annual and long-term incentive target levels, were made by the CEO and EVP-HR for executive officers. These recommendations were then reviewed by the Compensation Committee with the assistance of Towers Perrin and compared with competitive market data for the CEO and key executives of certain peer companies based on, among other things, compensation information disclosed in publicly filed documents. The peer companies used for fiscal year 2009 were Acxiom Corp., Adobe Systems Inc., Autodesk Inc., BMC Software Inc., Cadence Design Systems, Inc., Citrix Systems Inc., Compuware Corporation, Intuit Inc., McAfee Inc., Novell Inc., Symantec Corp. and Verisign, Inc.

In addition, the Compensation Committee, with Towers Perrin's assistance, compared the pay of our executive officers with the pay of executives in similar roles elsewhere in the industry. The Compensation Committee also considered a second survey of market-based data comprised of substantially the same companies as indicated in the peer group above. These surveys were generally based on pay practices in industries with which we compete for executive talent principally the computer software and services industry.

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Each of the elements of compensation for our executive officers, as well as a general description and key features are summarized below.

<b>Compensation Element</b>	<b>Description</b>	<b>Other Features</b>
Base Salary	Generally, base salary is the smallest element of each executive's total target direct compensation opportunity (i.e., base salary, target annual performance cash incentive, one-year performance share target value and three-year performance share target value).	Base salaries are reviewed annually and determined based on (i) the responsibilities of the position; (ii) the experience, performance and potential of the executive; and (iii) periodic reference to the competitive marketplace, as described above.
	Base salaries for our Named Executive Officers were paid out in the amounts approved by the Compensation Committee, as reflected below in the Fiscal Year 2009 Summary Compensation Table.	
Annual Performance Cash Incentive	The annual performance cash incentive represents, on average, approximately 25% of the Named Executive Officers' total target direct compensation opportunity.	The annual performance cash incentive is awarded to executives upon achieving annual financial, strategic and operational performance objectives.
	More details about the fiscal year 2009 annual performance cash incentive, including results and payouts, are provided below under Performance Targets and Actual Results for Fiscal Year 2009.	



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<b>Compensation Element</b>	<b>Description</b>	<b>Other Features</b>
Long-Term Incentive Plan ( LTIP )	<p>Generally, the LTIP constitutes the largest component of each executive's total target direct compensation opportunity.</p> <p>This large equity component with related vesting and ownership requirements is intended to complement short-term cash compensation incentives and focus management on long-term stockholder value.</p> <p>The LTIP is comprised of two components: (i) a one-year performance share award and (ii) a three-year performance share award.</p> <p>More details about the fiscal year 2009 LTIP awards, including results and payouts, are provided below under Performance Targets and Actual Results for Fiscal Year 2009 and Base Salary Plus Performance-Based Compensation Earned for Performance Cycles Ending March 31, 2009.</p>	<p>The intent of the LTIP is to promote behavior that aligns the interests of executives with the long-term performance of the Company and the long-term interests of our stockholders.</p> <p>The LTIP awards are issued upon the achievement of pre-established performance metrics. The value of these equity awards is ultimately determined by the achievement of pre-established goals and our share price.</p> <p>The one-year performance share awards fully vest in equal installments over a three-year period.</p> <p>The three-year performance share awards vest at the conclusion of the three-year performance cycle.</p> <p>Upon a change in control (as defined in the CA, Inc. 2007 Incentive Plan) one-year and three-year performance share awards will generally vest at 100% of target, pro-rated for the portion of the performance cycle that has been completed through the date of a change in control.</p>
401(k) and Supplemental Retirement Plans	<p>The Company sponsors retirement plans that are qualified for favorable treatment under the Internal Revenue Code, as well as non-qualified retirement plans. The CA Savings Harvest (401(k)) plan is a qualified retirement plan that is generally available to U.S. employees.</p> <p>The 401(k) Supplemental Plans are non-qualified retirement plans that are available generally to U.S.</p>	<p>The purpose of the retirement plans is to provide employees with the opportunity to defer cash savings for retirement.</p> <p>Under the U.S. 401(k) plan, we match up to 50% of the first 5% of an employee's contribution (a maximum match of 2 1/2% of an employee's base salary).</p> <p>The Company may also make an additional 401(k) contribution to</p>

employees.

The Named Executive Officers participate in all of these plans under the same terms and conditions as other eligible employees of the Company.

participants in respect of each fiscal year in an amount determined in the discretion of the Compensation Committee.

The purpose of the 401(k) Supplemental Plans is to restore the portion of employer contributions under our qualified 401(k) plan that participants would be unable to receive due to limitations imposed under the applicable tax rules.

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<b>Compensation Element</b>	<b>Description</b>	<b>Other Features</b>
Health and Welfare Plans	<p>The Company sponsors competitive, broad-based employee medical, dental, disability and life insurance plans.</p> <p>Under these plans, higher paid employees are required to pay a higher proportion of the total premiums.</p>	<p>The Company covers the cost of one annual physical examination for its executive officers each calendar year.</p>
Severance Plan	<p>The Company sponsors a broad-based severance plan to provide severance benefits for U.S. employees who are involuntarily terminated.</p>	<p>The broad-based severance plan provides a benefit of two weeks pay for each year of service, not to exceed 52 weeks.</p> <p>Payments are contingent upon an employee signing a general release of claims against the Company.</p>
Change in Control Severance Policy	<p>The Company's Change in Control Severance Policy provides severance benefits for certain executives, including some of the Named Executive Officers.</p> <p>The treatment of equity upon a change in control is addressed separately under the terms of the Company's broad-based equity plans.</p> <p>See discussion below in this Compensation Discussion and Analysis under Employment Agreements; Deferred Compensation Arrangements; and Change in Control Arrangements.</p>	<p>The purpose of the Change in Control Severance Policy is to secure the continued service of key executives in the event of a change in control.</p> <p>Payments under this policy are payable only after both (1) a change in control and (2) a termination of the executive's employment within 24 months after the change in control. Payments represent a single multiple of an executive's base salary and average annual performance cash incentive.</p> <p>Payments under this policy are contingent upon an executive signing a release of claims against the Company.</p>
Broad-Based Equity Plans	<p>The Company sponsors broad-based equity plans that provide for awards of restricted stock, stock options, restricted stock units and other equity awards as authorized under the plans.</p>	<p>Awards granted under these plans include an annual broad-based award granted to the Company's top performers, as well as new-hire and retention awards.</p> <p>Generally, under the terms of the</p>

Generally, awards under the broad-based equity plans vest over a period of time (e.g., 33% every year after grant or 100% after three years from the date of grant).

broad-based equity plans, all outstanding equity awards vest upon a change in control.

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<b>Compensation Element</b>	<b>Description</b>	<b>Other Features</b>
Employment Agreements and Deferred Compensation Arrangements	<p>These agreements and arrangements provide for certain benefits upon a termination of employment, including in the event of a change in control. See discussion below in this Compensation Discussion and Analysis under Employment Agreements; Deferred Compensation Arrangements; and Change in Control Arrangements.</p> <p>The Company also sponsors non-qualified deferred compensation plans available to certain executives of the Company, including the Named Executive Officers.</p>	
Perquisites	<p>The Company provides limited perquisites to its executives. For more information on perquisites, please refer to the Fiscal Year 2009 Summary Compensation Table Other Compensation column, below.</p>	

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**More Information About the LTIP Program**

Our LTIP design was first implemented in fiscal year 2006. The components of the LTIP compensation opportunities awarded in fiscal year 2009 were:

*one-year performance shares* granted at the commencement of the fiscal year 2009 performance cycle and to be settled after the end of the fiscal year (after the Compensation Committee considers the results for the performance cycle then ended) based on the achievement of one-year performance goals, by issuance of restricted shares of Common Stock that vest 34% at issuance and 33% on each of the first two anniversaries of the issuance date. This element of the LTIP was intended to reward growth in operating income and annualized bookings, recognizing the importance of operating performance to our business. As the award was settled by issuance of Common Stock the vesting of approximately two-thirds of which is conditioned on the executive's continuing employment, the award is also intended to promote retention and align the interests of our executives with the long-term interests of our stockholders; and

*three-year performance shares* granted at the commencement of the three-year performance cycle consisting of fiscal years 2009, 2010 and 2011 to be settled after the end of fiscal year 2011 (after the Compensation Committee considers the results for the performance cycle then ended) by issuance of unrestricted shares of Common Stock. This element of the LTIP rewards management for growth of the Company with respect to average three-year adjusted cash flow from operations and average three-year total revenue growth (in constant currency).

The Compensation Committee approves the aggregate target amounts of these LTIP awards, their respective apportionment between the one-year and three-year performance share awards and the applicable performance targets.

The three-year performance shares are granted almost exclusively to our executive officers, including our Named Executive Officers, because the Compensation Committee believes that the executive officers are principally responsible for determining and executing the Company's long-term strategy.

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The following table shows the Compensation Committee's targeted value for base salary, annual performance cash incentive and one-year performance shares for each Named Executive Officer for fiscal year 2009, as well as the value actually earned based on fiscal year 2009 performance. The table also shows the targeted compensation opportunity value for fiscal 2009-2011 three-year performance shares for each Named Executive Officer. In addition, the table illustrates the targeted percentage of total direct compensation represented by each of these components. The table does not show the actual value earned for the fiscal 2009-2011 three-year performance shares, since it will not be earned until after the end of the three-year performance cycle in fiscal year 2011. For more information, including projected performance with respect to the fiscal 2009-2011 three-year performance shares, see "Performance-Based Compensation - Annual and Long-Term Incentives" and "Outstanding Equity Awards at 2009 Fiscal Year-End" below.

**Performance Targets and Actual Results for Fiscal Year 2009**

		Fiscal 2009					Value
		Base Salary	Annual Performance Cash Incentive	Number of Shares(3)	Price(4)(5)	One-Year Performance Shares(1) Value	
Person Executive Officer	Target Allocation(7)	14%	17%			41%	
	Target	\$ 1,000,000	\$ 1,250,000	122,749	\$ 24.44	\$ 2,999,986	\$ 2,000,000
	<i>Payout Factor(8)</i>		65.8%	72.0%			
	Actual	\$ 1,000,000	\$ 822,375	88,379	\$ 18.05	\$ 1,595,241	
Person Chief Financial Officer	Target Allocation(7)	19%	19%			37%	
	Target	\$ 600,000	\$ 600,000	46,644	\$ 24.44	\$ 1,139,979	\$ 700,000
	<i>Payout Factor(8)</i>		65.8%	72.0%			
	Actual	\$ 600,000	\$ 394,740	33,583	\$ 18.05	\$ 606,173	
Person Chief Executive Officer	Target Allocation(7)	20%	20%			36%	
	Target	\$ 800,000	\$ 800,000	61,374	\$ 24.44	\$ 1,499,981	\$ 1,000,000
	<i>Payout Factor(8)</i>		65.8%	72.0%			
	Actual	\$ 800,000	\$ 526,320	44,189	\$ 18.05	\$ 797,611	
Person Chairman and CEO	Target Allocation(7)	52%	48%				
	Target	\$ 750,000	\$ 700,000				
	<i>Payout Factor(8)</i>		65.8%				
	Actual	\$ 750,000	\$ 460,530				
Person Global Risk Management and Compliance Secretary(10)	Target Allocation(7)	22%	26%			31%	
	Target	\$ 500,000	\$ 600,000	29,459	\$ 24.44	\$ 719,978	\$ 400,000
	<i>Payout Factor(8)</i>		65.8%	72.0%			
	Actual	\$ 500,000	\$ 394,740	21,210	\$ 18.05	\$ 382,841	

- (1) The performance cycle for the fiscal year 2009 one-year performance shares began on April 1, 2008 and ended on March 31, 2009.
- (2) The performance cycle for the fiscal year 2009-2011 three-year performance shares began on April 1, 2008 and ends on March 31, 2011. For additional information on the projected performance share award attainments for this and other outstanding performance cycles, please refer to the Outstanding Equity Awards at Fiscal Year End table, below.
- (3) Reflects the number of shares of our Common Stock issuable at 100% performance ( target ) or issued based on actual performance ( actual ) to the Named Executive Officer upon settlement of the one-year performance shares after completion of the performance cycle. 34% of these shares issued with respect to Messrs. Swainson and Christenson and Ms. Cooper vested upon issuance and the remaining shares vest 33% on each of the first two anniversaries of the date of issuance, provided the executive remains employed by the Company. Under the terms of Mr. Handal's fiscal year 2009 one-year performance share awards, 70% of the shares issued vested upon issuance and the remainder of the shares will vest 20% and 10% on the first two anniversaries of the date of issuance, provided Mr. Handal remains employed by the Company.



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The initial tranche, which vested upon issuance, is included in the Fiscal Year 2009 Options Exercised and Stock Vested table, below.

- (4) Stock price of \$24.44 is the closing price for our Common Stock on June 10, 2008, the date that the targets were set by the Compensation Committee.
- (5) Stock price of \$18.05 is the closing price for our Common Stock on May 19, 2009, the date that actual performance for the performance cycle was certified by the Compensation Committee, and with respect to Mr. Swainson, by the Compensation Committee in joint session with the Corporate Governance Committee (the Joint Committee ).
- (6) The actual value of the fiscal year 2009-2011 three-year performance share awards is not shown because it cannot be determined until the conclusion of the fiscal year 2009-2011 three-year performance cycle on March 31, 2011.
- (7) Target Allocation represents the percentage that each component of the Named Executive Officer's total direct compensation (*i.e.*, base salary, target annual performance cash incentive, one-year performance share target value and three-year performance share target value) that the Compensation Committee targeted to deliver to the Named Executive Officer at the beginning of fiscal year 2009.
- (8) Payout Factor is the percentage of Target actually earned by each Named Executive Officer based on performance cycles that concluded in fiscal year 2009.
- (9) The Committee determined Mr. Artzt's compensation, including eligibility for equity awards, in light of his unique role as Founder and Vice Chairman of the Company. As a founder and a long-standing senior executive of the Company, Mr. Artzt has accumulated a significant amount of Common Stock. As a result of his significant stock ownership, the Committee has not included Mr. Artzt in the LTIP award program since fiscal year 2008. In addition, for fiscal year 2009, the Committee made appropriate adjustments to Mr. Artzt's compensation to reflect his current role and tenure with the Company.
- (10) Mr. Handal served in this capacity until March 31, 2009 and has announced his retirement from the Company effective August 31, 2009. Since April 1, 2009, he has served as Executive Vice President, Office of the Chief Executive Officer.

**Performance-Based Compensation Annual and Long-Term Incentives**

**Annual Performance Cash Incentive.** Early in fiscal year 2009, the Compensation Committee approved proposed performance measures for executive officers, including the Named Executive Officers, that were based on the Company's annual financial, operational and strategic objectives for fiscal year 2009. More details about the 2009 annual performance cash incentive including results and payouts are provided in the table entitled Performance Targets and Actual Results for Fiscal Year 2009.

The Compensation Committee retains discretion to reduce the amount of any incentive compensation payout for any reason. For example, the Compensation Committee did not pay any fiscal year 2006 annual performance cash incentive to the CEO and many other senior executives due to the Company's overall performance in that fiscal year.

Executive compensation is also tied to the maintenance of ethical standards. A failure to complete annual ethics training results in a mandatory 10% reduction of an executive's annual performance cash incentive. In determining whether to exercise its discretion to reduce payouts on the basis of issues relating to ethical standards, the

Compensation Committee considered each executive's contribution to the establishment and maintenance of high ethical and compliance standards throughout his or her organization and, in general, throughout the Company. In this regard, the Compensation Committee also received a report from the Company's Ethics Committee, which assured the Compensation Committee that the Ethics Committee knew of no unethical behavior or other misconduct. No reductions were made to any executive's annual performance cash incentive for ethical or other reasons with respect to the fiscal year 2009 payout.

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The Compensation Committee approved the following definitions for the performance metrics for the fiscal year 2009 annual performance cash incentive program:

*Operating Income:* Income from continuing operations before interest and income taxes as reported in the Company's fiscal year 2009 Form 10-K, plus Purchased software amortization, Intangible asset amortization, Restructuring and other, and In-process research and development costs, as reported in the Company's fourth quarter fiscal year 2009 financial results press release.

*Revenue in Constant Currency:* Total Revenue as reported in the Company's fiscal year 2009 Form 10-K, excluding the impact of foreign exchange on Total Revenue as reported within the Management Discussion and Analysis section (e.g., if Total Revenue was favorably affected by foreign exchange, this favorable impact would be subtracted from Total Revenue, and vice versa).

*Annualized Bookings:* Total subscription and maintenance bookings divided by the weighted average license agreement duration in years, both as reported in the Company's fiscal year 2009 Form 10-K, plus Total Software Fees and Other Bookings plus Professional Services Bookings, as reported in the Company's fourth quarter fiscal year 2009 Supplemental Financial Information (which the Company posts on its website in connection with the release of its fourth quarter fiscal year 2009 results).

If an executive's employment is terminated prior to the end of the applicable performance cycle for this LTIP component, the executive generally ceases to be eligible for any portion of the award.

In May 2009, the Compensation Committee decided to pay the fiscal year 2009 annual performance cash incentive based on the achievement of the previously established targets (without any reductions). The annual performance cash incentive amounts paid to the Named Executive Officers are reflected in the Non-Equity Incentive Plan Compensation column of the Fiscal Year 2009 Summary Compensation Table, below, and in the Performance Targets and Actual Results for Fiscal Year 2009 table, above.

*Long-Term Incentive Plan.*

*One-Year Performance Shares.* Under the LTIP program, the issuance of restricted stock or restricted stock units after the one-year performance cycle from April 1, 2008 to March 31, 2009 was dependent on the achievement of specified performance targets set at the beginning of fiscal year 2009 by the Compensation Committee. The performance metrics for fiscal year 2009 were:

*Operating Income:* As defined above.

*Annualized Bookings:* As defined above.

The threshold, target, maximum and actual payout factors for fiscal year 2009 one-year performance shares are shown in the Relationship of Actual Performance to Payouts for Performance-Based Compensation for Performance Cycles Ending in Fiscal Year 2009 table, below. The actual number of shares issued under this award is shown in the Performance Targets and Actual Results for Fiscal Year 2009 table, above.

*Three-Year Performance Shares.* The number of three-year performance shares that the Named Executive Officers may earn for the fiscal year 2009-2011 performance cycle are reflected in the Estimated Future Payouts under Equity Incentive Plan Awards column of the Fiscal Year 2009 Grants of Plan-Based Awards table, below. The number of three-year performance shares that the Named Executive Officers actually earned for the fiscal year 2007-2009 performance cycle are reflected in the Base Salary Plus Performance-Based Compensation Earned for Performance

Cycles Ending March 31, 2009 table, below, which also identifies the range of shares that could have been earned as well as the achievement of specified performance goals for that performance cycle.

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The performance metrics for the fiscal year 2007-2009 three-year performance cycle, which concluded on March 31, 2009, were based on (i) Average Three-Year Adjusted Net Income and (ii) Average Three-Year Return on Invested Capital, which were defined as follows:

Average Three-Year Adjusted Net Income: The three-year average annual growth of income (loss) from continuing operations before income taxes (on a tax-effected basis), as reported in our fourth quarter earnings press release for fiscal year 2007 plus add-backs for the following items (on a tax-effected basis): (1) Purchased software amortization, Intangibles amortization, Charges for in-process research and development costs, Restructuring and other, Goodwill impairment, Stockholder litigation and former employee litigation expenses as reported in the fourth quarter earnings press release for fiscal year 2007; and (2) any interest expenses resulting from additional debt associated with the share repurchase conducted by the Company during fiscal year 2007.

Average Three-Year Return on Invested Capital ( ROIC ): Adjusted Cash Flow from Operations (as defined below) plus after-tax interest expenses divided by average invested capital (defined as Stockholders' Equity plus Total Debt which is the sum of loans payable and current portion of long-term debt and long-term debt, net of current portion) as averaged over the four preceding quarters, as averaged over the three fiscal years in the 2007-2009 performance cycle. For purposes of this definition, Adjusted Cash Flow from Operations was defined as Net Cash provided by continuing operating activities as reported in the Company's fiscal year 2009 Form 10-K plus adjustments as reported in the Company's fourth quarter fiscal year 2009 Supplemental Financial Information in the Non-GAAP Cash Flow from Operations (Unaudited) section.

If an executive's employment is terminated prior to the end of the applicable performance cycle for this LTIP component, the executive generally ceases to be eligible for any portion of the award. If employment is terminated due to disability or by us without cause, an executive may be eligible for a pro-rated portion of the award after the performance cycle, in accordance with the terms of the program. All determinations are at the Compensation Committee's discretion. In the event of death, the executive's estate would receive a pro-rated portion of the target award (based on the portion of the period completed through the date of death).

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The following table reflects the relationship of (i) actual performance against the Company's performance goals to (ii) payouts for the annual performance cash incentive and LTIP awards including the one-year performance shares for fiscal year 2009 and the three-year performance shares for fiscal years 2007-2009. For each of these components of the LTIP awards, total payouts are based on a weighted average of each performance metric (each component of the LTIP has performance metrics as indicated in the table below). The performance measures for each metric range from threshold (the minimum level at which an executive may earn the relevant portion of the award) to maximum (200% of the targeted value of the relevant portion of the award, as shown below). These measurements are weighted and averaged to produce a Total Payout Factor, which is shown in the following table. The Total Payout Factor is multiplied by each executive's target award value (in dollars or number of shares) to produce the executive's final award. For more information, see the Base Salary Plus Performance-Based Compensation Earned for Performance Cycles Ending March 31, 2009 table, below.

**Relationship of Actual Performance to Payouts for Performance-Based Compensation for  
Performance Cycles Ending in Fiscal Year 2009**

Performance Metric	Performance/Payout Relationship (dollars in millions)						Actual Performance	Percentage Credited	Weighting of Result
	Threshold	Target	Maximum	Performance Goal	Payout (%)	Performance Goal			
Performance Cash									
Income	\$ 1,100	25%	\$ 1,295	100%	\$ 1,445	200%	\$ 1,339	144%	× 34%
(Constant Currency)	\$ 4,277	25%	\$ 4,388	100%	\$ 4,488	200%	\$ 4,306	51%	× 33%
and Bookings	\$ 1,993	25%	\$ 2,126	100%	\$ 2,251	200%	\$ 1,787	0%	× 33%
<i>Payout Factor</i>									