

# VIAD CORP

## FORM 8-K (Unscheduled Material Events)

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Industry	Business Services
Sector	Services
Fiscal Year	12/31



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

**FORM 8-K**

**CURRENT REPORT**  
**Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934**

March 31, 2005  
Date of Report (Date of earliest event reported)

**VIAD CORP**  
(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction  
of incorporation)

001-11015  
(Commission  
File Number)

36-1169950  
(IRS Employer  
Identification No.)

1850 North Central Avenue, Suite 800, Phoenix, Arizona  
(Address of principal executive offices)

85004-4545  
(Zip Code)

Registrant's telephone number, including area code (602) 207-4000

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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### Item 1.01 Entry into a Material Definitive Agreement.

The Board of Directors of Viad Corp (the “Company”) authorized the following regarding executive compensation, effective as of March 29, 2005:

- Amendment of the Management Incentive Plan (“MIP”), a copy of which is attached hereto as Exhibit 10.A and is incorporated by reference herein.
- Amendment of the form of Performance-Based Restricted Stock Agreement, a copy of which is attached hereto as Exhibit 10.B and is incorporated by reference herein.
- Amendment of the Performance Unit Incentive Plan (“PUP”), a copy of which is attached hereto as Exhibit 10.C and is incorporated by reference herein.
- Adoption of the form of Performance Unit Agreement, a copy of which is attached hereto as Exhibit 10.D and is incorporated by reference herein.

### Item 9.01 Financial Statements and Exhibits.

(c) Exhibits.

- 10.A Copy of Management Incentive Plan, as amended March 29, 2005, pursuant to the 1997 Viad Corp Omnibus Incentive Plan.
- 10.B Copy of form of Performance-Based Restricted Stock Agreement, as amended March 29, 2005, pursuant to the 1997 Viad Corp Omnibus Incentive Plan.
- 10.C Copy of Performance Unit Incentive Plan, amended March 29, 2005, pursuant to the 1997 Viad Corp Omnibus Incentive Plan.
- 10.D Copy of form of Performance Unit Agreement, adopted March 29, 2005, pursuant to the 1997 Viad Corp Omnibus Incentive Plan.

### SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

**VIAD CORP**  
(Registrant)

April 5, 2005

By /s/ G. Michael Latta

G. Michael Latta  
Vice President - Controller  
(Chief Accounting Officer and  
Authorized Signer)

**VIAD CORP**  
**MANAGEMENT INCENTIVE PLAN**  
**Pursuant to the 1997 Viad Corp Omnibus Incentive Plan**  
**As Amended March 29, 2005**

**I. PURPOSE:**

The purpose of the Viad Corp Management Incentive Plan (Plan) is to provide key executives of Viad Corp (Viad) and its subsidiaries with an incentive to achieve goals as set forth under this Plan for each calendar year (Plan Year) for their respective companies and to provide effective management and leadership to that end.

**II. PHILOSOPHY:**

The Plan will provide key executives incentive bonuses based upon appropriately weighted pre-defined income and other performance measurements.

**III. SUBSIDIARIES, SUBSIDIARY GROUPS AND DIVISIONS:**

A. Each subsidiary, subsidiary group, line of business or division listed below is a "Company" for the purposes of this Plan:

Name of Company

Brewster Transport Company Limited/Brewster Tours group  
Exhibitgroup/Giltspur group  
GES Exposition Services, Inc. group  
Glacier Park, Inc.

Viad may, by action of its Board of Directors or its Human Resources Committee, add or remove business units on the list of participant companies from time to time.

B. **FUNDING LIMIT:**

A "funding limit" shall be established annually for each Company participant who has been designated an Executive Officer as defined under Section 16(b) of the Securities Exchange Act. The funding limit shall be an amount not to exceed \$750,000 in the case of a President of any Operating Company. The executive cannot be paid a larger bonus than the funding limit provided by this clause, but may be paid less in the discretion of the Committee based on the Performance Goals set forth below and other such factors which the Committee may consider.

C. **PERFORMANCE GOALS:**

1. **OPERATING OR PRE-TAX INCOME** (as calculated for external reporting purposes):

An appropriate "operating income" or "pre-tax income" target for the plan year for each Company may be recommended by the Chief Executive Officer of Viad to the Committee for approval taking into account overall corporate objectives, historical income and Plan Year financial plan income (on the same basis as determined below) and, if appropriate, other circumstances.

Operating or pre-tax income to be used in calculating the bonus pool of each Company shall mean operating income before minority interest, interest expense and taxes, after deduction of corporate overhead, or pre-tax income after minority interest, in each case adjusted to appropriately exclude the effects of gains and losses from the sale or other disposition of capital assets other than vehicles. In addition, an adjustment to actual operating or pre-tax income will be made for any increase or decrease in cost to a subsidiary in connection with a change in the actual formula allocation of corporate overhead over amounts included in the Plan for the year.

Special treatment of any other significant unusual or non-recurring items (for purposes of determining actual or target operating or pre-tax income) arising after a Company's targets are set may be recommended by the Chief Executive Officer of Viad to the Committee for approval, including, for example, appropriate adjustment of operating or pre-tax income target or actuals to reflect planned effects of an acquisition approved after target has been set. Other examples include unusual items or effects of a change in accounting principle.

Incentives to be paid under this Plan must be deducted from the subsidiary corporation's earnings by the end of the year. Goals must be achieved after deducting from actual results all incentive compensation applicable to the year, including those incentives earned under this Plan.

2. VALUE ADDED MEASUREMENT:

An appropriate "Value Added" target for the plan year for certain companies may be recommended by the Chief Executive Officer of Viad Corp to the Committee for approval. This measurement is intended to place increased emphasis on securing an adequate return to Viad on all capital employed in the business. Viad Value Added (VVA) compares net operating income to the return required on capital invested in the business.

In calculating the bonus pool of each applicable Company, VVA shall mean Net Operating Profit After Taxes (NOPAT is defined as sales minus operating expenses minus taxes) minus a Capital Charge calculated by multiplying a Cost of Capital times the actual Capital (Capital is defined as total assets less current and other liabilities exclusive of debt). Certain adjustments are necessary to determine NOPAT and Capital.

3. CASH FLOW :

An appropriate "Cash Flow" target for the plan year for certain companies may be recommended by the Chief Executive Officer of Viad Corp to the Committee for approval. This measurement is intended to place increased emphasis on delivering available cash to Viad.

Operating Cash Flow is defined as the net change in cash resulting from the operations of the Company. Cash flows from operations exclude the impact of investing activities (acquiring and disposing of investments and productive long-lived assets) and financing activities (borrowing and repaying debt, payment of dividends, and treasury stock repurchases).

4. OTHER PERFORMANCE MEASUREMENTS:

An appropriate number of performance measurements other than operating or pre-tax income, VVA, and cash flow may be established for each Company, to place increased emphasis on areas of importance to achieving overall corporate objectives, with the Chief Executive Officer of Viad to recommend to the Committee the measures to be used and, at the end of the year, the level of achievement against each.

5. REVENUE :

The bonus pool earned will be subject to a further calculation whereby the total bonus pool otherwise accruable will be adjusted by 95% (threshold) up to 105% (maximum), depending on the achievement against the revenue target.

6. ESTABLISHING TARGETS:

The targets for revenue, operating or pre-tax income, VVA, cash flow and for the categories of discretionary performance measurements to be employed will be established by the Committee no later than 90 days after the beginning of the Plan Year after receiving the recommendations of the Chief Executive Officer of Viad Corp.

D. PARTICIPANT ELIGIBILITY:

The Committee will select the Executive Officers as defined under Section 16(b) of the Securities Exchange Act eligible for participation no later than 90 days after the beginning of the Plan Year. Other personnel will be eligible for participation as designated by each Company President or Chief Executive Officer and recommended to the Chief Executive Officer of Viad Corp for approval, limited only to those executives who occupy a position in which they can significantly affect operating results as pre-defined by appropriate and consistent criteria, i.e., base salary not less than \$49,000 per year, or base salary not less than 50% of the Company's Chief Executive Officer, or position not more than the third organizational level below the Company Chief Executive Officer or another applicable criteria.

NOTE: Individuals not qualifying under the criteria established for the Plan Year who were included in the previous year will be grandfathered (continue as qualified participants until retirement, reassignment, or termination of employment) if designated by the Company President or Chief Executive Officer, and approved by the Chief Executive Officer of Viad Corp.

E. TARGET BONUSES:

Target bonuses will be approved by the Committee for each Executive Officer in writing within the following parameters no later than 90 days after the beginning of the Plan Year and will be expressed as a percentage of salary paid during the year. Target bonuses for other eligible personnel will be established in writing within the following parameters subject to approval by the Chief Executive Officer of Viad Corp.

Actual bonus awards will be dependent on Company performance versus the targets established. A threshold performance will be required before any bonus award is earned under the net income goal. Awards will also be capped when stretch performance levels are achieved.

Subsidiary Positions*	As a Percentage of Salary		
	Threshold**	Target	Cap
Chief Executive Officer/President	27.5%	55.0%	96.25%
Executive Vice President-Senior Vice President, and Other Operating Executives	22.5%	45.0%	78.75%
Vice Presidents	17.5%	35.0%	52.50%
Key Management Reporting to Officers	15.0%	30.0%	45.00%
Staff Professionals	12.5%	25.0%	31.25%
	10.0%	20.0%	25.00%
	7.5%	15.0%	18.75%
	5.0%	10.0%	12.50%

\* Target Bonus, as determined by the Committee, is dependent upon organization reporting relationships.

\*\* Reflects minimum achievement of all performance targets. Threshold could be lower if minimum achievement of only one performance target is met.

F. BONUS POOL TARGET:

1. The “Bonus Pool Target” will be initially established no later than 90 days after the beginning of the Plan Year and will be adjusted to equal the sum of the target bonuses of all designated participants in each Company based upon actual Plan Year salaries, as outlined in paragraph D above, plus 15% for Special Achievement Awards.
2. The bonus pool will accrue in accordance with the Bonus Pool Accrual Formula recommended by the Chief Executive Officer of Viad Corp and approved by the Committee.
3. Bonus pool accruals not paid out shall not be carried forward to any succeeding year.

G. INDIVIDUAL BONUS AWARDS:

1. Indicated bonus awards will be equal to the product of the target bonus percentage times the weighted average percentage of bonus pool accrued as determined in paragraph F above times the individual’s actual base salary earnings during the Plan Year, subject to adjustments as follows:
  - a) discretionary upwards or downward adjustment of formula bonus awards by the Committee after considering the recommendation of the Company President or Chief Executive Officer with the approval of the Chief Executive Officer of Viad Corp for those executives not affected by Section 162(m) of the Internal Revenue Code, and
  - b) discretionary downward adjustment of awards by the Committee for those Executive Officers affected by Section 162(m) of the Internal Revenue Code, and
  - c) no individual award may exceed the individual’s capped target award or the funding limit with respect to Executive Officers, and the aggregate recommended bonuses may not exceed the bonus pool accrued for other than Special Achievement Awards.

2. Bonuses awarded to the participating management staff of subsidiary groups may be paid from funds accrued based upon the target bonus for such participant(s) times the weighted average performance of the Companies in the subsidiary group, subject to adjustments as above.

#### **IV. VIAD CORP CORPORATE STAFF:**

##### **A. FUNDING LIMIT :**

A “funding limit” shall be established annually for each Corporate participant who has been designated an Executive Officer as defined under Section 16(b) of the Securities Exchange Act. The funding limit will be an amount not to exceed in the case of (i) the Company’s Chief Executive Officer, \$1.5 million; and (ii) all other Executive Officers of the Company individually, \$500,000. The executive cannot be paid a larger bonus than the funding limit provided by this clause, but may be paid less in the discretion of the Committee based on the Performance Goals set forth below and such other factors which the Committee may consider.

##### **B. PERFORMANCE GOALS :**

###### **1. INCOME PER SHARE:**

An appropriate “income per share” from continuing operations target for Viad Corp may be recommended by the Chief Executive Officer of Viad Corp to the Committee for approval after considering historical income per share from continuing operations, Plan Year financial plan income, overall corporate objectives, and, if appropriate, other circumstances.

Income per share from continuing operations is determined before unusual or extraordinary items, effects of changes in accounting principles, new accounting pronouncements, restructuring, goodwill and impairment charges, or a change in federal income tax rates after the target has been set. Reclassification of a major business unit to discontinued operations status after targets have been set would also require adjustment because of the effect on Viad Corp continuing operations results. While gains on disposition of a business would normally not be included in determining actual Plan Year net income or income per share, in the event of the sale of a subsidiary or major business unit, a portion of gain would be included equal to the difference between the sold unit’s planned net income for the year and actual results to date of sale plus calculated interest savings on proceeds for the balance of the year, so that actual results are not penalized for selling a business.

Incentives to be paid under this Plan must be deducted from Viad’s earnings by the end of the year. Goals must be achieved after deducting from actual results all incentive compensation applicable to the year, including those incentives earned under this Plan.

###### **2. OPERATING INCOME :**

An appropriate “operating income” may be recommended by the Chief Executive Officer of Viad Corp to the Committee for approval.

Operating income is defined as operating income before minority interest, interest expense, interest income, and taxes, excluding unallocated corporate overhead expenses, unusual, non-cash charges (such as goodwill impairments and restructuring charges), and spin-off related costs.

###### **3. VALUE ADDED MEASUREMENT:**

An appropriate “Value Added” target for the plan year for Corporate may be recommended by the Chief Executive Officer of Viad for approval by the Human Resources Committee. This measurement is intended to place increased emphasis on securing an adequate return to Viad on all capital employed in the business. Viad Value Added (VVA) compares operating income to the return required on capital invested in the business.

In calculating the bonus pool for Corporate, VVA shall mean Net Operating Profit After Taxes (NOPAT is defined as sales minus operating expenses minus taxes) minus a Capital Charge calculated by multiplying a Cost of Capital times the actual Capital (Capital is defined as total assets less current and other liabilities exclusive of debt). Certain adjustments are necessary to determine NOPAT and Capital.

4. CASH FLOW :

An appropriate “Cash Flow” target for the plan year for certain companies may be recommended by the Chief Executive Officer of Viad Corp to the Committee for approval. This measurement is intended to place increased emphasis on delivering available cash to Viad.

Operating Cash Flow is defined as the net change in cash resulting from the operations of the Company. Cash flows from operations exclude the impact of investing activities (acquiring and disposing of investments and productive long-lived assets) and financing activities (borrowing and repaying debt, payment of dividends, and treasury stock repurchases).

5. OTHER PERFORMANCE MEASUREMENTS:

An appropriate number of performance measurements other than income per share will be established for Corporate, with the Chief Executive Officer of Viad to recommend to the Committee the level of achievement against each of the measures.

6. REVENUE :

The bonus pool earned will be subject to a further calculation whereby the total bonus pool otherwise accruable will be adjusted by 95% (threshold) up to 105% (maximum) depending on the achievement against the revenue target.

7. ESTABLISHING TARGETS:

The actual targets for revenue, income per share, cash flow, operating income, VVA and for the performance measurements to be used will be established by the Committee no later than 90 days after the beginning of the Plan Year after receiving the recommendations of the Chief Executive Officer of Viad Corp.

C. PARTICIPANT ELIGIBILITY:

The Committee will select the Executive Officers as defined under Section 16(b) of the Securities Exchange Act eligible for participation no later than 90 days after the beginning of the Plan Year. Other personnel will be eligible for participation as recommended by the appropriate staff Vice President and as approved by the Chief Executive Officer of Viad Corp, limited only to those executives who occupy a position in which they can significantly affect operating results as defined by the following criteria:

- a) Salary grade 25 and above; and
- b) Not more than Organizational Level Four below the Chief Executive Officer.

NOTE: Individuals not qualifying under the criteria established for the Plan Year who were included in the previous year will be grandfathered (continue as qualified participants until retirement, reassignment, or termination of employment) if designated by the appropriate Vice President and approved by the Chief Executive Officer of Viad Corp.

D. TARGET BONUSES:

Target bonuses will be approved by the Committee for each Executive Officer in writing within the following parameters no later than 90 days after the beginning of the Plan Year and will be expressed as a percentage of salary. Target bonuses for other eligible personnel will be established in writing within the following parameters subject to approval by the Chief Executive Officer of Viad Corp.

Actual bonus awards will be dependent on Company performance versus the targets established. A threshold performance will be required before any bonus award is earned under the income per share goal. Awards also will be capped when stretch performance levels are achieved.

Corporate Positions	As a Percentage of Salary		
	Threshold**	Target	Cap
Chairman, President & Chief Executive Officer	45.0%	90.0%	157.50%
Senior Advisory Group	27.5%	55.0%	96.25%
	25.0%	50.0%	87.50%
	22.5%	45.0%	78.75%
Corporate Staff Officers	20.0%	40.0%	70.00%
Staff Directors*	17.5%	35.0%	52.50%
	15.0%	30.0%	45.00%
	12.5%	25.0%	31.25%
Staff Professionals*	10.0%	20.0%	25.00%
	7.5%	15.0%	18.75%

\* Target Bonus, as determined by the Committee, is dependent upon organization reporting relationships.

\*\* Reflects minimum of achievement of all performance targets. Threshold could be lower if minimum achievement of only one performance target is met.

E. BONUS POOL TARGET:

1. The "Bonus Pool Target" will be established no later than 90 days after the beginning of the Plan Year and will be adjusted to equal the sum of the target bonuses of all qualified participants based upon actual Plan Year base salaries, as outlined in paragraph C above, plus 15% for Special Achievement Awards.
2. The bonus pool will accrue in accordance with the Bonus Pool Accrual Formula recommended by the Chief Executive Officer of Viad Corp and approved by the Committee.
3. Bonus pool accruals not paid out shall not be carried forward to any succeeding year.

F. INDIVIDUAL BONUS AWARDS:

Indicated bonus awards will be equal to the product of the target bonus percentage times the weighted average percentage of bonus pool accrued as determined in paragraph D above times the individual's actual Plan Year base salary earnings, subject to adjustments as follows:

- a) discretionary upward or downward adjustment of formula awards by the Committee after considering the recommendations of the Chief Executive Officer of Viad Corp for those executives not affected by Section 162(m) of the Internal Revenue Code,
- b) discretionary downward adjustment of awards by the Committee for those Executive Officers affected by Section 162(m) of the Internal Revenue Code, and
- c) no individual award may exceed the individual's capped target award or the funding limit with respect to Executive Officers and the aggregate recommended bonuses may not exceed the bonus pool for other than Special Achievement Awards.

**V. REPAYMENT PROVISIONS:**

**A. NON-COMPETE:**

Unless a Change of Control (as defined in the Viad Corp Omnibus Incentive Plan, as amended) shall have occurred after the date hereof:

1. In order to better protect the goodwill of Viad and its Affiliates (as defined in the Plan) and to prevent the disclosure of Viad's or its Affiliates' trade secrets and confidential information and thereby help insure the long-term success of the business, each participant in this Plan, without prior written consent of Viad, will not engage in any activity or provide any services, whether as a director, manager, supervisor, employee, adviser, agent, consultant, owner of more than five (5) percent of any enterprise or otherwise, for a period of two (2) years following the date of such participant's termination of employment with Viad or any of its Affiliates, in connection with the manufacture, development, advertising, promotion, design, or sale of any service or product which is the same as or similar to or competitive with any services or products of Viad or its Affiliates (including both existing services or products as well as services or products known to such participant, as a consequence of such participant's employment with Viad or one of its Affiliates, to be in development):
  - a) with respect to which such participant's work has been directly concerned at any time during the two (2) years preceding termination of employment with Viad or one of its Affiliates, or
  - b) with respect to which during that period of time such participant, as a consequence of participant's job performance and duties, acquired knowledge of trade secrets or other confidential information of Viad or its Affiliates.
2. For purposes of the provisions of paragraph V A, it shall be conclusively presumed that a participant in this Plan has knowledge of information he or she was directly exposed to through actual receipt or review of memos or documents containing such information, or through actual attendance at meetings at which such information was discussed or disclosed.
3. If, at any time within two (2) years following the date of a participant's termination of employment with Viad or any of its Affiliates, such participant engages in any conduct agreed to be avoided in accordance with paragraph V A, then all bonuses paid under this Plan to such participant during the last 12 months of employment shall be returned or otherwise repaid by such participant to Viad. Participants in this Plan consent to the deduction from any amounts Viad or any of its Affiliates owes to such participants to the extent of the amounts such participants owe Viad hereunder.

**B. MISCONDUCT:**

Unless a Change of Control shall have occurred after the date hereof, all bonuses paid for 2003 and thereafter under this Plan to any participant shall be returned or otherwise repaid by such participant to Viad, if Viad reasonably determines that during a participant's employment with Viad or any of its Affiliates:

- a) such participant knowingly participated in misconduct that causes a misstatement of the financial statements of Viad or any of its Affiliates or misconduct which represents a material violation of any code of ethics of Viad applicable to such participant or of the Always Honest compliance program or similar program of Viad; or
- b) such participant was aware of and failed to report, as required by any code of ethics of Viad applicable to such participant or by the Always Honest compliance program or similar program of Viad, misconduct that causes a misstatement of the financial statements of Viad or any of its Affiliates or misconduct which represents a material knowing violation of any code of ethics of Viad applicable to such participant or of the Always Honest compliance program or similar program of Viad.

Participants in this Plan consent to the deduction from any amounts Viad or any of its Affiliates owes to such participants to the extent of the amounts such participants owe Viad hereunder.

**C. ACTS CONTRARY TO VIAD:**

Unless a Change of Control shall have occurred after the date hereof, if Viad reasonably determines that at any time within two (2) years after the award of any bonus under this Plan to a participant that such participant has acted significantly contrary to the best interests of Viad, including, but not limited to, any direct or indirect intentional disparagement of Viad, then any bonus paid under this Plan to such participant during the prior 2-year period shall be returned or otherwise repaid by the participant to Viad. Participants in this Plan consent to the deduction from any amounts Viad or any of its Affiliates owes to such participants to the extent of the amounts such participants owe Viad hereunder.

- D. The Corporation's reasonable determination required under paragraphs V B and V C shall be made by the Human Resources Committee of the Corporation's Board of Directors, in the case of executive officers of the Corporation, and by the Chief Executive Officer and Corporate Compliance Officer of the Corporation, in the case of all other officers and employees.

**VI. SPECIAL ACHIEVEMENT AWARDS:**

Special bonuses of up to 15% of base salary for exceptional performance to employees (primarily exempt employees) who are not participants in this Plan, including newly hired employees, may be recommended at the discretion of the Chief Executive Officer to the Committee from the separate funds for discretionary awards provided for under paragraphs III F and IV E.

**VII. APPROVAL AND DISTRIBUTION:**

The individual incentive bonus amounts and the terms of payment thereof will be fixed following the close of the Plan Year by the Committee. Any award made under this Plan is subject to the approval of this Plan by the stockholders of Viad Corp.

**VIII. COMPENSATION ADVISORY COMMITTEE:**

The Compensation Advisory Committee is appointed by the Chief Executive Officer of Viad Corp to assist the Committee in the implementation and administration of this Plan. The Compensation Advisory Committee shall propose administrative guidelines to the Committee to govern interpretations of this Plan and to resolve ambiguities, if any, but the Compensation Advisory Committee will not have the power to terminate, alter, amend, or modify this Plan or any actions hereunder in any way at any time.

**IX. SPECIAL COMPENSATION STATUS:**

All bonuses paid under this Plan shall be deemed to be special compensation and, therefore, unless otherwise provided for in another plan or agreement, will not be included in determining the earnings of the recipients for the purposes of any pension, group insurance or other plan or agreement of a Company or of Viad Corp. Participants in this Plan shall not be eligible for any contractual or other short-

term (sales, productivity, etc.) incentive plan except in those cases where participation is weighted between this Plan and any such other short-term incentive plan.

**X. DEFERRALS:**

Participants subject to taxation of income by the United States may submit to the Committee, prior to November 15 of the year in which the bonus is being earned a written request that all or a portion, but not less than a specified minimum, of their bonus awards to be determined, if any, be irrevocably deferred substantially in accordance with the terms and conditions of a deferred compensation plan approved by the Board of Directors of Viad Corp or, if applicable, one of its subsidiaries. Participants subject to taxation of income by other jurisdictions may submit to the Committee a written request that all or a portion of their bonus awards be deferred in accordance with the terms and conditions of a plan which is adopted by the Board of Directors of a participant's Company. Upon the receipt of any such request, the Committee thereunder shall determine whether such request should be honored in whole or part and shall forthwith advise each participant of its determination on such request.

**XI. PLAN TERMINATION:**

This Plan shall continue in effect until such time as it may be canceled or otherwise terminated by action of the Board of Directors of Viad Corp and will not become effective with respect to any Company unless and until its Board of Directors adopts a specific plan for such Company. While it is contemplated that incentive awards from the Plan will be made, the Board of Directors of Viad Corp, or any other Company hereunder, may terminate, amend, alter, or modify this Plan at any time and from time to time. Participation in the Plan shall create no right to participate in any future year's Plan.

**XII. EMPLOYEE RIGHTS:**

No participant in this Plan shall be deemed to have a right to any part or share of this Plan, except as provided in Paragraph XIII. This Plan does not create for any employee or participant any right to be retained in service by any Company, nor affect the right of any such Company to discharge any employee or participant from employment. Except as provided for in administrative guidelines, a participant who is not an employee of Viad Corp or one of its subsidiaries on the date bonuses are paid will not receive a bonus payment.

**XIII. EFFECT OF CHANGE OF CONTROL:**

Notwithstanding anything to the contrary in this Plan, in the event of a Change of Control (as defined in the 1997 Viad Corp Omnibus Incentive Plan) each participant in the Plan shall be entitled to a prorata bonus award calculated on the basis of achievement of performance goals through the date of the Change of Control.

**XIV. EFFECTIVE DATE:**

The Plan shall be effective January 1, 1997, provided however, that any award made under this Plan is subject to the approval of the 1997 Viad Corp Omnibus Incentive Plan by the stockholders of Viad Corp.

**VIAD CORP**  
**1997 OMNIBUS INCENTIVE PLAN**  
**PERFORMANCE-BASED RESTRICTED STOCK AGREEMENT**  
**AS AMENDED MARCH 29, 2005**

Shares of Performance-Based Restricted Stock are hereby awarded by Viad Corp (Corporation), a Delaware corporation, effective \_\_\_\_\_, to \_\_\_\_\_(Employee) in accordance with the following restrictions, terms and conditions:

1. **Share Award.** The Corporation hereby awards the Employee \_\_\_ Shares (Shares) of Common Stock, par value \$1.50 per share (Common Stock) of the Corporation pursuant to the Viad Corp 1997 Omnibus Incentive Plan (Plan), and upon the terms and conditions, and subject to the restrictions therein and hereinafter set forth.

2. **Restrictions on Transfer and Restriction Period.** During the period commencing on the date hereof (Commencement Date) and terminating as set forth below (Restriction Period), the Shares may not be sold, assigned, transferred, pledged, or otherwise encumbered by the Employee, except as hereinafter provided. The Restriction Period shall lapse as follows:

- a) One third of Earned Shares, effective as of January 1 of the first year following the year of grant, subject to final determination of achievement of Management Incentive Plan (MIP) performance targets;
- b) One third of Earned Shares on January 1 of the second year following the year of grant; and
- c) The remaining one third of Earned Shares on January 1 of the third year following the year of grant.

Shares will be earned, subject to forfeiture pursuant to paragraph 3, based upon the level of achievement of MIP performance targets in the year of grant (Earned Shares). No Shares will be earned if overall achievement of MIP performance targets is below 80% of target, and 25% of Shares will be earned if overall achievement of MIP performance targets is at 80% of target, with Shares above that level earned ratably at the same percentage as MIP awards, up to but not exceeding 100% of target achievement. Shares will be earned by Corporate participants based solely on Corporate results; but, for operating company participants, 50% of the Shares will be earned based on achievement of operating company MIP performance targets and 50% of the Shares will be earned based on achievement of Corporate MIP performance targets, with the threshold for each such target to be at 80% of such target (for a 25% payout).

Full ownership of Earned Shares will enure to the benefit of the Employee at the expiration of the Restriction Period with respect thereto, subject to forfeiture pursuant to paragraph 3. The Board of Directors (Board) shall have the authority, in its discretion, to accelerate the time at which any or all of the restrictions shall lapse with respect to any Earned Shares, prior to the expiration of the

Restriction Period with respect thereto, or to remove any or all of such restrictions, whenever the Board may determine that such action is appropriate by reason of change in applicable tax or other law, or any other change in circumstances.

3. **Forfeiture and Repayment Provisions**.

(a) **Termination of Employment**. Except as provided in this paragraph 3(a) and in paragraph 8 below, if the Employee ceases to be an Employee of the Corporation or any of its Affiliates (as defined in the Plan) for any reason, all Shares or Earned Shares which at the time of such termination of employment are subject to the restrictions imposed by paragraph 2 above shall upon such termination of employment be forfeited and returned to the Corporation.

Except as otherwise specifically determined by the Human Resources Committee in its absolute discretion on a case by case basis, if the Employee is terminated by the Corporation or any of its Affiliates for any reason, (other than for Cause, as defined in the Plan, or for failure to meet performance expectations, as determined by the Chief Executive Officer of the Corporation), or if the Employee ceases to be an employee of the Corporation or any of its Affiliates by reason of death or total or partial disability, full ownership of the Earned Shares will occur, upon lapse of the applicable Restriction Periods as set forth in paragraph 2.

If the Employee ceases to be an employee of the Corporation or any of its Affiliates by reason of normal or early retirement, full ownership of the Earned Shares will occur upon lapse of the Restriction Period as set forth in paragraph 2 and dividends will be paid through such period, in each case on a pro rata basis, calculated based on the percentage of time Employee was employed by the Corporation or any of its Affiliates from the Commencement Date through the date the Employee was employed during the year in which the award was granted, provided, however, that full ownership of the Shares (versus pro rata ownership) will occur upon lapse of such Restriction Period if the Employee has reached age 60 at the time of retirement and such retirement is at least 6 months subsequent to the date of grant.

(b) **Non-Compete**. Unless a Change of Control (as defined in the Plan) shall have occurred after the date hereof:

(i) In order to better protect the goodwill of the Corporation and its Affiliates and to prevent the disclosure of the Corporation's or its Affiliates' trade secrets and confidential information and thereby help insure the long-term success of the business, Employee, without prior written consent of the Corporation, will not engage in any activity or provide any services, whether as a director, manager, supervisor, employee, adviser, agent, consultant, owner of more than five (5) percent of any enterprise or otherwise, for a period of two (2) years following the date of Employee's termination of employment with the Corporation or any of its Affiliates, in connection with the manufacture, development, advertising, promotion, design, or sale of any service or product which is the same as or similar to or competitive with any services or products of the Corporation or its Affiliates (including both existing services or products as well as services or products known to the Employee, as a consequence of Employee's employment with the Corporation or one of its Affiliates, to be in development):

(1) with respect to which Employee's work has been directly concerned at any time during the two (2) years preceding termination of employment with the Corporation or one of its Affiliates, or

(2) with respect to which during that period of time Employee, as a consequence of Employee's job performance and duties, acquired knowledge of trade secrets or other confidential information of the Corporation or its Affiliates.

(ii) For purposes of the provisions of paragraph 3(b), it shall be conclusively presumed that Employee has knowledge of information he or she was directly exposed to through actual receipt or review of memos or documents containing such information, or through actual attendance at meetings at which such information was discussed or disclosed.

(iii) All Shares subject to the restrictions imposed by paragraph 2 above shall be forfeited and returned to the Corporation, if Employee engages in any conduct agreed to be avoided pursuant to the provisions of paragraph 3(b) at any time within two (2) years following the date of Employee's termination of employment with the Corporation or any of its Affiliates.

(iv) If, at any time within two (2) years following the date of Employee's termination of employment with the Corporation or any of its Affiliates, Employee engages in any conduct agreed to be avoided pursuant to the provisions of paragraph 3(b), then all consideration (without regard to tax effects) received directly or indirectly by Employee from the sale or other disposition of all Earned Shares earned within two (2) years prior to termination of employment shall be paid by Employee to the Corporation, or such Earned Shares shall be returned to the Corporation. Employee consents to the deduction from any amounts the Corporation or any of its Affiliates owes to Employee to the extent of the amounts Employee owes the Corporation hereunder.

(c) **Misconduct** . Unless a Change of Control shall have occurred after the date hereof:

(i) All consideration (without regard to tax effects) received directly or indirectly by Employee from the sale or other disposition of the Earned Shares shall be paid by Employee to the Corporation, or such Earned Shares shall be returned to the Corporation, if the Corporation reasonably determines that during Employee's employment with the Corporation or any of its Affiliates:

(1) Employee knowingly participated in misconduct that causes a misstatement of the financial statements of Viad or any of its Affiliates or misconduct which represents a material violation of any code of ethics of the Corporation applicable to Employee or of the Always Honest compliance program or similar program of the Corporation; or

(2) Employee was aware of and failed to report, as required by any code of ethics of the Corporation applicable to Employee or by the Always Honest compliance program or similar program of the Corporation, misconduct that causes a misstatement of the financial statements of Viad or any of its Affiliates or misconduct which represents a material

knowing violation of any code of ethics of the Corporation applicable to Employee or of the Always Honest compliance program or similar program of the Corporation.

(ii) Employee consents to the deduction from any amounts the Corporation or any of its Affiliates owes to Employee to the extent of the amounts Employee owes the Corporation hereunder.

**(d) Acts Contrary to Corporation .** Unless a Change of Control shall have occurred after the date hereof, if the Corporation reasonably determines that at any time within two (2) years after the lapse of the last Restriction Period Employee has acted significantly contrary to the best interests of the Corporation, including, but not limited to, any direct or indirect intentional disparagement of the Corporation, then all consideration (without regard to tax effects) received directly or indirectly by Employee from the sale or other disposition of all Earned Shares earned during the two (2) year period prior to the Corporation's determination shall be paid by Employee to the Corporation, or such Earned Shares shall be returned to the Corporation. Employee consents to the deduction from any amounts the Corporation or any of its Affiliates owes to Employee to the extent of the amounts Employee owes the Corporation hereunder.

(e) The Corporation's reasonable determination required under Sections 3(c)(i) and 3(d) shall be made by the Human Resources Committee of the Corporation's Board of Directors, in the case of executive officers of the Corporation, and by the Chief Executive Officer and Corporate Compliance Officer of the Corporation, in the case of all other officers and employees.

4. **Certificates for the Shares.** The Corporation shall issue a certificate in respect of the aggregate number of Shares in the name of the Employee, which shall equal the amount of the award specified herein. The Corporation shall hold all certificates on deposit for the account of the Employee until expiration of the first restriction period set forth in paragraph 2 above, as applicable, with respect to the Shares granted, at which time new certificates shall be issued which shall be commensurate with the installment periods set forth in paragraph 2 above. Each certificate for restricted Shares shall bear the following legend:

The transferability of this certificate and the Shares of stock represented hereby are subject to the terms and conditions (including forfeiture) contained in the Viad Corp 1997 Omnibus Incentive Plan and an Agreement entered into between the registered owner and Viad Corp. Copies of such Plan and Agreement are on file with the Vice President-General Counsel of Viad Corp, 1850 N. Central Ave., Suite 800, Phoenix, AZ 85004-4545.

The Employee further agrees that simultaneously with his or her acceptance of this Agreement, he or she shall from time to time execute a stock power covering such award endorsed in blank and that he or she shall promptly deliver such stock power to the Corporation.

5. **Employee's Rights.** Except as otherwise provided herein, the Employee, as owner of the Shares, shall have all rights of a shareholder, including, but not limited to, the right to receive all dividends paid on the Shares and the right to vote the Shares.

6. **Expiration of Restriction Period.** Upon the lapse or expiration of the Restriction Period with respect to any Earned Shares, the Corporation shall deliver or redeliver to the Employee the certificate in respect of such Shares (reduced as provided in paragraph 3(a) in the event of early or normal retirement) and the related stock power held by the Corporation pursuant to paragraph 4 above. The Earned Shares as to which the Restriction Period shall have lapsed or expired and which are represented by such certificate shall be free of the restrictions referred to in paragraph 2 above and such certificate shall not bear thereafter the legend provided for in paragraph 4 above.

To the extent permissible under applicable tax, securities, and other laws, the Corporation will permit Employee to satisfy a tax withholding requirement by directing the Corporation to apply Shares to which Employee is entitled as a result of termination of the Restricted Period with respect to any Shares of Restricted Stock, in such manner as the Corporation shall choose in its discretion to satisfy such requirement.

7. **Adjustments for Changes in Capitalization of Corporation.** In the event of a change in the Common Stock through stock dividends, stock splits, recapitalization or other changes in the corporate structure of the Corporation during the Restriction Period, the number of Shares of Common Stock subject to restrictions as set forth herein shall be appropriately adjusted and the determination of the Board of Directors of the Corporation as to any such adjustments shall be final, conclusive and binding upon the Employee. Any Shares of Common Stock or other securities received, as a result of the foregoing, by the Employee with respect to Shares subject to the restrictions contained in paragraph 2 above also shall be subject to such restrictions and the certificate(s) or other instruments representing or evidencing such Shares or securities shall be legended and deposited with the Corporation, along with an executed stock power, in the manner provided in paragraph 4 above.

8. **Effect of Change in Control.** In the event of a Change in Control (as defined in the Plan), the restrictions applicable to any Shares awarded hereby shall lapse, and such Shares shall be free of all restrictions and become fully vested and transferable to the full extent of the original grant.

9. **Plan and Plan Interpretations as Controlling.** The Shares hereby awarded and the terms and conditions herein set forth are subject in all respects to the terms and conditions of the Plan, which are controlling. The Plan provides that the Corporation's Board of Directors may from time to time make changes therein, interpret it and establish regulations for the administration thereof. The Employee, by acceptance of this Agreement, agrees to be bound by said Plan and such Board actions.

Shares may not be issued hereunder, or redelivered, whenever such issuance or redelivery would be contrary to law or the regulations of any governmental authority having jurisdiction.

IN WITNESS WHEREOF, the parties have caused this Performance-Based Restricted Stock Agreement to be duly executed.

Dated: \_\_\_\_\_, 2005

VIAD CORP

By: \_\_\_\_\_  
ROBERT H. BOHANNON  
Chairman, President and  
Chief Executive Officer

ATTEST:

\_\_\_\_\_  
General Counsel or Assistant Secretary

**This Performance-Based Restricted Stock Agreement shall be effective only upon execution by Employee and delivery to and receipt by the Corporation.**

ACCEPTED:

\_\_\_\_\_  
Employee

**VIAD CORP**  
**PERFORMANCE UNIT INCENTIVE PLAN**  
**Pursuant to the 1997 Viad Corp Omnibus Incentive Plan**  
**As Amended March 29, 2005**

**1. PURPOSE**

The purpose of the Plan is to promote the long-term interests of the Corporation and its stockholders by providing a means for attracting and retaining designated key executives of the Corporation and its Affiliates through a system of cash rewards for the accomplishment of long-term predefined objectives.

**2. DEFINITIONS**

The following definitions are applicable to the Plan:

“Affiliate” — Any “Parent Corporation” or “Subsidiary Corporation” of the Corporation as such terms are defined in Section 425(e) and (f), or the successor provisions, if any, respectively, of the Code (as defined herein).

“Award” — The grant by the Committee of a Performance Unit or Units as provided in the Plan.

“Board” — The Board of Directors of Viad Corp.

“Code” — The Internal Revenue Code of 1986, as amended, or its successor general income tax law of the United States.

“Committee” — The Human Resources Committee of the Board.

“Corporation” — Viad Corp.

“Participant” — Any executive of the Corporation or any of its Affiliates who is selected by the Committee to receive an Award.

“Performance Period” — Shall mean the period of time selected by the Committee in connection with the grant of any Award under the Plan for the purpose of determining performance goals and measuring the degree of accomplishment. Generally, the Performance Period will be a period of three successive fiscal years of the Corporation.

“Performance Unit Award” — An Award.

“Plan” — The Performance Unit Incentive Plan of the Corporation.

“Pre-Tax Income” — Pre-tax income after minority interest.

“Subsidiary Operating Income” — Revenue minus operating expenses of the operating companies. This also excludes minority interest, interest expense and taxes, as well as restructuring, goodwill or impairment charges and the effects of changes in accounting principles and stock option and incentive plan accounting based on stock price fluctuation.

“Unit” — The basis for any Award under the Plan.

**3. ADMINISTRATION**

The Plan shall be administered by the Committee. Except as limited by the express provisions of the Plan, the Committee shall have sole and complete authority and discretion to (i) select

Participants and grant Awards; (ii) determine the number of Performance Units to be subject to Awards generally, as well as to individual Awards granted under the Plan; (iii) select the performance goals and the Performance Period for any Awards; (iv) determine the targets that must be achieved in order for the Awards to be payable and the other terms and conditions upon which Awards shall be granted under the Plan; (v) prescribe the form and terms of instruments evidencing such Awards; and (vi) establish from time to time regulations for the administration of the Plan, interpret the Plan, and make all determinations deemed necessary or advisable for the administration of the Plan. The Corporation expects to have the Plan administered in accordance with the requirements for the Award of “qualified performance-based compensation” within the meaning of Section 162(m) of the Code.

#### **4. PERFORMANCE GOALS**

The Plan is intended to provide Participants with a substantial incentive to achieve or surpass one or more predefined long-range financial goals during the applicable Performance Period. The Committee may, in its discretion, select long-range financial goals for Corporate and Subsidiary Participants that differ from those listed below, provided that such goals are permitted under the Viad Corp 1997 Omnibus Incentive Plan.

(a) At the effective date of the Plan, the first goal for each Subsidiary Participant emphasizes growth in Average Operating Income during the Performance Period. The first goal for Corporate Participants emphasizes Growth in Average Income per Share from Continuing Operations during the Performance Period.

(b) The second goal for Corporate and Subsidiary Participants emphasizes growth in Average Operating Cash Flow during the Performance Period.

(c) The third goal for Subsidiary and Corporate Participants emphasizes growth in Average Revenue during the Performance Period.

#### **5. DETERMINATION OF TARGETS**

##### **A. Average Growth in Subsidiary Operating Income**

An appropriate average three-year operating income target for the Performance Period for each Subsidiary Company will be established taking into account historical operating or pre-tax income, financial plan operating income for the Performance Period, overall Corporate objectives, and if appropriate, other circumstances. An appropriate range of values above and below such target will then be selected to measure achievement above or below the target.

##### **B. Average Growth in Viad Corp Income Per Share from Continuing Operations**

An appropriate average growth in Income Per Share from Continuing Operations target for Viad Corp for the Performance Period will be established by the Committee after considering historical income per share from continuing operations, financial plan income per share from continuing operations for the Performance Period, overall Corporate objectives and, if appropriate, other circumstances. An appropriate range of values above and below such target will then be selected to measure achievement above or below the target.

##### **C. Average Operating Cash Flow**

An appropriate Average Operating Cash Flow target for the Performance Period will be established by the Committee. Operating Cash Flow is measured by the net change in cash resulting from the operating activities of the Company. Cash flow from operating

activities excludes the impact of investing activities (acquiring and disposing of investments and productive long-lived assets) and financing activities (borrowing and repaying debt, payment of dividends and stock repurchases.)

A range of values above and below such target will then be selected to measure achievement above or below the target.

**D. Average Revenue**

An appropriate average Revenue target will be established for Corporate and Subsidiary Participants, with a focus on enhancing profitable top-line growth. Revenue generated from acquisitions shall not be included in Revenue for purposes of this Plan. An appropriate range of values above and below such target will then be selected to measure achievement above or below the target.

**E. Establishing Targets**

The appropriate weighting of goals, targets, range of values above and below such targets and the Performance Period to be used as a basis for the measurement of performance for Awards under the Plan will be determined by the Committee no later than 90 days after the beginning of each new Performance Period during the life of the Plan, after giving consideration to the recommendations of the Chief Executive Officer of Viad Corp. Performance Units will be earned based upon the degree of achievement of predefined targets over the Performance Period following the date of grant. Earned Performance Units may range, based on achievement of predefined targets over the Performance Period, from 0% to 200% of the target Performance Units.

**6. OTHER PLAN PROVISIONS**

Subsidiary operating income and Viad Corp income per share from continuing operations are determined before extraordinary or unusual items, effects of changes in accounting principles, new accounting pronouncements, restructuring, goodwill and impairment charges, or a change in federal income tax rates after the target has been set. Reclassification of a major business unit to discontinued operations status after targets have been set would also require adjustment because of the effect on Viad Corp continuing operations results. While gains on disposition of a business would normally not be included in determining income per share, in the event of the sale of a subsidiary or major business unit, a portion of gain would be included for the difference between the sold unit's planned net income for the Performance Period and actual results to date of sale plus calculated interest savings on proceeds for the balance of the performance period, so that actual results are not penalized for selling a business.

An adjustment to actual operating income will be made for any increase or decrease in cost to a subsidiary in connection with a change in the formula allocation of corporate overhead over amounts included in the Plan at the beginning of the applicable performance period.

Incentives to be paid under this Plan must be deducted from the subsidiary's operating income and the Corporation's earnings during the Performance Period. Goals must be achieved after deducting from actual results all incentive compensation applicable to such performance periods, including those incentives earned under this Plan.

**7. RANGE OF PERFORMANCE AWARDS**

The range of values for the Corporation's or a Subsidiary Company's operating income or income per share performance and the Operating Cash Flow and Revenue measurements will be recommended by the Chief Executive Officer of Viad Corp for approval by the Committee.

Performance Units will be earned based upon the degree of achievement of each of the predefined targets (Operating Income or Income Per Share From Continuing Operations, Operating Cash Flow, and Revenue) over the Performance Period following the date of grant. A range of values will be established for the operating income or income per share target (to carry a 70% weighting), for the Operating Cash Flow target (to carry a 30% weighting), and for the Revenue target (to be used for adjustment to the total bonus pool otherwise accruable by 95% (threshold) up to 105% (maximum), depending upon the achievement against the revenue target).

## **8. PARTICIPANT ELIGIBILITY**

The Committee will select the eligible Executive Officers (as defined under Section 16(b) of the Securities Exchange Act) for participation in the Plan no later than 90 days after the beginning of the Performance Period.

Other Participants will be eligible for participation as recommended by the Chief Executive Officer of Viad Corp for approval by the Committee, limited only to those key executives who contribute in a substantial measure to the successful performance of the Corporation or its Affiliates. The Chief Executive Officer will recommend for approval by the Committee which Affiliates among its Affiliates should be included in the Plan.

## **9. AWARD DETERMINATION**

The number of Performance Units to be awarded to any Participant will be determined, generally, by multiplying a factor times the Participant's annual base salary in effect at the time the Award is granted and dividing the result by the average of the high and low of the Corporation's Common Stock on the date of approval of the grant by the Committee. The Award factor will be recommended by the Chief Executive Officer of Viad Corp for approval by the Committee annually no later than 90 days after the beginning of each new Performance Period.

## **10. GENERAL TERMS AND CONDITIONS**

The Committee shall have full and complete authority and discretion, except as expressly limited by the Plan, to grant Units and to provide the terms and conditions (which need not be identical among Participants) thereof. Without limiting the generality of the foregoing, the Committee may specify a Performance Period of not less than two years or not more than five years, and such time period will be substituted as appropriate to properly effect the specified Performance Period. No Participant or any person claiming under or through such person shall have any right or interest, whether vested or otherwise, in the Plan or in any Award thereunder, contingent or otherwise, unless and until all the terms, conditions, and provisions of the Plan and its approved administrative requirements that affect such Participant or such other person shall have been complied with. Nothing contained in the Plan shall (i) require the Corporation to segregate cash or other property on behalf of any Participant or (ii) affect the rights and power of the Corporation or its Affiliates to dismiss and/or discharge any Participant at any time.

## **11. ADJUSTMENTS**

Any recapitalization, reclassification, stock split, stock dividend, sale of assets, combination or merger not otherwise provided for herein which affects the outstanding shares of Common Stock of the Corporation or any other change in the capitalization of the Corporation affecting the Common Stock shall be appropriately adjusted for by the Committee and any such adjustments shall be final, conclusive and binding.

## **12. PAYMENT OF AWARDS**

(a) The Committee will determine whether and to what extent any Award becomes payable under the Plan. Any Award determined to be payable by the Committee shall be subject to the following calculation: Each Performance Unit payable shall be multiplied by the average of the daily means of the market prices of the Corporation's Common Stock on the New York Stock Exchange as reported on the consolidated transaction reporting system during the ten trading day period beginning on the day following public announcement of the Corporation's year-end financial results following the Performance Period. Payment of the Award will be made following Committee approval by March 15 in the year following the close of the Performance Period. The Committee shall certify in writing that the performance goals have been met prior to payment of the Award to the extent required by Section 162(m). For those Executive Officers affected by Section 162(m) of the Code, Awards will be subject to discretionary downward adjustment by the Committee. Amounts payable under any Award will be subject to the limits set forth in the 1997 Omnibus Plan.

(b) Awards granted under this Plan shall be payable during the lifetime of the Participant to whom such Award was granted only to such Participant; and, except as provided in (d) and (e) of this Section 13, no such Award will be payable unless at the time of payment such Participant is an employee of and has continuously since the grant thereof been an employee of the Corporation or an Affiliate. Neither absence nor leave, if approved by the Corporation, nor any transfer of employment between Affiliates or between an Affiliate and the Corporation shall be considered an interruption or termination of employment for purposes of this Plan.

(c) If authorized by the Committee, payment of all or a portion of any earned Award may be deferred pursuant to a deferred compensation plan of the Corporation then in effect; *provided* that the election to defer payment of any earned Award must be made at least six months prior to the expiration of the applicable Performance Period or as otherwise required by Section 409A of the Code.

(d) Except as provided in this paragraph 13 and in paragraph 14 below or as otherwise may be determined by the Board, if the Employee ceases to be an Employee of the Corporation or any of its Affiliates (as defined in the Plan for any reason prior to the completion of the Performance Period, all Performance Units shall upon such termination of employment be forfeited. Except as otherwise specifically determined by the Human Resources Committee in its absolute discretion on a case by case basis, if the employee is terminated by the Corporation or any of its Affiliates for any reason prior to the completion of the Performance Period (other than for Cause, as defined in the Viad Corp 1997 Omnibus Incentive Plan, or for failure to meet performance expectations, as determined by the Chief Executive Officer of the Corporation), or if the Employee ceases to be an employee of the Corporation or any of its Affiliates by reason of death or total or partial disability prior to the completion of the Performance Period, full ownership of the Performance Units will occur to the extent not previously earned at the end of the Performance Period.

(e) If the Employee ceases to be an employee of the Corporation or any of its Affiliates by reason of normal or early retirement, full ownership of the Performance Units will occur at the end of the Performance Period, in each case on a pro rata basis, calculated based on the percentage of time such Employee was employed by the Corporation or any of its Affiliates from the beginning of the Performance Period through the date the Employee ceases to be an employee of the Corporation or any of its Affiliates; provided, however, that full ownership of the Performance Units (versus pro rata ownership) will occur at the end of such Performance Period if the Employee has reached age 60 at the time of retirement and such retirement is at least 18 months subsequent to the date of grant of the Award.

## **13. EFFECT OF CHANGE OF CONTROL**

Notwithstanding anything to the contrary in this Plan, in the event of a Change of Control (as defined in the 1997 Viad Corp Omnibus Incentive Plan) each participant in the Plan shall be

entitled to a pro rata bonus award calculated on the basis of achievement of 100% of the predefined performance targets through the date of the Change of Control.

**14. ASSIGNMENTS AND TRANSFERS**

No award to any Participant under the provisions of the Plan may be assigned, transferred, or otherwise encumbered except, in the event of death of a Participant, by will or the laws of descent and distribution.

**15. AMENDMENT OR TERMINATION**

The Board may amend, suspend, or terminate the Plan or any portion thereof at any time; provided, however, that no such amendment, suspension, or termination shall invalidate the Awards already made to any Participant pursuant to the Plan, without his consent. Participation in the Plan shall not create a right to participate in any future years' Plan.

**16. EFFECTIVE DATE**

The Plan shall be effective January 1, 1997; provided, however, that any Award made under this Plan is subject to the approval of the 1997 Viad Corp Omnibus Incentive Plan by the stockholders of Viad Corp.

**17. COMPENSATION ADVISORY COMMITTEE**

The Compensation Advisory Committee is appointed by the Chief Executive Officer of Viad Corp to assist the Committee in the implementation and administration of this Plan. The Compensation Advisory Committee shall propose administrative guidelines to the Committee to govern interpretations of this Plan and to resolve ambiguities, if any, but the Compensation Advisory Committee will not have the power to terminate, alter, amend, or modify this Plan or any actions hereunder in any way at any time.

**18. SPECIAL COMPENSATION STATUS**

All bonuses paid under this Plan shall be deemed to be special compensation and, therefore, unless otherwise provided for in another plan or agreement, will not be included in determining the earnings of the recipients for the purposes of any pension, group insurance or other plan or agreement of a Company or of Viad Corp.

**VIAD CORP**  
**1997 OMNIBUS INCENTIVE PLAN**  
**PERFORMANCE UNIT AGREEMENT**  
**As Amended March 29, 2005**

Performance Units are hereby awarded by Viad Corp (Corporation), a Delaware corporation, effective \_\_\_\_, 2005, to \_\_\_\_ (Employee) in accordance with the following terms and conditions:

1. **Award.** The Corporation hereby awards the Employee \_\_\_\_ Performance Units pursuant to the Viad Corp 1997 Omnibus Incentive Plan (Plan), and upon the terms and conditions, and subject to the restrictions therein and hereinafter set forth.

2. **Restrictions on Transfer and Performance Period.** The Performance Units may not be assigned, transferred, pledged, or otherwise encumbered by the Employee, except in the event of the Participant's death, by will or the laws of descent and distribution.

The Performance Period for the Units is for a three-year period beginning January 1, 2005 and ending December 31, 2007.

The Board of Directors (Board) shall have the authority, in its discretion, to truncate the Performance Period prior to the expiration of the Performance Period with respect thereto, whenever the Board may determine that such action is appropriate by reason of change in applicable tax or other law, or other change in circumstances.

3. **Forfeiture and Repayment Provisions.**

(a) **Termination of Employment.** Except as provided in this paragraph 3 and in paragraph 4 below or as otherwise may be determined by the Board, if the Employee ceases to be an Employee of the Corporation or any of its Affiliates (as defined in the Plan) for any reason prior to the completion of the Performance Period, all Performance Units shall upon such termination of employment be forfeited and returned to the Corporation. Except as otherwise specifically determined by the Human Resources Committee in its absolute discretion on a case by case basis, if the Employee is terminated by the Corporation or any of its Affiliates for any reason prior to the completion of the Performance Period (other than for Cause, as defined in the Plan, or for failure to meet performance expectations, as determined by the Chief Executive Officer of the Corporation), or if the Employee ceases to be an employee of the Corporation or any of its Affiliates by reason of death or total or partial disability prior to the completion of the Performance Period, full ownership of the earned Performance Units will occur to the extent not previously earned at the end of the Performance Period.

If the Employee ceases to be an employee of the Corporation or any of its Affiliates by reason of normal or early retirement, full ownership of the earned Performance Units will occur at the end of the Performance Period, in each case on a pro rata basis, calculated based on the percentage of time such Employee was employed by the Corporation or any of its Affiliates from the beginning of the Performance Period through the date the Employee ceases to be an employee of the Corporation or

any of its Affiliates; provided, however, that full ownership of the earned Performance Units (versus pro rata ownership) will occur at the end of such Performance Period if the Employee has reached age 60 at the time of retirement and such retirement is at least 18 months subsequent to the date of grant of the Award.

(b) **Non-Compete**. Unless a Change of Control (as defined in the Plan) shall have occurred after the date hereof:

(i) In order to better protect the goodwill of the Corporation and its Affiliates and to prevent the disclosure of the Corporation's or its Affiliates' trade secrets and confidential information and thereby help insure the long-term success of the business, Employee, without prior written consent of the Corporation, will not engage in any activity or provide any services, whether as a director, manager, supervisor, employee, adviser, agent, consultant, owner of more than five (5) percent of any enterprise or otherwise, for a period of two (2) years following the date of Employee's termination of employment with the Corporation or any of its Affiliates, in connection with the manufacture, development, advertising, promotion, design, or sale of any service or product which is the same as or similar to or competitive with any services or products of the Corporation or its Affiliates (including both existing services or products as well as services or products known to the Employee, as a consequence of Employee's employment with the Corporation or one of its Affiliates, to be in development):

(1) with respect to which Employee's work has been directly concerned at any time during the two (2) years preceding termination of employment with the Corporation or one of its Affiliates, or

(2) with respect to which during that period of time Employee, as a consequence of Employee's job performance and duties, acquired knowledge of trade secrets or other confidential information of the Corporation or its Affiliates.

(ii) For purposes of the provisions of paragraph 3(b), it shall be conclusively presumed that Employee has knowledge of information he or she was directly exposed to through actual receipt or review of memos or documents containing such information, or through actual attendance at meetings at which such information was discussed or disclosed.

(iii) All Performance Units subject to the restrictions imposed by paragraph 2 above shall be forfeited and returned to the Corporation, if Employee engages in any conduct agreed to be avoided pursuant to the provisions of paragraph 3(b) at any time within two (2) years following the date of Employee's termination of employment with the Corporation or any of its Affiliates.

(iv) If, at any time within two (2) years following the date of Employee's termination of employment with the Corporation or any of its Affiliates, Employee engages in any conduct agreed to be avoided pursuant to the provisions of paragraph 3(b), then all payments (without regard to tax effects) received directly or indirectly by Employee with respect to all Performance Units which are earned during the two (2) year period prior to Employee's termination from employment shall be returned by Employee to the Corporation. Employee

consents to the deduction from any amounts the Corporation or any of its Affiliates owes to Employee to the extent of the amounts Employee owes the Corporation hereunder.

(c) **Misconduct**. Unless a Change of Control shall have occurred after the date hereof:

(i) All payments (without regard to tax effects) received directly or indirectly by Employee with respect to the Performance Units shall be returned by Employee to the Corporation, if the Corporation reasonably determines that during Employee's employment with the Corporation or any of its Affiliates:

(1) Employee knowingly participated in misconduct that causes a misstatement of the financial statements of Viad or any of its Affiliates or misconduct which represents a material violation of any code of ethics of the Corporation applicable to Employee or of the Always Honest compliance program or similar program of the Corporation; or

(2) Employee was aware of and failed to report, as required by any code of ethics of the Corporation applicable to Employee or by the Always Honest compliance program or similar program of the Corporation, misconduct that causes a misstatement of the financial statements of Viad or any of its Affiliates or misconduct which represents a material knowing violation of any code of ethics of the Corporation applicable to Employee or of the Always Honest compliance program or similar program of the Corporation.

(ii) Employee consents to the deduction from any amounts the Corporation or any of its Affiliates owes to Employee to the extent of the amounts Employee owes the Corporation under this paragraph 3(c).

(d) **Acts Contrary to Corporation**. Unless a Change of Control shall have occurred after the date hereof, if the Corporation reasonably determines that at any time within two (2) years after the lapse of the Performance Period Employee has acted significantly contrary to the best interests of the Corporation, including, but not limited to, any direct or indirect intentional disparagement of the Corporation, then all payments (without regard to tax effects) received directly or indirectly by Employee with respect to Performance Units during the two (2) year period prior to the Corporation's determination shall be paid by Employee to the Corporation. Employee consents to the deduction from any amounts the Corporation or any of its Affiliates owes to Employee to the extent of the amounts Employee owes the Corporation under this paragraph 3 (d).

(e) The Corporation's reasonable determination required under Sections 3(c)(i) and 3(d) shall be made by the Human Resources Committee of the Corporation's Board of Directors, in the case of executive officers of the Corporation, and by the Chief Executive Officer and Corporate Compliance Officer of the Corporation, in the case of all other officers and employees.

4. **Effect of Change in Control**. In the event of a Change in Control (as defined in the Plan), all Performance Units shall be paid as if each of the predefined targets for such Performance Units was achieved at the 100% level, with such payment prorated for the period of time from the grant date of such Performance Units to the date of the Change of Control.

5. **Plan and Plan Interpretations as Controlling.** The Performance Units hereby awarded and the terms and conditions herein set forth are subject in all respects to the terms and conditions of the Plan, which are controlling. The Plan provides that the Corporation's Board of Directors may from time to time make changes therein, interpret it and establish regulations for the administration thereof. The Employee, by acceptance of this Agreement, agrees to be bound by said Plan and such Board actions.

IN WITNESS WHEREOF, the parties have caused this Performance Unit Plan Agreement to be duly executed.

Dated: \_\_\_\_\_, 2005

VIAD CORP

By: \_\_\_\_\_  
ROBERT H. BOHANNON  
Chairman, President and  
Chief Executive Officer

ATTEST:

\_\_\_\_\_  
Vice President — General Counsel  
or Assistant Secretary

**This Performance Unit Plan Agreement shall be effective only upon execution by Employee and delivery to and receipt by the Corporation.**

ACCEPTED:

\_\_\_\_\_  
Employee

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**End of Filing**

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