

Edgar Filing: Perfumania Holdings, Inc. - Form DEF 14A

Perfumania Holdings, Inc.
Form DEF 14A
January 04, 2012
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A
(Rule 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934

Filed by the Registrant T
Filed by a Party other than the Registrant F

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 Materials Pursuant to § 240.14a-12

PERFUMANIA HOLDINGS, INC.
(Name of Registrant as Specified in Its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
 Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

Fee paid previously with preliminary materials:

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

(1) Amount Previously Paid:

(2) Form, Schedule or Registration No.:

(3) Filing Party:

(4) Date Filed:

Perfumania Holdings, Inc.
35 Sawgrass Drive, Suite 2
Bellport, New York 11713

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

To Be Held On January 26, 2012

To our Shareholders:

The 2011 Annual Meeting of Shareholders of Perfumania Holdings, Inc. will be held at 10:00 a.m. on Thursday, January 26, 2012, at 251 International Parkway, Sunrise, Florida, 33325, for the purpose of considering and acting upon the following:

1. Election of five directors to hold office until our 2012 Annual Meeting of Shareholders or until their successors are duly elected and qualified;
2. Ratification of the appointment of J.H. Cohn LLP as our independent registered public accounting firm; and
3. Any other matters that properly come before the Annual Meeting.

The Board of Directors is not aware of any other business scheduled for the Annual Meeting. Any action may be taken on the foregoing proposals at the Annual Meeting on the date specified above, or on any date or dates to which the Annual Meeting may be adjourned.

Shareholders of record at the close of business on December 21, 2011 are entitled to notice of, and to vote at, the Annual Meeting or at any postponements or adjournments of the Annual Meeting.

By Order of the Board of Directors,

Donna L. Dellomo
Chief Financial Officer
Bellport, New York
January 5, 2012

YOUR VOTE IS IMPORTANT

IT IS IMPORTANT THAT PROXIES BE RETURNED PROMPTLY. THEREFORE, WHETHER OR NOT YOU EXPECT TO ATTEND THE MEETING IN PERSON, PLEASE SIGN, DATE AND RETURN THE ENCLOSED PROXY AS SOON AS POSSIBLE IN THE ENCLOSED POSTAGE PRE-PAID ENVELOPE.

TABLE OF CONTENTS

<u>ABOUT THE ANNUAL MEETING</u>	<u>1</u>
<u>PROPOSAL 1 - ELECTION OF DIRECTORS</u>	<u>4</u>
<u>BOARD OF DIRECTORS COMMITTEES AND DIRECTOR INDEPENDENCE</u>	<u>5</u>
<u>BOARD LEADERSHIP STRUCTURE AND RISK OVERSIGHT</u>	<u>7</u>
<u>DIRECTOR COMPENSATION</u>	<u>7</u>
<u>PROPOSAL 2 - RATIFICATION OF THE APPOINTMENT OF INDEPENDENT REGISTERED</u>	<u>8</u>
<u>PUBLIC ACCOUNTING FIRM</u>	
<u>REPORT OF THE AUDIT COMMITTEE</u>	<u>9</u>
<u>CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS</u>	<u>10</u>
<u>EXECUTIVE COMPENSATION AND RELATED INFORMATION</u>	<u>12</u>
<u>SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGERMENTS</u>	<u>13</u>
<u>SECTION 16(A) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE</u>	<u>14</u>
<u>OTHER BUSINESS</u>	<u>14</u>
<u>CONTACTING THE BOARD OF DIRECTORS</u>	<u>14</u>
<u>SHAREHOLDER PROPOSALS FOR THE 2012 ANNUAL MEETING</u>	<u>14</u>

PERFUMANIA HOLDINGS, INC.
2011 ANNUAL MEETING OF SHAREHOLDERS

PROXY STATEMENT

This proxy statement contains information related to our 2011 Annual Meeting of Shareholders to be held on Thursday, January 26, 2012, beginning at 10:00 a.m., at 251 International Parkway, Sunrise, Florida, 33325, and at any adjournments or postponements thereof. The approximate date that this proxy statement, the accompanying notice of Annual Meeting and the enclosed proxy card are first being sent to shareholders is January 5, 2012. You should review this information in conjunction with our annual report to shareholders, which accompanies this proxy statement.

Important Notice Regarding the Availability of Proxy Materials for the Shareholder Meeting to Be Held on January 26, 2012:

This proxy statement and the annual report are available to our shareholders electronically via the Internet on our website at www.perfumaniaholdingsinc.com/proxy_materials.aspx.

ABOUT THE ANNUAL MEETING

What is the purpose of the Annual Meeting?

At the Annual Meeting, shareholders will act upon the matters outlined in the accompanying notice of meeting, including the election of directors and the ratification of the appointment of our independent registered public accounting firm.

What is a proxy?

It is your legal designation of another person to vote the stock you own. That person is also called a "proxy." If you designate someone as your proxy in a written document, that document is called a proxy card. The form of proxy card included with this proxy statement is solicited by our Board of Directors and designates each of Michael W. Katz, Joseph Bouhadana and Paul Garfinkle, or their successors, as proxies for our Annual Meeting.

What is a proxy statement?

It is a document that the regulations of the Securities and Exchange Commission (SEC) require us to give you when we ask you to sign a proxy card designating individuals as proxies to vote on your behalf.

What is the difference between a shareholder of record and a shareholder who holds stock in street name?

If your shares are registered in your name, you are a shareholder of record. Owners of record receive their proxy materials directly from us. If your shares are held in the name of your broker or other financial institution, which is usually the case if you hold your shares in a brokerage or similar account, your shares are held in "street name." Your broker or other financial institution or its respective nominee is the shareholder of record for your shares, and you are the "beneficial owner." As the holder of record, only your broker, other institution or nominee is authorized to vote or grant a proxy for your shares. Beneficial owners receive their proxy materials directly from their broker or other institution.

What are abstentions and broker non-votes?

An abstention occurs when a shareholder of record (which may be a broker or other nominee of a street name holder) is present at a meeting (or deemed present) but fails to vote on a proposal, indicates that the shareholder abstains

from voting on the proposal, or withholds authority from proxies to vote for director nominees while failing to vote for other eligible candidates in their place. A broker non-vote occurs when a broker or other nominee who holds shares for another does not vote on a particular proposal because the nominee does not have discretionary voting authority for that proposal and has not received instructions from the beneficial owner of the shares.

Who is entitled to vote at the Annual Meeting?

Only shareholders at the close of business on the record date, December 21, 2011, are entitled to receive notice of the Annual Meeting and to vote shares of our common stock that they held on the record date, or any adjournments or postponements of the Annual Meeting. Each outstanding share of common stock entitles its holder to cast one vote on each matter to be voted upon.

Any shareholder of record as of the record date may look at the complete list of the shareholders of record entitled to vote at the Annual Meeting. The list will be available at our principal executive offices for a period of ten days before the Annual Meeting and at the Annual Meeting itself.

Who can attend the Annual Meeting?

All shareholders as of the record date, or their duly appointed proxies, may attend. If your shares are held in the name of your broker or bank, you will need to bring a copy of a recent brokerage statement reflecting your stock ownership as of the record date and valid picture identification.

What constitutes a quorum for the meeting?

The presence at the Annual Meeting, in person or by proxy, of the holders of a majority of all of the shares of common stock outstanding on the record date will constitute a quorum, permitting us to conduct business at the Annual Meeting. As of the record date, 8,968,751 shares of our common stock were outstanding. Proxy cards received but marked as abstentions and broker non-votes will be included in the calculation of the number of shares considered to be present at the Annual Meeting for purposes of a quorum. An inspector of elections appointed for the Annual Meeting will determine whether or not a quorum is present and will tabulate votes cast by proxy or in person at the Annual Meeting.

If less than a majority of the outstanding shares entitled to vote is represented at the Annual Meeting, a majority of the shares present at the Annual Meeting may adjourn the Annual Meeting to another date, time or place, and notice need not be given of the new date, time or place if the new date, time or place is announced at the Annual Meeting before adjournment.

How do I vote my shares?

If you complete, sign and return the accompanying proxy card, it will be voted as you direct. You may also vote in person at the Annual Meeting; however, beneficial owners who wish to vote in person will need to bring a proxy from the institution that holds their shares.

Can I vote by telephone or electronically?

We have not established procedures to allow telephone or electronic voting by shareholders of record, but may do so for future shareholder meetings if we determine that the added convenience to our shareholders would justify the additional costs to us associated with these voting methods. Beneficial owners may vote by telephone or the Internet if their bank or broker makes those methods available, in which case your bank or broker will enclose the instructions with this proxy statement.

Can I revoke my proxy and change my vote after I return my proxy card?

Yes. If you are a record holder, even after you have submitted your proxy card, you may revoke your proxy and change your vote at any time before the proxy is exercised by filing with our Corporate Secretary either a notice

of revocation or a duly executed proxy card bearing a later date. You may also change your vote by attending the Annual Meeting in person and voting. If a broker, bank or other nominee is the record holder of your shares and you wish to revoke your proxy, you must contact the record holder of your shares directly.

If I submit a proxy, how will my shares be voted?

If you submit a properly executed proxy card, the individuals named on the card, as your proxies, will vote your shares in the manner you indicate. If you sign and return the card without indicating your instructions, your shares will be voted in accordance with the recommendations of the Board of Directors.

Your vote is important. Whether you plan to attend the meeting or not, we encourage you to vote by proxy as soon as possible.

My shares are held in street name. How are my shares voted if I do not return voting instructions?

Your shares may be voted if they are held in the name of a broker or bank, even if you do not provide the broker or other institutional holder with voting instructions. Brokers and banks generally have authority to vote shares on matters for which their customers do not provide voting instructions. The ratification of the appointment of J.H. Cohn LLP as our independent registered public accounting firm may be voted on by your broker or bank in its discretion if you have not provided voting instructions within the applicable time frame. Brokers do not have discretionary voting authority in the election of directors so, if you do not provide voting instructions, shares that you hold in a brokerage account will not be counted. Such "broker non-votes" will not be included in the votes cast and will have no impact on the results of voting with respect to the election of directors.

What are the Board's recommendations?

Our Board of Directors recommends that you vote:

for the election of the nominated slate of directors; and

for the ratification of the appointment of J.H. Cohn LLP as our independent registered public accounting firm.

The Board of Directors does not know of any other matters that may be brought before the Annual Meeting, nor does it foresee or have reason to believe that the proxy holders will have to vote for substitute or alternate Board of Directors nominees. In the event that any other matter should properly come before the Annual Meeting or any Board of Directors nominee is not available for election, the proxy holders will vote as recommended by the Board of Directors or, if no recommendation is given, in accordance with their best judgment.

What vote is required to approve each proposal?

Election of Directors. The affirmative vote (either in person or by proxy) of a plurality of the votes cast at the Annual Meeting is required for the election of directors. This means that candidates who receive the highest number of votes are elected. Shareholders do not have the right to cumulate their votes for directors.

Ratification of Appointment of Independent Auditor. The affirmative vote (either in person or by proxy) of a majority of the votes cast at the Annual Meeting is required for approval of the ratification of the appointment of J.H. Cohn LLP.

How are abstentions counted when tabulating the vote?

Abstentions (that is, a properly executed proxy card marked "ABSTAIN" with respect to a particular matter) with respect to a particular matter do not count in any vote totals "for" or "against" that matter, even though the shares associated with such abstentions are counted for purposes of determining whether there is a quorum present at the Annual Meeting.

Who pays for the preparation of the proxy?

We will pay the cost of preparing, assembling and mailing the Proxy Statement, Notice of Annual Meeting and enclosed proxy card. In addition to the use of mail, our associates may solicit proxies personally and by telephone. Our associates will receive no compensation for soliciting proxies other than their regular salaries. We may request banks, brokers and other custodians, nominees and fiduciaries to forward copies of the proxy material to the beneficial owners of our common stock and to request authority for the execution of proxies, and we may reimburse such persons for their expenses incurred in connection with these activities.

How can I obtain a separate set of voting materials?

Under a procedure approved by the SEC called “householding,” certain shareholders of record who have the same address and last name will receive only one copy of the Annual Report and proxy materials sent to shareholders until such time as one or more of these shareholders notifies us that they wish to continue receiving individual copies. This procedure reduces duplicate mailings and save printing costs and postage fees, as well as natural resources.

If you received a householded mailing this year, and you would like to have additional copies of our Annual Report and proxy materials mailed to you, or if you would like to opt out of householding for future mailings, please submit your request to Corporate Secretary, 35 Sawgrass Drive, Suite 2, Bellport, New York 11713, or call (631) 866-4100. You may also contact us at the address or phone number above if you received multiple copies of the Annual Meeting materials and would prefer to receive a single copy in the future.

PROPOSAL 1 - ELECTION OF DIRECTORS

Directors Standing for Election

At the Annual Meeting, the shareholders will elect five directors, each of whom will serve for a term expiring at the next Annual Meeting of Shareholders and until his or her successor has been duly elected and qualified.

Each of the nominees listed below has consented to being named in this proxy statement and to serve if elected. The Board of Directors has no reason to believe that any nominee will refuse or be unable to serve if elected. However, if any of them should become unavailable to serve as director, the Board of Directors may designate a substitute nominee or the number of directors may be reduced in accordance with our by-laws. If the Board of Directors designates a substitute nominee, the persons named as proxies will vote for the substitute nominee designated by the Board of Directors.

Our directors, each of whom is standing for reelection are:

Stephen Nussdorf - Age 61. Mr. Nussdorf was appointed Chairman of our Board of Directors in February 2004 and Executive Chairman of the Board of Directors in April 2011. Mr. Nussdorf is also an executive officer of Quality King Distributors, Inc. (“Quality King”), a privately held distributor of pharmaceuticals and health and beauty care products, and he was, until our merger with Model Reorg, Inc. in August 2008 (the “Merger”), President and a Director of Model Reorg, a privately held distributor of fragrance products. Mr. Nussdorf joined Quality King in 1972 and Model Reorg in 1996 and has served in various capacities in all divisions of their businesses. Mr. Nussdorf brings to the Board critical insights into the consumer product and wholesale markets in which we operate. He is an experienced business leader with the vision and skills appropriate to serve as Chairman of our Board, and the Board has benefited from his perspectives and leadership.

Michael W. Katz - Age 63. Mr. Katz joined us in February 2004 as our President and Chief Executive Officer and as a Director. Mr. Katz has served in various capacities at Model Reorg and Quality King and their affiliated companies; he is primarily responsible for overseeing administration, finance, mergers and acquisitions. Mr. Katz has participated in the design and implementation of the business strategy that has

fostered the growth of Model Reorg and Quality King and their affiliated companies. From 1994 until 1996 he was Senior Vice President of Quality King. Since 1996, he has served as Executive Vice President of Quality King and was also Executive Vice President and a Director of Model Reorg. Mr. Katz is a Certified Public Accountant. Mr. Katz's strong executive leadership, financial and management experience, business acumen and knowledge of our suppliers, customers and channels of distribution are highly valued by the Board.

Carole Ann Taylor - Age 67. Ms. Taylor was appointed a Director in June 1993. Ms. Taylor has been in the travel retail and duty free business for more than twenty-five years and, since 1987, has been the President and Chief Executive Officer of her family-owned businesses, Miami To Go, Inc., Little Havana To Go LLC and Cultures To Go, Inc., with five retail locations in Miami and at Miami International Airport. She is a member of the Executive Committee of the Greater Miami Convention and Visitors Bureau and serves on the Board of Directors of the Arsht Performing Arts Center, Viernes Culturales, the Black Hospitality Initiative, Miami Beach Fashion Week and the Omni Advisory Board. Ms. Taylor brings to the Board extensive management and retailing expertise, as well as familiarity with our markets. She serves on the Board's Audit, Compensation and Stock Option Committees, and the Board has benefited from her contributions in those areas.

Joseph Bouhadana - Age 42. Mr. Bouhadana was appointed a Director in September 2002. Mr. Bouhadana has served as Corporate Director of Technology for INTCOMEX, a distributor of branded computer components, generic accessories and networking peripherals into the Latin America and Caribbean regions with thirteen offices in ten countries, since January 2005. He served as Vice President of Information Technology of Tutopia.com, a privately owned Internet service provider with a presence in nine countries in Latin America, from September 2000 to January 2005. Previously, Mr. Bouhadana was the Director of Information Technology of Parker Reorder, a publicly traded company specializing in hospitality business to business procurement, distribution and logistics systems. Within the past five years, Mr. Bouhadana has also been a director of Adrenalina, Inc. Mr. Bouhadana's strong technical and operational skills are an important asset to our Board. He also serves on the Audit, Compensation and Stock Option Committees, to which he makes valuable contributions.

Paul Garfinkle - Age 70. Mr. Garfinkle joined our Board of Directors in February 2004. Mr. Garfinkle retired from the public accounting firm of BDO Seidman, LLP in June 2000 after a thirty-six year career. While at BDO Seidman, LLP, Mr. Garfinkle was an audit partner and client service director for many of the firm's most significant clients. He also served for many years as a member of the firm's Board of Directors and, during his last six years at the firm, as National Director of Real Estate. Mr. Garfinkle has extensive experience in the areas of accounting, finance, audit, and taxation and valuable knowledge of financial and regulatory reporting requirements. He serves as Chair of the Board's Audit Committee, where his leadership and independence serve the company well.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE "FOR" THE ELECTION OF ALL NOMINEES NAMED ABOVE TO THE BOARD OF DIRECTORS.

BOARD OF DIRECTORS COMMITTEES AND DIRECTOR INDEPENDENCE

The Board of Directors has determined that Carole Ann Taylor, Joseph Bouhadana and Paul Garfinkle (the "Independent Board Members") are independent, as defined by Nasdaq Stock Market rules. Our Board of Directors has a standing Audit Committee, Compensation Committee and Stock Option Committee.

For the fiscal year ended January 29, 2011, and since then, Carole Ann Taylor, Joseph Bouhadana and Paul Garfinkle (Chairman) were the members of our Audit Committee. The Audit Committee is governed by a written charter adopted by the Board of Directors. The duties and responsibilities of the Audit Committee include: (a) assisting our Board in its oversight of the integrity of our financial statements, (b) the selection and retention of our independent registered public accounting firm and any termination of engagement, (c) reviewing the scope and results of audits

and other services provided by our independent registered public accounting firm, (d) reviewing our significant accounting policies and internal controls and (e) exercising general responsibility for all related auditing matters. A copy of the charter is posted on our website at www.perfumaniaholdingsinc.com. The Board of Directors has determined that Paul Garfinkle is an “audit committee financial expert” as defined by SEC rules. The Audit Committee held seven meetings during the fiscal year ended January 29, 2011.

For the fiscal year ended January 29, 2011, and since then, Carole Ann Taylor and Joseph Bouhadana were the members of our Compensation Committee. The Compensation Committee is responsible for developing and approving the compensation program for our executive officers and directors, and it reviews and approves the specific compensation of our executive officers, including salaries, bonuses and benefit plans. The Compensation Committee does not have a charter. To assist our Compensation Committee in performing its duties, our Chief Executive Officer may provide recommendations concerning the compensation of executive officers, excluding himself; and may also provide our Compensation Committee information regarding an executive officer's performance in light of our overall business and financial results of operations. Our Compensation Committee considers, but is not bound to accept, our Chief Executive Officer's recommendations with respect to executive compensation. While the Compensation Committee may utilize compensation survey data, including within retail and other industries, which the Compensation Committee considers comparable or relevant to our own business, our Compensation Committee does not use a specific formula to set executive pay in relation to this market data; nor does our Compensation Committee utilize any formulization directly tied to our financial results of operations. The Compensation Committee did not hold any meetings during the fiscal year ended January 29, 2011.

For the fiscal year ended January 29, 2011, Carole Ann Taylor and Joseph Bouhadana were also the members of the Stock Option Committee. The Stock Option Committee administers our equity compensation plans. The Stock Option Committee did not hold any meetings during the fiscal year ended January 29, 2011.

We do not have a nominating or similar committee. The Independent Board Members perform the functions of a nominating committee, including reviewing and recommending candidates for directors. The Board of Directors believes that it is not necessary to have a nominating committee because the Independent Board Members adequately perform the same functions as a nominating committee.

If a shareholder wishes to recommend a nominee for director, written notice should be sent to the Corporate Secretary in accordance with the instructions set forth later in this proxy statement under “Shareholder Proposals for the 2012 Annual Meeting.” All recommendations should be accompanied by a complete statement of such person's qualifications (including education, work experience, knowledge of our industry, membership on the Board of Directors of another corporation, and civic activity) and an indication of the person's willingness to serve. The Independent Board Members will evaluate the suitability of potential candidates nominated by shareholders in the same manner as other candidates identified to the Independent Board Members.

In making its nominations, the Independent Board Members identify candidates who meet the current challenges and needs of the Board of Directors. In making such decisions, the Independent Board Members consider, among other things, an individual's business experience, industry experience, financial background and experiences and whether the individual meets the independence requirements of the Nasdaq Stock Market rules. The Independent Board Members use multiple sources for identifying and evaluating nominees for director, including referrals from current directors, recommendations by shareholders and input from third party executive search firms. The Board does not have a formal diversity policy. In identifying nominees for directors, however, consideration is given to the diversity of professional experience, education, backgrounds and skills among the directors so that a variety of experience and points of view are represented in Board discussions and deliberations concerning our business.

During the fiscal year ended January 29, 2011, our Board of Directors held three meetings. Our policy requires directors to attend our annual shareholder meetings, barring special circumstances. All of our directors attended the 2010 Annual Meeting.

BOARD LEADERSHIP STRUCTURE AND RISK OVERSIGHT

The Board does not have a policy regarding the separation of the roles of Chief Executive Officer and Chairman of the Board, as the Board believes it is in our best interests to make the determination based on an assessment of the current condition of our company and of the composition of the Board. Stephen Nussdorf is a principal shareholder of the company and, thus, is a strong representative of the shareholders' interests on the Board, independent of management. The Board has determined that having Mr. Nussdorf serve as the Chairman of the Board, and having Mr. Katz serve as the Chief Executive Officer, is in the best interest of our shareholders at this time. This structure makes the best use of the Chief Executive Officer's extensive knowledge of the company and its industry, while also providing effective Board leadership through the Chairman, thereby fostering communication between management and the Board. The Board is responsible for monitoring the risks that affect the company, including operational, legal, regulatory, strategic and financial risks, which our Board seeks to mitigate through careful planning and execution. Management provides the Board with updates regarding key aspects of the company's principal operations and risks as part of routine Board meetings and updates them as needed. The Board is responsible for assessing risks based on such information, as well as their working knowledge of the company and the risks inherent in its business. Board members have the opportunity to provide input and direction to management on managing our risks. In addition, the Audit Committee monitors the company's financial and audit-related risks.

DIRECTOR COMPENSATION

We pay each Independent Board Member a \$25,000 annual retainer. In addition, directors earn \$10,000 per year for service as Chair of the Audit Committee, \$5,000 per year for other members of the Audit Committee, \$3,000 per year for service as Chair of each other Committee of the Board of Directors, and \$2,500 per year for other members of each other Committee. We also reimburse their expenses in connection with their activities as directors.

Nonemployee directors are eligible to receive stock options under our 2010 Equity Incentive Plan. They receive a grant of options for 10,000 shares upon initial election to the Board, to vest annually over three years dependent on continued Board service, and a grant of options upon annual reelection to the Board, vested immediately. In fiscal 2010, the option granted upon reelection to the Board was for 5,000 shares. All such options have an exercise price equal to the fair market value of a share of our common stock on the date of the grant.

Neither Mr. Nussdorf nor Mr. Katz receives any compensation for his service as a director. Mr. Nussdorf served as a consultant from June 2009 to April 2011, when he became Executive Chairman. In that capacity, he is responsible for operational matters, for which he received the compensation shown in the table below during fiscal 2010.

The following table sets forth certain information regarding the compensation of our nonemployee directors for fiscal 2010:

Name	Fees Earned or Paid in Cash (\$)	Options Awards (\$)(1)(2)	All Other Compensation (\$)	Total (\$)
Carole Ann Taylor	32,500	37,363	—	69,863
Joseph Bouhadana	33,000	37,363	—	70,363
Paul Garfinkle	35,000	37,363	—	72,363
Stephen Nussdorf	—	—	253,520	253,520

Amounts listed represent the grant date fair value of the stock option awards. For additional information regarding (1) the assumptions used to calculate these amounts, see Note 9 to the consolidated financial statements included in our Annual Report on Form 10-K for the fiscal year ended January 29, 2011.

As of January 29, 2011, our nonemployee directors held outstanding stock options in the following amounts:
 (2) Carole Ann Taylor (10,000); Joseph Bouhadana (12,000); Paul Garfinkle (11,500); and Stephen Nussdorf (0).

PROPOSAL 2 - RATIFICATION OF THE APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Audit Committee has engaged J.H. Cohn LLP as our independent registered public accounting firm for the fiscal year ending January 28, 2012 (fiscal 2011). J.H. Cohn LLP audited our financial statements for fiscal 2010, following our dismissal of Deloitte & Touche LLP, which had served as our independent registered public accounting firm for fiscal 2009.

Deloitte & Touche LLP's audit report on our consolidated financial statements for fiscal 2009 did not contain any adverse opinion or disclaimer of opinion, and was not qualified or modified as to uncertainty, audit scope or accounting principles. During that fiscal year and through the date hereof, there was no disagreement between us and Deloitte & Touche LLP on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, which disagreement, if not resolved to the satisfaction of Deloitte & Touche LLP, would have caused Deloitte & Touche LLP to make reference to the subject matter of the disagreement in its audit report; and there were no reportable events, as defined in Item 304(a)(1)(v) of SEC Regulation S-K.

One or more representatives of J.H. Cohn LLP are expected to be present at the Annual Meeting. They will have the opportunity to make a statement if they desire to do so and are expected to be available to respond to appropriate questions from shareholders.

Although ratification by our shareholders is not required by our by-laws or otherwise, the Audit Committee believes that it is appropriate to seek shareholder ratification of this appointment in light of the critical role played by the independent registered public accounting firm. In the event this ratification is not received, the Audit Committee will reconsider the selection of J.H. Cohn LLP.

Principal Accountant Fees and Services

The aggregate fees billed by J.H. Cohn LLP for fiscal 2010 and by Deloitte & Touche LLP for fiscal 2009 are as follows:

Fees	Fiscal 2010	Fiscal 2009
Audit Fees (1)	\$446,653	\$763,000
Audit-Related Fees	—	—
Tax Fees	—	—
All Other Fees (2)	7,500	—
Total Fees	\$454,153	\$763,000

“Audit Fees” consist of fees billed for professional services rendered in connection with the audit of our consolidated (1) annual financial statements and the review of our interim consolidated financial statements included in quarterly reports.

(2) “All Other Fees” consist of fees billed in connection with our SEC filings.

The Audit Committee considered and determined that the provision of services as described above was compatible with maintaining each of Deloitte & Touche LLP's and J.H. Cohn LLP's independence. The Audit Committee pre-approved the engagements of J.H. Cohn LLP and Deloitte & Touche LLP for all professional services. The pre-approval process generally involves the full Audit Committee's evaluating and approving the particular engagement before the commencement of services. All of the services described above under “All Other Fees” were pre-approved by the Audit Committee.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE “FOR” THE PROPOSAL TO RATIFY THE APPOINTMENT OF J.H. COHN LLP AS OUR INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR THE FISCAL YEAR ENDING JANUARY 28, 2012.
REPORT OF THE AUDIT COMMITTEE

The following report concerns the Audit Committee's activities regarding oversight of our accounting, auditing and financial reporting process.

As described more fully in its charter, the purpose of the Audit Committee is to act on behalf of the Board of Directors in its oversight of our internal control, accounting, auditing and financial reporting functions. Management is responsible for the preparation, presentation and integrity of our financial statements, accounting and financial reporting principles and internal controls and procedures designed to ensure compliance with accounting standards, applicable laws and regulations. Our independent registered public accounting firm is responsible for performing an independent audit of our consolidated financial statements in accordance with generally accepted auditing standards. The Audit Committee members are not professional accountants or auditors, and their functions are not intended to duplicate or to certify the activities of management and the independent registered public accounting firm, nor can the Audit Committee certify that the independent registered public accounting firm is “independent” under applicable rules. The Committee serves a board-level oversight role, in which it provides advice, counsel and direction to management and the independent registered public accounting firm on the basis of several factors, including the information it receives, discussions with management and the auditors and the experience of the Committee's members in business, financial and accounting matters.

Among other matters, and in accordance with the Sarbanes-Oxley Act of 2002, the Audit Committee monitors the activities and performance of our independent registered public accounting firm, including the audit scope, external audit fees, auditor independence matters and the extent to which the independent registered public accounting firm may be retained to perform non-audit services. The Audit Committee has ultimate authority and responsibility to select, evaluate and, when appropriate, replace our independent registered public accounting firm. The Audit Committee also reviews the results of the external audit work with regard to the adequacy and appropriateness of our financial, accounting and internal controls. Management's and the independent registered public accounting firm's presentations to and discussions with the Audit Committee also cover various topics and events that may have significant financial impact or are the subject of discussions between management and the independent registered public accounting firm. In addition, the Audit Committee generally oversees our internal compliance programs. In fulfilling its oversight responsibilities, the Committee reviews and discusses with both management and our independent registered public accounting firm the annual and quarterly financial statements prior to their issuance. The Committee reviewed and discussed our audited consolidated financial statements for fiscal 2010 with management and our independent registered public accounting firm. Management represented to the Committee that all such financial statements were prepared in accordance with generally accepted accounting principles. Deloitte & Touche LLP addressed the matters required to be discussed by Statement on Auditing Standards No. 61, as amended and adopted by the Public Company Accounting Oversight Board (“PCAOB”). Deloitte & Touche LLP has provided the Committee with the written disclosures and the letter required by applicable requirements of the PCAOB regarding the independent accountant's communications with the Committee concerning independence, the Committee discussed its independence with Deloitte & Touche LLP, and the Committee satisfied itself as to the independence of Deloitte & Touche LLP.

Based on the Audit Committee's review and discussions described above, the Committee recommended that the Board of Directors include the audited consolidated financial statements in our Annual Report on Form 10-K filed with the Securities and Exchange Commission for the fiscal year ended January 29, 2011.

The Audit Committee

Paul Garfinkle, Chairman

Joseph Bouhadana

Carol Ann Taylor

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

Transactions with Principal Shareholders and Executive Officers

Glenn Nussdorf, Stephen Nussdorf and their sister, Arlene Nussdorf (the "Nussdorfs") collectively are the beneficial owners of approximately 85% of our common stock. Stephen Nussdorf has served as Chairman of our Board of Directors since February 2004 and was appointed Executive Chairman in April 2011. The Nussdorfs are officers and principals of Quality King, which distributes pharmaceuticals and health and beauty care products, and our President and Chief Executive Officer, Michael W. Katz is an executive of Quality King.

In 2004 and 2008, the Nussdorfs and related parties made loans to the Company on an unsecured basis for which it issued certain promissory notes. As a condition of entering into a new \$225 million Senior Credit Facility, effective January 7, 2011, one of our subsidiaries executed Amended and Restated Subordinated Promissory Notes amending these obligations, principally with respect to the timing of payments. The unsecured debt obligations that are currently subordinated to the Senior Credit Facility are as follows:

(i) a promissory note in the principal amount of \$35 million, held by Quality King (the "QKD Note"), which provides for payment of principal in quarterly installments between April 30, 2015 and July 31, 2018 and payment of interest in quarterly installments commencing on January 31, 2011 at the then current senior debt rate, as defined in the Senior Credit Facility, plus 1% per annum;

(ii) promissory notes in the aggregate principal amount of approximately \$55.4 million, held by six estate trusts established by Glenn, Stephen and Arlene Nussdorf (the "Nussdorf Trust Notes"), which provide for payment of the principal in full on April 30, 2015 and payments of interest in quarterly installments commencing on January 31, 2011 at the then current senior debt rate plus 2% per annum; and

(iii) a promissory note in the principal amount of \$5 million held by Glenn and Stephen Nussdorf (the "2004 Note"), which provides for payment in January 2009 and is currently in default because of the restrictions on payment described below, resulting in an increase of 2% in the nominal interest rate, which is the prime rate plus 1%.

Under the Senior Credit Facility, no principal may be paid on any of the QKD Note, the Nussdorf Trust Notes or the 2004 Note until three months after the Senior Credit Facility terminates and is paid in full, and payment of interest is subject to satisfaction of certain conditions, including the Company's maintaining excess availability under the Senior Credit Facility of \$17.5 million (or 17.5% of commitment) and a fixed charge coverage ratio, as defined in the credit agreement, of 1.1:1.0.

No payments of principal or interest have been made on the Nussdorf Trust Notes or the Quality King Note and no payments of principal have been made on the 2004 Note. Accordingly, the full principal amount of each, as described above, remains outstanding. The aggregate amount of accrued interest on the Nussdorf Trust Notes and the Quality King Note as of October 29, 2011 is \$19.3 million. We paid approximately \$0.2 million of interest on the 2004 in fiscal 2008 and have not made any interest payments since then. The amount of accrued interest on the 2004 Note as of October 29, 2011 is \$1.0 million.

Effective August 1, 2008, one of our subsidiaries issued a \$1.9 million promissory note payable to Mr. Katz, with interest at 4%, in equal monthly installments of \$53,333 commencing September 1, 2008 and terminating August

1, 2011. Under a related stockholder agreement, Mr. Katz is bound by certain non-compete, non-solicitation and confidentiality covenants. Between the beginning of fiscal 2009 and the maturity of this note, the highest principal balance due was \$1.6 million, and we paid a total of \$1.7 million.

Transactions with Affiliated Companies

Glenn Nussdorf beneficially owns approximately 10.1% of the outstanding common stock of Parlux Fragrances, Inc. (“Parlux”), a publicly traded manufacturer and distributor of prestige fragrances and beauty products. We have historically purchased merchandise from Parlux. Glenn Nussdorf also has an ownership interest in Lighthouse Beauty Marketing, LLC and Lighthouse Beauty, LLC, both of which are manufacturers and distributors of prestige fragrances. Starting in fiscal 2010, we began purchasing merchandise from both entities. Starting in fiscal 2009, we have also purchased merchandise from Quality King. Purchases from related parties are generally payable in 90 days; however, due to the seasonality of our business, these terms are generally extended. Related party accounts have historically been brought closer to terms at the end of the holiday season. During the rest of the year, we have relied upon these extended terms to provide a portion of our liquidity. Transactions with these related companies during fiscal 2010 and 2009, and fiscal 2011 through October 29, were as follows:

	Total Purchases Fiscal Year Ended January 29, 2011 (in thousands)	Total Purchases Fiscal Year Ended January 30, 2010	Total Purchases Thirty-nine Weeks Ended October 29, 2011	Balance Due January 29, 2011	Balance Due October 29, 2011
Parlux	\$45,679	\$ 31,671	\$35,024	\$14,015	\$17,340
Quality King	3,529	18,064	—	—	—
Lighthouse Beauty Marketing, LLC	1,725	—	567	318	2
Lighthouse Beauty, LLC	7,663	—	8,383	406	1,167
	\$58,596	\$ 49,735	\$43,974	\$14,739	\$18,509

The Nussdorfs own GSN Trucking, Inc. (“GSN”) which provides general transportation and freight services. We periodically utilize GSN to transport both inbound purchases of merchandise and outbound shipments to wholesale customers. During fiscal 2009 and 2010, total payments to GSN for transportation services provided were approximately \$0.2 million. There was no balance due to GSN at October 29, 2011.

Quality King occupies a leased 560,000 square foot facility in Bellport, NY. We began occupying approximately half of this facility in December 2007 under a sublease that terminates on September 30, 2027, and this location serves as our principal offices. The monthly current sublease payments of approximately \$205,000 increase by 3% annually. We paid approximately \$2.5 million, \$2.4 million and \$1.8 million in rent for fiscal 2010 and 2009, and fiscal 2011 through October 29, respectively.

We and Quality King are parties to a Services Agreement providing for our participation in certain third party arrangements at our respective share of Quality King's cost, including allocated overhead, plus a 2% administrative fee, and the provision of legal services. We also share with Quality King the economic benefit of the bulk rate contract that we have with UPS to ship Quality King's merchandise and related items. The Services Agreement will terminate on thirty days' written notice from either party. During both fiscal 2010 and 2009, allocated operating expenses and payments charged under these arrangements were \$0.6 million and, during fiscal 2011 through October 29, they were \$0.4 million.

Related Party Transaction Policy

It is our policy that all related party transactions be disclosed to our Audit Committee for review and approval. The Committee reviews all relationships and transactions reported to it in which we and any of our directors, executive officers or principal shareholders, or any of their immediate family members, are participants to determine whether

such persons have a direct or indirect material interest. Our Chief Financial Officer is primarily responsible for the

11

development and implementation of processes and controls to obtain information from such persons with respect to related person transactions and for then determining, based on the facts and circumstances, whether the Company or a related person has a direct or indirect material interest in the transaction. In the course of its review and approval or ratification of a disclosable related party transaction, the Audit Committee considers:

- the nature of the related person's interest in the transaction;
- the material terms of the transaction, including, without limitation, the amount and type of transaction;
- the importance of the transaction to the related person;
- the importance of the transaction to us;
- whether the transaction would impair the judgment of a director or executive officer to act in our best interest; and
- any other matters the Committee deems appropriate.

Any member of the Audit Committee who is a related person with respect to a transaction under review may not participate in the deliberations or vote respecting approval or ratification of the transaction, provided, however, that such director may be counted in determining the presence of a quorum at a meeting of the Committee that considers the transaction.

Director Independence

Our directors are Stephen Nussdorf (Chairman), Joseph Bouhadana, Paul Garfinkle, Michael W. Katz and Carole Ann Taylor. Our Board of Directors has determined that all of our directors, other than Michael W. Katz and Stephen Nussdorf, are independent under the rules of the Nasdaq Stock Market.

EXECUTIVE COMPENSATION AND RELATED INFORMATION

The following sets forth information concerning compensation for fiscal 2010 and for fiscal 2009 for our Chief Executive Officer and our Chief Financial Officer (the "Named Executive Officers").

2010 Summary Compensation Table

Name and Principal Position	Fiscal Year	Salary (\$)	Bonus (\$)	Option Awards (\$)	All Other Compensation (\$)(1)	Total (\$)
Michael W. Katz (President and Chief Executive Officer)	2010	284,808	—	—	15,000	299,808
	2009	293,942	—	—	15,000	308,942
Donna Dellomo (Chief Financial Officer)	2010	215,201	—	—	—	215,201
	2009	214,808	—	—	—	214,808

(1) All other compensation for Mr. Katz consists of a car allowance. There were no personal benefits that exceeded \$10,000 for Ms. Dellomo.

Outstanding Equity Awards at Fiscal Year-End 2010

The following table shows all outstanding equity awards held by the Named Executive Officers at the end of fiscal 2010.

Name	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise (\$)	Option Expiration Date
Michael W. Katz	100,000	—	12.99	6/29/2015
Donna Dellomo	35,000	—	4.79	10/29/2018

Retirement Benefits and Potential Payments Upon Termination or Change of Control

No Named Executive Officer participates in any Company pension plan or nonqualified defined contribution or nonqualified deferred compensation plan, and none has entered into any agreements or understandings with the Company that provide for payments or benefits to the Named Executive Officer in the event of the Named Executive Officer's termination of employment, including a change of control. Our option awards, however, typically provide that outstanding options would vest immediately upon a change of control.

Generally, upon a termination of employment for any reason, each Named Executive Officer would be entitled to receive a cash payment of the Named Executive Officer's base salary through the date of termination, to the extent not paid, any accrued but unused vacation pay and any reimbursed business expenses. The Compensation Committee may, in its sole discretion, depending upon the circumstances of the termination of employment, pay the terminated officer severance in such amount as then determined by the Company.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table shows the amount of common stock beneficially owned as of December 1, 2011 by (a) each of our directors and nominees for director, (b) each of our current executive officers, (c) all of our directors and current executive officers as a group and (d) each person known by us to beneficially own more than 5% of our outstanding common stock. Unless otherwise provided, the address of each holder is c/o Perfumania Holdings, Inc., 35 Sawgrass Drive, Suite 2, Bellport, New York 11713.

Common Stock Beneficially Owned

Name of Beneficial Owner	Total Number of Shares Beneficially Owned (1)	Percent of Class	
Principal Shareholders			
Stephen Nussdorf and Glenn Nussdorf	5,791,546 (2)	58.8	%
Arlene Nussdorf	2,189,201(3)	23.3	%
Rene Garcia 1608 NW 84th Avenue, Miami, FL 33126	767,397(4)	8.4	%
Jacques Bogart/SBN/David Konckier 76-78 Avenue des Champs Elysees, 75008 Paris, France	452,634(5)	5.0	%
Other Directors and Executive Officers			
Michael W. Katz	100,000(6)	*	
Donna Dellomo	35,000(6)	*	
Joseph Bouhadana	12,000(6)	*	
Paul Garfinkle	11,500(6)	*	
Carole Ann Taylor	10,000(6)	*	
All directors and executive officers as a group (6 persons)	5,960,046(6)	59.5	%

*Less than 1%.

(1) For purposes of this table, beneficial ownership is computed pursuant to Rule 13d-3 under the Exchange Act; the inclusion of shares as beneficially owned should not be construed as an admission that such shares are beneficially owned for purposes of the Exchange Act. Under the rules of the Securities and Exchange Commission, a person is deemed to be a "beneficial owner" of a security if he or she has or shares the power to vote or direct the voting of such security or the power to dispose of or direct the disposition of such security. Accordingly, more than one person may be deemed to be a beneficial owner of the same security.

(2) Stephen Nussdorf beneficially owns his shares with his brother Glenn Nussdorf. Includes 443,757 shares issuable upon exercise of Warrants held by each of Stephen and Glenn Nussdorf.

(3) Amount includes 443,757 shares issuable upon exercise of Warrants held by Ms. Nussdorf.

Mr. Garcia has sole voting and dispositive power over 367,842 of the shares shown (including warrants to purchase (4) 72,738 shares) and shared voting and dispositive power over 399,555 of such shares (including warrants to purchase 80,991 shares), which are held by trusts of which he is a co-trustee.

As reported in a Schedule 13G filed with the SEC on October 16, 2009, all of such shares are owned by Jacques (5) Bogart. SBN is the sole shareholder of Jacques Bogart and Mr. Konckier is the sole manager of SBN. Jacques Bogart, SBN and Mr. Konckier share voting and dispositive power over the shares.

Includes shares of common stock issuable upon the exercise of stock options currently exercisable or exercisable (6) within 60 days of December 1, 2011 in the following respective amounts: Michael W. Katz (100,000); Joseph Bouhadana (12,000); Paul Garfinkle (11,500); Carole Ann Taylor (10,000) and Donna Dellomo (35,000).

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Securities Exchange Act of 1934, as amended, requires our directors and executive officers and beneficial holders of more than 10% of any class of our equity securities to file with the Securities and Exchange Commission initial reports of ownership and reports of changes in ownership of such equity securities. Based upon a review of such forms furnished to us or representations from reporting persons stating that they were not required to file these forms, we believe that during fiscal 2010, all Section 16(a) filing requirements were satisfied on a timely basis, except that Joseph Bouhadana, Carole Ann Taylor, and Paul Garfinkle each filed two late reports covering one transaction each.

OTHER BUSINESS

We know of no other business to be brought before the Annual Meeting. If, however, any other business should properly come before the Annual Meeting, the persons named in the accompanying proxy will vote proxies as in their discretion they may deem appropriate, unless they are directed by a proxy to do otherwise.

CONTACTING THE BOARD OF DIRECTORS

Shareholders who wish to communicate with the Board of Directors may do so by writing to Board of Directors, Perfumania Holdings, Inc., 35 Sawgrass Drive, Suite 2, Bellport, New York 11713. Such communications will be reviewed by the Secretary of the Company, who shall remove communications relating to solicitations, junk mail, or other correspondence relating to customer service issues. All other communications shall be forwarded to the Board of Directors or specific members of the Board, as appropriate or as requested in the shareholder communication.

SHAREHOLDER PROPOSALS FOR THE 2012 ANNUAL MEETING

We have not yet determined when we will hold our 2012 Annual Meeting of Shareholders. If you wish to bring proposed business to that meeting and you would like us to consider the inclusion of your proposal in our proxy statement for the meeting, you must provide written notice of such proposal to us in accordance with Securities and

Exchange Commission rules not later than the date we announce in a future communication.

Send all proposals or recommendations for nomination to our Corporate Secretary, Perfumania Holdings, Inc., 35 Sawgrass Drive, Suite 2, Bellport, New York 11713.

PERFUMANIA HOLDINGS, INC.

35 Sawgrass Drive, Suite 2
Bellport, New York 11713

PROXY FOR ANNUAL MEETING OF SHAREHOLDERS

THIS PROXY IS SOLICITED ON BEHALF OF
THE COMPANY'S BOARD OF DIRECTORS

The undersigned holder of common stock of Perfumania Holdings, Inc., a Florida corporation (the "Company"), hereby appoints each of Michael W. Katz, Joseph Bouhadana and Paul Garfinkle, or their successors, as proxies for the undersigned, each with full power of substitution, for and in the name of the undersigned to act for the undersigned and to vote, as designated on the reverse side of this proxy card, all of the shares of stock of the Company held of record by the undersigned at the close of business on December 21, 2011 at the Company's Annual Meeting of Shareholders, to be held on Thursday, January 26, 2012, at 10:00 a.m. at 251 International Parkway, Sunrise, Florida, 33325, and at any adjournments or postponements thereof.

PLEASE DETACH AND MAIL IN THE ENVELOPE PROVIDED

THE BOARD OF DIRECTORS RECOMMENDS A VOTE "FOR" THE ELECTION OF ALL THE DIRECTOR
NOMINEES LISTED IN PROPOSAL NO. 1 AND "FOR" PROPOSAL NO. 2.

PLEASE MARK YOUR VOTES AS IN THIS EXAMPLE.

1. Election of Directors.

•Vote for all Nominees Listed Below (except as written below)

•Vote Withheld from all Nominees

NOMINEES: Stephen Nussdorf

Michael W. Katz

Carole Ann Taylor

Joseph Bouhadana

Paul Garfinkle

(Instruction: To withhold authority for an individual nominee, write that nominee's name on the line provided below.)

2. Ratification of the appointment of J.H. Cohn LLP as our independent registered public accounting firm.

•For •Against •Abstain

3. In their discretion, upon such other business as may properly come before the Annual Meeting or any adjournment or postponement thereof.

THIS PROXY, WHEN PROPERLY EXECUTED, WILL BE VOTED IN THE MANNER DIRECTED HEREIN BY THE UNDERSIGNED SHAREHOLDER. IF NO DIRECTION IS MADE, THIS PROXY WILL BE VOTED "FOR" THE ELECTION OF ALL DIRECTOR NOMINEES LISTED HEREIN AND "FOR" THE RATIFICATION OF THE APPOINTMENT OF J.H. COHN LLP AS OUR INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM. PLEASE MARK, SIGN AND DATE THIS PROXY CARD AND PROMPTLY RETURN IT IN THE ENVELOPE PROVIDED.

DATE _____

SIGNATURE _____

SIGNATURE (If held jointly) _____

Note: Please sign exactly as your name appears hereon and mail it promptly even though you may plan to attend the Annual Meeting. When shares are held by joint tenants, both should sign. When signing as attorney, executor, administrator, trustee or guardian, please give full title as such. If a corporation, please sign in full corporate name by president or other authorized officer. If partnership, please sign in the partnership name by authorized person.