

INTUIT INC
Form DEFA14A
January 17, 2002

SCHEDULE 14A INFORMATION

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

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for
Use of the
Commission Only
(as permitted by
Rule 14a-6(e)(2))
Definitive Proxy
Statement
Definitive
Additional
Materials
Soliciting
Material Pursuant
to Rule 14a-11(c)
or Rule 14a-12

INTUIT 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:

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- (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):
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- (4) Proposed maximum aggregate value of transaction:
-

- (5) Total fee paid:
-

Fee paid previously with preliminary materials.

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

- (1) Amount Previously Paid:
-

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

- (3) Filing Party:
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- (4) Date Filed:
-

The following has been communicated to certain of our stockholders, beginning after the close of business (Eastern time) January 16, 2002:

**INTUIT INC.
2002 ANNUAL STOCKHOLDERS MEETING
January 18, 2002**

BACKGROUND AND VOTING REQUEST FOR PROPOSAL #2 ADOPTION OF 2002 EQUITY INCENTIVE PLAN

Intuit is requesting that you vote **yes** on Proposal No. 2, for the reasons outlined below. We designed the new stock option plan in response to shareholder feedback. In fact, if approved, we will immediately replace the existing plan with the new plan, which is far more shareholder-friendly. Here are the key points:

The new plan absolutely **PROHIBITS** option **REPRICING** without shareholder approval. The current plan does not restrict our ability to reprice options.

We're actively taking steps to **REDUCE FUTURE DILUTION**. The new plan asks for 8,000,000 new shares. We're capping the number of shares that we'll transfer from the old plan at 1.9 million shares, so we are taking the rest of the shares under the old plan out of the available pool going forward. These steps give us a smaller pool than we've had after previous shareholder meetings, and will result in less dilution going forward.

The new plan **LIMITS OUR ABILITY TO MAKE BELOW MARKET GRANTS** to no more than 500,000 shares per year (about 5% of the total plan reserve). Our current plan does not restrict our ability to grant unlimited discount options. We do not expect to grant below market awards in the foreseeable future.

We need a plan that enables us to attract and reward high-performing employees in a competitive labor market. The right people have been critical in driving the 42% growth in our pro forma operating performance last year. Our grant guidelines have been benchmarked against our high tech peer group and are both appropriate and competitive.

In closing, we firmly believe that approving Proposal #2 is in the best interests of Intuit's stockholders.