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# SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

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## POST-EFFECTIVE AMENDMENT NO. 1 TO FORM S-8

REGISTRATION STATEMENT  
UNDER  
THE SECURITIES ACT OF 1933

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### MACK-CALI REALTY CORPORATION

(Exact name of registrant as specified in its charter)

**MARYLAND**

(State or Other Jurisdiction of  
Incorporation or Organization)

**22-3305147**

(I.R.S. Employer  
Identification Number)

**11 Commerce Drive, Cranford, New Jersey  
(908) 272-8000**

(Address, including telephone number,  
of Principal Executive Offices)

**07016**

Zip Code

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**2000 EMPLOYEE STOCK OPTION PLAN AND  
AMENDED AND RESTATED 2000 DIRECTOR STOCK OPTION PLAN**  
(Full Title of the Plans)

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**Mitchell E. Hersh  
Chief Executive Officer  
Mack-Cali Realty Corporation  
11 Commerce Drive  
Cranford, New Jersey  
(908) 272-8000**

(Name, address and telephone number of agent for service)

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**Copy to:**

**Blake Hornick, Esq.  
Pryor Cashman Sherman & Flynn LLP  
410 Park Avenue  
New York, New York 10022  
(212) 421-4100**

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**CALCULATION OF REGISTRATION FEE**

<b>Title of Each Class of Securities to Be Registered</b>	<b>Amount to Be Registered</b>	<b>Proposed Maximum Offering Price Per Share</b>	<b>Proposed Maximum Aggregate Offering Price</b>	<b>Amount of Registration Fee</b>
Common Stock (\$0.01 par value)	(1)	(1)	(1)	(1)

- (1) No additional securities are being registered hereby. This Post-Effective Amendment No. 1 includes: (a) 1,500,000 shares of common stock, \$0.01 par value per share, with respect to the 2000 Employee Stock Option Plan and (b) 150,000 shares of common stock with respect to the Amended and Restated 2000 Director Stock Option Plan, for which a registration fee of \$4,740.71 was paid upon filing of Registration Statement No. 333-100244 on Form S-8 with the Securities and Exchange Commission on October 2, 2002. This Post-Effective Amendment No. 1 also includes: (a) 2,500,000 shares of common stock with respect to the 2000 Employee Stock Option Plan and (b) 200,000 shares of common stock with respect to the Amended and Restated 2000 Director Stock Option Plan, for which a registration fee of \$20,203.46 was paid upon filing of Registration Statement No. 333-52478 on Form S-8 with the Securities and Exchange Commission on December 21, 2000, as amended on May 1, 2001.

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#### EXPLANATORY NOTES

Pursuant to General Instruction E of Form S-8, this Post-Effective Amendment No. 1 incorporates by reference (a) Registration Statement No. 333-52478 on Form S-8, including the reoffer prospectus contained therein, filed with the Securities and Exchange Commission on December 21, 2000, together with Post-Effective Amendment No. 1 to such Registration Statement, including the reoffer prospectus contained therein, which was filed with the Securities and Exchange Commission on May 1, 2001, and (b) Registration Statement No. 333-100244 on Form S-8, including the reoffer prospectus contained therein, which was filed with the Securities and Exchange Commission on October 2, 2002.

Included on the immediately following pages is a "reoffer prospectus." The reoffer prospectus is filed as part of this Post Effective Amendment No. 1 to Registration Statement on Form S-8 and has been prepared in accordance with the requirements of Part I of Form S-3. It may be used for reoffers of common stock defined as "control securities" under Instruction C to Form S-8 acquired by "affiliates" (as the term is defined in Rule 405 of the General Rules and Regulations under the Securities Act of 1933, as amended) pursuant to the exercise of stock options and restricted stock granted under our 2000 Employee Stock Option Plan and our Amended and Restated 2000 Director Stock Option Plan.

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PROSPECTUS

## MACK-CALI REALTY CORPORATION

### 259,019 SHARES OF COMMON STOCK

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We are a fully-integrated, self-administered and self-managed real estate investment trust. The persons listed as our selling shareholders in this prospectus are offering and selling up to 259,019 shares of our common stock. We will issue these shares of our common stock to such selling shareholders upon their exercise of options, or the removal of restrictions on restricted common stock, now or hereafter granted. All net proceeds from the sale of the shares of common stock offered by this prospectus will go to the selling shareholders. We will not receive any proceeds from such sales.

The selling shareholders may offer their shares of common stock through public or private transactions, in the over-the-counter markets or on any exchanges on which our common stock is traded at the time of sale, at prevailing market prices or at privately negotiated prices. The selling shareholders may engage brokers or dealers who may receive commissions or discounts from the selling shareholders. We will pay substantially all of the expenses incident to the registration of such shares, except for the selling commissions.

Our common stock is listed on The New York Stock Exchange and the Pacific Exchange under the symbol "CLI." The closing price of our common stock as reported on The New York Stock Exchange on June 30, 2003, was \$36.38 per share.

**Investment in our common stock involves certain risks, including those described in our Annual Report on Form 10-K for the fiscal year ended December 31, 2002. You should consider such risk factors before investing in our common stock.**

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.**

The date of this prospectus is July 10, 2003.

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We have not authorized any dealer, salesperson or any other person to give any information or to make any representations other than those contained in this prospectus in connection with the offer made by this prospectus and, if given or made, you must not rely upon such information or representations as having been authorized by us or the selling shareholders. This prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, the securities offered by this prospectus in any jurisdiction in which such offer or solicitation is not authorized, or to any person to whom it is unlawful to make such offer or solicitation. Neither the delivery of this prospectus nor any sale made under this prospectus will, under any circumstances, create any implication that the information contained in this prospectus is correct as of any time after the date of this prospectus.

#### AVAILABLE INFORMATION

We file annual, quarterly and current reports with the Securities and Exchange Commission. You may read and copy any document we file at the Securities and Exchange Commission's public reference room located at 450 Fifth Street, N.W., Judiciary Plaza, Room 1024, Washington, D.C. 20549, and at the following regional offices of the Securities and Exchange Commission: Northwestern Atrium Center, 500 West Madison Street, Suite 1400, Chicago, Illinois 60661 and 75 Park Place, Room 1228, New York, New York 10007. You may obtain information on the operation of the public reference room of the Securities and Exchange Commission by calling the Securities and Exchange Commission at 1-800-SEC-0330. You also can request copies of such documents, upon payment of a duplicating fee, by writing to the public reference room of the Securities and Exchange Commission, 450 Fifth Street, N.W., Judiciary Plaza, Washington, D.C. 20549. The Securities and Exchange Commission maintains a web site that contains reports, proxy and information statements and other information regarding registrants that file electronically with the Securities and Exchange Commission. The address of the Securities and Exchange Commission's web site is: <http://www.sec.gov>. In addition, our common stock is listed on The New York Stock Exchange and the Pacific Exchange, and similar information concerning us can be inspected and copied at the offices of The New York Stock Exchange, 20 Broad Street, New York, New York 10005.

We have filed with the Securities and Exchange Commission a registration statement on Form S-8, as amended (of which this prospectus is a part), under the Securities Act of 1933, as amended, with respect to the securities offered by this prospectus. This prospectus does not contain all of the information set forth in the registration statement, certain portions of which have been omitted as permitted by the rules and regulations of the Securities and Exchange Commission. Statements contained in this prospectus as to the contents of any contract or other document are not necessarily complete, and in each instance please see the copy of such contract or other document filed as an exhibit to the registration statement, each such statement being qualified in all respects by such reference and the exhibits and schedules thereto. For further information regarding us and the securities offered by this prospectus, please refer to the registration statement and such exhibits and schedules which may be obtained from the Securities and Exchange Commission at its principal office in Washington, D.C. upon payment of the fees prescribed by the Securities and Exchange Commission, or from its web site.

## INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The Securities and Exchange Commission allows us to "incorporate by reference" the information we file with them, which means that we can disclose important information to you by referring you to those documents. The information we incorporate by reference is considered to be part of this prospectus, and information that we file later with the Securities and Exchange Commission automatically will update and supersede such information. We incorporate by reference the documents

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listed below and any future filings we make with the Securities and Exchange Commission under Sections 13(a), 13(c) 14 or 15(d) of the Securities Exchange Act of 1934, as amended:

- (a) Our Annual Report on Form 10-K (File No. 1-13274) for the fiscal year ended December 31, 2002;
- (b) Our Quarterly Report on Form 10-Q (File No. 1-13274) for the fiscal quarter ended March 31, 2003;
- (c) Our Current Reports on Form 8-K (File Nos. 1-13274) dated January 2, 2003, March 14, 2003 and June 12, 2003;
- (d) Our Proxy Statement relating to our Annual Meeting of Stockholders held on May 13, 2003; and
- (e) The description of our common stock and the description of certain provisions of the laws of the State of Maryland and our charter and bylaws, contained in our Articles of Restatement dated June 11, 2001, filed as Exhibit 3.1 to our Quarterly Report on Form 10-Q dated June 30, 2001, and our Amended and Restated Bylaws dated June 10, 1999, as subsequently amended, filed as Exhibit 3.2 to our Current Report on Form 8-K dated June 10, 1999, and any amendments or reports filed for the purpose of updating such description.

You may request a copy of these filings (including the exhibits to such filings that we have specifically incorporated by reference in such filings) at no cost, by writing or telephoning our executive offices at the following address:

Mack-Cali Realty Corporation  
Attention: Chief Financial Officer  
11 Commerce Drive  
Cranford, New Jersey 07016  
(908) 272-8000

You should rely only on the information provided or incorporated by reference in this prospectus or any related supplement. We have not authorized anyone else to provide you with different information. The selling shareholders will not make an offer of these shares in any state that prohibits such an offer. You should not assume that the information in this prospectus or any supplement is accurate as of any date other than the date on the cover page of such documents.

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**All references in this prospectus to "we," "us," or "our" include Mack-Cali Realty Corporation, a Maryland corporation, and any subsidiaries or other entities that we own or control. All references to "Mack-Cali Realty, L.P." in this prospectus include Mack-Cali Realty, L.P., a Delaware limited partnership, and any subsidiaries or other entities that it owns or controls. All references in this prospectus to "common stock" refer to our common stock, par value \$0.01 per share. All references in this prospectus to "units" refer to the units of limited partnership interest in Mack-Cali Realty, L.P.**

## INFORMATION ABOUT US

We are a fully-integrated, self-administered and self-managed real estate investment trust, or "REIT." We own and operate a real estate portfolio comprised predominately of Class A office and office/flex properties located primarily in the Northeast, as well as commercial real estate leasing, management, acquisition, development and construction services on an in-house basis.

As of June 30, 2003, we owned or had interests in 263 properties plus developable land. Our properties aggregate approximately 28.9 million square feet, which are comprised of: (a) 149 office buildings and 95 office/flex buildings, totaling approximately 26.6 million square feet, six industrial/warehouse buildings totaling approximately 387,400 square feet, two stand-alone retail properties totaling 17,300 square feet and three land leases and (b) five office buildings and one office/flex building aggregating 1.8 million square feet, one stand-alone retail property aggregating approximately 100,740 square feet and one hotel, which, with respect to (b) above, are owned by unconsolidated joint ventures in which we have investment interests. Our properties are located in eight states, primarily in the Northeast, plus the District of Columbia.

Our strategy is to focus on our operations, acquisition and development of office properties in high-barrier-to-entry markets where we believe we are, or can become, a significant and preferred owner and operator. We will continue this strategy by expanding through acquisitions and/or development in Northeast markets and sub-markets where we have, or can achieve, similar status. We believe that our properties have excellent locations and access and that we effectively maintain and professionally manage them. As a result, we believe that our properties attract high quality tenants and achieve among the highest rental, occupancy and tenant retention rates within their markets. We also believe that our extensive market knowledge provides us with a significant competitive advantage which is further enhanced by our strong reputation for, and emphasis on, delivering highly responsive, professional management services.

Our shares of common stock are listed on The New York Stock Exchange and the Pacific Exchange under the symbol "CLI." We have paid regular quarterly distributions on our common stock since we commenced operations as a REIT in 1994. We intend to continue making regular quarterly distributions to the holders of our common stock. Distributions depend upon a variety of factors, and there can be no assurance that distributions will be made in the future.

All of our interests in the properties are held by, and our operations are conducted through, Mack-Cali Realty, L.P., a Delaware limited partnership, or by entities controlled by Mack-Cali Realty, L.P. We are the sole general partner of Mack-Cali Realty, L.P. As of June 30, 2003, we were the beneficial owner of approximately 80.5 percent of the outstanding partnership interests of Mack-Cali Realty, L.P., assuming the conversion of all of our preferred limited partnership units into common limited partnership units.

We were incorporated under the laws of the State of Maryland on May 24, 1994. Our executive offices are located at 11 Commerce Drive, Cranford, New Jersey 07016, and our telephone number is (908) 272-8000. We have an internet web address at "<http://www.mack-cali.com>."

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## USE OF PROCEEDS

We are registering the shares of common stock offered by this prospectus for the account of the selling shareholders identified in the section of this prospectus entitled "Selling Shareholders." All of the net proceeds from the sale of the common stock will go to the selling shareholders who offer and sell their shares of such stock. We will not receive any part of the proceeds from the sale of such shares.

## SELLING SHAREHOLDERS

The selling shareholders are persons listed in the table below who have acquired the common stock offered by this prospectus pursuant to our 2000 Employee Stock Option Plan or our Amended and Restated 2000 Director Stock Option Plan. Each selling shareholder will receive all of the net proceeds from the sale of his shares of common stock offered by this prospectus.

The following table presents certain information regarding the ownership of our common stock by the selling shareholders as of June 30, 2003. The number of shares of common stock outstanding will not change as a result of the offering, nor will the number of shares owned or percentage of ownership of any persons other than the selling shareholders change as a result thereof. However, because the selling shareholders may offer from time to time all or some of their shares under this prospectus, or in another permitted manner, no assurances can be given as to the actual number of shares that will be sold by the selling shareholders or that will be held by the selling shareholders after completion of the sales.

Name and Position With Us	Number of Shares Owned Prior to Offering(1)	Number of Shares Offered Hereby(2)	Number of Shares to Be Owned After Offering(3)
William L. Mack Chairman of the Board	3,483,942	500	3,483,442
Mitchell E. Hersh Chief Executive Officer and Director	673,900	90,000	583,900
Timothy M. Jones President	520,575	54,000	466,575
Barry Lefkowitz Executive Vice President and Chief Financial Officer	221,587	45,000	176,587
Roger W. Thomas Executive Vice President, General Counsel and Secretary	214,798	46,000	168,798
Michael A. Grossman Executive Vice President	119,289	18,519	100,770
Martin S. Berger Director	543,032	500	542,532
Brendan T. Byrne Director	26,100	500	25,600
John R. Cali Director	358,606	500	358,106
Nathan Gantcher Director	47,500	500	47,000

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Martin D. Gruss Director	33,500	500	33,000
Earle I. Mack Director	2,313,354	500	2,312,854
Alan G. Philibosian Director	29,000	500	28,500
Irvin D. Reid Director	10,500	500	10,000
Vincent Tese Director	35,500	500	35,000
Roy J. Zuckerberg Director	40,500	500	40,000

(1) Includes (a) shares of common stock acquired other than pursuant to any employee or director benefit plan, (b) common stock underlying options and restricted stock

granted pursuant to our 2000 Employee Stock Option Plan and our Amended and Restated 2000 Director Stock Option Plan (both vested and unvested), (c) common stock underlying vested options, (d) restricted stock granted under any other employee or director benefit plan, and (e) common stock underlying common units, preferred units (as converted into common units) and vested warrants to acquire common stock.

- (2) Includes all common stock underlying options granted, and all restricted stock issued, pursuant to our 2000 Employee Stock Option Plan and our Amended and Restated 2000 Director Stock Option Plan.
- (3) Assumes all shares registered under this prospectus will be sold.

If and when a selling shareholder sells all of his shares of common stock registered under this prospectus, the following selling shareholders will own more than one percent of our common stock at June 30, 2003.

Name	Percentage Ownership
William L. Mack	4.84
Earle I. Mack	3.21

Information regarding each selling shareholder's current relationship with us or our predecessors and affiliates and such relationships, if any, within the past three years is set forth below.

*William L. Mack* has served as a member of our Board of Directors since 1997 and as Chairman of our Board of Directors since 2000. Mr. Mack also serves as Chairman of the Executive Committee of our Board of Directors.

*Mitchell E. Hersh* has served as our Chief Executive Officer since 1999. Mr. Hersh also has served as a member of our Board of Directors and its Executive Committee since 1997. Mr. Hersh served as our President and Chief Operating Officer from December 1997 through April 19, 1999, when he became Chief Executive Officer.

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*Timothy M. Jones* has served as our President since 1999. Previously, Mr. Jones served as our Executive Vice President and Chief Investment Officer from 1997 through 1999.

*Barry Lefkowitz* has served as our Executive Vice President since 1997 and Chief Financial Officer since 1994.

*Roger W. Thomas* has served as our Executive Vice President and Secretary since 1997, and as our General Counsel since 1994.

*Michael A. Grossman* has served as our Executive Vice President since 2000. Mr. Grossman served as our Senior Vice President in 2000, and as our Vice President from 1997 to January 2000.

*Martin S. Berger* has served as a member of our Board of Directors since May 2003 and as a member of our Board of Directors from 1998 until 2001. Mr. Berger also served as a member of our Advisory Board from 2001 until May 2003 and served as Chairman of the Strategic Planning Committee of our Board of Directors from 2000 until 2001. In connection with our acquisition of properties from the Robert Martin Company LLC, we granted Robert Martin the right to designate one member to our Board of Directors. Mr. Berger and Robert F. Weinberg were designated to jointly share the board seat. Mr. Berger and Mr. Weinberg have agreed that the board seat will be rotated between them each year at our Annual Meeting.

*Brendan T. Byrne* has served as a member of our Board of Directors since 1994 and as a member of the Audit Committee of our Board of Directors since 1999. Governor Byrne became Chairman of our Audit Committee in 2002.

*John R. Cali* has served as a member of our Board of Directors and as a member of the Executive Committee of our Board of Directors since 2000. Mr. Cali served as our Executive Vice President-Development from 1994 to June 2000.

*Nathan Gantcher* has served as a member of our Board of Directors since 1999, as a member of the Audit Committee of our Board of Directors since 1999, and as a member of each of the Nominating Committee of our Board of Directors and the Executive Committee of our Board of Directors since 2000.

*Martin D. Gruss* has served as a member of our Board of Directors since 1997 and as a member of the Executive Compensation and Option Committee of our Board of Directors since 1999.

*Earle I. Mack* has served as a member of our Board of Directors since 1997.

*Alan G. Philibosian* has served as a member of our Board of Directors, and as a member of the Executive Compensation and Option Committee of our Board of Directors since 1997, and as a member of the Nominating Committee of our Board of Directors since 2000.

*Irvin D. Reid* has served as a member of our Board of Directors since 1994 and as a member of the Audit Committee of our Board of Directors since 1998. Dr. Reid served as chairman of the Audit Committee of our Board of Directors from 1998 to 2002.

*Vincent Tese* has served as a member of our Board of Directors since 1997, as chairman of the Executive Compensation and Option Committee of our Board of Directors since 1998 and as chairman of the Nominating Committee of our Board of Directors since 2000.

*Roy J. Zuckerberg* has served as a member of our Board of Directors since 1999, as a member of the Audit Committee of our Board of Directors since 1999, and as a member of the Executive Committee of our Board of Directors since 2000.

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#### PLAN OF DISTRIBUTION

The selling shareholders may resell under this prospectus up to 259,019 shares of our common stock that have been issued to the selling shareholders. The selling

shareholders may sell the shares from time to time and may also decide not to sell all the shares they are permitted to sell under this prospectus. The selling shareholders will act independently of us in making decisions with respect to the timing, manner and size of each sale. The selling shareholders may effect such transactions by selling the shares to or through broker-dealers. Subject to the restrictions described in this prospectus, the shares of our common stock being offered under this prospectus may be sold from time to time by the selling shareholders in any of the following ways:

- our common stock may be sold through a broker or brokers, acting as principals or agents. Transactions through broker-dealers may include block trades in which brokers or dealers will attempt to sell our common stock as agent but may position and resell the block as principal to facilitate the transaction. Our common stock may be sold through dealers or agents or to dealers acting as market makers. Broker-dealers may receive compensation in the form of discounts, concessions, or commissions from the selling shareholders and/or the purchase of our common stock for whom such broker-dealers may act as agents or to whom they sell as principal, or both (which compensation as to a particular broker-dealer might be in excess of customary commissions).
- our common stock may be sold on any national securities exchange or quotation service on which our common stock may be listed or quoted at the time of sale, in the over-the-counter market, or in transactions otherwise than on such exchanges or services or in the over-the-counter market.
- our common stock may be sold in private sales directly to purchasers.

To the extent required, this prospectus may be amended or supplemented from time to time to describe a specific plan of distribution. In effecting sales, broker-dealers engaged by the selling shareholders may arrange for other broker-dealers to participate in the resales.

The selling shareholders may enter into hedging transactions with broker-dealers in connection with distributions of shares or otherwise. In such transactions, broker-dealers may engage in short sales of shares in the course of hedging the positions they assume with selling shareholders. The selling shareholders also may sell shares short and redeliver shares to close out such short positions. The selling shareholders may enter into option or other transactions with broker-dealers, which require the delivery of shares to the broker-dealer. The broker-dealer may then resell or otherwise transfer such shares pursuant to this prospectus.

The selling shareholders also may loan or pledge shares to a broker-dealer. The broker-dealer may sell the shares so loaned, or upon a default the broker-dealer may sell the shares so pledged, pursuant to this prospectus. Broker-dealers or agents may receive compensation in the form of commissions, discounts or concessions from selling shareholders. Broker-dealers or agents may also receive compensation from the purchasers of shares for whom they act as agents or to whom they sell as principals, or both. Compensation as to a particular broker-dealer might be in excess of customary commissions and will be in amounts to be negotiated in connection with transactions involving shares. Broker-dealers or agents and any other participating broker-dealers or the selling shareholders may be deemed to be "underwriters" within the meaning of Section 2(11) of the Securities Act in connection with sales of shares. Accordingly, any such commission, discount or concession received by them and any profit on the resale of shares purchased by them may be deemed to be underwriting discounts or commissions under the Securities Act. Because selling shareholders may be deemed to be "underwriters" within the meaning of Section 2(11) of the Securities Act, the selling shareholders will be subject to the prospectus delivery requirements of the Securities Act. In addition, any shares of a

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selling shareholder covered by this prospectus which qualify for sale pursuant to Rule 144 promulgated under the Securities Act may be sold under Rule 144 rather than pursuant to this prospectus.

The shares may be sold by selling shareholders only through registered or licensed brokers or dealers if required under applicable state securities laws. In addition, in certain states the shares may not be sold unless they have been registered or qualified for sale in the applicable state or an exemption from the registration or qualification requirement is available and is complied with.

Under applicable rules and regulations under the Exchange Act, any person engaged in the distribution of shares may not simultaneously engage in market making activities with respect to our common stock for a period of two business days prior to the commencement of such distribution. In addition, each selling shareholder will be subject to applicable provisions of the Exchange Act and the associated rules and regulations under the Exchange Act, including Regulation M, which provisions may limit the timing of purchases and sales of shares of our common stock by the selling shareholders. We will make copies of this prospectus available to the selling shareholders and have informed them of the need for delivery of copies of this prospectus to purchasers at or prior to the time of any sale of the shares.

We will file a supplement to this prospectus, if required, pursuant to Rule 424(b) under the Securities Act upon being notified by a selling shareholder that any material arrangement has been entered into with a broker-dealer for the sale of shares through a block trade, special offering, exchange distribution or secondary distribution or a purchase by a broker or dealer. Such supplement will disclose:

- the name of each such selling shareholder and of the participating broker-dealer(s),
- the number of shares involved,
- the price at which such shares were sold,
- the commissions paid or discounts or concessions allowed to such broker-dealer(s), where applicable,
- that such broker-dealer(s) did not conduct any investigation to verify the information set out or incorporated by reference in this prospectus, and
- other facts material to the transaction.

We will bear all costs, expenses and fees in connection with the registration of the shares. The selling shareholders will bear all commissions and discounts, if any, attributable to the sales of the shares.

## DESCRIPTION OF OUR COMMON STOCK

### General

Our authorized capital stock consists of 190,000,000 shares of common stock, par value \$.01 per share, and 5,000,000 shares of preferred stock, par value \$.01 per share. At June 30, 2003, 58,011,329 shares of common stock were issued and outstanding, and 10,000 shares of preferred stock were issued and outstanding.

Each outstanding share of common stock will entitle the holder to one vote on all matters presented to shareholders for a vote, subject to the provisions of our charter regarding the ownership of shares of common stock in excess of the ownership limit described below. Holders of shares of common stock will have no preemptive rights or cumulative voting rights. All shares of common stock to be outstanding following this offering will be duly authorized, fully paid, and nonassessable. Distributions may be paid to the holders of shares of common stock if and when declared by our board

of directors out of funds legally available therefor. We have paid regular and uninterrupted quarterly dividends from the third quarter of 1994.

Under Maryland law, shareholders generally are not liable for our debts or obligations. If we are liquidated, subject to the right of any holders of preferred stock to receive preferential distribution, each outstanding share of common stock will be entitled to participate pro rata in the assets remaining after payment of, or adequate provision for, all known debts and liabilities, including debts and liabilities arising out of our role as general partner of Mack-Cali Realty, L.P.

With certain exceptions, our charter provides that no person may own, or be deemed to own by virtue of the attribution rules of the Internal Revenue Code, more than 9.8 percent of the value of our issued and outstanding shares of capital stock. See "Restrictions on Transfer" below.

The registrar and transfer agent for our common stock is EquiServe Trust Company, N.A.

### Redemption Rights

Certain individuals who received common units in Mack-Cali Realty, L.P. have the right to have their common units redeemed for cash, based upon the fair market value of an equivalent number of shares of our common stock at the time of such redemption, or, at our election, shares of our common stock, on a one-for-one basis. However, we may not pay for such redemption with shares of common stock if, after giving effect to such redemption, any person would beneficially or constructively own shares in excess of the ownership limit described in "Restrictions on Transfer". As of June 30, 2003, the limited partners of Mack-Cali Realty, L.P. owned 14,018,563 common units, assuming conversion of all preferred limited partnership units into common limited partnership units, which can be redeemed for an equal number of shares of our common stock.

### Restrictions On Transfer

*Ownership Limits.* Our charter contains certain restrictions on the number of shares of capital stock that a shareholder may own, directly or beneficially. For us to qualify as a REIT under the Internal Revenue Code, no more than 50 percent of the value of our outstanding shares of capital stock may be owned, directly or indirectly, by five or fewer individuals (as defined in the Internal Revenue Code to include certain entities) during the last half of a taxable year (other than the first year) or during a proportionate part of a shorter taxable year. The capital stock also must be beneficially owned by 100 or more persons during at least 335 days of a taxable year or during a proportionate part of a shorter taxable year. Because we expect to continue to qualify as a REIT, our charter contains restrictions on the direct and beneficial acquisition of capital stock intended to ensure compliance with these requirements.

Our charter, subject to certain exceptions, provides that no holder may own, or be deemed to own by virtue of the attribution provisions of the Internal Revenue Code, more than 9.8 percent (the "Ownership Limit") of the value of the issued and outstanding shares of capital stock. Our board of directors may exempt a person from the Ownership Limit if evidence satisfactory to the board of directors or our tax counsel is presented that such ownership will not then or in the future jeopardize our status as a REIT. As a condition of such exemption, the intended transferee must give us written notice of the proposed transfer and must furnish such opinions of counsel, affidavits, undertakings, agreements and information as may be required by the board of directors no later than the 15th day prior to any transfer which, if consummated, would result in the intended transferee having the direct or beneficial ownership of shares in excess of the Ownership Limit. The foregoing restrictions on transferability and ownership will not apply if the board of directors determines that it is no longer in our best interests to continue to qualify as a REIT. Any transfer of securities that would: (1) create a direct or indirect ownership of shares of stock in excess of the Ownership Limit; (2) result in the shares of stock being owned by fewer than 100 persons; or (3) result in us being "closely held" within the

meaning of Section 856(h) of the Internal Revenue Code, will be null and void, and the transferor will be deemed not to have transferred the shares.

All certificates representing shares of common stock will bear a legend referring to the restrictions described above.

Every owner of more than five percent (or such lower percentage as required by the Internal Revenue Code or its regulations) of the issued and outstanding shares of capital stock must file a written notice with us containing the information specified in the charter no later than January 31 of each year. In addition, every shareholder will upon demand be required to disclose in writing such information as we may request in order to determine the effect of such shareholder's direct, indirect and constructive ownership of such shares on our status as a REIT.

The foregoing ownership limitations may have the effect of precluding acquisition of control of us without the consent of the board of directors.

### LEGAL MATTERS

Our counsel, Pryor Cashman Sherman & Flynn LLP, New York, New York, issued an opinion to us regarding certain legal matters in connection with this offering, including the validity of the issuance of the shares of common stock offered by this prospectus.

### EXPERTS

The consolidated financial statements and financial statement schedule incorporated in this prospectus by reference to our Annual Report on Form 10-K for the year ended December 31, 2002 have been so incorporated in reliance on the report of PricewaterhouseCoopers LLP, independent accountants, given on the authority of said firm as experts in auditing and accounting.

**We have not authorized any dealer, salesperson or any other person to give any information or to make any representations other than those contained in this prospectus in connection with the offer made by this prospectus and, if given or made, you must not rely upon such information or representations as having been authorized by us or the selling shareholders. This prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, the securities offered by this prospectus in any jurisdiction in which such offer or solicitation is not authorized, or to any person to whom it is unlawful to make such offer or solicitation. Neither the delivery of this prospectus nor any sale made under this prospectus will, under any circumstances, create any implication that the information contained in this prospectus is correct as of any time after the date of this prospectus.**

259,019 Shares

# MACK-CALI REALTY CORPORATION

## Common Stock

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PROSPECTUS

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July 10, 2003

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### PART II INFORMATION REQUIRED IN THE REGISTRATION STATEMENT

#### Item 3. Incorporation of Documents By Reference.

We hereby incorporate by reference in this registration statement the following documents:

- (a) Our Annual Report on Form 10-K (File No. 1-13274) for the fiscal year ended December 31, 2002;
- (b) Our Quarterly Report on Form 10-Q (File No. 1-13274) for the fiscal quarter ended March 31, 2003;
- (c) Our Current Reports on Form 8-K (File Nos. 1-13274) dated January 2, 2003, March 14, 2003 and June 12, 2003;
- (d) Our Proxy Statement relating to our Annual Meeting of Stockholders held on May 13, 2003; and
- (e) The description of our common stock and the description of certain provisions of the laws of the State of Maryland and our charter and bylaws, contained in our Articles of Restatement dated June 11, 2001, filed as Exhibit 3.1 to our Quarterly Report on Form 10-Q dated June 30, 2001, and our Amended and Restated Bylaws dated June 10, 1999, as subsequently amended, filed as Exhibit 3.2 to our Current Report on Form 8-K dated June 10, 1999, and any amendments or reports filed for the purpose of updating such description.

The information we incorporate by reference is considered to be part of this prospectus and information that we file later with the Securities and Exchange Commission automatically will update and supersede such information. We incorporate by reference the documents listed above and any future filings we make with the Securities and Exchange Commission under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended.

#### Item 4. Description of Securities.

Not applicable.

#### Item 5. Interests of Named Experts and Counsel.

Not applicable.

#### Item 6. Indemnification of Directors and Officers.

Our officers and directors are indemnified under Maryland law, our charter and the Second Amended and Restated Agreement of Limited Partnership of Mack-Cali Realty, L.P., as amended (the "Partnership Agreement of Mack-Cali Realty, L.P."), against certain liabilities. Our charter authorizes us, and our bylaws require us to indemnify our directors and officers to the fullest extent permitted from time to time by the laws of the State of Maryland.

The Maryland General Corporation Law ("MGCL") permits a corporation to indemnify its directors and officers, among others, against judgments, penalties, fines, settlements and reasonable expenses actually incurred by them in connection with any proceeding to which they may be made a party by reason of their service in those capacities unless it is established that the act or omission of the director or officer was material to the matter giving rise to the proceeding and was committed in bad faith or was the result of active and deliberate dishonesty, or the director or officer actually received an improper personal benefit in money, property or services, or in the case of any criminal proceeding, the director or officer had reasonable cause to believe that the act or omission was unlawful, or the director or officer was adjudged to be liable to the corporation for the act or omission.

No amendment of our charter shall limit or eliminate the right to indemnification provided with respect to acts or omissions occurring prior to such amendment or repeal. Maryland law permits us to provide indemnification to an officer to the same extent as a director, although additional indemnification may be provided if such officer is not also a director.

The MGCL permits the charter of a Maryland corporation to include a provision limiting the liability of its directors and officers to the corporation and its stockholders for money damages, with specified exceptions. The MGCL does not, however, permit the liability of directors and officers to the corporation or its stockholders to be limited to the



extent that (1) it is proved that the person actually received an improper benefit or profit in money, property or services (to the extent such benefit or profit was received) or (2) a judgment or other final adjudication adverse to such person is entered in a proceeding based on a finding that the person's action, or failure to act, was the result of active and deliberate dishonesty and was material to the cause of action adjudicated in the proceeding. Our charter contains a provision consistent with the MGCL. No amendment of our charter shall limit or eliminate the limitation of liability with respect to acts or omissions occurring prior to such amendment or repeal.

The Partnership Agreement of Mack-Cali Realty, L.P. also provides for indemnification of us and our officers and directors to the same extent indemnification is provided to our officers and directors in our charter, and limits the liability of us and our officers and directors to Mack-Cali Realty, L.P. and its partners to the same extent liability of our officers and directors to our stockholders is limited under our charter.

In addition, the Delaware Revised Limited Partnership Act provides that a limited partner has the power to indemnify and hold harmless any partner or other person from and against any and all claims and demands whatsoever, subject to such standards and restrictions, if any, as are set forth in its partnership agreement.

We have entered into indemnification agreements with each of our directors and officers. The indemnification agreements require, among other things, that we indemnify our directors and officers to the fullest extent permitted by law, and advance to the directors and officers all related expenses, subject to reimbursement if it is subsequently determined that indemnification is not permitted. We also must indemnify and advance all expenses incurred by directors and officers seeking to enforce their rights under the indemnification agreements, and cover directors and officers under our directors' and officers' liability insurance. Although the form of indemnification agreement offers substantially the same scope of coverage afforded by provisions of our charter and bylaws and the Partnership Agreement of Mack-Cali Realty, L.P., it provides greater assurance to directors and officers that indemnification will be available, because, as a contract, it cannot be modified unilaterally in the future by the board of directors or by the stockholders to eliminate the rights it provides.

#### **Item 7. Exemption From Registration Claimed.**

Not applicable

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#### **Item 8. Exhibits.**

- 4.1\* Form of Common Stock Certificate (filed as Exhibit 4.1 to our Registration Statement on Form S-3 filed with the Securities and Exchange Commission on January 16, 1998 and incorporated herein by reference).
- 5.1\* Opinion of Pryor Cashman Sherman & Flynn LLP.
- 10.1\* 2000 Employee Stock Option Plan (filed as Exhibit 10.1 to our Registration Statement on Form S-8, Registration Number 333-52478, as amended by the First Amendment to the 2000 Employee Stock Option Plan filed as Exhibit 10.17 to our Quarterly Report on Form 10-Q for the quarter ended June 30, 2002, each incorporated herein by reference).
- 10.2 Amended and Restated 2000 Director Stock Option Plan.
- 23.1 Consent of Pryor Cashman Sherman & Flynn LLP.
- 23.2 Consent of PricewaterhouseCoopers LLP.
- 24.1 Power of Attorney (included on signature page).

\* previously filed or incorporated by reference herein.

#### **Item 9. Undertakings.**

We, the undersigned registrant, hereby undertake:

- (1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement to include any material information with respect to the plan of distribution not previously disclosed in this registration statement or any material change to such information in this registration statement.
- (2) That, for the purpose of determining any liability under the Securities Act of 1933, as amended, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered herein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.
- (3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

We hereby further undertake that, for the purposes of determining any liability under the Securities Act of 1933, as amended, each filing of our annual reports pursuant to Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934, as amended, that is incorporated by reference in this registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

We hereby further undertake to deliver or cause to be delivered with the prospectus, to each person to whom the prospectus is sent or given, the latest annual report, to security holders that is incorporated by reference in the prospectus and furnished pursuant to and meeting the requirements of Rule 14a-3 or Rule 14c-3 under the Securities Exchange Act of 1934, as amended; and, where interim financial information that is required to be presented by Article 3 of Regulation S-X is not set forth in the prospectus, to deliver, or cause to be delivered to each person to whom the prospectus is sent or given, the latest quarterly report that is specifically incorporated by reference in the prospectus to provide the interim financial information.

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/s/ ROGER W. THOMAS\*

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Earle I. Mack

Director

July 10, 2003

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/s/ ROGER W. THOMAS\*

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Alan G. Philibosian

Director

July 10, 2003

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/s/ ROGER W. THOMAS\*

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Irvin D. Reid

Director

July 10, 2003

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/s/ ROGER W. THOMAS\*

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Vincent Tese

Director

July 10, 2003

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/s/ ROGER W. THOMAS\*

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Roy J. Zuckerberg

Director

July 10, 2003

\*attorney-in-fact

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**INDEX TO EXHIBITS**

<b>Exhibit No.</b>	<b>Description of Exhibit</b>
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**AMENDED AND RESTATED  
2000 DIRECTOR STOCK OPTION PLAN**

**SECTION 1. PURPOSE.**

The purpose of the Amended and Restated 2000 Director Stock Option Plan (the "Plan") is to advance and promote the interests of Mack-Cali Realty Corporation (the "Corporation") and its Subsidiaries by providing non-employee members of the Board of Directors of the Corporation or its Subsidiaries, if so designated, and non-employee members of the Advisory Board of the Corporation with an incentive to achieve corporate objectives, to attract and retain non-employee directors and Advisory Board members of outstanding competence and to provide such individuals with an equity interest in the Corporation through the acquisition of Common Stock and by providing for payments to such individuals based on the appreciation in value or value of such Common Stock. The Plan is intended to be construed as an employee benefit plan that satisfies the requirements for exemption from the restrictions of Section 16(b) of the Securities Exchange Act of 1934, as amended, pursuant to the applicable rules promulgated thereunder.

**SECTION 2. DEFINITIONS.**

The following definitions are applicable to the Plan:

**2.1 ADVISORY BOARD.**

"Advisory Board" shall mean the Advisory Board of the Corporation which was established in December 1997.

**2.2 AWARD.**

"Award" means Options, Restricted Stock, Stock Appreciation Rights (SARs) or any combination thereof granted under the Plan.

**2.3 AWARD AGREEMENT.**

"Award Agreement" means the written agreement by which an Award shall be evidenced.

**2.4 BENEFICIARY.**

"Beneficiary" means the beneficiary or beneficiaries designated by a Participant in accordance with Section 10.8 hereof to receive the amount, if any, payable under the Plan upon the death of such Participant.

**2.5 BOARD.**

"Board" means the Board of Directors of the Corporation.

**2.6 CAUSE.**

"Cause" means termination for fraud or willful misconduct as determined by the Committee or the Board.

**2.7 CHANGE IN CONTROL.**

"Change in Control" means that any of the following events has occurred:

- (i) any "person" or "group" of persons, as such terms are used in Sections 13 and 14 of the Exchange Act, other than the Corporation, any of its Subsidiaries, or any employee benefit plan sponsored by the Corporation or any of its Subsidiaries, becomes the "beneficial owner" (as such term is defined in Rule 13d-3 under the Exchange Act) of thirty percent (30%) or more of the Common Stock issued and outstanding immediately prior to such acquisition;
- (ii) any Common Stock is purchased pursuant to a tender or exchange offer other than an offer by the Corporation; or
- (iii) the dissolution or liquidation of the Corporation or the consummation of any merger or consolidation of the Corporation or any sale or other disposition of all or substantially all of its assets, if the stockholders of the Corporation immediately before such transaction own, immediately after consummation of such transaction, equity securities (other than options and other rights to acquire equity securities) possessing less than thirty percent (30%) of the voting power of the surviving or acquiring corporation.

provided, however, that notwithstanding anything in the Plan to the contrary, no Change in Control shall be deemed to have occurred and no rights arising upon a Change in Control described in Sections 7.3(e), 8.6 and 9.5 hereof shall exist unless on a Plan wide basis, the Board directs to the contrary by resolution adopted prior to the Change in Control. Any resolution of the Board adopted in accordance with the provisions of this Section directing that this Section and Sections 7.3(e), 8.6 and 9.5 hereof or any of such Sections become ineffective may be rescinded or countermanded at any time with or without retroactive effect by such Board.

**2.8 CODE.**

"Code" means the Internal Revenue Code of 1986, as amended from time to time.

**2.9 COMMITTEE.**

"Committee" means the committee appointed pursuant to Section 3 hereof or if no such Committee is appointed, the Board.

**2.10 COMMON STOCK.**

"Common Stock" means the common stock, \$.01 par value per share, of the Corporation.

## **2.11 CORPORATION.**

"Corporation" means Mack-Cali Realty Corporation.

## **2.12 DISABILITY.**

"Disability" means a mental or physical condition rendering a Participant unable to perform his or her regular duties as determined by the Committee or the Board.

## **2.13 DISCRETIONARY OPTION.**

"Discretionary Option" means a Non-qualified Stock Option granted pursuant to Section 7.2 hereof.

## **2.14 EFFECTIVE DATE.**

"Effective Date" means March 24, 2003, subject to stockholder approval.

## **2.15 ELIGIBLE ADVISORY BOARD MEMBERS.**

"Eligible Advisory Board Members" means any non-employee members of the Advisory Board.

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## **2.16 ELIGIBLE DIRECTORS.**

"Eligible Directors" means any non-employee members of the Board. In addition, Eligible Director shall include any non-employee members of the Board of Directors of a Subsidiary of the Company, if and only if, and only to the extent, such Board of Directors is designated by the Board as eligible to participate in the Plan.

## **2.17 ELIGIBLE INDIVIDUAL.**

"Eligible Individual" means any Eligible Director or an Eligible Advisory Board Member.

## **2.18 EXCHANGE ACT.**

"Exchange Act" means the Securities Exchange Act of 1934, as amended. References to a particular section of, or rule under the Exchange Act include references to successor provisions.

## **2.19 FAIR MARKET VALUE.**

"Fair Market Value" means the fair market value of the Common Stock based upon the closing price of a Share as quoted on the New York Stock Exchange at the end of the last business day preceding the Grant Date or other date of determination.

## **2.20 INCENTIVE STOCK OPTION.**

"Incentive Stock Option" means an option to purchase Common Stock that satisfies the requirements of Section 422 of the Code.

## **2.21 IMMEDIATE FAMILY.**

"Immediate Family" means, with respect to a particular Participant, the Participant's spouse, children and grandchildren.

## **2.22 MATURE SHARES.**

"Mature Shares" means Shares for which the holder thereof has good title, free and clear of all liens and encumbrances, and which such holder either (i) has held for at least six (6) months or (ii) has purchased from the open market.

## **2.23 NON-DISCRETIONARY OPTION.**

"Non-Discretionary Option" means a Non-qualified Stock Option granted pursuant to Section 7.1 hereof.

## **2.24 NON-QUALIFIED STOCK OPTION.**

"Non-qualified Stock Option" means an option to purchase Common Stock that does not qualify as an Incentive Stock Option.

## **2.25 OPTION.**

"Option" means a Discretionary Option or Non-Discretionary Option granted under the Plan. All Options granted under this Plan shall be Non-qualified Stock Options.

## **2.26 OPTION PRICE.**

"Option Price" means the purchase price per Share of an Option.

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## **2.27 OPTION TERM.**

"Option Term" means the period beginning on the Grant Date of an Option and ending on the expiration date of such Option, as specified in the Award Agreement for such Option and as may, in the discretion of the Committee, and consistent with the provisions of the Plan, be extended from time to time.

## **2.28 PARTICIPANT.**

"Participant" means an Eligible Director or Eligible Advisory Board Member who has been granted an Award or a Permitted Transferee.

## **2.29 PERMITTED TRANSFEREE.**

"Permitted Transferee" means a person to whom an Award may be transferred or assigned in accordance with Section 10.8 hereof.

## **2.30 PLAN.**

"Plan" means this Amended and Restated 2000 Director Stock Option Plan, as the same may be amended from time to time.

## **2.31 RESTRICTED STOCK.**

"Restricted Stock" means Shares that are subject to forfeiture if the Participant does not satisfy the Restrictions specified in the Award Agreement applicable to such Restricted Stock.

## **2.32 RESTRICTED PERIOD.**

"Restricted Period" means the period of time Restricted Stock is subject to the Restrictions specified in the Award Agreement applicable to such Restricted Stock.

## **2.33 RESTRICTIONS.**

"Restrictions" means those restrictions and conditions placed upon Restricted Stock as determined by the Board in accordance with Section 9.2 hereof.

## **2.34 RETIREMENT.**

"Retirement" means separation from service as a director or member of the Advisory Board on or after age 65 or at such other time as the Board may designate.

## **2.35 RULE 16B-3.**

"Rule 16b-3" means Rule 16b-3 of the SEC under the Exchange Act, as amended from time to time, together with any successor rule.

## **2.36 SEC.**

"SEC" means the Securities and Exchange Commission.

## **2.37 SECTION 16 PARTICIPANT.**

"Section 16 Participant" means a Participant who is subject to potential liability under Section 16(b) of the Exchange Act with respect to transactions involving equity securities of the Corporation.

## **2.38 SHARE.**

"Share" means a share of Common Stock.

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## **2.39 STOCK APPRECIATION RIGHT or SAR.**

"Stock Appreciation Right" or "SAR" means a right granted under the Plan, in connection with an Option or separately, to receive the appreciation in value of Shares.

## **2.40 SUBSIDIARY.**

"Subsidiary" means a corporation or other entity with respect which the Corporation (i) owns, directly or indirectly, fifty percent (50%) or more of the then outstanding common stock in any corporation or (ii) has a fifty percent (50%) or more ownership interest in any other entity.

## **SECTION 3. ADMINISTRATION.**

The Plan shall be administered by a committee (the "Committee"), which shall consist of two or more directors of the Corporation, all of whom qualify as "Non-Employee Directors" as defined in Rule 16b-3. The number of members of the Committee shall from time to time be increased or decreased, and shall be subject to such conditions, in each case as the Board deems appropriate to permit transactions in Shares pursuant to the Plan to satisfy such conditions of Rule 16b-3 as then in effect. In the event that the Executive Compensation and Option Committee of the Board (the "Compensation Committee") meets the requirements set forth in this Section 3 hereof, such Compensation Committee shall be the Committee hereunder unless otherwise determined by the Board.

A majority of the members of the Committee shall constitute a quorum. The Committee may act at a meeting, including a telephonic meeting, by action of a majority of the members present, or without a meeting by unanimous written consent.

Subject to the express provisions of the Plan, the Committee shall have full and final authority and discretion as follows:

- (i) to select the Participants from Eligible Individuals entitled to receive Awards (other than Non-Discretionary Options pursuant to Section 7.1 hereof);
- (ii) to grant Discretionary Options and/or Restricted Stock to Participants in such combination and in such amounts as it shall determine, and to determine the terms and conditions applicable to each such Award, including the benefit payable under any SAR, and whether or not specific Awards shall be identifiable with other specific Awards, and if so whether they shall be exercisable cumulatively with, or alternatively to, such other specific Award;
- (iii) to determine the amount, if any, that a Participant shall pay for Restricted Stock, the nature of the Restrictions applicable to the Restricted Stock, and the duration of the Restricted Period applicable to the Restricted Stock;
- (iv) to determine the actual amount earned by each Participant with respect to such Awards, the terms and conditions of all Award Agreements (which need not be identical) and with the consent of the Participant, to amend any such Award Agreement at any time, among other things, to permit transfers of such Awards to the extent permitted by the Plan, except that consent of the Participant shall not be required for any amendment which (A) does not adversely affect the rights of the Participant or (B) is necessary or advisable (as determined by the Committee) to carry out the purpose of the Award as a result of any change in applicable law; provided, however, that the Committee shall not have the authority and discretion to re-price any Award;
- (v) to determine the number of Shares to be covered by an Option and the time or times when and the manner in which each Option shall be exercisable;

(vi) to grant a SAR in connection with the grant of an Option or separately;

(vii) to accelerate the exercisability (including exercisability within a period of less than one year after the Grant Date) of, and to accelerate or waive any or all of the terms and conditions applicable to, any Award or any group of Awards for any reason and at any time, including in connection with a termination of service (other than for Cause);

(viii) subject to the provisions of the Plan, to extend the time during which any Award or group of Awards may be exercised;

(ix) to interpret the Plan and make all determinations necessary or advisable for the administration of the Plan including the establishment, amendment or revocation from time to time of guidelines or regulations for the administration of the Plan, to cause appropriate records to be established, and to make all determinations and take all other actions considered necessary or advisable for the administration of the Plan; and

(x) to take any other action with respect to any matters relating to the Plan for which it is responsible.

All decisions, actions or interpretations of the Committee on all matters relating to the Plan or any Award Agreement shall be final, binding and conclusive upon all parties. No member of the Committee shall be liable for any action or determination made in good faith with respect to the Plan or any Award.

#### **SECTION 4. PARTICIPATION/SERVICE.**

##### **4.1 NON-DISCRETIONARY OPTIONS.**

All Eligible Directors shall automatically be eligible to receive Non-Discretionary Options under the Plan.

##### **4.2 DISCRETIONARY OPTIONS AND OTHER AWARDS.**

The Committee, may, in its discretion grant Discretionary Options and other Awards to any Eligible Individual, whether or not he or she has previously received an Award. Participation in the Plan (other than with respect to Non-Discretionary Options) shall be limited to those Eligible Individuals who have received written notification from the Committee, or from a person designated by the Committee, that they have been selected to participate in the Plan. No such Eligible Individuals shall at any time have the right to receive a Discretionary Option or other Award (other than a Non-Discretionary Option) unless selected by the Committee pursuant to the Plan. No Participant, having been granted an Award, shall have the right to an additional Award in the future unless such Award is granted by the Committee.

##### **4.3 TRANSFER OF SERVICE FROM BOARD TO ADVISORY BOARD OR VICE VERSA.**

For purposes of determining the exercise period and vesting of Awards granted hereunder, (i) a Participant who resigns as a member of the Board in order to become a member of the Advisory Board shall be deemed during his or her period of service as a member of the Advisory Board to be a continuing member of the Board and (ii) a Participant who resigns as a member of the Advisory Board in order to become a member of the Board shall be deemed during his or her period of service as a member of the Board to be a continuing member of the Advisory Board.

#### **SECTION 5. MAXIMUM NUMBER OF SHARES AVAILABLE FOR AWARDS.**

Subject to adjustment in accordance with Section 10.2 hereof, the maximum number of Shares for which grants under the Plan shall be available is 350,000. In addition, the Committee shall have the authority, in its sole discretion, to grant additional Options to a Participant who exercises an Option and pays the exercise price in Common Stock, in a quantity equal to the number of Common Stock delivered to the Corporation upon such exercise. In the event any Awards granted under the Plan shall be forfeited, terminate or expire, the number of Shares subject to such Award, to the extent of any

such forfeiture, termination or expiration, shall thereafter again be available for grant under the Plan. The Common Stock distributed under the Plan may be authorized and unissued shares, shares held in the treasury of the Corporation, or shares purchased on the open market by the Corporation (at such time or times and in such manner as it may determine). The Corporation shall be under no obligation to acquire Common Stock for distribution to Participants before such Common Stock is due and distributable.

#### **SECTION 6. GENERAL CONDITIONS TO GRANTS.**

The Grant Date of a Non-Discretionary Option shall be the date on which the Eligible Director is initially elected or appointed to the Board and the Grant Date of a Discretionary Option or any other Award (other than a Non-Discretionary Option) shall be the date on which the Committee grants the Award or such later date as specified in advance by the Committee. All Awards shall be evidenced by an Award Agreement and any terms and conditions of an Award not set forth in the Plan shall be set forth in the Award Agreement related to that Award.

#### **SECTION 7. OPTIONS.**

##### **7.1 GRANT OF NON-DISCRETIONARY OPTIONS.**

Each Eligible Director shall be granted, upon his or her initial election or appointment to the Board, a Non-qualified Stock Option to purchase 5,000 Shares (a "Non-Discretionary Option"). The grant of a Non-Discretionary Option shall not be subject to the discretion of the Committee.

##### **7.2 GRANT OF DISCRETIONARY OPTIONS.**

Subject to the provisions of the Plan, the Committee shall determine and designate from time to time those Eligible Individuals to whom Discretionary Options shall be granted and the number of Shares to be granted to each such Eligible Individual. In determining the Eligible Individuals who will be granted Discretionary Options under the Plan, the Committee may consider such individuals' responsibilities, service, present and future value to the Corporation or any Subsidiary and other factors it considers relevant. A Discretionary Option or other Award granted under this Section 7.2 may be in addition to the Non-Discretionary Option granted to an Eligible Director pursuant to Section 7.1 hereof.

##### **7.3 TERMS AND CONDITIONS OF OPTIONS.**

Except as otherwise provided in an Award Agreement, each Option shall be subject to the following express terms and conditions and to such other terms and conditions as the Committee may deem appropriate as set forth in the Award Agreement.

(a) **OPTION TERM.** Each Option shall expire on the tenth (10th) anniversary of the Grant Date or such earlier period specified in the Participant's Award Agreement. The Committee may extend such Option Term; provided, however, that the Option Term, including any such extensions, shall not exceed ten

(10) years.

- (b) **OPTION PRICE.** The Option Price of each Share underlying a Discretionary Option shall be determined by the Committee no later than the Grant Date of such Discretionary Option. The Option Price of each Share underlying a Non-Discretionary Option shall be the Fair Market Value of a Share on the Grant Date of such Non-Discretionary Option.
- (c) **EXERCISE OF OPTION.** No part of any Option may be exercised until the Participant shall have remained a member of the Board or Advisory Board, as the case may be, for the periods set forth below:
  - (i) *Non-Discretionary Options.* One year from the Grant Date.
  - (ii) *Discretionary Options And Other Awards.* The period, if any, determined by the Committee in its sole discretion.

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- (d) **PAYMENT OF PURCHASE PRICE UPON EXERCISE.** The purchase price as to which an Option shall be exercised shall be paid to the Corporation at the time of exercise either (i) in cash, certified check or wire transfer, (ii) in such other consideration as the Committee deems appropriate, including, but not limited to, loans from a third party, (iii) subject to the approval of the Committee, in Mature Shares already owned by the Participant having a total fair market value, as determined by the Committee, equal to the purchase price, or a combination of cash and Mature Shares having a total fair market value, as so determined, equal to the purchase price, (iv) subject to the approval of the Committee, in its sole discretion, by delivering a properly executed exercise notice in a form approved by the Committee, together with an irrevocable notice of exercise and irrevocable instructions to a broker to promptly deliver to the Corporation the amount of applicable sale sufficient to pay the purchase price for such Shares, together with the amount of federal, state and local withholding taxes payable by Participant by reason of such exercise, or (v) a combination of the foregoing.
  - (e) **EXERCISE IN THE EVENT OF DEATH, DISABILITY, RETIREMENT OR OTHER TERMINATION OF SERVICE OR A CHANGE IN CONTROL.** Subject to Section 4.3 hereof, the following provisions shall apply upon termination of a Participant's service as a member of the Board or Advisory Board:
    - (i) *Upon Termination Due To Death, Disability Or Retirement.* If Participant's service as a member of the Board or the Advisory Board shall terminate because of his or her death, Disability or Retirement, the Participant, Beneficiary or legal representative shall have the right to exercise all Options regardless of whether such Options are vested, at any time and from time to time, but not later than (x) one year following the date of death or Disability, (ii) one year following the date of Retirement, or (iii) the expiration date specified pursuant to Section 7.3(a) hereof, whichever is earlier.
    - (ii) *Upon Termination For Any Reason Other Than Due To Death, Disability, Retirement Or For Cause* If a Participant's service as a member of the Board or Advisory Board shall terminate for any reason other than due to the Participant's death, Disability, Retirement or termination for Cause, such Participant shall have the right to exercise his or her Options, to the extent that such Participant shall have been entitled to do so on the date of such termination, at any time and from time to time, but not later than (i) on the expiration date specified pursuant to Section 7.3(a) hereof or (ii) three (3) months after the date of such termination of service, whichever date is earlier and the portion of any Option granted hereunder that is not vested and exercisable as of the date of such termination of service shall automatically expire and be forfeited as of the date of such termination of service.
    - (iii) *Upon Termination For Cause.* If a Participant's service as a member of the Board or Advisory Board shall terminate for Cause, all Options regardless of whether such Options are vested or not shall be forfeited and canceled on the date of such termination.
    - (iv) *Upon A Change In Control.* In the event a Participant's service shall terminate on or within six (6) months following a Change in Control, the vesting of all Options granted under the Plan which the Participant shall not then have been entitled to exercise shall be accelerated as of the date of such termination and the Participant may exercise all such Options at any time, or from time to time, but not later than (x) the expiration date specified pursuant to Section 7.3(a) hereof or (y) three (3) months after such termination, whichever is earlier.
  - (f) **PARTICIPANTS TO HAVE NO RIGHTS AS STOCKHOLDERS.** No Participant shall have any rights as a stockholder with respect to any Common Stock subject to his or her Option prior to the date of issuance to him or her of such Common Stock.
  - (g) **INVESTMENT REPRESENTATION.** Each Award Agreement for an Option shall provide that, upon demand by the Committee for such a representation, the Participant (or any person

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acting under Section 7.3(e) hereof) shall deliver to the Committee, at the time of any exercise of an Option or portion thereof, a written representation that the Shares to be acquired upon such exercise are to be acquired for investment and not for resale or with a view to the distribution thereof. Upon such demand, delivery of such representation prior to the delivery of any Common Stock issued upon exercise of an Option and prior to the expiration of the Option Term shall be a condition precedent to the right of the Participant or such other person to purchase any Common Stock. In the event certificates for Common Stock are delivered under the Plan with respect to which such an investment representation has been obtained, the Committee may cause a legend or legends to be placed on certificates to make appropriate reference to such representations and to restrict transfer in the absence of compliance with applicable federal or state securities laws.

- (h) **OTHER OPTION PROVISIONS.** The Committee may require a Participant to agree, as a condition to receiving an Option under the Plan, that part or all of any Options previously granted to such Participant under the Plan or any prior plan of the Corporation be terminated.

#### 7.4 EXERCISE OF OPTIONS.

An Option shall be exercised by the delivery to the Corporation during the Option Term of (x) written notice of intent to purchase a specific number of Shares subject to the Option and (y) payment in full of the Option Price of such specific number of Shares.

### SECTION 8. STOCK APPRECIATION RIGHTS.

#### 8.1 AWARD OF STOCK APPRECIATION RIGHTS.

Subject to the provisions of the Plan, the Committee shall determine and designate from time to time those Eligible Individuals to whom SARs shall be granted and the number of Shares to be granted to each such Eligible Individual. When granted SARs may, but need not, be identified with a specific Option (including any Option granted on or before the Grant Date of the SARs) in a number equal to or different from the number of SARs so granted. If SARs are identified with Shares subject to an Option, then, unless otherwise provided in the applicable Award Agreement, the Participant's associated SARs shall terminate upon (x) the expiration, termination, forfeiture or cancellation of such Option, or (y) the exercise of such Option.



## 8.2 STRIKE PRICE.

The strike price ("Strike Price") of any SAR shall equal, for any SAR that is identified with an Option, the Option Price of such Option, or for any other SAR, 100% of the Fair Market Value of a Share on the Grant Date of such SAR; except that the Committee may (x) specify a higher Strike Price in the Award Agreement or (y) provide that the benefit payable upon exercise of any SAR shall not exceed a percentage of Fair Market Value of a Share on such Grant Date as the Committee shall specify.

## 8.3 VESTING OF SARS.

Unless otherwise specified in the applicable Award Agreement or in the Participant's employment or other agreement with the Corporation or any Subsidiary, (x) each SAR not identified with any other Award shall become exercisable on the first anniversary of the Grant Date of such SAR or in such other amounts and over such other time period as may be determined by the Committee and (y) each SAR which is identified with any other Award shall become exercisable as and to the extent that the Option with which such SAR is identified may be exercised.

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## 8.4 EXERCISE OF SARS.

SARs shall be exercised by delivery to the Corporation of written notice of intent to exercise a specific number of SARs. Unless otherwise provided in the applicable Award Agreement, the exercise of SARs which are identified with Shares subject to an Option shall result in the cancellation or forfeiture of such Option, to the extent of such exercise and any such Shares so canceled or forfeited shall not thereafter again become available for grant under the Plan. The benefit for each SAR shall be equal to (x) the Fair Market Value of the Share on the date of such exercise, minus (y) the Strike Price of such SAR. Such benefit shall be payable in cash (subject to applicable withholding), except that the Committee may provide in the applicable Award Agreement that benefits may be paid wholly or partly in Shares.

## 8.5 NO RIGHTS AS STOCKHOLDERS.

No Participant shall have any rights as a stockholder with respect to any Common Stock subject to his or her SAR.

## 8.6 EXERCISE IN THE EVENT OF TERMINATION OF SERVICE OR CHANGE IN CONTROL.

Unless otherwise provided in an Award Agreement, the following provisions shall apply upon termination of a Participant's service as a member of the Board or Advisory Board:

- (i) *Upon Termination Due To Death, Disability Or Retirement.* If Participant's service as a member of the Board or the Advisory Board shall terminate because of his or her death, Disability or Retirement, the Participant, Beneficiary or legal representative shall have the right to exercise all SARs regardless of whether such SARs are vested, at any time and from time to time, but not later than (x) one year following the date of death or Disability, (ii) one year following the date of Retirement, or (iii) the expiration date specified in the Award Agreement, whichever is earlier.
- (ii) *Upon Termination For Any Reason Other Than Due To Death, Disability, Retirement Or For Cause.* If a Participant's service as a member of the Board or Advisory Board shall terminate for any reason other than due to the Participant's death, Disability, Retirement or termination for Cause, such Participant shall have the right to exercise his or her SARs, to the extent that such Participant shall have been entitled to do so on the date of such termination, at any time and from time to time, but not later than (i) on the expiration date specified in the Award Agreement or (ii) three (3) months after the date of such termination of service, whichever date is earlier and the portion of any SAR granted hereunder that is not vested and exercisable as of the date of such termination of service shall automatically expire and be forfeited as of the date of such termination of service.
- (iii) *Upon Termination For Cause.* If a Participant's service as a member of the Board or Advisory Board shall terminate for Cause, all SARs regardless of whether such SARs are vested or not shall be forfeited and canceled on the date of such termination.
- (iv) *Upon A Change In Control.* In the event a Participant's service shall terminate on or within six (6) months following a Change in Control, the vesting of all SARs granted under the Plan which the Participant shall not then have been entitled to exercise shall be accelerated as of the date of such termination and the Participant may exercise all such SARs at any time, or from time to time, but not later than (x) the expiration date specified in the Award Agreement or (y) three (3) months after such termination, whichever is earlier.

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## SECTION 9. RESTRICTED STOCK.

### 9.1 AWARDS OF RESTRICTED STOCK.

Restricted Stock awarded under this Plan shall be subject to certain Restrictions as provided below. All Restrictions imposed on any such Award of Restricted Stock shall be made by and at the discretion of the Committee, subject to the provisions of the Plan, and are binding on the Corporation and the Participants, their Beneficiaries and legal representatives.

### 9.2 RESTRICTED PERIOD/RESTRICTIONS.

At the time each Award of Restricted Stock is granted, the Committee (i) shall establish a Restricted Period within which Restricted Stock awarded to the Participants may not be sold, assigned, transferred, made subject to gift, or otherwise disposed of, mortgaged, pledged or otherwise encumbered, if any and (ii) may impose such other Restrictions on any Restricted Stock as it may deem advisable.

### 9.3 RIGHTS AS STOCKHOLDERS.

Except for the conditions outlined in Section 9.2 hereof, and the forfeiture conditions described in Section 9.5 hereof, each Participant shall have all rights of a holder of Common Stock, including the right to receive all dividends or other distributions made or paid in respect of such Shares and the right to vote such Shares at regular or special meetings of the stockholders of the Corporation.

### 9.4 DELIVERY OF SHARES.

The certificates for any Restricted Stock awarded to an Eligible Individual under the Plan shall be held (together with a stock power executed in blank by the Eligible Individual) in escrow by the Secretary of the Corporation under the Participant's name in an account maintained by the Corporation until such Shares of Restricted Stock become nonforfeitable or are forfeited. At the conclusion of the Restricted Period or the expiration or attainment of such other Restrictions imposed on any Restricted Stock granted to a Participant, or upon the prior approval of the Committee as described in Section 9.5 hereof, and subject to the satisfaction of the Corporation's withholding obligations described in Section 10.7 hereof, certificates representing such Shares of Restricted Stock shall be delivered to the Participant, or the Beneficiary or legal representative of the Participant, free of the Restrictions set forth in the Award Agreement pursuant to Section 9.2 hereof.

## 9.5 EXERCISE IN THE EVENT OF TERMINATION OF SERVICE OR CHANGE IN CONTROL.

Unless otherwise provided in an Award Agreement, the following provisions shall apply upon termination of a Participant's service as a member of the Board or Advisory Board:

- (i) *Upon Termination Due To Death, Disability Or Retirement.* If Participant's service as a member of the Board or the Advisory Board shall terminate because of his or her death, Disability or Retirement, the Participant, all Restricted Periods shall end, the Restricted Period or other Restrictions applicable to all previously granted Awards of Restricted Stock shall end or lapse, as the case may be, and such Shares shall be released and certificates representing such Shares of Restricted Stock shall be delivered to the Participants free from such Restrictions as soon as practicable following such termination of service.
  - (ii) *Upon Termination For Any Reason Other Than Due To Death, Disability, Retirement Or For Cause.* If a Participant's service as a member of the Board or Advisory Board shall terminate for any reason other than due to the Participant's death, Disability, Retirement or termination for Cause, all Restricted Stock awarded under the Plan which are then subject to a Restricted Period or other Restrictions shall be forfeited and become property of the Corporation on the date of such termination of service.
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- (iii) *Upon Termination For Cause.* If a Participant's service as a member of the Board or Advisory Board shall terminate for Cause, all Restricted Stock awarded under the Plan which are then subject to a Restricted Period or other Restrictions shall be forfeited and become property of the Corporation on the date of such termination of service.
  - (iv) *Upon A Change In Control.* In the event of a Change in Control, all Restricted Periods shall end, the Restricted Period or other Restrictions applicable to all previously granted Awards of Restricted Stock shall end or lapse, as the case may be, and such Shares shall be released and certificates representing such Shares of Restricted Stock shall be delivered to the Participants free from such Restrictions as soon as practicable following such Change in Control.

## 9.6 SECTION 83(B) ELECTIONS.

A Participant who files an election permitted under Section 83(b) of the Code with the Internal Revenue Service to include the fair market value of any Restricted Stock in gross income while they are still subject to a Restricted Period or other Restrictions shall notify the Corporation of such election within ten (10) days of making such election and promptly furnish the Corporation with a copy of such election together with the amount of any federal, state, local or other taxes required to be withheld to enable the Corporation to claim an income tax deduction with respect to such election.

## SECTION 10. GENERAL PROVISIONS.

### 10.1 GENERAL CREDITOR STATUS.

Participants shall have no right, title, or interest whatsoever in or to any investments that the Corporation may make to aid it in meeting its obligations under the Plan. Nothing contained in the Plan, and no action taken pursuant to its provisions, shall create or be construed to create a trust of any kind, or a fiduciary relationship between the Corporation and any Participant, Beneficiary, legal representative or any other person. To the extent that any person acquires a right to receive payments from the Corporation under the Plan, such right shall be no greater than the right of an unsecured general creditor of the Corporation. All payments to be made hereunder shall be paid from the general funds of the Corporation and no special or separate fund shall be established and no segregation of assets shall be made to assure payment of such amounts except as expressly set forth in the Plan; provided, however, that in its sole discretion, the Committee may authorize the creation of trusts or other arrangements to meet the obligations created under the Plan to deliver Common Stock; provided, further, however, that, unless the Committee otherwise determines with the consent of the affected Participant, the existence of such trusts or other arrangements shall be consistent with the "unfunded" status of the Plan.

### 10.2 CERTAIN ADJUSTMENTS TO SHARES.

In the event of any change in the Common Stock by reason of any stock dividend, recapitalization, reorganization, spin-off, split-off, merger, consolidation, stock split, reverse stock split, combination or exchange of shares, or any rights offering to purchase Common Stock at a price substantially below fair market value, or of any similar change affecting the Common Stock of or by the Corporation, the number and kind of Shares available for Awards under the Plan and the number and kind of Shares subject to a Restricted Period or other Restrictions or subject to Options in outstanding Awards and the Option Price or purchase price per Share thereof shall be appropriately adjusted consistent with such change in such manner as the Committee may deem equitable to prevent substantial dilution or enlargement of the rights granted to, or available for, the Participants hereunder. The Committee shall give notice to each Participant of any adjustment made pursuant to this Section and, upon notice, such adjustment shall be effective and binding for all purposes of the Plan.

### 10.3 SUCCESSOR CORPORATION.

The obligations of the Corporation under the Plan shall be binding upon any successor corporation or organization resulting from the merger, consolidation or other reorganization of the Corporation, or upon any successor corporation or organization succeeding to substantially all of the assets and business of the Corporation. The Corporation agrees that it will make appropriate provision for the preservation of Participants' rights under the Plan in any agreement or plan which it may enter into or adopt to effect any such merger, consolidation, reorganization or transfer of assets.

### 10.4 NO CLAIM OR RIGHT UNDER THE PLAN.

Neither the Plan nor any action taken thereunder shall be construed as giving any non-employee member of the Board or Advisory Board member any right to a continuation of membership on the Board or the Advisory Board, as applicable.

### 10.5 AWARDS NOT TREATED AS COMPENSATION UNDER BENEFIT.

No Award shall be considered as compensation under any employee benefit plan of the Corporation, except as specifically provided in any such plan or as otherwise determined by the Board.

### 10.6 LISTING AND QUALIFICATION OF COMMON STOCK.

The Corporation, in its discretion, may postpone the issuance or delivery of Common Stock upon any exercise of an Option or pursuant to an Award of Restricted Stock until completion of such stock exchange listing or other qualification of such shares under any state or federal law, rule or regulation as the Corporation may consider appropriate, and may require any Participant, Beneficiary or legal representative to make such representations and furnish such information as it may consider appropriate in connection with the issuance or delivery of the Shares in compliance with applicable laws, rules and regulations.

#### **10.7 WITHHOLDING TAXES.**

The Corporation may make such provisions and take such steps as it may deem necessary or appropriate for the withholding of all federal, state and local taxes required by law to be withheld with respect to Awards granted pursuant to the Plan including, but not limited to (i) accepting a remittance from the Participant in cash, or in the Committee's discretion in Mature Shares, (ii) deducting the amount required to be withheld from any other amount then or thereafter payable by the Corporation to a Participant, Beneficiary or legal representative or from any Shares due to the Participant under the Plan, (iii) requiring a Participant, Beneficiary or legal representative to pay to the Corporation the amount required to be withheld as a condition of releasing Common Stock or (iv) any combination of the foregoing. In addition, subject to such rules and regulations as the Committee shall from time to time establish, Participants shall be permitted to satisfy federal, state and local taxes, if any, imposed upon the payment of Awards in Common Stock at a rate up to such Participant's maximum marginal tax rate with respect to each such tax by (i) irrevocably electing to have the Corporation deduct from the number of Shares otherwise deliverable upon exercise of an Award such number of Shares as shall have a value equal to the amount of tax to be withheld, (ii) delivering to the Corporation such portion of the Common Stock delivered in payment of the Award as shall have a value equal to the amount of tax to be withheld, or (iii) delivering to the Corporation such number of Mature Shares or combination of Mature Shares and cash as shall have a value equal to the amount of tax to be withheld.

#### **10.8 NON-TRANSFERABILITY/DESIGNATION AND CHANGE OF BENEFICIARY.**

- (a) An Award granted hereunder shall not be assignable or transferable other than by will or by the laws of descent and distribution and may be exercised during the Participant's lifetime only by the Participant or his or her guardian or legal representative, except that a Participant may, if permitted by the Committee, in its discretion, transfer an Award, or portion thereof, to one or more members of the Participant's Immediate Family.
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- (b) Each Participant shall file with the Committee a written designation of one or more persons as the Beneficiary who shall be entitled to receive the amount, if any, payable under the Plan upon his or her death. A Participant may, from time to time, revoke or change his or her Beneficiary designation without the consent of any prior Beneficiary by filing a new designation with the Committee. The last such designation received by the Committee shall be controlling; provided, however, that no designation, or change or revocation thereof, shall be effective unless received by the Committee prior to the Participants' death, and in no event shall it be effective as of a date prior to such receipt.

#### **10.9 PAYMENTS TO PERSONS OTHER THAN A PARTICIPANT.**

If the Committee shall find that any person to whom any amount is payable under the Plan is unable to care for his or her affairs because of illness or accident, or is a minor, or has died, then any payment due to such person or his or her estate (unless a prior claim therefor has been made by a duly appointed legal representative), may, if the Committee so directs the Corporation, be paid to his or her spouse, a child, a relative, an institution maintaining or having custody of such person, or any other person deemed by the Committee to be a proper recipient on behalf of such person otherwise entitled to payment. Any such payment shall be a complete discharge of the liability of the Committee and the Corporation therefor.

#### **10.10 NO LIABILITY OF COMMITTEE MEMBERS.**

No member of the Committee shall be personally liable by reason of any contract or other instrument executed by such member or on his or her behalf in his or her capacity as a member of the Committee nor for any mistake of judgment made in good faith, and the Corporation shall indemnify and hold harmless each employee, officer or director of the Corporation to whom any duty or power relating to the administration or interpretation of the Plan may be allocated or delegated, against any cost or expense (including counsel fees) or liability (including any sum paid in settlement of a claim with the approval of the Board) arising out of any act or omission to act in connection with the Plan unless arising out of such person's own fraud or bad faith. The indemnification provided for in this Section 10.10 shall be in addition to any rights of indemnification such Committee member has as a director or officer pursuant to law, under the Certificate of Incorporation or By-Laws of the Corporation.

#### **10.11 AMENDMENT OR TERMINATION.**

Except as to matters that in the opinion of the Corporation's legal counsel require stockholder approval, any provision of the Plan may be modified as to a Participant by an individual agreement approved by the Committee. The Board may, with prospective or retroactive effect, amend, suspend or terminate the Plan or any portion thereof at any time; provided, however, that (i) no amendment that would materially increase the cost of the Plan to the Corporation may be made by the Board without the approval of the stockholders of the Corporation and (ii) no amendment, suspension or termination of the Plan shall deprive any Participant of any rights to Awards previously made under the Plan without his or her written consent. Subject to earlier termination pursuant to the provisions of this Section, and unless the stockholders of the Corporation shall have approved an extension of the Plan beyond such date, the Plan shall terminate and no further Awards shall be made under the Plan after the tenth (10th) anniversary of the Effective Date of the Plan specified in Section 10.15 hereof.

#### **10.12 UNFUNDED PLAN.**

The Plan is intended to constitute an unfunded deferred compensation arrangement.

#### **10.13 GOVERNING LAW.**

The Plan shall be governed by and construed in accordance with the laws of the State of Maryland, without reference to the principles of conflicts of law thereof.

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#### **10.14 NON-UNIFORM DETERMINATIONS.**

The Committee's determinations under the Plan need not be uniform and may be made by the Committee selectively among persons who receive, or are eligible to receive Discretionary Options or other Awards (other than Non-Discretionary Options), whether or not such persons are similarly situated. Without limiting the generality of the foregoing, the Committee shall be entitled, to enter into non-uniform and selective Award Agreements as to (a) the identity of the Participant, (b) the terms and provisions of Awards, and (c) the treatment of termination of service.

#### **10.15 EFFECTIVE DATE.**

The Plan was originally effective September 11, 2000. This Amended and Restated Plan is effective March 24, 2003, subject to stockholder approval.

#### **10.16 NO ILLEGAL TRANSACTIONS.**

The Plan and all Awards granted pursuant to it are subject to all applicable laws and regulations. Notwithstanding any provision of the Plan or any Award, Participants shall not be entitled to exercise or receive benefits under, any Award, and the Corporation shall not be obligated to deliver any Shares or deliver any benefits to a Participant, if such exercise or delivery would constitute a violation by the Participant or the Corporation of any applicable law or regulation.

#### **10.17 SEVERABILITY.**

If any part of the Plan is declared by any court of governmental authority to be unlawful or invalid, such unlawfulness or invalidity shall not invalidate any other part of the Plan. Any Section or part of a Section so declared to be unlawful or invalid shall, if possible, be construed in manner which will give effect to the terms of such Section to the fullest extent possible while remaining lawful and valid.

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[AMENDED AND RESTATED 2000 DIRECTOR STOCK OPTION PLAN](#)

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Exhibit 23.1

**CONSENT OF PRYOR CASHMAN SHERMAN & FLYNN LLP**

We hereby consent to the reference to us under the heading "Legal Matters" in the Post-Effective Amendment No. 1 to Mack-Cali Realty Corporation's Registration Statement No. 333-100244 on Form S-8.

/s/ Pryor Cashman Sherman & Flynn LLP

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New York, New York  
July 10, 2003

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[CONSENT OF PRYOR CASHMAN SHERMAN & FLYNN LLP](#)

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**Exhibit 23.2**

**CONSENT OF INDEPENDENT ACCOUNTANTS**

We hereby consent to the incorporation by reference in this Registration Statement on Form S-8 of our report dated February 21, 2003 relating to the consolidated financial statements and financial statement schedule of Mack-Cali Realty Corporation, which appears in Mack-Cali Realty Corporation's Annual Report on Form 10-K for the year ended December 31, 2002. We also consent to the reference to us under the heading "Experts" in such Registration Statement.

/s/ PricewaterhouseCoopers LLP

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New York, New York  
July 10, 2003

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[CONSENT OF INDEPENDENT ACCOUNTANTS](#)