



First American Financial Corporation




FAF NYSE

Insurance - Property / Casualty

Market Capitalization USD:

\$1,348.46 mm

CONCERN LEVEL: AVERAGE

- 1 The CEO's total remuneration is within the typical market range for the relevant industry and market cap.
- 2 The ratio between the CEO's pay and the median pay of the other named executive officers is 3X or less.
- 3 The CEO's annual cash incentives rose or fell in line with annual performance.
- 4 The CEO received no more than one annual cash bonus this fiscal year.
- 5 The CEO's equity remuneration reflected the company's share price movement over the last five years.
- 6 The company only pays long-term incentives to the CEO for above median performance against a peer group.
- 7 The company's dilution from equity incentives is 10 percent or less. 
- 8 Unvested equity lapses when the CEO's employment is terminated. 
- 9 The CEO's potential cash severance payment is capped at two times annual cash remuneration. 
- 10 The accrued benefits of the CEO's post-retirement income are within the typical market range for the relevant market cap bracket.

CEO: Dennis J. Gilmore

Age: 53

CEO Since: 2010

	2009	2010	2011
Base Salary		\$705,385	\$750,000
Discretionary Bonus		\$0	\$0
Annual Cash Incentive		\$1,493,175	\$897,188
Benefits and Perquisites		\$7,670	\$5,871
TOTAL ANNUAL COMPENSATION		\$2,206,230	\$1,653,059
Increase in Post-Retirement Benefits		\$502,225	\$554,051
Stock Option Awards		\$0	\$0
Stock Awards		\$3,546,588	\$2,372,316
TOTAL COMPENSATION		\$6,255,043	\$4,579,426
Median of Other Named Executive Officers Total Compensation		\$2,082,702	\$1,532,236
Value Realized on Exercise of Stock Option		\$66,054	\$60,272
Value Realized on Vesting of Stock		\$731,142	\$1,303,769
TOTAL REALIZED EQUITY COMPENSATION		\$797,196	\$1,364,041

Proxy Date: 9 Apr 2012

Annual Meeting Date: 15 May 2012

Equity Reserves: 15.07%

Stock Option Run Rate:

First American Financial Corporation

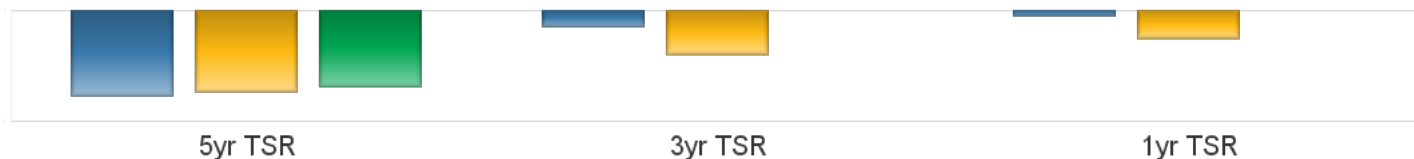
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Performance Comparison

■ S&P500 ■ Industry ■ FAF



Peer Comparisons (TRBC) = Insurance - Property / Casualty

Total Summary CEO Compensation

Ticker	Company Name	2009	2010	2011	Market Cap
FAF	First American Financial Corporation		\$6,255,043	\$4,579,426	\$1,348,456,601
ERIE	Erie Indemnity Company		\$2,067,297		\$3,900,110,789
MKL	Markel Corporation	\$1,021,709	\$1,218,699	\$672,050	\$3,462,168,571
FNF	Fidelity National Financial, Inc.	\$5,379,038	\$1,887,711	\$8,631,466	\$3,389,186,623
WTM	White Mountains Insurance Group, Ltd.	\$1,596,173	\$1,723,477	\$3,048,292	\$3,229,197,486
AFG	American Financial Group, Inc.	\$5,958,276	\$8,319,205	\$8,430,258	\$3,123,042,621
Y	Alleghany Corporation	\$6,206,004	\$5,636,469	\$7,346,857	\$2,556,690,462

To insure consistency, peer comparisons are based on a combination of TRBC Industry and Sector classifications and company market caps. Missing peer pay figures for 2011 are due to differences in company filing schedules.

Pay Peer Group

American Financial Group, Inc., Assurant, Inc., Cincinnati Financial Corporation, Fidelity National Financial, Inc., The Hanover Insurance Group, Inc., Kemper Corporation (f/k/a Unitrin, Inc.), Lender Processing Services, Inc., Mercury General Corporation, Old Republic International Corporation, W.R. Berkeley Corporation, White Mountains Insurance Group, Ltd.

Performance Peer Group

NA

COMPENSATION COMMITTEE MEMBERS

Director	Membership	Age	Gender	Tenure	Independence
Lewis W. Douglas	Chairman	87	Male	2	Outside
Herbert B. Tasker	Member	75	Male	2	Outside
Michael D. McKee	Member	66	Male	1	Outside
William G. Davis	Member	82	Male	2	Outside