



**Internap Network Services Corporation**

**INAP NASDAQ**

**IT Services / Consulting**

Market Capitalization USD:

**\$258.86 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: Eric Cooney**

**Age: 46**

**CEO Since: 2009**

	2009	2010	2011
<b>Base Salary</b>	\$475,000	\$600,000	\$600,000
<b>Discretionary Bonus</b>	\$300,000	\$0	\$0
<b>Annual Cash Incentive</b>	\$200,000	\$420,000	\$210,140
<b>Benefits and Perquisites</b>	\$41	\$7,631	\$7,768
<b>TOTAL ANNUAL COMPENSATION</b>	<b>\$975,041</b>	<b>\$1,027,631</b>	<b>\$817,908</b>
<b>Increase in Post-Retirement Benefits</b>	\$0	\$0	\$0
<b>Stock Option Awards</b>	\$838,440	\$766,148	\$1,008,785
<b>Stock Awards</b>	\$1,568,000	\$161,423	\$0
<b>TOTAL COMPENSATION</b>	<b>\$3,381,481</b>	<b>\$1,955,202</b>	<b>\$1,826,693</b>
<b>Median of Other Named Executive Officers Total Compensation</b>	\$625,540	\$579,128	\$598,436
<b>Value Realized on Exercise of Stock Option</b>	\$0	\$566,000	\$0
<b>Value Realized on Vesting of Stock</b>	\$0	\$450,750	\$818,902
<b>TOTAL REALIZED EQUITY COMPENSATION</b>	<b>\$0</b>	<b>\$1,016,750</b>	<b>\$818,902</b>

**Proxy Date:** 27 Apr 2012

**Annual Meeting Date:** 14 Jun 2012

**Equity Reserves:** 18.22%

**Stock Option Run Rate:** 3.19%

# Internap Network Services Corporation

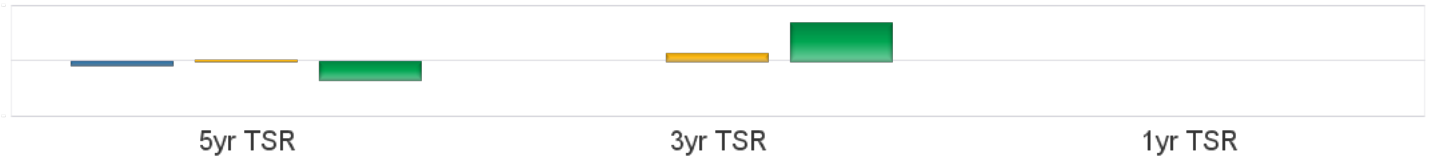
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## Performance Comparison

■ S&P500 ■ Industry ■ INAP



## Peer Comparisons (TRBC) =IT Services / Consulting

### Total Summary CEO Compensation

Ticker	Company Name	2009	2010	2011	Market Cap
<b>INAP</b>	<b>Internap Network Services Corporation</b>	<b>\$3,381,481</b>	<b>\$1,955,202</b>	<b>\$1,826,693</b>	<b>\$258,861,646</b>
FIRE	Sourcefire, Inc.	\$1,566,293	\$1,862,569	\$2,072,539	\$767,878,467
VHC	VirnetX Holding Corporation	\$965,668	\$1,066,149	\$1,779,171	\$754,265,350
EGOV	NIC Inc.	\$1,200,183	\$1,170,056	\$1,565,261	\$733,835,652
CPSI	Computer Programs and Systems, Inc.	\$536,574	\$558,709	\$1,850,081	\$731,832,003
ELNK	EarthLink, Inc.	\$3,873,929	\$4,611,743	\$4,064,149	\$703,786,454
SYKE	Sykes Enterprises, Incorporated	\$2,696,024	\$2,320,515	\$3,014,184	\$703,462,009

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

Akamai Technologies, Inc., Aruba Networks, Inc., Blue Coat Systems, Cbeyond Inc., Cogent Communications Group, Digital River, Inc., Equinix Inc., F5 Networks, Inc., InfoSpace, Inc., j2 Global Communications, Inc., Limelight Networks Inc., Navisite Inc., NeuStar, Inc., Rackspace Hosting, Inc., Riverbed Technology Inc., Savvis Inc., Terremark Worldwide Inc., Veraz Networks, Inc., Websense, Inc.

### Performance Peer Group

NA

## COMPENSATION COMMITTEE MEMBERS

Director	Membership	Age	Gender	Tenure	Independence
Charles B. Coe	Chairman	64	Male	9	Outside
Daniel C. Stanzione	Member	66	Male	8	Outside
Michael A. Ruffolo	Member	50	Male	2	Outside
Patricia L. Higgins	Member	62	Female	8	Outside

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