

CONMED CORP
Form DEF 14A
April 10, 2012

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant S

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Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

CONMED CORPORATION
(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

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

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

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

(4) Proposed maximum aggregate value of transaction:

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(1) Amount Previously Paid:

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

(3) Filing Party:

(4) Date Filed:

CONMED CORPORATION

525 French Road

Utica, New York 13502

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the Annual Meeting of Shareholders of CONMED Corporation (the “Company”) will be held at the offices of the Company at 525 French Road, Utica, New York on Monday, May 21, 2012 at 3:30 p.m. (New York time), for the following purposes:

- (1) To elect seven directors to serve on the Company’s Board of Directors;
- (2) To ratify the appointment of PricewaterhouseCoopers LLP as the Company’s independent registered public accounting firm for the fiscal year ending December 31, 2012;
- (3) To hold an advisory vote on executive compensation;
- (4) To approve the CONMED Corporation Executive Bonus Plan;
- (5) To approve the Amended and Restated Long-Term Incentive Plan; and
- (6) To transact such other business as may properly be brought before the meeting or any adjournment thereof.

The shareholders of record at the close of business on April 3, 2012, are entitled to notice of, and to vote at the Annual Meeting or any adjournment thereof.

Even if you plan to attend the Annual Meeting in person, we request that you mark, date, sign and return your proxy in the enclosed self-addressed envelope as soon as possible so that your shares may be certain of being represented and voted at the meeting. Any proxy given by a shareholder may be revoked by that shareholder at any time prior to the voting of the proxy.

By Order of the Board of Directors,

/s/ Heather L. Cohen

Heather L. Cohen
Secretary

April 10, 2012

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE 2012 ANNUAL MEETING OF SHAREHOLDERS TO BE HELD MAY 21, 2012

The Company's Proxy Statement for the 2012 Annual Meeting of Shareholders, the Company's Annual Report to Shareholders for the fiscal year ended December 31, 2011 and the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2011 are available at <http://www.cfpproxy.com/2982>.

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CONMED CORPORATION

525 French Road

Utica, New York 13502

PROXY STATEMENT

ANNUAL MEETING OF SHAREHOLDERS

May 21, 2012

The enclosed proxy is solicited by and on behalf of the Board of Directors of CONMED Corporation (the “Company”) for use at the Annual Meeting of Shareholders to be held on Monday, May 21, 2012, at 3:30 p.m. (New York time), at the offices of the Company at 525 French Road, Utica, New York, and any adjournment thereof (“the Annual Meeting”). The matters to be considered and acted upon at the Annual Meeting are described in the foregoing notice of the meeting and this proxy statement. This proxy statement, the related form of proxy and the Company’s Annual Report to Shareholders are being mailed on or about April 10, 2012, to all shareholders of record on April 3, 2012. Shares of the Company’s common stock, par value \$.01 per share (“Common Stock”), represented in person or by proxy will be voted as described in this proxy statement or as otherwise specified by the shareholder. Any proxy given by a shareholder may be revoked by the shareholder at any time prior to the voting of the proxy by delivering a written notice to the Secretary of the Company, by executing and delivering a later-dated proxy or by attending the meeting and voting in person.

The persons named as proxies are Joseph J. Corasanti and Daniel S. Jonas, who are, respectively, the President and Chief Executive Officer, and the Vice President – Legal Affairs and General Counsel of the Company. The cost of preparing, assembling and mailing the proxy, this proxy statement and other material enclosed, and all clerical and other expenses of solicitations, will be borne by the Company. In addition to the solicitation of proxies by use of the mail, directors, officers and employees of the Company and its subsidiaries may solicit proxies by telephone, telegram or personal interview. The Company also will request brokerage houses and other custodians, nominees and fiduciaries to forward soliciting material to the beneficial owners of Common Stock held of record by such parties and will reimburse such parties for their expenses in forwarding soliciting material.

Votes at the 2012 Annual Meeting will be tabulated by a representative of the Registrar and Transfer Company, which has been appointed by the Company’s Board of Directors to serve as inspector of election.

VOTING RIGHTS

The holders of record of the 28,199,293 shares of Common Stock outstanding on April 3, 2012 will be entitled to one vote for each share held on all matters coming before the meeting. The holders of record of a majority of the outstanding shares of Common Stock present in person or by proxy will constitute a quorum for the transaction of business at the meeting. Shareholders are not entitled to cumulative voting rights. Under the rules of the Securities and Exchange Commission, or the SEC, boxes and a designated blank space are provided on the proxy card for shareholders if they wish either to abstain on one or more of the proposals or to withhold authority to vote for one or more nominees for director. In accordance with New York State law, such abstentions are not counted in determining the votes cast at the meeting. With respect to Proposal (1), the director nominees who receive the greatest number of votes at the meeting will be elected to the Board of Directors of the Company. Votes against, and votes withheld in respect of, a candidate have no legal effect. Proposal (2), (4) and (5) requires the affirmative vote of the holders of a majority of the votes cast at the meeting in order to be approved by the shareholders. Proposal (3) requires the favorable vote of a majority of the votes cast at the meeting required for approval, on an advisory basis.

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When properly executed, a proxy will be voted as specified by the shareholder. If no choice is specified by the shareholder, a proxy will be voted “for” all portions of items (1), (2), (3), (4) and (5) and in the proxies’ discretion on any other matters coming before the meeting.

Under the rules of the New York Stock Exchange, Inc., which effectively govern the voting by any brokerage firm holding shares registered in its name or in the name of its nominee on behalf of a beneficial owner, Proposal (2) is considered a “discretionary” item upon which brokerage firms may vote in their discretion on behalf of their clients if such clients have not furnished voting instructions within ten days prior to the Annual Meeting. Proposals (1), (3), (4) and (5) are considered “non-discretionary” and brokers who received no instructions from their clients do not have discretion to vote on these items. The broker non-votes will be treated in the same manner as votes present.

As of April 3, 2012, the closing price of a share of Common Stock on the NASDAQ Stock Market was \$30.42.

PROPOSALS TO BE SUBMITTED AT THE ANNUAL MEETING

There are four proposals expected to be submitted for shareholder approval at the Annual Meeting and one proposal of an advisory nature. The first proposal concerns the election of directors. The second proposal concerns ratifying the appointment of PricewaterhouseCoopers LLP, as the Company’s independent registered public accounting firm. The third proposal concerns the advisory vote on executive compensation. The fourth proposal concerns the approval of the CONMED Corporation Executive Bonus Plan. The fifth proposal concerns approval of the Amended and Restated Long-Term Incentive Plan. These proposals are more fully described below.

PROPOSAL ONE: ELECTION OF DIRECTORS

At the Annual Meeting, seven directors are to be elected to serve on the Company’s Board of Directors. The shares represented by proxies will be voted as specified by the shareholder. If the shareholder does not specify his or her choice, the shares will be voted in favor of the election of the nominees listed on the proxy card, except that in the event any nominee should not continue to be available for election, such proxies will be voted for the election of such other persons as the Corporate Governance and Nominating Committee of the Board of Directors may recommend. The Company does not presently contemplate that any of the nominees will become unavailable for election for any reason. The director nominees who receive the greatest number of votes at the meeting will be elected to the Board of Directors of the Company. Votes against, and votes withheld in respect of, a candidate have no legal effect. Shareholders are not entitled to cumulative voting rights.

The Board of Directors presently consists of seven directors. Directors hold office for terms expiring at the next annual meeting of shareholders and until their successors are duly elected and qualified. Each of the nominees

proposed for election at the Annual Meeting is presently a member of the Board of Directors and has been elected by the shareholders.

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The following table sets forth certain information regarding the members of, and nominees for, the Board of Directors:

NOMINEES FOR ELECTION AT THE 2012 ANNUAL MEETING

Name	Age	Served As Director Since	Principal Occupation or <u>Position with the Company</u>
Eugene R. Corasanti	81	1970	Chairman of the Board of Directors and Vice Chairman of the Company.
Joseph J. Corasanti	48	1994	President and Chief Executive Officer of the Company; Director of the Company; Director of II-VI, Inc. (NASDAQ: IIVI).
Bruce F. Daniels	77	1992	Executive, retired; former Controller of Chicago Pneumatic Tool Company; Director of the Company. As noted below, the Board of Directors has determined that Mr. Daniels is independent, and is an audit committee financial expert.
Jo Ann Golden	64	2003	Partner of Dermody, Burke and Brown, CPAs, LLC (accountants); Director of the Company; Director of the Bank of Utica. As noted below, the Board of Directors has determined that Ms. Golden is independent, and is an audit committee financial expert.
Stephen M. Mandia	47	2002	Chairman of the Board of Directors of Sovena USA, formerly East Coast Olive Oil Corp. and now a subsidiary of Sovena Group Chairman of the Board of Eva Gourmet, and Chief Executive Officer of Mandia International Trading Corp.; Director of the Company. As noted below, the Board of Directors has determined that Mr. Mandia is independent.
Stuart J. Schwartz	75	1998	Physician, retired; Director of the Company. As noted below, the Board of Directors has determined that Dr. Schwartz is independent.
Mark E. Tryniski	51	2007	President and Chief Executive Officer of Community Bank System, Inc. (NYSE: CBU); former partner of PricewaterhouseCoopers LLP; Director of the Company and Lead Independent Director; Director of the Independent Bankers Association of New York State. As noted below, the Board of Directors has determined that Mr. Tryniski is independent, and is an audit committee financial expert.

More information concerning the directors and nominees is set forth below under the heading Corporate Governance Matters – Directors, Executive Officers and Nominees for the Board of Directors.

The Board of Directors unanimously recommends a vote for this proposal.

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PROPOSAL TWO: INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The independent registered public accounting firm for the Company has been PricewaterhouseCoopers LLP since 1982. The Audit Committee appointed PricewaterhouseCoopers LLP to be nominated as our independent registered public accounting firm for 2012, subject to shareholder ratification.

Unless otherwise specified, shares represented by proxies will be voted for the ratification of the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for 2012. Neither our certificate of incorporation nor our by-laws require that the shareholders ratify the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm. We are doing so because we believe it is a matter of good corporate governance. If the shareholders do not ratify the appointment, the Audit Committee will reconsider whether to retain PricewaterhouseCoopers LLP, but may elect to retain them. Even if the appointment is ratified, the Audit Committee in its discretion may change the appointment at any time during the year if it determines that such change would be in the best interests of the Company and its shareholders.

Representatives of PricewaterhouseCoopers LLP are expected to be present at the meeting. Those representatives will have the opportunity to make a statement if they desire to do so and are expected to be available to respond to appropriate questions.

The affirmative vote of the holders of a majority of votes cast at the meeting is necessary for the ratification of the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for the Company for 2012.

The Board of Directors unanimously recommends a vote for this proposal.

PROPOSAL THREE: ADVISORY VOTE ON EXECUTIVE COMPENSATION

In accordance with recently adopted Section 14A of the Securities Exchange Act of 1934, as amended, the Board requests your advisory vote on executive compensation.

The Compensation Discussion and Analysis (“CD&A”) beginning on page 17 describes the Company’s compensation philosophy and pay practices relative to the Named Executive Officers (“NEOs”). As described in the CD&A,

compensation paid to the NEOs is heavily influenced by the Company's financial performance, balancing the incentives to drive short-term and long-term goals. Further, the Compensation Committee and the Board of Directors believe the Company's compensation policies, procedures and philosophy serve to attract, retain, and motivate the NEOs to achieve value for our shareholders.

The Board encourages shareholders to read the CD&A for a more complete description of the Company's executive compensation policies and practices, as well as the Summary Compensation Table and other related compensation tables and narratives. The Compensation Committee and the Board of Directors believe the Company's policies and procedures are effective in achieving our goals and that the compensation of our Named Executive Officers reported in this proxy statement reflects and supports these compensation policies and procedures.

Accordingly, we are asking shareholders to approve the following non-binding resolution:

RESOLVED, that the shareholders of the Company approve, on an advisory basis, the compensation of the Company's Named Executive Officers disclosed in the Compensation Discussion and Analysis, the Summary Compensation Table and the related compensation tables and narrative disclosure in the Proxy Statement.

This advisory resolution, commonly referred to as a "say-on-pay" resolution, is non-binding on the Board of Directors. Although non-binding, the Compensation Committee and the Board of Directors will review the voting results when evaluating our executive compensation programs.

The Board of Directors unanimously recommends a vote FOR this advisory resolution.

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PROPOSAL FOUR: APPROVAL OF THE CONMED CORPORATION EXECUTIVE BONUS PLAN

On February 29, 2012, upon the recommendation of the Compensation Committee, our Board of Directors unanimously approved the CONMED Corporation Executive Bonus Plan (the “Bonus Plan”), subject to approval by our shareholders.

The following summary of the material terms of the Bonus Plan is qualified in its entirety by reference to the complete text of the Bonus Plan, which is attached hereto as Exhibit A.

Overview

The purpose of the Bonus Plan is to promote the achievement of rigorous but realistic financial goals and encourage intensive fact-based business planning while meeting quality and FDA compliance objectives as well as compliance with the Company’s ethics policy, by providing for annual incentive compensation to designated employees. The Bonus Plan is being submitted to shareholders for their approval so that payments of bonuses under the Bonus Plan may be tax-deductible as “qualified performance-based compensation,” as defined in Section 162(m) of the Internal Revenue Code, although the Company reserves the right to pay its employees, including participants in the Bonus Plan, amounts which may or may not be deductible under Section 162(m) (or other provisions) of the Internal Revenue Code, as the Company’s business needs may dictate.

Administration

The Bonus Plan shall be administered by the Compensation Committee, which may delegate its duties and powers in whole or in part to an independent subcommittee thereof.

Performance Period and Performance Goals

Payments under the Bonus Plan will be based on the Company’s performance as measured by specific Performance Goals evaluated over a designated Performance Period. Performance Goal(s) will be based on one or more of the following as designated by the Compensation Committee on a Company specific basis, business unit basis or in comparison with peer group performance: (a) earnings per share; (b) consolidated earnings before or after taxes

(including earnings before interest, taxes, depreciation and amortization); (c) net income; (d) operating income; (e) return on shareholders' equity (also referred to as return on investments); (f) attainment of strategic and operational initiatives; (g) economic value-added models; (h) maintenance or improvement of profit margins; (i) stock price, including, without limitation, as compared to one or more stock indices; (j) market share; (k) revenues, sales or net sales; (l) return on assets; (m) book value per share; (n) expense management; (o) improvements in capital structure; (p) costs; and/or (q) cash flow. In addition, to the degree consistent with the Internal Revenue Code, the performance criteria may be calculated without regard to extraordinary, unusual and/or non-recurring items.

Payment of Incentive Awards

Awards shall be paid in a cash lump sum as soon as practicable (but no later than 30 days) following the Compensation Committee's written certification that the Performance Goals for the completed Performance Period have been achieved. The maximum amount payable to any single Participant for a Performance Period will not exceed \$2,000,000. The Compensation Committee retains the discretion to reduce (but not to increase) the amount of a Participant's Award.

Termination of Employment

A Participant who terminates employment during a Performance Period due to death, Disability or Retirement shall be eligible to receive a pro-rated Award. A Participant who terminates employment during a Performance Period for reasons other than death, Disability or Retirement shall not be eligible to receive an Award for that Performance Period. A Participant who terminates employment after a Performance Period but prior to the payment of an Award shall be treated in the discretion of the Compensation Committee.

Amendment and Termination

The Compensation Committee may amend, modify or terminate the Bonus Plan at any time and from time to time.

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New Plan Benefits

The amount of each recipient's Award for the 2012 calendar year is based on the achievement of certain Performance Goals and is subject to the Compensation Committee's discretion. The amount of such award cannot be calculated in advance because it is substantially uncertain whether the minimum levels of performance necessary to achieve any level of incentive award under the Bonus Plan, and what levels of performance, will be realized.

The Board of Directors unanimously recommends a vote for this proposal.

PROPOSAL FIVE: AMENDED AND RESTATED LONG-TERM INCENTIVE PLAN

On February 29, 2012, upon the recommendation of the Compensation Committee, our Board of Directors unanimously approved the Amended and Restated Long-Term Incentive Plan, subject to approval by our shareholders. The Amended and Restated Long-Term Incentive Plan will be applicable only to awards granted on or after the date the Amended and Restated Long-Term Incentive Plan is approved by shareholders (the "Effective Date").

The following summary of the material terms of the Amended and Restated Long-Term Incentive Plan is qualified in its entirety by reference to the complete text of the Amended and Restated Long-Term Incentive Plan, which is attached hereto as Exhibit B.

Overview

The purpose of the Amended and Restated Long-Term Incentive Plan of CONMED Corporation (the "Plan") is to promote the long term financial interests of CONMED Corporation, including its growth and performance, by encouraging employees of the Company and its subsidiaries and consultants who provide important services to the Company and its subsidiaries to acquire an ownership position in the Company, enhancing the ability of the Company and its subsidiaries to attract and retain employees and consultants of outstanding ability, and providing employees and consultants with an interest in the Company parallel to that of the Company's stockholders. To achieve these purposes, the Company may grant Awards of options, restricted shares, restricted share units, stock appreciation rights, performance shares, performance share units and other equity-based awards to key employees and consultants selected by the Compensation Committee, all in accordance with the terms and conditions set forth in the Plan.

Administration

The Plan shall be administered by the Compensation Committee of the Board of Directors (the “Committee”). A majority of the Committee shall constitute a quorum, and the acts of a majority shall be the acts of the Committee. Any determination of the Committee may be made, without a meeting, by a writing or writings signed by all of the members of the Committee. In addition, the Committee may authorize any one or more of its number or any officer of the Company to execute and deliver documents on behalf of the Committee and the Committee may delegate to one or more employees, agents or officers of the Company, or to one or more third party consultants, accountants, lawyers or other advisors, such ministerial duties related to the operation of the Plan as it may deem appropriate.

Amendment

The Board of Directors may, at any time, suspend, discontinue, revise or amend the Plan in any respect whatsoever, and may also suspend the ability of a recipient of an Award to exercise or otherwise realize the value of his or her Award. Any amendment that materially adversely affects a recipient, however, requires such recipient’s prior written consent. In general, shareholder approval of any suspension, discontinuance, revision or amendment will be obtained only to the extent necessary to comply with any applicable law, rule or regulation.

Eligibility

All employees of the Company and its subsidiaries and consultants who are parties to consultancy agreements with the Company or any subsidiary, in each case who have demonstrated significant management potential or who have the capacity for contributing in a substantial measure to the successful performance of the Company, as determined by the Committee in its sole discretion, are eligible to be Participants in the Plan. In addition, the Committee may from time to time deem other employees of the Company or its subsidiaries or consultants eligible to participate in the Plan to receive equity awards consistent with legal requirements. The granting of any Award to a Participant shall not entitle that Participant to, nor disqualify that Participant from, participation in any other grant of an Award.

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Shares Subject to the Plan; Other Limitations of Awards

Subject to adjustment as provided in Section 17 of the Plan, the number of shares of Common Stock which shall be available for the grant of Awards under the Plan shall be equal to the number of shares available for grant under the Amended and Restated 1999 Long-Term Incentive Plan, plus an additional 1,000,000 shares. Notwithstanding anything contained herein to the contrary, in no event shall more than 1,000,000 shares of Common Stock (subject to adjustment as provided in Section 17 of this Plan) be available in the aggregate for the issuance of Common Stock pursuant to Performance Shares, Performance Share Units, Restricted Shares, Restricted Share Units and Other Awards granted under the Plan. The shares of Common Stock issued under the Plan may be authorized and unissued shares, treasury shares or shares acquired in the open market specifically for distribution under the Plan, as the Company may from time to time determine. The maximum number of shares with respect to which Stock Options or Stock Appreciation Rights may be granted to an individual in any calendar year is 200,000 shares of Common Stock. The maximum number of shares of Common Stock with respect to which Restricted Shares, Restricted Share Units, Performance Shares, Performance Share Units or Other Awards that, in each case, are intended to qualify as performance-based compensation under Section 162(m) of the Code may be granted to an individual grantee in any calendar year is 200,000 shares of Common Stock (or, to the extent that such Award is paid in cash, the maximum dollar amount of any such Award is the equivalent cash value of such number of shares of Common Stock at the closing price on the last trading day of the performance period), subject to adjustment pursuant to Section 17. For purposes of the immediately preceding sentence, “trading day” shall mean a day in which the shares of Common Stock are traded on the NASDAQ Stock Market or, if applicable, the principal securities exchange on which the shares of Common Stock are then traded.

The Compensation Committee has the authority (and the obligation) to adjust the number of shares of Common Stock issuable under the Plan and to adjust the terms of any outstanding Awards, in any such manner as it deems appropriate to prevent the enlargement or dilution of rights, or otherwise with respect to Awards, for any increase or decrease in the number of issued shares of Common Stock (or issuance of shares of stock other than shares of Common Stock) resulting from certain corporate transactions that affect the capitalization of the Company.

Types of Awards

Awards under the Plan may consist of: (i) stock options (either incentive stock options within the meaning of Section 422 of the Internal Revenue Code or nonstatutory stock options) granted pursuant to Section 7 (“Stock Options”), (ii) performance shares granted pursuant to Section 8.1 (“Performance Shares”), (iii) performance share units granted pursuant to Section 8.1 (“Performance Share Units”), (iv) stock appreciation rights granted pursuant to Section 9 (“Stock Appreciation Rights” or “SARs”), (v) restricted shares granted pursuant to Section 10 (“Restricted Shares”), (vi) restricted share units granted pursuant to Section 10 (“Restricted Share Units”) and (vii) other types of equity-based Awards which the Committee determines to be consistent with the purpose of the Plan and the interests of the Company, granted pursuant to Section 11 (“Other Awards”). Awards of Performance Shares, Performance Share Units, Restricted Shares, Restricted Share Units and Other Awards may provide the Participant with dividends or dividend equivalents and voting rights prior to vesting (whether based on a period of time or based on attainment of specified performance

conditions); provided, however, that such dividends or dividend equivalents shall be paid or provided in a manner compliant with Section 409A of the Internal Revenue Code (“Section 409A”). Notwithstanding any other provision of the Plan to the contrary, all Awards under the Plan shall be subject to (a) a minimum vesting schedule of at least thirty-six months following the date of grant of the Award, provided that such vesting schedule (1) may be on a monthly, quarterly or yearly pro-rata basis and (2) shall not apply to awards that are assumed or substituted for in connection with Section 21 of the Plan; and (b) the Company’s Recoupment Policy, as it may be amended from time to time.

New Plan Benefits

The amount of each recipient’s Award for the 2012 calendar year will be determined based on the discretion of the Compensation Committee and therefore cannot be calculated. As a result, we cannot determine the number or type of Awards that will be granted under the Plan to any participant for the 2012 fiscal year.

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U.S. Federal Tax Implications of Option Awards and SARs

The following is a brief description of the U.S. federal income tax consequences generally arising with respect to the grant of options or SARs. This summary is not intended to constitute tax advice and is not intended to be exhaustive and, among other things, does not describe state, local or foreign tax consequences.

The grant of an option or SAR will create no tax consequences for the recipient or the Company. A recipient will not recognize taxable income upon exercising an incentive stock option (“ISO”) (except that the alternative minimum tax may apply). Upon exercising an option (other than an ISO) or SAR, the recipient generally will recognize ordinary income equal to the excess of the fair market value of the freely transferable and nonforfeitable shares (and/or cash or other property) acquired on the date of exercise over the exercise price.

Upon a disposition of shares acquired upon exercise of an ISO before the end of the applicable ISO holding periods, the recipient generally will recognize ordinary income equal to the lesser of (i) the excess of the fair market value of the shares at the date of exercise of the ISO over the exercise price, and (ii) the amount realized upon the disposition of the ISO shares over the exercise price. Otherwise, a recipient’s disposition of shares acquired upon the exercise of an option (including an ISO for which the ISO holding periods are met) or SAR generally will result in short-term or long-term (which will always be the case for ISOs if the holding periods are met) capital gain or loss measured by the difference between the sale price and the recipient’s tax basis in such shares (the tax basis in option shares generally being the exercise price plus any amount recognized as ordinary income in connection with the exercise of the option).

The Company generally will be entitled to a tax deduction equal to the amount recognized as ordinary income by the recipient in connection with the exercise of an option (other than ISO) or SAR. The company generally is not entitled to a tax deduction with respect to any amount that represents a capital gain to a recipient. Accordingly, the Company will not be entitled to any tax deduction with respect to an ISO if the recipient holds the shares for the ISO holding periods prior to disposition of the shares.”

The Board of Directors unanimously recommends a vote for this proposal.

OTHER BUSINESS

Management knows of no other business that will be presented for consideration at the Annual Meeting, but should any other matters be brought before the meeting, it is intended that the persons named in the accompanying proxy will

vote such proxy at their discretion.

SHAREHOLDER PROPOSALS FOR 2013 ANNUAL MEETING

Any shareholder desiring to present a proposal to the shareholders at the 2013 Annual Meeting, which currently is expected to be scheduled on or about May 16, 2013, and who desires that such proposal be included in the Company's proxy statement and proxy card relating to that meeting, must transmit that proposal to the Company so that it is received by the Company at its principal executive offices on or before December 17, 2012. All such proposals should be in compliance with applicable SEC regulations. The Company's Corporate Governance and Nominating Committee will consider nominees for election as directors who are proposed by shareholders if the following procedures are followed. Shareholders wishing to propose matters for consideration at the 2013 Annual Meeting or to propose nominees for election as directors at the 2013 Annual Meeting must follow specified advance notice procedures contained in the Company's by-laws, a copy of which is available on request to the General Counsel of the Company, c/o CONMED Corporation, 525 French Road, Utica, New York 13502 (Telephone (315) 797-8375). As of the date of this proxy statement, shareholder proposals, including director nominee proposals, must comply with the conditions set forth in Section 1.13 of the Company's by-laws and to be considered timely, notice of a proposal must be received by the Company between February 15, 2013 and March 17, 2013.

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CORPORATE GOVERNANCE MATTERS

DIRECTORS, EXECUTIVE OFFICERS AND

NOMINEES FOR THE BOARD OF DIRECTORS

Director Nominees

EUGENE R. CORASANTI (age 81) has served as Chairman of the Board of the Company since its incorporation in 1970. Mr. E. Corasanti also served as the Company's Chief Executive Officer from its founding through December 31, 2006 and continues to serve as Vice Chairman. Prior to the founding of the Company, Mr. E. Corasanti was an independent public accountant. Mr. E. Corasanti holds a B.B.A. degree in Accounting from Niagara University. Eugene R. Corasanti's son, Joseph J. Corasanti, is Chief Executive Officer and President and a Director of the Company.

Mr. E. Corasanti's qualifications for election to CONMED's Board include being the founder of the Company. His accomplishments, financial acumen, knowledge of the industry and markets, and appetite for risk are particularly relevant to directing the strategy for the Company, as are his knowledge and contacts in the Company's industry and the markets in which they compete. While Mr. E. Corasanti's view of the business may not represent a different approach from current management, his distance from the details of the daily management offers a viewpoint distinct from that provided by management.

JOSEPH J. CORASANTI (age 48) has served as President and Chief Executive Officer ("CEO") since January 1, 2007, having served as President and Chief Operating Officer of the Company since August 1999 and as a Director of the Company since May 1994. Mr. J. Corasanti is also a member of the Board of Directors of II-VI, Inc. (NASDAQ: IIVI), a manufacturer of optical and electro-optical components and devices for infrared, e-ray, gamma-ray, telecommunication and other applications, where Mr. J. Corasanti is a member of the audit committee. He also served as General Counsel and Vice President-Legal Affairs of the Company from March 1993 to August 1998 and Executive Vice-President/General Manager of the Company from August 1998 to August 1999. Prior to that time, he was an Associate Attorney with the law firm of Morgan, Wenzel & McNicholas, Los Angeles, California from 1990 to March 1993. Mr. J. Corasanti is admitted to the State Bar of New York and California. Mr. J. Corasanti holds a B.A. degree in Political Science from Hobart College and a J.D. degree from Whittier College School of Law. Joseph J. Corasanti is the son of Eugene R. Corasanti, Chairman of the Board and Vice Chairman of the Company.

Mr. J. Corasanti's qualifications for election to CONMED's Board include his accomplishments as the Chief Executive Officer of the Company in growing the Company over the past several years. His oversight and management of the

executive officers are most relevant to directing the strategy for the Company, as are his knowledge and contacts in the Company's industry and the markets in which they compete.

BRUCE F. DANIELS (age 77) has served as a Director of the Company since August 1992. Mr. Daniels is a retired executive. From August 1974 to June 1997, Mr. Daniels held various executive positions, including a position as Controller with Chicago Pneumatic Tool Company. Mr. Daniels holds a B.S. degree in Business from Utica College of Syracuse University. The Board of Directors has determined that Mr. Daniels is independent, and that he is an audit committee financial expert, within the meaning of the rules of the Securities and Exchange Commission.

Mr. Daniels' qualifications for election to CONMED's Board include his experience as a Controller of Chicago Pneumatic for several years, along with this service as a director and chair of the Audit Committee for the past seventeen years. Mr. Daniels' experience and background with Chicago Pneumatic brings a different perspective to the Board than that offered by other directors whose experience has been in other industries.

JO ANN GOLDEN (age 64) has served as a Director of the Company since May 2003. Ms. Golden is a certified public accountant and the managing partner of the New Hartford, New York office of Dermody Burke and Brown, CPAs, LLC, an accounting firm. Ms. Golden is also a member of the Board of Directors of the Bank of Utica, serving in this role since December 2009, and as Chair of the Audit & Examining Committee since 2010. Ms. Golden is a past President of the New York State Society of Certified Public Accountants ("the State Society"), having served previously as the Secretary and Vice President of the State Society. In addition, Ms. Golden was a president of the New York State Society's Foundation for Accounting Education. Ms. Golden served as a member of the governing Council of the American Institute of Certified Public Accountants ("AICPA"), and was a member of the AICPA's Global Credential Survey Task Force in 2001. Ms. Golden holds a B.A. from the State University College at New Paltz, and a B.S. in Accounting from Utica College of Syracuse University. The Board of Directors has determined that Ms. Golden is independent, and that she is an audit committee financial expert, within the meaning of the rules of the Securities and Exchange Commission.

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Ms. Golden's qualifications for election to CONMED's Board include her financial and accounting expertise, acquired through her experience as the managing partner of Dermody, Burke and Brown, CPAs as well as her vast service to the State Society. Ms. Golden's experience and background with a professional accounting firm bring a different perspective to the Board than that offered by other directors.

STEPHEN M. MANDIA (age 47) has served as a Director of the Company since July 2002. Mr. Mandia has served as Chairman of the Board of Directors of Sovena USA, formerly East Coast Olive Oil Corp., and now a subsidiary of Sovena Group since January 1, 2010 and currently serves as the Chairman of the Board of Eva Gourmet. He is also the Chief Executive Officer of Mandia International Trading Corp. He previously served as Chief Executive Officer of Sovena USA from 1991 to December 31, 2009. Mr. Mandia holds a B.S. Degree from Bentley College, located in Waltham, Massachusetts, having also undertaken undergraduate studies at Richmond College in London. The Board of Directors has determined that Mr. Mandia is independent within the meaning of the rules of the Securities and Exchange Commission.

Mr. Mandia's qualifications for election to CONMED's Board include his experience as the founder and Chief Executive Officer of a privately-held company which he grew into the largest importer of olive oil in the United States. Likewise, his exposure to and familiarity with conducting business in multiple countries and cultures outside the United States, as well as his experience with managing employees and growth, offers insights and perspectives that are unique on the Board.

STUART J. SCHWARTZ (age 75) has served as a Director of the Company since May 1998. Dr. Schwartz is a retired physician. From 1969 to December 1997 he was engaged in private practice as an urologist. Dr. Schwartz holds a B.A. degree from Cornell University and an M.D. degree from SUNY Upstate Medical College, Syracuse. The Board of Directors has determined that Dr. Schwartz is independent within the meaning of the rules of the Securities and Exchange Commission.

Dr. Schwartz's qualifications for election to CONMED's Board include his extensive education and experience as a surgeon. This experience has provided unique insights for the Board's evaluation of technologies and acquisitions, as well as marketing strategies, from the perspective of the ultimate consumer of many, if not all, of the Company's products.

MARK E. TRYNISKI (age 51) has served as a Director of the Company since May 2007 and Lead Independent Director since May 2009. He is the President and Chief Executive Officer of Community Bank System, Inc. (NYSE:CBU), where he served as Executive Vice President and Chief Operating Officer from February 2004 through August 2006. From June 2003 through February 2004, Mr. Tryniski was the Chief Financial Officer. Prior to joining Community Bank in June 2003, Mr. Tryniski was a partner with PricewaterhouseCoopers LLP. Mr. Tryniski also

serves on the Board of Directors of the Independent Bankers Association of New York State. Mr. Tryniski holds a B.S. degree from the State University of New York at Oswego. The Board of Directors has determined that Mr. Tryniski is independent, and that he is an audit committee financial expert, within the meaning of the rules of the Securities and Exchange Commission.

Mr. Tryniski's qualifications for election to CONMED's Board include his extensive experience as an active Chief Executive Officer of a public financial institution as well as his financial and accounting expertise acquired through his experience as an audit partner with PricewaterhouseCoopers LLP. His exposure to, and familiarity with banking and financial matters offers a number of contacts and level of familiarity with financial matters that is unique on the Board. Further, his experience responding to investor questions makes him well-suited to serve in the role as Lead Independent Director.

The Board of Directors has determined that Messrs. Daniels, Mandia and Tryniski, and Ms. Golden and Dr. Schwartz, have no material relationship with the Company and are independent under the standards of the NASDAQ Stock Market.

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After conducting a self-assessment, the Board agreed that the independent directors would meet in executive session after at least two Board meetings each year. Mr. Tryniski is the Lead Independent Director.

The Company's Directors are elected at each annual meeting of shareholders and serve until the next annual meeting and until their successors are duly elected and qualified. Eugene R. Corasanti's employment is subject to an employment agreement which is terminable at will, as further described below. Joseph J. Corasanti's employment is subject to an amended and restated employment agreement which expires on December 31, 2014. The Company's other officers are appointed by the Board of Directors and, except as set forth below, hold office at the will of the Board of Directors.

Executive Officers

WILLIAM W. ABRAHAM (age 80) joined the Company in May 1977 as General Manager. He served as the Company's Vice President-Manufacturing and Engineering from June 1983 until October 1989. In November 1989, he was named Executive Vice President and in March 1993 he was named Senior Vice President of the Company. In May 2009, his title was changed to Vice President of Business Development. Mr. Abraham holds a B.S. degree in Industrial Management from Utica College of Syracuse University.

HEATHER L. COHEN (age 39) joined the Company in October 2001 as Associate Counsel, has served as Deputy General Counsel since March 2002 and as the Company's Secretary since March 2008. In June 2008, Ms. Cohen was also named the Vice President of Corporate Human Resources. Prior to joining the Company, Ms. Cohen was an Associate Attorney with the law firm Getnick Livingston Atkinson Gigliotti & Priore, LLP from 1998 to 2001. Ms. Cohen holds a B.A. in Political Science and Education from Colgate University and a J.D. from Emory University.

JOSEPH G. DARLING (age 54) joined the Company in May 2008 as President of CONMED Linvatec and in July 2011 also named Vice President - Corporate Commercial Operations. Prior to joining the Company, Mr. Darling served as Senior Vice President & General Manager at Smith & Nephew, Inc. from September 2006 to April 2008 where he was a member of the executive leadership team for the sports medicine business unit within the Endoscopy division. Mr. Darling had previously held the position of Vice President, Worldwide Marketing at Smith & Nephew, Inc. from October 2005 to September 2006. Prior to Smith & Nephew, Mr. Darling served Baxter International, Inc. in a number of increasingly senior positions from May 1999 to October 2005. His final position at Baxter was Vice President, Marketing II and Integrated Delivery Network Sales within the Medication Delivery Systems division from November 2003 to October 2005. Additionally, Mr. Darling held a variety of senior sales and marketing positions with Abbott Laboratories Pharmaceutical Products Division and Wyeth-Ayerst Laboratories from 1983 to 1999. Mr. Darling holds a B.A. degree in Political Science from Syracuse University Maxwell School of Citizenship.

DANIEL S. JONAS (age 48) joined the Company as General Counsel in August 1998 and in addition became the Vice President-Legal Affairs in March 1999. From September 1999 through July 2005, Mr. Jonas assumed responsibility for certain of the Company's Regulatory Affairs and Quality Assurance Departments. In March 2003, Mr. Jonas also became responsible for the administration of the Company's ethics policy. Mr. Jonas is also the Chairman of MedTech Association, Inc. Prior to his employment with the Company, Mr. Jonas was a partner with the law firm of Harter, Secrest & Emery, LLP in Syracuse from January 1998 to August 1998, having joined the firm as an Associate Attorney in 1995. Mr. Jonas holds an A.B. degree from Brown University and a J.D. from the University of Pennsylvania Law School.

GREGORY R. JONES (age 57) joined the Company in June 2008 as Vice President, Regulatory Affairs & Quality Assurance for the CONMED Linvatec business unit and became Vice President of Corporate Quality Assurance/Regulatory Affairs in February 2009. Prior to joining CONMED Linvatec, Mr. Jones was Senior Vice President, Regulatory Affairs & Quality Assurance and a member of the Executive Management team with Power Medical Interventions from November 2003 to May 2008. He was responsible for the development and implementation of PMI's worldwide regulatory and quality assurance strategies. Prior to joining PMI in that role, Mr. Jones spent 14 years from 1989 to 2003 in increasingly senior RA/QA management positions at Ethicon, a Johnson & Johnson Company, ultimately serving as the Worldwide Director, Regulatory Affairs & Quality Assurance for Ethicon's GYNECARE division from 2001 to 2003. Mr. Jones holds a B.A. degree in Sociology from Geneva College.

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LUKE A. POMILIO (age 47) joined the Company as Controller in September 1995. Subsequently, Mr. Pomilio assumed additional responsibility for certain corporate functions including worldwide operations and select administrative functions. In May 2009, Mr. Pomilio was promoted to Vice President, Controller and Corporate General Manager. Prior to his employment with the Company, Mr. Pomilio was employed as a certified public accountant with Price Waterhouse LLP. Mr. Pomilio graduated with a B.S. degree in Accounting from Clarkson University.

ROBERT D. SHALLISH, Jr. (age 63) joined the Company as Chief Financial Officer (“CFO”) and Vice President-Finance in December 1989 and has also served as an Assistant Secretary since March 1995. Prior to this, he was employed as Controller of Genigraphics Corporation in Syracuse, New York since 1984. He was employed by Price Waterhouse LLP as a certified public accountant from 1972 through 1984 where he most recently served as a senior manager. Mr. Shallish graduated with a B.A. degree in Economics from Hamilton College and holds a Master’s degree in Accounting from Syracuse University.

MEETINGS OF THE BOARD OF DIRECTORS AND COMMITTEES, LEADERSHIP STRUCTURE AND RISK OVERSIGHT

During 2011, the full Board of Directors met seven times in person or by telephone conference. Each director attended 100% of the total 2011 full board meetings.

The Board of Directors has a leadership structure with a Chairman, whose role is to set an agenda for meetings and to preside at the meetings of the full Board of Directors. The Board has also decided, for the time being, to spread the work of positions as chairs of the three (3) Board committees. The role of the Lead Independent Director is to preside at meetings of the independent directors, and to be a spokesperson for the independent directors both to the Chairman and to the CEO, and, as appropriate, to shareholders and other stakeholders. The Board has opted to separate the roles of the Chairman and the CEO at this time, although the Board has not concluded that this is a fixed requirement, and the Board will reconsider this aspect of its leadership structure in the future when the Chairman decides to step down from his position.

The role of the Board of Directors with respect to oversight of risk is to review at least annually a risk management matrix maintained by management, with the CEO to inform the Board of any changes to the matrix during the course of the year, or to alert the Board to any significant risks or any risks requiring changes to the matrix during the course of the year as they arise.

Board Committees:

The Company's Board of Directors currently has three standing committees: the Audit Committee, the Compensation Committee and the Corporate Governance and Nominating Committee. Current members of the individual committees are named below:

<u>Audit Committee Compensation Committee</u>		Corporate Governance and Nominating Committee
Bruce F. Daniels,	Stuart J. Schwartz,	Stephen M. Mandia,
Chairman	Chairman	Chairman
Jo Ann Golden	Bruce F. Daniels	Stuart J. Schwartz
		Mark E. Tryniski
Mark E. Tryniski	Stephen M. Mandia	

The Audit Committee consists of three independent directors. As more fully detailed in its charter, the Audit Committee is charged with (a) oversight of the Company's accounting and financial reporting principles, policies and internal accounting controls and procedures; (b) oversight of the Company's financial statements and the independent audit thereof; (c) nominating the outside independent registered public accounting firm to be proposed for shareholder approval; (d) evaluating and, where deemed appropriate, replacing the independent registered public accounting firm; (e) pre-approving all services permitted by law to be performed by the independent registered public accounting firm; (f) approving all related-party transactions above \$5,000; and (g)

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establishing procedures for (i) the receipt, retention and treatment of complaints by the Company regarding accounting, internal accounting controls or auditing matters, and (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters. The Audit Committee has delegated its authority to pre-approve work by the independent registered public accounting firm and related party transactions to the Chairman of the Audit Committee, who is required to disclose any such pre-approvals at the Audit Committee's next meeting. The Audit Committee met eight times during 2011. All members of the Audit Committee attended every meeting. The current Audit Committee Charter is available in the corporate governance section of the Company's web site at (<http://www.conmed.com>) by first clicking on "INVESTORS" and then "CORPORATE GOVERNANCE". The charter is also available in print to any shareholder who requests it.

The Compensation Committee consists of three independent directors. As set forth in its charter, the Compensation Committee is charged with reviewing and establishing levels of salary, bonuses, benefits and other compensation for the Company's officers. The Compensation Committee met seven times, in person or by phone during 2011. All members of the Compensation Committee attended every meeting. The Compensation Committee, and the full Board of Directors, has determined the Company's compensation policies and practices are not reasonably likely to have a material adverse effect on the Company because the value of senior management's short-term incentives are balanced by the value of longer-term incentives. Employees below the senior management level are provided annual incentives that are lower in relation to salary and therefore do not have an incentive that results in risk to the Company as a result of compensation practices or structure. The current Compensation Committee Charter is available in the corporate governance section of the Company's web site at (<http://www.conmed.com>) by first clicking on "INVESTORS" and then "CORPORATE GOVERNANCE". The charter is also available in print to any shareholder who requests it.

The Corporate Governance and Nominating Committee consists of three independent directors. As stated in its charter, the Corporate Governance and Nominating Committee is responsible for recommending individuals to the full Board of Directors for nominations as members of the Board of Directors, and for developing and recommending to the full Board of Directors a set of corporate governance principles. The Corporate Governance and Nominating Committee will consider, but is not obligated to accept, shareholder recommendations for individuals to be nominated provided that such recommendations are submitted in writing to the Company's General Counsel within the time frame for Shareholder Proposals for the Annual Meeting. With respect to diversity, the Corporate Governance and Nominating Committee, as well as the full Board, believes that diversity should be considered with respect to experience in managing companies both public and private, in financial matters, in experience with United States and international business, and in the medical field. The Corporate Governance and Nominating Committee met four times during 2011. All members of the Corporate Governance and Nominating Committee attended every meeting. The current Corporate Governance and Nominating Committee Charter and Corporate Governance Principles are available in the corporate governance section of the Company's web site at (<http://www.conmed.com>) by first clicking on "INVESTORS" and then "CORPORATE GOVERNANCE". The charter is also available in print to any shareholder who requests it.

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AUDIT COMMITTEE REPORT

The role of the Audit Committee is to assist the Board of Directors in its oversight of the Company's financial reporting process. The Board of Directors, in its business judgment, has determined that all members of the Audit Committee are "independent", as required by the applicable listing standards of the NASDAQ Stock Market and the rules under the Securities and Exchange Act in that no member of the Audit Committee has received any payments, other than compensation for Board services, from the Company, and has not participated in the preparation of the financial statements of the Company or any current subsidiary of the Company at any time during the past three years. Although not currently engaged professionally in the practice of auditing or accounting, the Audit Committee and Board of Directors have determined that Messrs. Daniels and Tryniski qualify as "audit committee financial experts" within the meaning of Section 407 of the Sarbanes-Oxley Act of 2002 and the implementing regulations. In addition, the Audit Committee and Board of Directors have determined that Ms. Golden, who is engaged professionally in the practice of auditing and accounting (although her service on the Board and on the Committee is not an engagement for the purpose of auditing or accounting), qualifies as an "audit committee financial expert" within the meaning of Section 407 of the Sarbanes-Oxley Act of 2002 and the implementing regulations. The Audit Committee operates pursuant to a Charter that was last amended by the Board of Directors on March 1, 2011. A copy of the amended charter is available on the Company's web site.

Management is responsible for CONMED's internal controls, financial reporting process and compliance with laws and regulations. The independent registered public accounting firm is responsible for performing an integrated audit of CONMED's consolidated financial statements and of its internal control over financial reporting in accordance with the standards of the Public Company Accounting Oversight Board (PCAOB). The Audit Committee's responsibility is to monitor and oversee these processes, as well as to attend to the matters set forth in the amended charter.

In this context, the Audit Committee has met eight times during 2011 and held numerous discussions with management and with the independent registered public accounting firm, including executive meetings without management present. Management represented to the Audit Committee that the Company's consolidated financial statements were prepared in accordance with generally accepted accounting principles, and the Committee has reviewed and discussed the consolidated financial statements with management and the independent registered public accounting firm. The Audit Committee discussed with the independent registered public accounting firm matters required to be discussed by Statement on Auditing Standards Nos. 61 (as amended, as adopted by the PCAOB in Rule 3200T), 89 and 90 (Communication with Audit Committees).

CONMED's independent registered public accounting firm also provided to the Audit Committee the written disclosures and the letter required by the PCAOB (Rule 3526, Communications with Audit Committees Concerning Independence) and the Audit Committee discussed with the independent registered public accounting firm their independence. In this regard, the Audit Committee has determined that the provision of non-audit services by the independent registered public accounting firm is compatible with the auditor's independence in light of the nature and extent of permissible non-audit services provided to the Company.

Members of the Audit Committee rely without independent verification on the information provided to them and on the representations made by management and the independent registered public accounting firm. Accordingly, the Audit Committee's oversight does not provide an independent basis to determine that management has maintained appropriate accounting and financial reporting principles or appropriate internal control and procedures designed to assure compliance with accounting standards and applicable laws and regulations. Furthermore, the Audit Committee's considerations and discussions referred to above do not assure that the audit of the Company's financial statements has been carried out in accordance with generally accepted auditing standards, that the financial statements are presented in accordance with generally accepted accounting principles or that the Company's auditors are in fact "independent."

Based upon the Audit Committee's review and discussions referred to above, and subject to the limitations on the role and responsibilities of the Audit Committee referred to above and in the Charter, the Audit Committee recommended that the Board of Directors include the Company's audited consolidated financial statements in CONMED's Annual Report on Form 10-K for the year ended December 31, 2011 filed with the Securities and Exchange Commission.

Submitted by the Audit Committee,

Bruce F. Daniels (Chair) Jo Ann Golden Mark E. Tryniski

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CORPORATE GOVERNANCE AND NOMINATING COMMITTEE REPORT

The role of the Corporate Governance and Nominating Committee is to recommend individuals to the Board for nomination as members of the Board and its committees and to develop and recommend to the Board a set of corporate governance principles applicable to the Company. The Board of Directors, in its business judgment, has determined that all members of the Corporate Governance and Nominating Committee are “independent,” as required by applicable listing standards of the NASDAQ Stock Market, in that no member of the Corporate Governance and Nominating Committee has received any payments, other than compensation for Board services, from the Company. The Corporate Governance and Nominating Committee operates pursuant to a Charter that was last amended by the Board of Directors on March 1, 2011. A copy of the amended charter is available on the Company’s web site.

The Corporate Governance and Nominating Committee has no fixed process for identifying and evaluating potential candidates to be nominees. To date, the Corporate Governance and Nominating Committee has not retained the services of any third party to assist in the process of identifying or evaluating candidates, although this could change should circumstances warrant the services of a third party. Likewise, the Corporate Governance and Nominating Committee has no fixed set of qualifications that must be satisfied before a candidate will be considered. Rather, the Corporate Governance and Nominating Committee has opted to retain the flexibility to consider such factors as it deems appropriate. These factors may include judgment, skill, diversity, experience with businesses and other organizations of comparable size, the interplay of the candidate’s experience with the experience of other Board members and the extent to which the candidate would be a desirable addition to the Board and any committees of the Board.

The Committee may consider candidates proposed by management, but is not required to do so. As previously disclosed, the Corporate Governance and Nominating Committee will consider any nominees submitted to the Company by shareholders wishing to propose nominees for election as directors at the 2012 Annual Meeting, provided that the shareholders proposing any such nominees have adhered to specified advance notice procedures contained in the Company’s by-laws, a copy of which is available on request to the General Counsel of the Company, CONMED Corporation, 525 French Road, Utica, New York 13502 (Telephone (315) 797-8375).

Submitted by the Corporate Governance and Nominating Committee,

Stephen M. Mandia (Chair)

Stuart J. Schwartz

Mark E. Tryniski

SHAREHOLDER COMMUNICATIONS WITH THE BOARD OF DIRECTORS

Shareholders who wish to communicate with the Board of Directors may do so by sending correspondence to the attention of the General Counsel of the Company at 525 French Road, Utica, New York 13502 with a cover letter explaining that the correspondence is intended for the Board of Directors. At this time, no communications received by the Company in this manner will be screened, although this could change without prior notice. In addition, questions may be posed to directors during the question and answer period at the Annual Meeting of Shareholders. As set forth in the Company's Corporate Governance Principles, the Company's policy is that directors will attend the Annual Meeting of Shareholders, absent exceptional circumstances. Historically, all directors have attended the Annual Meeting of Shareholders, and all were present at the 2011 Annual Meeting of Shareholders.

ETHICS DISCLOSURE

The Company has adopted, as of March 31, 2003, an ethics program which applies to all employees, including senior financial officers and the principal executive officer. The ethics program is available through the "Investors" section of the CONMED Corporation web site (<http://www.conmed.com>), and is administered by the Company's General Counsel. The Program codifies standards reasonably necessary to deter wrongdoing and to promote honest and ethical conduct, avoidance of conflicts of interest, full, fair, accurate, timely and understandable disclosure, compliance with laws, prompt internal reporting of code violations and accountability for adherence to the code and permits anonymous reporting by employees to an independent third party, which will alert the Chair of the Audit Committee of the Board of Directors if and when it receives any anonymous reports. No waivers under the Ethics Program have been granted.

Table of Contents**PRINCIPAL ACCOUNTING FEES AND SERVICES**

The aggregate fees and expenses billed by PricewaterhouseCoopers LLP for professional services rendered for the audit of the Company's annual financial statements for the years ended December 31, 2010 and December 31, 2011, for the reviews of the financial statements included in the Company's Quarterly Reports on Form 10-Q for those years, for the audit of the Company's internal control over financial reporting as of December 31, 2010 and December 31, 2011, and all other audit related, tax consulting and other fees and expenses, are set forth in the table below.

Fee Summary	2010	2011
Audit Fees and Expenses:		
Audit of Annual Financial Statements and Interim Reviews	\$1,181,750	\$1,239,100
Audit of Internal Control over Financial Reporting	Included above	Included above
SEC Registration Statements	\$7,500	\$0
Total Audit Fees and Expenses	\$1,189,250	\$1,239,100
Audit Related:		
Advisory Services	\$0	\$0
Tax:		
Tax Compliance and Consulting Services	\$71,703	\$268,100
All Other:		
Payroll Consulting Services	\$0	\$80,900
Research Service License	\$1,800	\$0
Total Fees and Expenses	\$1,262,753	\$1,588,100

The Audit Committee has adopted procedures requiring prior approval of particular engagements for services rendered by the Company's independent registered public accounting firm. Consistent with applicable laws, the Audit Committee has delegated its authority to pre-approve work by the independent registered public accounting firm and related party transactions to the Chairman of the Audit Committee, who is required to disclose any such pre-approvals at the Audit Committee's next meeting.

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COMPENSATION DISCUSSION AND ANALYSIS

The Company believes that compensation should be heavily influenced by the Company's financial performance. The objective of the compensation program is to provide a balance between incentivizing short and long-term performance, and to attract, motivate and retain executives. In particular, the executive compensation program is designed to reward improvements in earnings, sales and other financial metrics, as well as operating results and improvements in individual performance. Further, executive employment, advancement and compensation are contingent on demonstrating high ethical standards and compliance with governmental and regulatory standards. Competition for and retention of executives with the experience and qualifications to achieve our business goals are key considerations in the compensation program.

The current executive compensation is comprised of five components:

- Salary: a base salary is paid based on position;
- Executive Bonus Plan: executive and senior officers participate in an annual cash-based Executive Bonus Plan, with payment generally based on achievement of corporate-wide or division-specific earnings-related objectives measured over the course of a particular year, paid in cash;
- Discretionary Bonuses: executive and senior officers may be awarded a discretionary bonus from time to time;
- Equity Compensation: equity compensation is awarded to align the interests of management with the interests of shareholders over the long term; and
- Retirement Benefits and Perquisites: the Company provides certain retirement benefits and perquisites that are deemed customary and necessary to attract and retain executive talent.

The components, or elements within a component, may change to adjust to the market competition for executive talent. There is no pre-established formula setting the relative weighting of these components.

The Compensation Committee is responsible for and oversees all aspects of compensation for executive and senior officers as well as certain other key employees. The Committee relies on the CEO to make recommendations on compensation levels. In addition, the Committee engaged the independent consulting firm of Towers Watson & Co. in 2009 to provide a compensation analysis for the role of the CEO and the CFO, as well as director fees, using the organization's executive compensation peer groups. Towers Watson & Co. reported that the then current compensation position relative to peer groups paid to the CEO and CFO was below the 50th percentile in all categories: base salary, total target cash compensation, total actual cash compensation, and equity compensation based on 2009 grant levels. Towers Watson & Co. provides no other consulting services to the Company. The Compensation Committee did not retain any compensation consultant in 2010 or 2011 relative to compensation paid to the executive officers.

The Compensation Committee reviews compensation for similar positions at other corporations within a designated peer group of companies that includes other public medical device companies. Some of the peer companies are larger and some smaller when measured with respect to revenue, net income, R&D expense, market capitalization, earnings per share, total shareholder return and/or number of employees. The purpose of the review is to ensure that the Company's overall compensation levels, and the components thereof, are appropriate in light of the nature of the medical device business and the talent for which we compete. There is no fixed formula or percentile of market-established compensation levels which the Company strives to meet. The complete list of the companies reviewed in 2011 was: American Medical Systems Holdings, Inc., Greatbatch Inc., Haemontetics Corporation, IDEXX Laboratories, Inc., Integra Life Sciences Holdings Corporation, Masimo Corp., Orthofix International N.V., Resmed Inc., Sirona Dental Systems, Inc., Steris Corporation and Wright Medical Group, Inc. The Compensation Committee may revise the list of peer companies used for benchmarking purposes as appropriate for reasons including, but not limited to, changes in revenue, market capitalization, and the medical device industry so that the peer companies include those companies with whom we compete for executive talent.

The Compensation Committee reviews the voting results on the advisory resolution, commonly referred to as a "say-on-pay" resolution, when evaluating our executive compensation programs and noted 90% of our shareholders were in favor of the compensation program.

Risk Assessment

The Compensation Committee has evaluated the Company's compensation programs to assess whether such programs as designed or administered would facilitate or encourage excessive risk-taking by employees. The Committee has

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concluded that the programs are not reasonably likely to have a material adverse affect on the Company in part due to the following program elements: caps provided on annual incentive and long-term performance awards, the potential opportunity derived from long-term incentive programs outweigh the benefit available under the annual incentive programs thereby creating a focus on sustained Company operational and financial performance, and the enhanced stock ownership guidelines impacting all executives.

2011 in Review

For summary purposes, key decisions related to executive compensation programs made in 2011 include the following:

·The Company adopted a recoupment policy, also known as a clawback policy, as further described below.

Effective January 1, 2012, the Company discontinued the reimbursement to the CEO for the tax liability created by the payment of premiums for his split-dollar life insurance policy. See the “Perquisites” section below.

The stock ownership guidelines were revised to increase the guidelines for the CEO and CFO and were expanded to cover all other executives. This policy, effective January 1, 2012, is more fully described below under the section “Stock Ownership Guidelines and Hedging policies”.

The Compensation Committee has committed to not entering into any Change in Control Severance Agreements containing a gross-up for excise taxes with any future executive.

The 2012 bonus program includes a secondary target to increase the focus on revenue growth and free cash flow. As described under the section Executive Bonus Plan, this secondary target only results in a bonus to executives if the primary goal is achieved and the Company exceeds the secondary targets.

Recommended, subject to shareholder approval, a new equity plan with an additional 1,000,000 shares and with a minimum three (3) year vesting period, as described in the plan itself.

Salary

Base salary is an integral component of the total compensation program, and is intended to provide our executives with a stable source of compensation.

A Named Executive Officer's (an "NEO") salary is initially established based upon an evaluation of the marketplace and the responsibilities of the NEO. Absent a promotion or some other unusual circumstance, salaries are reviewed once per year. In this process, the Compensation Committee considers the recommendation of the CEO in reviewing and approving the base salaries of the executive and senior officers (other than the CEO) at a meeting of the Compensation Committee in the April/May time frame, with the final decisions made by the Compensation Committee and Board of Directors following the annual shareholders' meeting in May.

In making his recommendation for the NEOs and certain senior officers, the CEO considers current compensation data derived from the proxies of the peer companies described above and, as appropriate, compensation data gathered from third-party surveys generally available to the Company. The CEO considers the overall corporate performance and exercises judgment and discretion when considering any additional factors that should appropriately affect the executive's salary. Such factors from time to time may include the complexity of the NEO's area of responsibility, individual performance and the performance of their respective areas of responsibilities, expected future contributions, and internal pay equity. No specific formula is used to weigh or evaluate these factors, but rather the CEO considers such factors on the whole when making a base salary recommendation.

As to the process for reviewing the base salary for the CEO, the Committee considers the Company's performance, CEO's contribution and responsibilities, as well as the competitive information provided previously by Towers Watson and the peer companies. No fixed formula or target percentile is established for setting the base salary.

In 2011, the Company increased the salaries of Mr. J. Corasanti, Mr. Shallish, Mr. Pomilio, Mr. Jonas and Mr. Darling in May 2011 by 4%, 4%, 8%, 4% and 4%, respectively. Mr. Pomilio was given a higher increase due to consideration given to internal pay equity, the relative base pay noted in the Company's peer companies and other data reviewed in market surveys regularly used by the Company, as well as his performance during the relevant period.

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Executive Bonus Plan

The Executive Bonus Plan is established in the first quarter of the year, with the approval of the Compensation Committee and the Board of Directors at the meeting typically held in late February or early March.

2011 Executive Bonus Plan

For 2011, the performance goal set for NEOs at a corporate level was \$1.40 earnings per share, plus any unusual or extraordinary charges, less any unusual or extraordinary income credits, and any incremental noncash convertible bond interest. The target bonus percentage for NEOs in 2011 with corporate-wide responsibility was 50% of base salary with the first 20% to be held back and paid in 2013 based on achieving at least 85% of the budgeted 2012 EPS target. The \$1.40 performance goal was both the minimum and the target threshold in order for NEOs to earn a bonus, subject to the other conditions of the Executive Bonus Plan (*e.g.*, compliance with regulatory and ethics requirements, and employment through the filing of the Form 10-K). If performance had been below the \$1.40 earnings per share, NEOs would not have been entitled to any incentive payment under the Executive Bonus Plan. Under the terms of the 2011 Executive Bonus Plan, the bonus payouts increased above the target bonus by five percent of base salary for each \$0.02 in incremental earnings per share with a maximum incentive payment of two times the target bonus if 114% or more of the target performance goal was achieved (*i.e.*, earnings per share of \$1.60 or more). For Mr. Darling, the target bonus percentage was 50% of base salary, with a maximum incentive payment of 100% if 105% of his target was achieved. Mr. Darling's performance goal was based upon the financial performance of the Company's orthopedic business.

In addition, as provided for in the 2010 Executive Bonus Plan, 20% of the incentive payout from 2010 had been held back to be paid in 2012 based on achieving at least 85% of the 2011 EPS target.

For 2011, the actual incentive earned for the NEOs at a corporate level was 75% based on the Company achieving earnings per share of \$1.50 or 107% of the 2011 performance goal. Again, in accordance with the 2011 Executive Bonus Plan, 20% of the incentive earned was held back contingent upon achieving at least 85% of the budgeted 2012 EPS goal. For Mr. Darling, 100% of his 2011 incentive was earned and paid under his Plan.

2012 Executive Bonus Plan

As in the prior year, the target bonus percentage for NEOs in 2012 is 50% of base salary with the first 20% of any bonus earned to be paid based further on achieving at least 85% of the budgeted 2013 EPS goal. If at least 85% of the

2013 goal is not achieved, or if the NEO is no longer employed by the Company when the Form 10-K for 2013 is filed, the 20% portion of the bonus held back from 2012 will be forfeited. The Company believes it is appropriate to continue with the target percentage of 50% of base salary with a 20% holdback to reduce the risk of excessive focus on short-term results and encourage retention.

The 2012 Executive Bonus Plan for the NEOs establishes primary and secondary performance goals. The primary performance goal is based on earnings per share of \$1.75, adjusted for unusual items including restructuring charges, changes in tax or accounting rules, or other nonrecurring events. This primary performance goal, which is the minimum threshold for any payment under the 2012 Executive Bonus Plan for NEOs, is consistent with the results of the Company's internal budget goals and the Company's guidance to investors. Further, the Compensation Committee determined that the minimum performance level or target for incentive pay was 100% achievement of the target or performance goal with the incentive payment increasing incrementally for each incremental improvement in earnings per share, with the maximum incentive payment for NEOs to be 125% of the target bonus if achievement of 120% (i.e., \$2.10 earnings per share) or more of the target EPS performance goal was achieved.

Secondary performance goals in the 2012 Executive Bonus Plan are based on net sales and operating cash flow. The net sales goal is \$780 million and operating cash flow goal is \$94 million. If the primary performance goal (non-GAAP EPS of \$1.75) is not met, no consideration will be given to performance under the secondary targets and no incentive pay will be paid regardless of performance under these secondary performance goals. If the primary targets are achieved and the secondary targets are exceeded on a combined average, the average percentage achievement on the secondary targets will serve to increase the bonus due under the primary goal by that same percentage. An example of the secondary target

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calculation is provided below. Assuming achievement of the EPS target, the total bonus payout would be the primary target bonus multiplied by 100.8%:

	Actual	Target	%Achievement	
Net sales (in 000's)	\$ 800,000	\$ 780,000	102.6	%
Operating cash flow (in 000's)	\$ 93,000	\$ 94,000	98.9	%
Average % - Secondary goal performance			100.8	%

Recoupment Policy

In the interest of further aligning the interests of the NEOs with those of our shareholders, the Committee approved a Recoupment Policy which would allow the Committee to require any participant or former participant in the Executive Bonus Plan or recipient of performance based equity awards in any of the prior three years to repay to the Corporation all or a portion of the amount received in connection with a fiscal year in which either (i) there was a recalculation of a financial or other performance metric related to the determination of an annual incentive compensation award or performance-based equity award due to an error in the original calculation or (ii) there was a restatement of earnings for the Corporation or a business unit due to material noncompliance with any financial reporting requirement under either GAAP or federal securities law, other than as a result of changes to accounting policy, rules or regulation; and (iii) the restated earnings or corrected performance measurement would have (or likely would have) resulted in a smaller award than the amount actually received by the participant. A similar recoupment provision is extended to non-executives who participate in other Company non-equity incentive programs.

Discretionary Bonus

The Committee also has the discretion, upon the recommendation of the CEO, to review at year-end a business unit's actual results, and may consider certain mitigating factors, such as one-time costs or other unique events not contemplated at the time the goals were established. The Committee in such circumstances may also consider the need to attract and retain executive talent. In such instances, a discretionary bonus may be awarded to adjust for these factors. No NEOs were awarded a discretionary bonus in 2011.

Equity Compensation

Equity compensation, in the form of stock options, Stock Appreciation Rights (“SARs”), Restricted Stock Units (“RSUs”), or Performance Share Units (“PSUs”), is awarded to align the interests of NEOs with those of shareholders, encourage long-term retention, and provide a counter-balance to the incentives offered by the Executive Bonus Plan which reward the achievement of comparatively short-term performance goals.

The Company’s equity compensation awards generally provide for no shorter than five year vesting periods. The exercise price on all outstanding options and SARs is equal to the quoted fair market value of the stock at the date of grant. RSUs and PSUs are valued at the market value of the underlying stock on the date of grant. Stock options, SARs, RSUs, and PSUs are generally non-transferable other than on death and expire ten years from date of grant. SARs are only settled in shares of the Company’s stock.

The Committee has historically taken a multi-tiered approach to equity compensation grants to NEOs whereby, the CEO received one level of annual grant of equity compensation, the remaining corporate NEOs received equal grants which are at a lower level than the CEO grant and divisional NEOs received a grant based on the scope of their responsibilities. In 2010, the Committee determined, as had been recommended by Towers Watson & Co. in 2009, that both the CEO’s and CFO’s equity compensation should reflect a larger percentage of the overall compensation so that the CEO and CFO have a greater incentive to focus on long-term growth and strategic positioning, as well as regulatory and ethics compliance. In addition, during 2010, the Committee determined equity compensation to divisional NEO’s would be in the form of PSUs and RSUs only. The Committee determines the amount of equity compensation for each NEO other than the CEO, based in part, on recommendations from the CEO in the April-May time frame, with all actual grants made at the Annual Meeting of Shareholders to be effective on June 1st or the closest business day to this date for ease of administration. While there is no fixed formula for equity compensation grants, the Committee seeks to establish an appropriate balance between cash and non-cash compensation, short and long term incentives, at-risk compensation and the form of equity compensation. The Committee generally prefers consistent annual RSU and SAR grants to the corporate NEOs but will alter such amounts to rebalance or alter the components of compensation to the extent it is deemed appropriate, as done with the grants awarded to the CFO in 2010.

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The June 1, 2011 equity grants to the CEO and CFO were 25,000 RSUs and 62,500 SARs, and 6,000 RSUs and 14,000 SARs, respectively. All other corporate NEOs were awarded equity grants of 4,000 RSUs and 10,000 SARs, consistent with prior year grants and resulted in the following compensation balance which the Committee considered appropriate.

	Percentage Cash Compensation to Total Compensation	Allocation of Equity Compensation Value between SARs and RSUs
	(Salary and target bonus is cash compensation. Equity compensation is added to cash compensation for total)	
CEO	45%	Approximately 50% each
CFO	66%	Approximately 50% each
Other		
Corporate NEOs	72% to 73%	Approximately 50% each

Mr. Darling was awarded 4,000 RSUs and 10,000 PSUs in June 2011. The PSUs had performance and time based vesting with the performance criteria based on the financial performance of the CONMED Linvatec business unit. These targets were achieved in 2011 and, therefore, the PSUs will begin vesting over five years starting June 1, 2012. Mr. Darling's equity compensation was allocated 71% to PSUs and 29% to RSUs. Mr. Darling's target cash compensation represented 66% of total compensation (defined as salary, target bonus, RSU grant value and PSU grant value). In conjunction with Mr. Darling assuming additional responsibility in July 2011 as the Vice President – Corporate Commercial Operations, Mr. Darling was awarded 15,000 RSUs vesting over a seven year period.

In July of 2011, Mr. Pomilio's exceptional performance as Vice President, Controller and Corporate General Manager was recognized with a grant of 5,000 RSUs vesting over a five year period. Mr. Pomilio was rewarded for setting and driving the Company's operational strategy and renewed focus on leveraging sourcing opportunities, the virtually seamless consolidation of certain factories and establishment of the Mexican manufacturing facility.

Stock Ownership Guidelines and Hedging Policies

Effective July 31, 2009, the Company adopted guidelines to encourage outright share ownership by the CEO and CFO to ensure they had a direct stake in the Company's future and to directly align their interests with those long-term interests of the shareholder. As of January 1, 2012, the ownership guidelines were expanded to cover all NEOs and increased the guidelines for the CEO and CFO. Under the terms of the guidelines, the NEOs have five (5) years to

comply. The guidelines are as follows:

NEO	Ownership guideline
President & CEO	4x salary
CFO	3x salary
All other NEOs	1x salary

The following share types are included under these guidelines: shares directly owned, shares jointly owned, estimated net after tax shares of unvested RSUs, and shares held in saving plan accounts. Share ownership guidelines for officers reaching the age of 62 are reduced by 50%. The CEO and CFO are required to be in compliance with these guidelines within five (5) years of becoming subject to this policy. These ownership guidelines also contain a holding period for equity-based awards until such time as the minimum share ownership is achieved. A complete copy of these guidelines is available on the Company's web site in the investor relations section.

The Company also requires that its officers and directors not hold any derivatives other than those issued by the Company. The intention of this policy is to align the interests of senior management with those of the holders of the Company's common stock.

Both the CEO and CFO were in compliance with the guidelines as assessed as of December 31, 2011. The other NEOs will be assessed under the new guidelines in 2012.

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Retirement Benefits

All employees in the United States, including the NEOs, are eligible to participate in the Retirement Savings Plan and were eligible to participate in the Retirement Pension Plan if employed by the Company prior to May 14, 2009. The Company maintains the Benefits Restoration Plan for eligible employees including the NEOs. The following summary of the terms of these plans is qualified in its entirety by reference to the complete plan documents.

Retirement Pension Plan

As of January 1, 2004, the Aspen Laboratories, Inc. Retirement Plan (“Aspen Plan”) and the Linvatec Corporation Income Plan (“Linvatec Plan”) were merged with the CONMED Corporation Pension Plan “D” (“CONMED Plan”) which was renamed the CONMED Corporation Retirement Pension Plan (“Retirement Plan”), a tax-qualified, defined benefit pension plan.

Under the Retirement Plan, upon the later of the attainment of age 65 or the completion of 5 years of participation, employees are entitled to annual pension benefits equal to the greater of: (a) 1.65% of a participant's average monthly compensation multiplied by years of benefit service with the product being reduced by 0.65% of a participant's monthly covered wages multiplied by years of benefit service (not to exceed 35) or (b) the benefit the participant would have been entitled to prior to December 31, 2003. Special plan provisions exist for early retirement, deferred retirement, death or disability prior to eligibility for retirement and lump sum benefit payments. A participant is 100% vested after five years of service. The participant may elect one of the following forms of payment: lump sum distribution for benefits earned through December 31, 2003, single life annuity or joint and survivor annuity.

For employees who met the eligibility requirements of the CONMED Plan as of December 31, 2003, the calculation of benefits under the Retirement Plan is the greater of (i) the benefit earned under the CONMED Plan as of December 31, 2003 or (ii) the benefit under the new formula provided by the Retirement Plan based on the date of retirement or other termination of employment.

For employees who met the eligibility requirements of the Linvatec Plan as of December 31, 2003, the calculation of benefits under the Retirement Plan is the greater of (i) the benefit earned under the Linvatec Plan as of December 31, 2003 or (ii) the benefit under the new formula provided by the Retirement Plan based on the date of retirement or other termination of employment.

For employees who met the eligibility requirements of the Aspen Plan as of December 31, 2003, the calculation of benefits under the Retirement Plan is the greater of (i) the benefit earned under the Aspen Plan as of December 31, 2003 or (ii) the benefit under the new formula provided by the Retirement Plan based on the date of retirement or other termination of employment.

As of May 14, 2009, pension accruals under the Retirement Plan were frozen and participants will not accrue any additional benefits after that date.

Retirement Savings Plan

The Retirement Savings Plan (the "Savings Plan") is a tax-qualified retirement savings plan pursuant to which all employees are eligible after completing three months of service, including the NEO's who meet the Plan's requirements. A participant can contribute 1 to 50 percent (16% prior to January 1, 2002) of his or her annual compensation, as defined, up to the maximum annual limitations as provided by the Internal Revenue Code. Prior to 2010, the Company matched 50% of each participant's contribution up to a maximum of six percent of the participant's compensation. All employee contributions are fully vested upon contribution. All matching contributions vest upon completion of five years of service. During 2009, the Savings Plan was amended to allow for a discretionary employer contribution and all eligible employees employed as of December 31, 2009 and certain employees retiring in 2009 were paid a discretionary employer contribution equal to 3% of compensation as that term is defined in the Savings Plan. Effective January 1, 2010, the Retirement Savings Plan was amended to provide a 100% matching contribution up to a maximum of seven percent of the participant's compensation.

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Benefits Restoration Plan

The Company has established a Benefits Restoration Plan effective January 1, 2010. The Benefits Restoration Plan is a funded nonqualified deferred compensation plan that provides eligible employees, which include the NEOs, the opportunity to defer receipt of up to 50% of base salary and up to 100% of incentive compensation and to receive 7% matching contributions or other contributions from the Company that would otherwise be unavailable under our 401(k) plan because of limits imposed by the Internal Revenue Code. In addition, similar to the Savings Plan, the Company has discretion to contribute to the Benefits Restoration Plan in addition to the match. The funds are invested based upon the investments selected by the participant from the investments available under the Savings Plan.

A participant is 100% vested in the participant's deferred compensation and any earnings. The Company's match and any discretionary contributions to a participant's deferred compensation account vest subject to a Rule of 65, which is defined as the sum of the participant's age plus years of service equal to 65.

Perquisites

The Company has historically provided certain perquisites to the NEOs to provide convenience and support services that the Company viewed as customary and necessary to attract, motivate and retain executive talent. These included car allowances (although in limited cases the Company has also leased the NEOs' cars directly), long-term care insurance and reimbursement of country club dues. These perquisites, as provided in 2011, are discussed in more detail below in the footnotes to the Summary Compensation Table.

In the case of Mr. J. Corasanti, the Company is contractually obligated to reimburse certain legal or accounting fees and to provide payments to Mr. J. Corasanti in an amount sufficient to allow him to continue to pay the premiums due on a split-dollar life insurance policy. During 2011, \$49,505 was awarded to Mr. J. Corasanti, of which \$27,020 related to premium and \$22,485 was intended as a "gross-up" to reimburse Mr. J. Corasanti for the tax liability created by the payment. In May of 2011, the Compensation Committee recommended and the Board of Directors approved, the elimination of the gross-up on the reimbursement to Mr. J. Corasanti for this tax liability, effective December 31, 2011.

The Company has revised its practices, effective January 1, 2012, as it relates to perquisites it provides to the NEOs to simplify the Company's approach and provide flexibility to the NEOs. Under the new perquisites program, the Company will continue to lease a car for the CEO, reimburse Mr. J. Corasanti for the split-dollar life insurance with no "gross-ups", and in limited cases, provide long-term care insurance. All other perquisites have been replaced by a

cash allowance paid the NEOs on a monthly basis. The allowance set for 2012 is \$3,200 per month for the CEO and \$1,500 per month for all other NEOs. This allowance replaces any costs related to any other perquisite that may have been previously provided by the Company, including car allowances, country club dues, financial and/or tax services, as well as any travel related perquisite. This cash allowance is not considered compensation under any of the Company's other employee benefit plans.

Employment Contracts

As a general matter, NEOs are employees at will and have no employment contracts. The exceptions to this general policy are the employment agreement for the CEO and the Change in Control severance agreements for all NEOs.

CEO Employment Agreement

Consistent with the Company's compensation policy, the Board of Directors believes that compensation of Joseph J. Corasanti, the Company's Chief Executive Officer ("CEO"), should be heavily influenced by company performance, long-term growth and strategic positioning, as well as regulatory and ethics compliance. Therefore, although there is necessarily non-performance-based pay reflected in providing a salary to him, major elements of the compensation package are directly tied to the Company's performance, long-term growth and strategic positioning. Mr. J. Corasanti has an employment agreement with the Company, extending from January 1, 2000 through December 31, 2014 (the "CEO Employment Agreement"). This agreement was amended and restated as of November 12, 2004 whereby Mr. J. Corasanti began serving as the Chief Operating Officer of the Company and received an annual salary of not less than \$375,000. Mr. J. Corasanti also received deferred compensation of \$100,000 per year with interest at 10% per annum for payments accrued through December 31, 2004, with payments of \$125,000 to accrue in each year commencing December 31, 2005 with interest at two percent above prime per annum, payable upon his departure or retirement, or to his beneficiaries at death. This agreement was amended October 31, 2006 and became effective January 1, 2007 increasing the minimum base annual salary to \$450,000 and increasing the minimum award of deferred compensation to \$150,000 per annum before interest in connection with Mr. J. Corasanti assuming the expanded role and responsibilities of CEO.

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During 2008, certain technical amendments were made to the CEO Employment Agreement, which were primarily intended to conform certain provisions to the requirements of Section 409A of the Code. The CEO Employment Agreement was again amended on October 30, 2009 to provide that the minimum base salary be not less than \$511,000, roughly equivalent to his then current salary, deferred compensation of \$175,000 beginning January 1, 2010, and reimbursement for a physical medical examination. Until this contract amendment, the CEO's deferred compensation had not been raised from \$150,000 since 2006. Effective May 2011, the Committee recommended and the Board approved increasing the CEO's deferred compensation to \$200,000.

Mr. J. Corasanti is entitled to participate in the Company's employee equity compensation plan and pension and other employee benefit plans and such bonus or other compensatory arrangements as may be determined by the Board of Directors. Mr. J. Corasanti is also entitled to be paid an amount sufficient after the payment of applicable taxes to permit him to purchase certain life insurance policies, as further described below. In the event that the Board of Directors should fail to re-elect Mr. J. Corasanti as CEO or should terminate his employment for reasons other than "just cause" (as defined in the CEO Employment Agreement), Mr. J. Corasanti will become entitled to receive a lump sum payment equal to the result of multiplying the greater of three or the number of years and fraction thereof then remaining in the term of employment by his base annual salary plus the average of the bonuses, deferred compensation and incentive compensation awarded to him during the three fiscal years prior to such early termination. He will also continue to receive other employment benefits, for the greater of three years or the balance of the CEO Employment Agreement's term. In the event of Mr. J. Corasanti's death or disability, Mr. J. Corasanti or his estate or beneficiaries will be entitled to receive 100% of his base annual salary and other employment benefits (other than deferred compensation) for the balance of the CEO Employment Agreement's term, and in the case of disability, he and his wife will be entitled to life and health insurance benefits for life. If, during the term of Mr. J. Corasanti's employment under the CEO Employment Agreement and within two years after a Change in Control, his employment with the Company is terminated by the Company, other than for Cause or by him for Good Reason (as such capitalized terms are defined in the Employment Agreement), Mr. J. Corasanti will be entitled to receive (a) a lump sum payment equal to three times the sum of (i) his base salary on the date of such termination or his base salary in effect immediately prior to the Change in Control, whichever is higher, plus (ii) the average of the bonuses, deferred compensation and incentive compensation awarded to him during the three years prior to such termination; (b) continued coverage under the benefit plans in which he participates for a period of three years from the date of such early termination; (c) a lump sum payment equal to the aggregate amount credited to his deferred compensation account; and (d) awards for the calendar year of such termination under incentive plans maintained by the Company as though any performance or objective criteria used in determining such awards were satisfied.

Change In Control Severance Agreements

As a general rule, the Company does not enter into separate severance or employment agreements other than with the Chief Executive Officer and the Vice Chairman. The Company, however, does have outstanding agreements with the NEOs which provide that these NEOs will not, in the event of the commencement of steps to effect a Change in Control (defined generally as an acquisition of 25% or more of the outstanding voting shares or a change in a majority of the Board of Directors) voluntarily leave the employ of the Company until the potential Change in Control has been terminated or until a Change in Control has occurred. These agreements were first entered into by the Company and the respective NEOs in 2000, and were last amended in 2008 in order to conform to technical requirements under

Section 409A of the Code.

In the event of a termination of the individual's employment other than for Cause (as defined in the agreement), or if the executive resigns for good reason (as is defined in the agreement), within two and one-half years of a Change in Control, the NEO is entitled to three years' salary and bonus (calculated as the largest bonus earned by the executive in the preceding three years), continuation of all medical, dental, accident, disability, long-term care and life insurance benefits or other fringe benefits for three years and a gross-up for any excise or other tax that may become due as a result of such Change in Control (to the extent that the amounts giving rise to the excise tax are greater than 10% of the "golden parachute" safe-harbor amount). In addition, all of the Company's equity compensation awards contain provisions that accelerate vesting upon a Change in Control, without subsequent termination of employment.

The Board of Directors of the Company may terminate any such agreement upon three years' prior written notice. The Board of Directors may also, at any time, terminate an agreement with respect to any NEO who is affiliated with any group seeking or accomplishing a Change in Control.

Mr. Darling also has an Executive Severance Agreement. This Agreement provides that upon a Change of Control of Linvatec Corporation where Mr. Darling did not retain the title of President and comparable responsibilities or is terminated without cause during the first eighteen (18) months of such change in control, Mr. Darling is entitled to payment of his salary then in effect for eighteen (18) months.

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As of May of 2011, the Company grandfathered all executives with an existing Change in Control Agreement containing a gross-up for excise taxes and has committed to not enter into agreements to gross-up excise taxes in future Change in Control Severance agreements with future executives.

Split-Dollar Life Insurance

Prior to December 31, 2001, the Company had paid certain premiums associated with split-dollar life insurance policies with face amounts totaling \$2,500,000 for the benefit of Joseph J. Corasanti. The Company has not paid or accrued premiums since fiscal year 2001. Premiums paid by the Company in prior years are treated by the Company as a loan to Mr. J. Corasanti, and at December 31, 2011, the aggregate amount due the Company from Mr. J. Corasanti related to these split-dollar life insurance policies is \$279,740. This amount (and loans, if any, for future premiums) will be repaid to the Company on Mr. J. Corasanti's death and the balance of the policy will be paid to his estate or beneficiaries.

In connection with the enactment of the Sarbanes-Oxley Act of 2002 (the "Act") and the general prohibition against loans to officers, subject to an exception for certain pre-existing loan arrangements, the Board of Directors and management opted, as of October 2002, to stop making the premium payments which previously had been accounted for as loans pending further clarification of the regulations and interpretation of the Act. The policies for which the Company had previously been funding premium payments have cash balances sufficient to permit the payment of premiums. The Board of Directors and management may, however, elect to resume such payments if management and the Board of Directors conclude that the obligation to make such payments was maintained by the Company on the date of the enactment of the Act and was not materially modified pursuant to Section 402 of the Act and the implementing regulations, or if such payments are otherwise permitted.

Deductibility of Executive Compensation

Section 162(m) of the Internal Revenue Code generally disallows a tax deduction to public companies for compensation over \$1,000,000 paid to the Chief Executive Officer and the three other most highly compensated executive officers, other than the Chief Financial Officer, employed on the last day of any fiscal year. Qualifying performance-based compensation is not subject to the deduction limit if certain requirements are met. The Committee considers deductibility as one factor when we make a decision regarding executive compensation. In order to maximize the deductibility of our executives' pay, we structured our 2012 Executive Bonus Plan and Long Term Incentive Plan such that performance-based annual incentive bonuses and long-term equity-based compensation paid under those plans for our most senior executives should constitute qualifying performance-based compensation under Section 162(m), provided the Executive Bonus Plan is approved by shareholders. However, in some cases, the Committee may determine it is appropriate to provide compensation that may exceed deductibility limits in order to recognize performance, meet market demands and retain key executives. In 2011, the Committee provided competitive compensation to our executive officers without exceeding the deductibility limits of Section 162(m),

except for a limited portion of Mr. J. Corasanti's total compensation.

COMPENSATION COMMITTEE REPORT ON EXECUTIVE COMPENSATION

The Compensation Committee has reviewed and discussed the foregoing Compensation Discussion and Analysis required by Item 402(b) of Regulation S-K with management and, based on such review and discussion, we recommended to the Board of Directors that the Compensation Discussion and Analysis be included in this Proxy Statement and is incorporated by reference into the Company's Annual Report on Form 10-K for the year ended December 31, 2011.

Submitted by the Compensation Committee,

Stuart J. Schwartz (Chair)

Bruce F. Daniels

Stephen M. Mandia

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Table of Contents**Summary Compensation Table**

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
Name and Principal Position	Year	Salary	Bonus	Stock Awards	Option /SAR Awards	Non-Equity Incentive Plan Compensation	Change in Pension Value and Nonqualified Deferred Compensation Earnings
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
		(1)	(2)	(3)	(4)	(5)	(6)
Joseph J. Corasanti, President, & Chief Executive Officer	2011	\$ 725,012	\$ 0	\$ 690,750	\$ 651,756	\$ 410,165	\$ 142,011
	2010	\$ 699,842	\$ 0	\$ 481,500	\$ 482,363	\$ 345,346	\$ 79,117
	2009	\$ 657,604	\$ 0	\$ 835,300	\$ 760,678	\$ 0	\$ 57,955
Robert D. Shallish, Jr., Chief Financial Officer and Vice President-Finance	2011	\$ 301,191	\$ 0	\$ 165,780	\$ 145,993	\$ 226,271	\$ 103,070
	2010	\$ 282,783	\$ 0	\$ 115,560	\$ 108,049	\$ 190,513	\$ 58,118
	2009	\$ 264,749	\$ 0	\$ 65,840	\$ 67,018	\$ 0	\$ 35,553
Joseph G. Darling—President CONMED Linvatec & Vice President-Corporate Commercial Operations	2011	\$ 351,400	\$ 0	\$ 776,820	\$ 0	\$ 353,034	\$ 5,552
	2010	\$ 343,535	\$ 33,946	\$ 265,672	\$ 0	\$ 0	\$ 2,537
	2009	\$ 324,746	\$ 0	\$ 65,840	\$ 67,018	\$ 0	\$ 1,250
Daniel S. Jonas – General Counsel & Vice President Legal Affairs	2011	\$ 267,816	\$ 0	\$ 110,520	\$ 104,281	\$ 201,097	\$ 41,295
	2010	\$ 253,278	\$ 0	\$ 77,040	\$ 77,178	\$ 169,317	\$ 16,853
	2009	\$ 239,700	\$ 0	\$ 65,840	\$ 67,018	\$ 0	\$ 7,327

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Luke A. Pomilio, Vice President, Controller & Corporate General Manager	2011	\$ 293,444	\$ 0	\$ 240,520	\$ 104,281	\$ 220,997	\$ 54,833
	2010	\$ 274,696	\$ 0	\$ 77,040	\$ 77,178	\$ 180,916	\$ 22,377
	2009	\$ 254,039	\$ 0	\$ 65,840	\$ 67,018	\$ 0	\$ 9,729

Salary reflects actual salary and deferred compensation earned during 2009, 2010 and 2011. Salary levels are adjusted annually following the Annual Meeting of Shareholders in May. Accordingly, salary levels listed in the (1) Compensation Discussion and Analysis (the “CD&A”) may not match amounts actually paid during the course of the year.

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- Other than Non-Equity Incentive Plan Compensation, there were no bonuses earned during 2009 and 2011.
- (2) During 2010, the Compensation Committee, upon the recommendation of the CEO, awarded a discretionary cash bonus equal to 10% of salary to Mr. Darling based on the successful launch of two key products and for strategic planning which should result in improved future profitability for the CONMED Linvatec division.

- Amounts in this column reflect the grant date fair value of RSUs and PSUs in accordance with Compensation – Stock Compensation Topic of the FASB ASC. The assumptions made in the valuation of these awards are set forth in Note 7, (“Shareholders’ Equity”), to the Consolidated Financial Statements in Item 15 to the Company’s 2011
- (3) Annual Report on Form 10-K (available at <http://www.conmed.com>). Mr. Darling was awarded PSUs during 2010 and 2011. The amount included in the table represents the grant date fair value of such awards, however Mr. Darling did not achieve the performance goals under his PSU agreement in 2010 and therefore the awards were not earned and no payment will be made.

- Amounts in this column reflect the grant date fair value of SARs in accordance with Compensation – Stock Compensation Topic of the FASB ASC. The assumptions made in the valuation of these awards are set forth in Note 7, (“Shareholders’ Equity”), to the Consolidated Financial Statements in Item 15 to the Company’s 2011 Annual Report on Form 10-K.
- (4)

- (5) Non-Equity Incentive Plan Compensation represents earnings under the Company’s Executive Bonus Plan as more fully described in the CD&A.

- Amounts in this column represent the increase in the actuarial value of defined benefit plans during 2009, 2010 and 2011 of the executive’s accumulated benefit under the CONMED Corporation Retirement Pension Plan.
- (6) Actuarial value computations are based on the assumptions established in accordance with Compensation – Retirement Benefits Topic of the FASB ASC and discussed in Note 9, (“Employee Benefit Plans”), to the Consolidated Financial Statements in Item 15 to the Company’s 2011 Annual Report on Form 10-K.

In addition, Mr. J. Corasanti also earns deferred compensation as more fully described in the CD&A. This table reflects only that interest earned on deferred compensation amounts that are considered to be above-market. This above-market interest amounted to \$45,659, \$50,835 and \$72,709 for 2009, 2010 and 2011, respectively.

- All Other Compensation consists of the following: (i) company contributions to employee 401(k) plan accounts on the same terms offered to all other employees, (ii) company contributions to the Benefits Restoration Plan for 2011 (iii) payments relating to automobile leases and/or allowances, (iv) payments for supplemental long-term care insurance policies for J. Corasanti, R. Shallish, L. Pomilio and D. Jonas (v) reimbursement for country club
- (7) and/or other club membership fees for J. Corasanti, D. Jonas and L. Pomilio for 2009 and for J. Corasanti, D. Jonas, L. Pomilio and R. Shallish for 2010 and 2011 (vi) director fees of \$ 9,000, \$13,000 and \$21,250 in 2009, 2010 and 2011, respectively, for J. Corasanti’s position as a Director of the Company and (vii) tax services for J. Corasanti and D. Jonas. The amount attributable to each perquisite or benefit for each NEO does not exceed the greater of \$25,000 or 10% of the total amount of perquisites received by such NEOs, except as described below.

With respect to Mr. J. Corasanti, All Other Compensation also includes reimbursements for certain insurance policy premiums in the amount of \$27,020 in each of the years 2009, 2010 and 2011, and the related tax “gross-up” as provided for in his Amended and Restated Employment Agreement, which is further described in the CD&A. All other compensation does not include the costs for health insurance, long-term disability insurance, life insurance and other benefits generally available to other employees on the same terms as those offered to the officers listed above. With respect to Mr. Darling, All Other Compensation also includes reimbursement for relocation expenses of \$63,504, \$54,578 and \$98,187 in 2009, 2010 and 2011, respectively. Relocation expenses

did not cover any loss on the sale of Mr. Darling's home. In addition, all relocation expenses are subject to a claw back if Mr. Darling voluntarily leaves the Company within one year of payment of such expenses.

Table of Contents**Grants of Plan-Based Awards**

The table below summarizes the estimated cash awards under the Executive Bonus Plan as well as equity compensation granted during 2011. Information regarding the terms of these awards can be found under the headings “Non-Equity Incentive Plan” and “Equity Compensation” in CD&A.

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
Name	Grant Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards ⁽¹⁾			Estimated Future Payouts Under Equity Incentive Plan Awards ⁽²⁾			All Other Stock Awards: Number of Shares of Stock or Units ⁽³⁾	All Other Awards: Number of Securities Underlying Options ⁽⁴⁾	Exercise or Base Price of Option Awards ⁽⁵⁾	Grant Date Fair Value of Stock and Option Awards ⁽⁶⁾
		Threshold	Target	Maximum	Threshold	Target	Maximum				
		(\$)	(\$)	(\$)	(#)	(#)	(#)			(\$/sh)	(\$)
Joseph J. Corasanti	6/01/2011	-	-	-	-	-	-	-	62,500	\$27.63	\$651,756
	6/01/2011	-	-	-	-	-	-	25,000	-	-	\$690,750
	N/A	276,277	276,277	552,554	-	-	-	-	-	-	\$-
Robert D. Shallish, Jr.	6/01/2011	-	-	-	-	-	-	-	14,000	\$27.63	\$145,993
	6/01/2011	-	-	-	-	-	-	6,000	-	-	\$165,780
	N/A	152,411	152,411	304,821	-	-	-	-	-	-	\$-
Joseph G. Darling	6/01/2011	-	-	-	-	10,000	10,000	-	-	-	\$276,300
	6/01/2011	-	-	-	-	-	-	4,000	-	-	\$110,520
	7/29/2011	-	-	-	-	-	-	15,000	-	-	\$390,000
	N/A	176,517	176,517	353,034	-	-	-	-	-	-	\$-
Daniel S. Jonas	6/01/2011	-	-	-	-	-	-	-	10,000	\$27.63	\$104,281
	6/01/2011	-	-	-	-	-	-	4,000	-	-	\$110,520
	N/A	135,454	135,454	270,908	-	-	-	-	-	-	\$-
Luke A. Pomilio	6/01/2011	-	-	-	-	-	-	-	10,000	\$27.63	\$104,281
	6/01/2011	-	-	-	-	-	-	4,000	-	-	\$110,520

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7/29/2011	-	-	-	-	-	-	5,000	-	-	\$ 130,000
N/A	150,300	150,300	300,600	-	-	-	-	-	-	\$-

(1) Non-Equity Incentive Compensation represents earnings under the Company's Executive Incentive Plan. The threshold and target compensation represents 50% of the NEO's salary. The maximum compensation represents 100% of all NEO's salary. During 2011, NEOs with corporate responsibility were awarded non-equity incentive compensation equal to 75% of salary. As disclosed in CD&A, the first 55% is payable after the 2011 year, the remaining 20% is dependent upon meeting 85% of the 2012 target. During 2011, Mr. Darling was awarded 100% of salary under his Plan.

(2) Equity Incentive Compensation represents the number of PSUs to be awarded to the named executive officer upon achieving certain performance conditions. The range of PSUs to be awarded is between 0% and 100%. Upon achieving such goals, the PSUs vest over a period of five years. PSUs are valued at the market price of the stock on the date of grant. During 2011, Mr. Darling achieved his goals and was awarded 100% of the PSUs.

(3) The amounts shown in column (i) represent the total RSUs awarded to the named executive officers. Such awards vest over a period of five years, except for Mr. Darling's grant on July 29, 2011 which vests over a period of seven years, and are valued at the market price of the stock on the date of grant.

(4) The amounts shown in column (j) represent the total number of SARs awarded to the NEOs. These awards vest over a period of five years.

Table of Contents**Outstanding Equity Awards at Fiscal Year-End**

(a)	(b) Option Awards		(c)	(d)	(e)	(f)	(g) Stock Awards		(h)	(i)	(j)
Name	Number of Securities Underlying Unexercised Options Exercisable	Number of Securities Underlying Unexercised Options Unexercisable	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Options	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Options	Option Exercise Price	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested	Market Value of Shares or Units of Stock That Have Not Vested	Equity Incentive Plan Awards: Number of Shares, Units or Rights That Have Not Yet Vested	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested	
	(#)	(#)	(#)	(#)	(\$)		(#)	(\$)	(#)	(\$)	
Joseph J. Corasanti	125,000	-	-	-	\$ 17.74	5/20/2013	-	-	-	-	
	125,000	-	-	-	\$ 25.03	5/18/2014	-	-	-	-	
	125,000	-	-	-	\$ 31.40	5/17/2015	-	-	-	-	
	62,500	-	-	-	\$ 19.93	5/16/2016	-	-	-	-	
	-	-	-	-	-	-	5,000 (1)	\$128,350	-	-	
	50,000	12,500	(1)	-	\$ 29.92	5/17/2017	-	-	-	-	
	-	-	-	-	-	-	10,000(7)	\$256,700	-	-	
	37,500	25,000	(2)	-	\$ 26.69	6/1/2018	-	-	-	-	
	-	-	-	-	-	-	15,000(8)	\$385,050	-	-	
	25,000	37,500	(3)	-	\$ 16.46	6/1/2019	-	-	-	-	
	-	-	-	-	-	-	12,000(9)	\$308,040	-	-	
	16,000	24,000	(4)	-	\$ 21.19	10/30/2019	-	-	-	-	
	-	-	-	-	-	-	20,000(10)	\$513,400	-	-	
	12,500	50,000	(5)	-	\$ 19.26	6/1/2020	-	-	-	-	
	-	-	-	-	-	-	25,000(11)	\$641,750	-	-	
	-	62,500	(6)	-	\$ 27.63	6/1/2021	-	-	-	-	
Robert D. Shallish, Jr.	15,000	-	-	-	\$ 25.89	5/14/2012	-	-	-	-	
	15,000	-	-	-	\$ 17.74	5/20/2013	-	-	-	-	
	10,000	-	-	-	\$ 25.03	5/18/2014	-	-	-	-	
	15,000	-	-	-	\$ 31.40	5/17/2015	-	-	-	-	

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	10,000	-	-	\$ 19.93	5/16/2016	-	-	-	-
	-	-	-	-	-	800	(1)	\$20,536	-
	8,000	2,000	(1)	\$ 29.92	5/17/2017	-	-	-	-
	-	-	-	-	-	1,600	(7)	\$41,072	-
	6,000	4,000	(2)	\$ 26.69	6/1/2018	-	-	-	-
	-	-	-	-	-	2,400	(8)	\$61,608	-
	4,000	6,000	(3)	\$ 16.46	6/1/2019	-	-	-	-
	-	-	-	-	-	4,800	(10)	\$123,216	-
	2,800	11,200	(5)	\$ 19.26	6/1/2020	-	-	-	-
	-	-	-	-	-	6,000	(11)	\$154,020	-
	-	14,000	(6)	\$ 27.63	6/1/2021	-	-	-	-
Joseph G. Darling	6,000	4,000	(2)	\$ 26.69	6/1/2018	-	-	-	-
	-	-	-	-	-	3,000	(7)	\$77,010	-
	4,000	6,000	(3)	\$ 16.46	6/1/2019	-	-	-	-
	-	-	-	-	-	2,400	(8)	\$61,608	-
	-	-	-	-	-	3,200	(10)	\$82,144	-
	-	-	-	-	-	4,000	(11)	\$102,680	-
	-	-	-	-	-	10,000	(12)	\$256,700	-
	-	-	-	-	-	15,000	(13)	\$385,050	-
Daniel S. Jonas	10,000	-	-	\$ 25.89	5/14/2012	-	-	-	-
	10,000	-	-	\$ 25.03	5/18/2014	-	-	-	-
	15,000	-	-	\$ 31.40	5/17/2015	-	-	-	-
	-	-	-	-	-	800	(1)	\$20,536	-
	8,000	2,000	(1)	\$ 29.92	5/17/2017	-	-	-	-
	-	-	-	-	-	1,600	(7)	\$41,072	-
	6,000	4,000	(2)	\$ 26.69	6/1/2018	-	-	-	-
	-	-	-	-	-	2,400	(8)	\$61,608	-
	-	6,000	(3)	\$ 16.46	6/1/2019	-	-	-	-
	-	-	-	-	-	3,200	(10)	\$82,144	-
	2000	8,000	(5)	\$ 19.26	6/1/2020	-	-	-	-
	-	-	-	-	-	4,000	(11)	\$102,680	-
	-	10,000	(6)	\$ 27.63	6/1/2021	-	-	-	-

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Luke A.	10,000	-	-	\$25.89	5/14/2012	-	-	-	-
Pomilio	10,000	-	-	\$25.03	5/18/2014	-	-	-	-
	15,000	-	-	\$31.40	5/17/2015	-	-	-	-
	10,000	-	-	\$19.93	5/16/2016	-	-	-	-
	-	-	-	-	-	800	(1)	\$20,536	-
	8,000	2,000	(1)	\$29.92	5/17/2017	-	-	-	-
	-	-	-	-	-	1,600	(7)	\$41,072	-
	6,000	4,000	(2)	\$26.69	6/1/2018	-	-	-	-
	-	-	-	-	-	2,400	(8)	\$61,608	-
	2,000	6,000	(3)	\$16.46	6/1/2019	-	-	-	-
	-	-	-	-	-	3,200	(10)	\$82,144	-
	2,000	8,000	(5)	\$19.26	6/1/2020	-	-	-	-
	-	-	-	-	-	4,000	(11)	\$102,680	-
	-	10,000	(6)	\$27.63	6/1/2021	-	-	-	-
	-	-	-	-	-	5,000	(14)	\$128,350	-

(1) Scheduled to vest on May 17, 2012.

(2) Scheduled to vest in equal installments of 12,500 shares per year for Mr. J. Corasanti and 2,000 shares per year for Mr. Shallish, Mr. Darling, Mr. Jonas and Mr. Pomilio on June 1, 2012 and June 1, 2013.

(3) Scheduled to vest in equal installments of 12,500 shares per year for Mr. J. Corasanti and 2,000 shares per year for Mr. Shallish, Mr. Darling, Mr. Jonas and Mr. Pomilio on June 1, 2012, June 1, 2013 and June 1, 2014.

(4) Scheduled to vest in equal installments of 8,000 shares per year on June 1, 2012, June 1, 2013 and June 1, 2014.

(5) Scheduled to vest in equal installments of 12,500 shares per year for Mr. J. Corasanti, 2,800 shares per year for Mr. Shallish and 2,000 shares per year for Mr. Jonas and Mr. Pomilio on June 1, 2012, June 1, 2013, June 1, 2014 and June 1, 2015.

(6) Scheduled to vest in equal installments of 12,500 shares per year for Mr. J. Corasanti, 2,800 per year for Mr. Shallish, and 2,000 units per year for Mr. Jonas and Mr. Pomilio beginning on June 1, 2012 and each June 1st thereafter through 2016.

(7) Scheduled to vest in equal installments of 5,000 shares per year for Mr. J. Corasanti, 1,500 units per year for Mr. Darling and 800 shares per year for Mr. Shallish, Mr. Jonas, and Mr. Pomilio on June 1, 2012 and June 1, 2013.

(8) Scheduled to vest in equal installments of 5,000 shares per year for Mr. J. Corasanti and 800 units per year for Mr. Shallish, Mr. Darling, Mr. Jonas, and Mr. Pomilio on June 1, 2012, June 1, 2013 and June 1, 2014.

(9) Scheduled to vest in equal installments of 4,000 shares per year on June 1, 2012, June 1, 2013 and June 1, 2014.

(10) Scheduled to vest in equal installments of 5,000 shares per year for Mr. J. Corasanti, 1,200 per year for Mr. Shallish and 800 units per year for Mr. Darling, Mr. Jonas, and Mr. Pomilio on June 1, 2012, June 1, 2013, June 1, 2014 and June 1, 2015.

1, 2014, and June 1, 2015.

Scheduled to vest in equal installments of 5,000 shares per year for Mr. J. Corasanti, 1,200 per year for Mr. Shallish and 800 units per year for Mr. Darling, Mr. Jonas, and Mr. Pomilio beginning on June 1, 2012 and each June 1st thereafter through 2016.

(12) Mr. Darling had been awarded 10,000 PSUs on June 1, 2011. The PSUs are scheduled to vest in equal installments of 2,000 shares per year beginning on June 1, 2012 and each June 1st thereafter through 2016.

Scheduled to vest in equal installments of 2,100 shares per year beginning June 1, 2012 and each June 1st thereafter through 2016. The remaining shares vest in equal installments of 2,250 shares per year on June 1, 2017 and June 1, 2018.

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(14) Scheduled to vest in equal installments of 1,000 shares per year beginning June 1, 2012 and each June 1st thereafter through 2016.

Option Exercises and Stock Vested

(a) Name	(b) Option Awards ⁽¹⁾ Number of Shares Acquired On Exercise (#)	(c) Value Realized on Exercise (\$) ⁽²⁾	(d) Stock Awards ⁽³⁾ Number of Shares Acquired on Vesting (#)	(e) Value Realized on Vesting (\$) ⁽⁴⁾
Joseph J. Corasanti	154,687	\$585,718	29,000	\$802,870
Robert D. Shallish, Jr.	6,151	\$74,094	4,400	\$121,828
Joseph G. Darling	0	\$0	3,100	\$85,653
Daniel S. Jonas	24,000	\$210,653	4,000	\$110,776