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Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes NO

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months. Yes NO

Check if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of Registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See definition of "large accelerated filer," "accelerated filer" "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act:

(Check one):

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act.)

(Check one): Yes NO

As of March 31, 2017, the aggregate market value of the registrant's common stock held by non-affiliates of the registrant was approximately \$1,215,654 based on the closing price as reported on the OTC Markets.

As of December 20, 2017, there were 1,264,373,754 shares of the registrant's company common voting stock outstanding.

XSUNX, INC.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Annual Report on Form 10-K contains forward-looking statements within the meaning of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) and the Securities Act of 1933, as amended (the “Securities Act”) which are subject to risks, uncertainties and assumptions that are difficult to predict. All statements in this Annual Report on Form 10-K, other than statements of historical fact, are forward-looking statements. These forward-looking statements are made pursuant to safe harbor provisions of the Private Securities Litigation Reform Act of 1995. The forward-looking statements include statements, among other things, concerning our business strategy, including anticipated trends and developments in and management plans for, our business and the markets in which we operate; future financial results, operating results, revenues, gross margin, operating expenses, products, projected costs and capital expenditures; research and development programs; sales and marketing initiatives; and competition. In some cases, you can identify these statements by forward-looking words, such as “estimate”, “expect”, “anticipate”, “project”, “plan”, “intend”, “believe”, “forecast”, “foresee”, “likely”, “may”, “should”, “goal”, “target”, “might”, and “continue”, the negative or plural of these words and other comparable terminology.

The forward-looking statements are only predictions based on our current expectations and our projections about future events. All forward-looking statements included in this Annual Report on Form 10-K are based upon information available to us as of the filing date of this Annual Report on Form 10-K. You should not place undue reliance on these forward-looking statements. We undertake no obligation to update any of these forward-looking statements for any reason. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, levels of activity, performance, or achievements to differ materially from those expressed or implied by these statements. These factors include the matters discussed in the section entitled “Item 1A: Risk Factors” and elsewhere in this Form 10-K. You should carefully consider the risks and uncertainties described under this section.

For further information about these and other risks, uncertainties and factors, please review the disclosure included in this report under Item 1A “Risk Factors.”

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PART I

Item 1. Business.

In this Report, we use the terms “Company,” “XsunX,” “we,” “us,” and “our,” unless otherwise indicated, or the context otherwise requires, to refer to XsunX, Inc.

Organization

XsunX, Inc. (“XsunX,” the “Company” or the “issuer”) is a Colorado corporation formerly known as Sun River Mining Inc. (“Sun River”). The Company was originally incorporated in Colorado on February 25, 1997. Effective September 24, 2003, the Company completed a plan of reorganization and name change to XsunX, Inc.

Business Overview/Summary

XsunX specializes in the sale, design, and installation of solar photovoltaic power generation (PV), energy storage in the form of managed battery systems, and energy use management technologies to provide our clients long term savings, predictability, and control of their energy costs. Making solar and managed energy solutions a sound investment for our clients is our mission.

We service the commercial self-generation energy market in California, and to a lesser extent the residential solar PV market where we see fewer barriers to entry and an overly competitive marketplace. We provide project assessment and installation services to our customers including technology selection, system engineering, procurement, permitting, construction, grid connection, warranty service, system monitoring and maintenance. We offer a wide variety of energy production and management technologies, design our systems in-house to ensure that the performance of the systems we deliver match the financial projections, and our full time project management and licensed assembly crews ensure a seamless process, from start to finish.

The Company operates as licensed contractor in California, and our executive management provides over 30 years of extensive experience in all aspects of construction and project assembly to ensure the accuracy and quality of systems, the continued integrity of the improved building or site, and compliance with all construction codes.

We guide our performance by striving to deliver consistently on the following core objectives:

Commitment – to keeping the customer’s best interests at the forefront at all times; and,

Value – through a focus on performance and follow through that meets or exceeds customer expectations.

Recent Developments

In the 2017 period we expanded our product group to include managed energy storage systems comprised of lithium batteries, charge/discharge control, and demand charge management software. The addition of these product capabilities was in response to rising and shifting time-of-use and demand-based charges (measured in kilowatts) by utilities. Pairing solar PV with energy storage can significantly boost project returns through the monitoring and comparison of these time-of-use and demand charges to real-time facility energy needs to then deliver renewable or stored energy when it provides the greatest savings for operations. This product group focuses primarily on commercial facilities and can be installed as a stand-alone technology or paired with our commercial solar rooftop, carport, truckport, and covered storage canopy systems.

Also in 2017 we began efforts to offer our solar car, truck, and storage area solar canopy design/build capabilities to solar contractors and developers. Having established in-house capabilities to design, directly source all the major system components, and install canopy systems has provided us with what we believe is an advantage over other solar contractors whom typically rely on costly third-party specialty contractors to install canopy systems for their solar projects. We believe that offering canopy design/build services to solar contractors creates an opportunity to expand sales for these services for which this group of contractor/customers were already seeking assistance with.

Market Drivers for Solar Power

We believe that a significant demand for solar power and energy storage solutions is developing as a result of following drivers:

- Solar and stored energy provides the ability to control and predict future energy costs. Our customers invest in the ability to self-generate power and to manage the use and delivery of energy to their operations. These investments provide predictability and control of energy costs, and can significantly reduce overall energy costs while insulating clients from rising retail electricity prices.

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Maturity and dependability of solar and energy storage technologies. The results and benefits from investments in solar power systems and, the growing effectiveness of new battery chemistries have produced extensive statistical performance data. This historical performance data allows investment benefits for near and long-term future operations to be accurately estimated. This provides customers greater reliance on future results, and the confidence to make investments.

Rapid capital recovery of energy management investments. Reports provided by U.S. Energy Department continue to indicate that the installed price reductions for solar PV and energy storage systems are driving growth for installation demand. These cost reductions for the major components allow us to provide per watt pricing for solar PV and per kilowatt hour pricing for energy storage that, coupled with tax and operating benefits, can often result in capital investment recovery within 3 to 4 years.

Government Incentives. Helping to further facilitate the market for investments into self-generated power are Federal, State, and local government tax and investment incentives. Federal, state and local government bodies provide incentives to owners, operators, and end users of solar and energy storage systems to promote self-generation energy in the form of rebates, tax credits, exclusion of solar energy systems from property tax assessments and, to a diminishing degree, other financial incentives such as system performance payments, payments for renewable energy credits associated with renewable energy generation. These incentives help to drive customer acceptance of self-generation energy as an alternative to utility-provided power.

The Federal government currently offers a 30% Investment Tax Credit (“ITC”) under Section 48(a) of the Internal Revenue Code, or the ITC, for the installation of certain solar power facilities until December 31, 2016. By statute, this tax credit was scheduled to decrease to 10% on January 1, 2017, but was extended in December by Congress through 2019, after which it will fall to 26 percent in 2020, 22 percent in 2021 and 10 percent in 2022 for future periods.

The investment economics for purchasing a solar or energy storage system are also increased through eligibility for accelerated depreciation, also known as the modified accelerated cost recovery system, or MACRS, which allows for the depreciation of equipment according to an accelerated schedule set forth by the Internal Revenue Service. This acceleration of the investment depreciation creates a valuable tax benefit that reduces the overall cost of the solar energy system and improves the return on solar investment.

Company Operations

What We Do

XsunX specializes in the sale, design, and installation of solar photovoltaic power generation (PV), energy storage in the form of managed battery systems, and energy use management technologies to provide our clients long term savings, predictability, and control of their energy costs. Making solar and managed energy solutions a sound investment for our clients is our mission.

Our customer relationship development begins with a financial analysis providing estimated investment benefits detailing the anticipated energy systems life span. Through this process we tailor the technologies we select, and our system designs, to maximize the financial benefits and returns for each customer. We then focus on 100% customer satisfaction through consistently matching customer expectations with our performance, and the delivery of our systems.

The key elements of our approach include:

Lead Generation. We market our services utilizing efforts that include internet marketing, website, search engine optimization, direct mailer campaigns, and customer referrals. Our sales development efforts work with prospective customers from initial interest through tailored proposals and, ultimately, signed contracts.

Detailed Investment Analysis. We use information related to our customer's energy usage, utility rate tariffs, system costs, current or planned operations, and tax basis to determine optimal technology and investment sizing. We combine this data and provide customers with 25 year investment projections that detail capital recovery expectations, system performance and energy savings, tax and operating benefits, and property re-sale value improvement estimates.

Financing. We have established relationships with lenders and have been approved to offer their finance options to prospective customers. Through our lender association network, we offer customers financing options that include commercial equipment loans, lease options, power purchase agreements (PPA's), PACE & HERO financing through property tax assessment, and through our lender network we offer clients the option to apply tax or local utility incentives towards system purchase buy-downs thereby reducing up front out of pocket expenditures or the amount of capital financed.

Design & Engineering. To ensure accuracy we perform our site surveys directly and do not rely on third party services. We then finalize designs that will match proposed financial results, and work with a highly skilled team of qualified engineers with extensive commercial experience to ensure compliance with all codes, and best practices for systems operation.

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Installation. We make the installation process simple for our customers. Once we complete the design and engineering of an energy system, we obtain all necessary building permits. Then, as the general contractor and construction manager, we provide all materials and components and use qualified licensed contractors with commercial electrical and solar experience to provide on-site assembly of systems, utility interconnections, and roofing or structural work. We manage and ensure local building department approvals, and arrange for interconnection to the power grid with the utility.

Monitoring, Maintenance, and Service. We provide our customers with real-time facility wide monitoring of energy generation, and facility wide energy consumption. In addition to providing clients with a better understanding of their energy usage, and the opportunity to modify their usage to realize savings, these monitoring systems allow us to confirm the continuing proper operation of installed solar energy systems. We also service what we sell and provide customers with a single source for all system maintenance or warranty coordination and service.

Customers

The majority of our revenue comes from installations of commercial solar systems in California. Approximately 83% of our sales in 2017 were in the commercial market and approximately 17% were generated by residential sales. We anticipate that through our expanding efforts to promote the sale of our solar canopy and managed energy storage offerings revenues for commercial sales will continue to outpace residential sales through the 2018 period.

Our commercial system sales service the needs of property owners installing solar PV systems typically larger than 20kW, and energy storage systems that start at 60 kilowatt hours of storage capacity. However, system size and installation type can vary significantly in scope from rooftop solar only installations to solar rooftop and carport, truckport, or covered storage combined installations with integrated whole building energy management solutions. The average cycle time for commercial rooftop installs range approximately 6 to 8 weeks with solar canopies such as carports, truck ports, and covered storage requiring as much as twelve to twenty weeks due to additional permitting requirement and reviews. We help to facilitate financing options to fit the specific needs of each customer.

Our residential sales address the needs of property owners typically installing systems smaller than 15kW. The average cycle time for residential rooftop installs is approximately 3 weeks. We help to facilitate financing options to fit the specific needs of each customer.

Sales, Marketing, and Planned Operations

We have focused our sales efforts and operations on the delivery of commercial solar power and energy storage systems in the California market. We believe that our focus provides us long term benefits for brand development as a commercial specialist within a market that we believe to be in the early stages of growth, and poised for a broad adoption of solar power generation.

We see this as a significant business development opportunity as management has the skillset associated with construction management, the licensing qualifications necessary for us to operate as a contractor in California, we have extensive experience associated with solar PV technologies and the design requirements associated with the delivery of a commercial power systems, and there is a market demand available for us to provide these services to. We believe that these efforts will provide us with the fastest path to increasing revenue generation.

In the 2017 period we expanded our product group to include managed energy storage systems comprised of lithium batteries, charge/discharge control, and demand charge management software. The addition of these capabilities was in response to rising and shifting time-of-use and demand-based charges (measured in kilowatts) by utilities. Pairing solar PV with energy storage can significantly boost project returns through the monitoring and comparison of these

time-of-use and demand charges to real-time facility energy needs to then deliver renewable or stored energy when it provides the greatest savings for operations. This product group focuses primarily on commercial facilities and can be installed as a stand-alone technology or paired with our commercial solar rooftop, carport, truckport, and covered storage canopy systems.

Also in 2017 we began efforts to offer our solar car, truck, and storage area canopy design/build capabilities to solar contractors and developers. Having established in-house capabilities to design, directly source all the major system components, and install canopy systems has provided us with what we believe is an advantage over other solar contractors whom typically rely on costly third-party specialty contractors to install canopy systems for their solar projects. We believe that offering canopy design/build services to solar contractors creates an opportunity to expand sales for these services for which this group of contractor/customers were already seeking assistance with.

While residential rooftop solar will continue to offer sales growth opportunities, we believe that our focus on non-residential solar power, managed energy storage, and solar canopy systems can, in many instances, provide us with opportunities to offer customers diverse installation options, larger project sizing, greater energy savings, and the ability to differentiate XsunX from competitors.

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We plan to continue to focus our marketing efforts in the 2018 period highlighting the advantages of these product groups through efforts that include web advertising, direct outside sales, targeted direct marketing, commissioned consultants, and the referral of satisfied customers.

Operations and Supply

We purchase all of our system components such as solar panels, inverters, batteries, charge controllers, management software, and solar module mounting hardware directly from manufacturers and supply houses. When possible, we have established direct factory purchasing relationships. We have selected these suppliers and components based on cost, reliability, availability, warranty coverage, ease of installation, application design and suitability, and technology advantages.

Additionally, to compete favorably we have established relationships with lenders through which we can introduce financing options for the systems we design and install. These financing options provide an alternative cash management solution for our target customers, and a sales inducement to purchase systems.

For the foreseeable future we anticipate that we will purchase the system components for each project on an as-needed basis from suppliers at the then-prevailing prices pursuant to purchase orders issued. Due to the volatility of component pricing we do not anticipate any supplier arrangements that will contain long-term pricing or volume commitments. Should our sales results, volume, and market conditions warrant we may in the future elect to make purchase commitments to ensure sufficient supply and reduced pricing of the components that we use.

Our operations focus is to provide complete project design, management of engineering, facility preparation, installation of systems, repair or restoration to all affected areas resulting from the installation process, and any ongoing maintenance. To accomplish this we use the services of licensed service professionals in each of the representative trades or specialties necessary. Additionally, we provide qualified staff to supervise project operations, inspections, and system start up and energizing. In the 2018 fiscal period we anticipate that our sales may increase, and we plan to expand our direct project management capabilities through the addition of qualified field supervisory and engineering staff.

Competition

We compete with companies that offer solar and energy saving technologies. Many of these competitors have greater resources and access to broader national markets than we do. Our primary areas of competition in the California markets we serve are on pricing, the ability to deliver designs and technology integration that match client goals, service, and the ability to arrange financing. However, when competing for solar installation projects our experience has shown that there is no clear preferred competitor in the markets in which we compete. We also compete with traditional utilities who have well-established relationships with our target customers providing the ease of a status quo relationship without upfront investment costs. The advantages we offer over traditional utilities is that we offer customers the opportunity to create and to manage the use of their own electricity, detach from the traditional electrical grid dependency, and create profitable long-term investments in energy.

Intellectual Property

The following is an outline of certain patents and technologies we have developed, attempted to develop, have acquired, or licensed:

The Company has previously worked to develop a hybrid manufacturing solution to produce high performance Copper Indium Gallium (di) Selenide (CIGS) thin film solar cells. The technology, which we called CIGSolar,

focused on the mass production of individual thin-film CIGS solar cells that match silicon solar cell dimensions and could be offered as a non-toxic, high-efficiency and lowest-cost alternative to the use of silicon solar cells.

In April 2012 we filed claims related to our thermal effusion source design. In October 2014 we received a Restriction Requirement from the United States Patent and Trademark Office that reports the results of the initial examination of the patent application. The examination by the USPTO asserts that the application is directed to two distinct inventions and has issued a restriction requirement. The term “restriction” is applied where the Examiner believes that two (2) or more inventions are separately claimed in the same patent application. Thus, by issuing the restriction requirement, the Examiner is asserting that our application covers more than one invention.

After completing a review of options related to modifying our patent application, and the limited market conditions related to the demand for thin film technologies, we elected to abandon our claims. We do not anticipate any further efforts related to filing or pursuing patent claims related to our prior thin film CIGS efforts.

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In September 2003, the Company was assigned the rights to three patents as part of an Asset Purchase Agreement with Xoptix Inc., a California corporation. The patents acquired were No. 6,180,871 for Transparent Solar Cell and Method of Fabrication (Device), granted on January 30, 2001; No. 6,320,117 for Transparent Solar Cell and Method of Fabrication (Method of Fabrication), granted on November 20, 2001; and No. 6,509,204 for Transparent Solar Cell and Method of Fabrication (formed with a Schottky barrier diode and method of its manufacture), granted on January 21, 2003. We do not currently employ nor envision the use of the above-named patents in the development or commercialization of our CIGSolar technology. Because of technological and business developments within the solar industry, we believe that these patents no longer provide business opportunities for the Company to pursue and we have abandoned maintenance of these patents.

On July 10, 2012, the United States Patent and Trademark Office issued a certificate of registration No. 4,172,218 granting the Company a trademark for the use of “CIGSolar”. Because of not having used this trademark during the previous fiscal years we elected to abandon any continued use of this trade mark and allowed the registration to expire in the 2017 fiscal period.

We rely on trademark and copyright law, trade secret protection and confidentiality or license agreements with our employees, customers, partners and others to protect our proprietary rights. We have not been subject to any intellectual property claims.

Company History

XsunX is a Colorado corporation formerly known as Sun River Mining Inc. (“Sun River”). The Company was originally incorporated in Colorado on February 25, 1997. Effective September 24, 2003, the Company completed a Plan of Reorganization and Asset Purchase Agreement (the “Plan”).

Pursuant to the Plan, the Company acquired the following three patents from Xoptix, Inc., a California corporation for Seventy Million (70,000,000) shares of common stock (post reverse split one for twenty): No. 6,180,871 for Transparent Solar Cell and Method of Fabrication (Device), granted on January 30, 2001; No. 6,320,117 for Transparent Solar Cell and Method of Fabrication (Method of Fabrication), granted on November 20, 2001; and No. 6,509,204 for Transparent Solar Cell and Method of Fabrication (formed with a Schottky barrier diode and method of its manufacture), granted on January 21, 2003.

Pursuant to the Plan, the Company authorized the issuance of 110,530,000 (post reverse split) common shares. Prior to the Plan, the Company had no tangible assets and insignificant liabilities. Subsequent to the Plan, the Company completed its name change from Sun River Mining, Inc. to XsunX, Inc. The transaction was completed on September 30, 2003.

Government Contracts

There are no government contracts as of the fiscal year ended September 30, 2017.

Compliance with Environmental Laws and Regulations

The operations of the Company are subject to local, state and federal laws and regulations governing environmental quality and pollution control. Compliance with these regulations by the Company has required that, when necessary, we retain the use of engineering and design firms of systems related to equipment operations, and occupancy fire and safety construction standards to deal with compliance of safety standards. We do not anticipate that these costs will have a material effect on the Company’s operations or competitive position as these requirements apply to our competition as well, and the cost of such compliance is typically incorporated into projects costs. The Company is

unable to assess or predict at this time what effect additional regulations or legislation could have on its activities.

To systems we sell require interconnection permission from the applicable local primary electric utility prior to operation. In almost all cases, interconnection permissions are issued on the basis of a standard process that has been pre-approved by the public utility commission or other regulatory body with jurisdiction over net metering procedures. As such, no additional regulatory approvals are required once interconnection permission is given.

Our operations are subject to federal, state and local laws, including regulations governing the occupational health and safety of our employees and wage regulations. A primary area of compliance are the requirements of the federal Occupational Safety and Health Act, as amended, or OSHA, and comparable state laws that protect and regulate employee health and safety.

Employees and Consultants

As of the fiscal year ended September 30, 2017, we had two full-time employees including Mr. Tom Djokovich who is President and CEO. While we do add to, and reduce, the size of our workforce based on current needs this represents one full-time employee change to the same period ended 2016. To compensate our need for additional staff the Company also relies on qualified consultants and licensed professionals to perform specific functions that otherwise would require an employee. As we expand our business developments efforts we may need to add staff to adequately respond to sales inquiries, project management, and general labor as warranted. We consider relations with our employees and consultants to be good.

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Seasonality

Our operations have, in the past, experienced some seasonality for commercial sales with increased demand early and later in each year. We believe that this trend may be related to late year project sales stemming from client interest in accessing same year tax benefits for solar investments, and early year sales related to fiscal budgeting for energy projects to be installed.

Available Information

Our website address is www.xsunx.com. Information contained on our website is not incorporated by reference into this 10-K. We file annual, quarterly and current reports, proxy statements and other information with the Securities and Exchange Commission, referred to herein as the SEC. Our SEC filings, including our annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and any amendments to those reports filed or furnished pursuant to Section 13(a) of the Exchange Act are available to the public free of charge over the Internet at our website or at the SEC's web site at <http://www.sec.gov>. Our SEC filings will be available on our website as soon as reasonably practicable after we have electronically filed or furnished them to the SEC. You may also read and copy any materials we file with the SEC at the SEC's Public Reference Room at 100 F Street, NE, Washington D.C. 20549. You may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330.

Item 1A. Risk Factors

An investment in our common stock involves a high degree of risk. You should carefully consider the following risk factors, as well as the other information in this Annual Report on Form 10-K, in evaluating XsunX and our business. If any of the following risks occur, our business, financial condition and results of operations could be materially and adversely affected. Accordingly, the trading price of our common stock could decline and you may lose all or part of your investment in our common stock. The risks and uncertainties described below are not the only ones we face. Additional risks that we currently do not know about or that we currently believe to be immaterial may also impair our business operations.

We Have Not Generated Significant Revenues and Our Financial Statements Raise Substantial Doubt About Our Ability to Continue As A Going Concern.

We are in the early stages of executing our plans to grow our business through the sale, design, installation, and servicing of commercial solar power systems and, to date, have not generated any significant revenues. The accompanying consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America, which contemplate our continuation as a going concern. Net loss for the years ended September 30, 2017 and 2016 was \$(498,663) and \$(242,866), respectively. Net cash used for operations was \$(44,844) and \$(171,972) for the years ended September 30, 2017 and 2016, respectively. At September 30, 2017, we had a working capital deficit of \$(919,717). We had an accumulated deficit at September 30, 2017 and 2016 of \$(43,127,099) and \$(42,628,436), respectively.

The items discussed above and herein raise substantial doubt about our ability to continue as a going concern. We cannot assure you that we can achieve or sustain profitability in the future. Our operations are subject to the risks and competition inherent in the establishment of a business enterprise. There can be no assurance that future operations will be profitable. Revenues and profits, if any, will depend upon various factors, including whether our product development can be completed, whether our products will achieve market acceptance and whether we obtain additional financing. We may not achieve our business objectives and the failure to achieve such goals would have a materially adverse impact on us.

We expect that we will need to obtain additional financing to continue to operate our business, including expenditures to expand operations for the sales, design, and installation of the systems we sell. This financing may be unavailable or available only on disadvantageous terms which could cause the use to curtail our business operations and delay the execution of our business plan.

We have in the past experienced substantial losses and negative cash flow from operations and have required financing, including equity and debt financing, in order to pursue the commercialization of products based on our technologies. We expect that we will continue to need significant financing to operate our business. Furthermore, there can be no assurance that additional financing will be available or that the terms of such additional financing, if available, will be acceptable to us. If additional financing is not available or not available on terms acceptable to us, our ability to fund our operations, successfully expand operations for the sale and delivery of the systems we sell, complete the sales or development of marketable technologies, products, or services, develop a sales network, or otherwise respond to competitive pressures may be significantly impaired. We could also be forced to curtail our business operations, reduce our investments, decrease or eliminate capital expenditures and delay the execution of any portion or all of our business plans, including, without limitation, all aspects of our operations, which would have a material adverse effect on our business.

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We may be required to raise additional financing by issuing new securities with terms or rights superior to those of our shares of common stock, which could adversely affect the market price of our shares of common stock and our business.

We may require additional financing to fund future operations, including expansion in current markets, development and acquisition, capital costs and the costs of any necessary implementation of technological innovations or alternative technologies. We may not be able to obtain financing on favorable terms, if at all. If we raise additional funds by issuing equity securities, the percentage ownership of our current stockholders will be reduced, and the holders of the new equity securities may have rights superior to those of the holders of shares of common stock, which could adversely affect the market price and the voting power of shares of our common stock. If we raise additional funds by issuing debt securities, which we have relied on during the year ended September 30, 2017, the holders of these debt securities could have some rights senior to those of the holders of shares of common stock, and the terms of these debt securities could impose restrictions on operations and create a significant interest and derivative expenses for us which could have a materially adverse effect on our business.

As we continue to expand our business development efforts within the solar PV and energy storage market existing electric utility industry regulations, and changes to regulations, may present technical, regulatory and economic barriers to the purchase and use of our systems that may significantly reduce demand for the energy technologies we design and market.

Federal, state and local government regulations and policies concerning the electric utility industry, and internal policies and regulations promulgated by electric utilities, heavily influence the market for electricity generation products and services. These regulations and policies often relate to electricity pricing and the interconnection of customer-owned electricity generation. In the United States, governments and utilities continuously modify these regulations and policies. Future changes to any of these regulations and policies could deter customers from purchasing renewable energy, including solar energy systems. This could result in a significant reduction in the potential demand for our energy systems. For example, in the 2016 year the Public Utility Commission in California approved changes to future Net Energy Metering (NEM) remuneration pricing policies for publicly regulated utilities. These changes have reduced the economic benefits derived by our target customers, and could make investments in solar power generation less desirable, thereby harming our future business, prospects, financial condition and results of operations.

In addition, any other changes to government or internal utility regulations and policies that favor electric utilities could reduce our competitiveness and cause a significant reduction in demand for our products and services.

We rely on net metering and related policies to offer competitive pricing to our target customers in our key market of California.

California has a regulatory policy known as net energy metering, or net metering. Net metering typically allows our target customers to interconnect their on-site solar energy systems to the utility grid and offset their utility electricity purchases by receiving a bill credit at the utility's retail rate for energy generated by the customers solar energy system that is in excess of actual facility electric load and that is exported to the grid. At the end of the billing period, the customer simply pays for the net energy used in excess of exported solar power or receives a credit for future use at the retail rate if more energy is produced than consumed.

In 2016 the California Public Utilities Commission adopted new policies known as NEM 2.0 as a successor net energy feed in regulation which became generally effective in the first quarter of 2017 throughout the state. A benefit to NEM 2.0 eliminates caps on solar installations within utility territories through 2019. However, customers applying for NEM interconnection with utilities will now be required to pay one-time interconnection fees between \$75 to \$150 dollars, and pay an average of 2-3¢/kWh "non-bypassable charge" thereby effectively reducing the ability for daytime

retail rate credits to offset 100% of costs incurred when purchasing power from the utility in the evenings, and NEM customers will be required to move to Time Of Use (TOU) rate plans.

Our ability to sell solar energy systems or the benefits of the electricity they generate may also be adversely impacted by the unavailability of expedited or simplified interconnection for grid-tied solar energy systems or any limitation on the number of customer interconnections or amount of solar energy that utilities are required to allow in their service territory or some part of the grid.

We anticipate that we will continue to substantially rely on net metering to establish competitive pricing for our solar PV system sales with our prospective customers. The future absence of net metering for customer acquisition, without other product pricing reductions, could greatly limit demand and our ability to effectively market our solar energy system benefits.

Changes in trade policy by the U.S. government imposing trade restrictions or tariffs could adversely impact our ability to provision the products that comprise the solar PV and energy storage systems that we offer, and could impede our ability to offer competitive solar PV and energy storage system products and have a material adverse effect on our business.

As we continue to expand our business development efforts within the solar PV and energy storage market these business operations may depend on the availability of products from offshore manufacturers providing access to low cost materials such as solar modules, batteries, inverters, steel, and wire. In the 2017 calendar year a Section 201 complaint was filed by two American manufacturers of solar modules claiming unfair business practices by foreign solar module suppliers. In November 2017 the ITC issued its report to the President. The determination remedies, if any, are anticipated to be issued in January 2018.

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Under section 201 (referred to as global “safeguards”), domestic industries “seriously injured” or threatened with serious injury by increased imports may petition the U.S. Internal Trade Commission (“ITC”) for import relief. The ITC determines whether an article is being imported in such increased quantities that it is a substantial cause of serious injury, or threat thereof, to the U.S. industry producing an article like or directly competitive with the imported article.

If the ITC makes an affirmative determination, it recommends to the President relief that would prevent or remedy the injury and facilitate industry adjustment to import competition. The President makes the final decision whether to provide relief and the amount of relief. The President has very wide authority to take whatever measures deemed appropriate including tariffs, quotas, tariff rate quotas, international negotiations, and other measures.

Any resulting determination that creates import barriers or imposes imports tariffs on products we routinely depend on for our systems may limit the timely availability of solar modules, increase costs thereby reducing economic benefits for solar power generation, and make marketing efforts to attract customers more costly and difficult thereby limiting our growth.

As we continue to expand our business development efforts within the solar PV and energy storage market these business operations will depend on the availability of rebates, tax credits and other financial incentives to attract customers. The expiration, elimination or reduction of these rebates, credits and incentives would adversely impact our planned business expansion.

U.S. federal, state and local government bodies provide incentives to end users and operators of solar and energy storage systems in the form of rebates, tax credits and other financial incentives such as system performance payments and payments for renewable energy credits associated with renewable energy generation. We rely on these governmental rebates, tax credits and other financial incentives to market the low cost operating and investment benefits of solar PV and energy storage systems to our target customers. However, these incentives may expire on a particular date, end when the allocated funding is exhausted, or be reduced or terminated as solar energy adoption rates increase. Certain reductions or terminations could occur without warning.

The Federal government currently offers a 30% Investment Tax Credit (“ITC”) under Section 48(a) of the Internal Revenue Code, or the ITC, for the installation of solar power and energy storage coupled with solar power. By statute, this tax credit was scheduled to decrease to 10% on January 1, 2017, but was extended in December 2016 by Congress through 2019, after which it will fall to 26 percent in 2020, 22 percent in 2021, and 10 percent in 2022 and future years.

A material drop in the retail price of utility-generated electricity or electricity from other sources would harm our business development efforts for the sale of solar PV and energy storage systems and cause a material adverse effect to our future financial condition and results of operations.

Our target customer’s decision to invest in renewable energy will be primarily driven by their desire to pay less for electricity. The customer’s decision may also be affected by the cost of other renewable energy sources. Decreases in the retail prices of electricity from the utilities or from other renewable energy sources would harm our ability to offer our products as a competitive alternative and could harm our business. The price of electricity from utilities, while historically proven to be unlikely, could decrease as a result of any number of market conditions including:

- the construction of a significant number of new power generation plants, including nuclear, coal, natural gas or renewable energy technologies, and;
- a reduction in the price of natural gas as a result of new drilling techniques or a relaxation of associated regulatory standards;

A reduction in utility electricity prices would make the investment by our target customers into the solar PV and energy storage systems less economically attractive. In addition, a shift in the timing of peak rates for utility-generated electricity to a time of day when solar energy generation is less efficient could make our solar energy system offerings less competitive and reduce demand for our products and services. If the retail price of energy available from utilities were to decrease due to any of these reasons, or others, we would be at a competitive disadvantage, we may be unable to attract customers and our growth would be limited.

A material drop in the retail price of utility-generated electricity would particularly adversely impact our ability to attract commercial customers which represent our target customer base. In addition, a shift in the timing of peak rates for utility-generated electricity to a time of day when solar energy generation is less efficient could make our solar energy system offerings less competitive and reduce demand for our products and services.

We anticipate that commercial customers will continue to comprise a sizable portion of our business, and the commercial market for energy is particularly sensitive to price changes. Typically, commercial customers pay less for certain aspects of delivered energy from utilities than residential customers. Any future decline in the retail rate of energy, or shifts in the timing of peak rate charges for commercial entities could have a significant impact on our ability to attract commercial customers. We may be unable to offer solar or energy storage systems for the commercial market that produce electricity at rates that are competitive with the price of retail electricity on a non-subsidized basis. If this were to occur, we would be at a competitive disadvantage to other energy providers and may be unable to attract new commercial customers, and our future business operations would be harmed.

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Rising interest rates could adversely impact all aspects of current and planned business operations.

Changes in interest rates could have an adverse impact on our business by increasing the cost of capital for our target customers. For example, rising interest rates, or tightening credit requirements, may negatively impact our ability to provide financing sources on favorable terms to facilitate our customers' purchase of our solar PV and energy storage systems.

As we continue to expand our business development efforts within the solar PV and energy storage system market we will continue to act as the licensed general contractor for our customers and will be subject to risks associated with construction, cost overruns, delays, regulatory compliance and other contingencies, any of which could have a material adverse effect on our business and results of operations.

We intend to, and are required to, operate as a licensed contractor in every region we service, and we will be responsible for customer installations. Faul Nitsou

0% 70% 140% \$379,336

Alain Neemeh

0% 70% 140% \$301,807

2010 MIP Program and Opportunities. In February 2010, the Compensation Committee approved the performance measures and bonus opportunities for the 2010 MIP, as described in the table below. The design of our fiscal year 2010 annual incentive plan, including the performance period and the incentive opportunities, are substantially the same as for our fiscal year 2009 annual incentive plan. Financial goals were set in the same manner and with the same weightings as described for fiscal year 2009. The 2010 MIP objectives for Messrs. Woodring, Lay, Schuster and Watson are tied solely to overall company performance, measured 75% on annual operating earnings per share and 25% on annual consolidated revenues, with awards based on a specified percentage of salary. The MIP allocations for Messrs. Nitsou and Neemeh are evenly split between overall company performance and their respective divisions performance. The targets we established are meant to require substantial efforts by our management toward our strategic goals, but at the same time they are intended to be within reach if such efforts are made, and also provide significant rewards for extraordinary achievement. We believe that goals that are viewed as too difficult to attain would not have the effect of providing appropriate incentive.

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	2010 Bonus at Minimum	2010 Bonus at Target	2010 Bonus at Maximum
Greig Woodring	55%	110%	220%
Jack Lay	40%	80%	160%
Paul Schuster	40%	80%	160%
Graham Watson	40%	80%	160%
Paul Nitsou	35%	70%	140%
Alain Neemeh	35%	70%	140%

Intermediate and Long-Term Incentives

Our Flexible Stock Plan, which was established in 1993, provides for the award of various types of long-term equity incentives, including stock options, stock appreciation rights, restricted stock, performance shares, and other stock-based awards, to officers at the vice president level and above who have the ability to favorably affect our business and financial performance. The face value of the annual award varies depending on the individual's position, and ranges from 20% to 170% of base salary. The value of each annual equity incentive grant is evenly split between grants of stock options and performance contingent restricted stock (PCRS). We believe this allocation allows us to reward the achievement of intermediate and long-term goals equally, and was based both on comparisons to the market and our desire to achieve an appropriate balance between the overall risk and reward for incentive opportunities.

The PCRS grants are designed to allow us to reward the achievement of specific intermediate-term corporate financial performance goals with equity that is earned on the basis of performance. The stock options are designed to focus attention on accomplishment of long-term goals and do not have performance criteria. We implemented the PCRS program because we believe it is consistent with our pay-for-performance compensation philosophy and focuses on financial performance. We continue to evaluate the appropriate mix of long-term pay elements (i.e., stock options vs. PCRS or restricted shares) in comparison to the market and to best support our strategy. We believe that stock options provide the most appropriate vehicle for providing long-term value to management because of the tie to shareholder value, while the PCRS grants add an additional performance expectation for our management to focus on growth in earnings per share (operating return on average equity starting in 2008 and adding relative return on average equity in 2010) and revenue over the intermediate-term.

As discussed above under *Benchmarking of Compensation*, the Committee determines a total compensation package for our named executive officers based on an analysis of competitive market conditions and overall company performance. Accordingly, the Committee does not consider individual performance to a material extent in determining the size of PCRS and stock option awards, however, the named executive officers are expected to maintain an acceptable level of performance to retain award eligibility.

Intermediate-Term Bonus Program

Our ITB program is a performance-driven incentive program implemented in January 2004 under our Flexible Stock Plan. We believe this program reinforces our strategic and intermediate-term financial and operating goals. Incentive awards are intended to reflect management's involvement in our performance and to encourage their continued contribution to our future. We view incentive awards as an important means of aligning the economic interests of management and shareholders.

Our management employees are eligible to participate in this program. The purpose of the ITB is to reward participants if we achieve the rate of growth in revenue and earnings per share (operating return on average equity starting in 2008, and in 2010 also including relative return on average equity) that is approved each year by the Compensation Committee when it considers annual grants. The ITB is an ongoing program with three-year performance periods. Each year, a new three-year cycle begins, giving us the opportunity to alter ITB performance measures as appropriate. The three-year performance and reward period shifts attention toward intermediate and longer-term sustained results.

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The ITB consists of PCRS units that are granted at the beginning of the performance period at target. The Compensation Committee also sets award levels with a minimum level of performance that must be met before any payment to the individual can be made, as well as a target and a maximum. If we do not meet certain performance goals, the awards will not be made, and if we exceed those performance goals, the award can be as much as 200% of the targeted award opportunity. PCRS grants are not treated as outstanding shares until the performance goals are met and awards are made, as determined and approved by the Compensation Committee. Awards are made in units of fully vested, unrestricted common stock. The awards are also contingent upon the participant's employment status with us at the end of the three-year performance period.

We use compounded annual growth rates for revenue and operating earnings per share (operating return on average equity starting in 2008, and in 2010 also including relative return on average equity) as the performance measures for the ITB, calculated at the end of the three-year performance period. When we establish the ITB targets for a particular performance period, we may adjust those targets up or down so they are set at amounts or ranges that are generally consistent with our publicly disclosed intermediate-term growth rate goals.

The grants were made pursuant to the terms of the Flexible Stock Plan and award agreements. Upon retirement of a holder of a PCRS grant made pursuant to this plan, provided that the holder has attained age 55 and a combination of age and service that equals at least 65, the units will be pro-rated based on the number of months of the holder's participation during the three-year performance period and the number of shares earned.

2007-2009 ITB Results. In February 2007, we established the minimum, target and maximum annual growth rate goals for revenue and operating earnings per share for the 2007 ITB grant (2007-2009 performance period). We established the ITB target and range for revenue and earnings per share growth for the period beginning in 2007 at levels that are generally consistent with our goals for those measures. As a result, we believe that achievement of the target earnings per share growth rate required a high level of financial and operating performance.

In January 2010, we reviewed the results for the 2007-2009 performance period and determined that our operating earnings and revenue growth for the three-year performance period attained the level for minimum awards but did not reach the respective targets. The weighted average of the two measures for the period was 68% of target, and we approved payouts on that basis. Actual results are interpolated to determine the performance level achieved among the threshold, target and maximum goals established by the Compensation Committee. The following table describes the growth goals established in February 2007 and actual results determined in January 2010:

Performance Measure	Weight	Threshold	Target	Maximum	Actual	Applicable Percentage Achieved
Revenues	33%	8%	12%	16%	10.8%	85.1%
Operating Earnings Per Share	67%	8%	12%	16%	8.8%	59.4%
Weighted Average						68.0%

See Option Exercises and Stock Vested During Fiscal 2009 for a description of the share amount and value of the PCRS awards we approved for the 2007 ITB grants.

2009-2011 ITB Awards. In February 2009, we established the ITB target and range for revenue and operating return on average equity (operating earnings divided by average adjusted equity) (ROE). The performance period for the 2009 PCRS grant began on January 1, 2009 and will end on December 31, 2011.

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The ROE measure includes capital efficiency in addition to a pure profit metric. We also continued our use of cumulative average growth in revenue over the three-year period because it serves as a better measure of revenue over the long run. We believe the change in the ITB measures reflects a stronger framework to enhance shareholder value. We established the ITB target and range for revenue and return on average equity for the period beginning in 2009 at levels that are consistent with our intermediate-term goals for those measures. As a result, we believe that achievement of the target revenue amount and return on average equity growth rate will require a high level of financial and operating performance.

Performance

Measure	Weight	Threshold	Target	Maximum
Revenues	33%	9%	13%	19%
ROE	67%	11%	13%	17%

See Grants of Plan-Based Awards in 2009 for a description of the 2009 PCRS grants.

2010-2012 ITB Awards. In February 2010, we established the ITB targets and ranges for the 2010 PCRS grants. The performance period for the 2010 PCRS grant began on January 1, 2010 and will end on December 31, 2012. We continued the use of ROE for the earnings component in the 2010 PCRS grants but split the remaining 67% allocation equally between the existing ROE measure and a new measure for relative ROE performance against an established peer group.

We established the ITB targets and ranges for revenue, ROE and relative ROE for the period beginning in 2010 at levels that are consistent with our intermediate-term goals for those measures. As a result, we believe that achievement of the ITB targets will require a high level of financial and operating performance.

We approved the 2010 PCRS grants for the named executive officers, as follows (number of shares represents the target award): Greig Woodring, Chief Executive Officer 18,047 shares; Jack Lay, Senior Executive Vice President and Chief Financial Officer 6,815 shares; Paul Schuster, Senior Executive Vice President, U.S. Operations 6,815 shares; Graham Watson, Senior Executive Vice President, International 7,838 shares; Paul Nitsou 4,565 shares; and Alain Neemeh 4,565 shares.

Stock Options

Stock options are granted annually, and the number of options granted is based on position level. Stock options are granted as part of a total compensation package for our management. The Committee considers compensation data of the peer group in determining the amount of options granted to our named executive officers and considers market data from published surveys in determining the amount of options granted to other employees.

The vesting schedule for recent grants of stock options is five years, no portion of which vests in the first year, and 25% of which vests at the end of each of the four remaining years. Upon retirement of a holder of stock options pursuant to this plan, provided that the holder has attained age 55 and a combination of age and service that equals at least 65, the options continue to vest in accordance with the vesting schedule.

Since 2006, our Compensation Committee has made the annual stock option grants at its February meeting. The options are granted with an exercise price equal to the fair market value on the grant date, which is the date of the Committee meeting. The fair market value of a share of our common stock on a particular date is the closing price of the shares on the NYSE on the given date. The options expire 10 years after grant.

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2009 Option Grant. In February 2009, we approved the 2009 stock option grants for our named executive officers. We made these grants because we believe that stock options provide the most appropriate vehicle for providing long-term value to management because of the tie to shareholder value. The options have a strike price of \$32.20, which is the closing price of our stock on February 18, 2009, the date the grants were approved. The vesting schedule, expiration and other terms are described above under Stock Options. The grants were made pursuant to the terms of the Flexible Stock Plan and award agreements. See Grants of Plan-Based Awards in 2009 for a description of the 2009 option grants.

2010 Option Grant. In February 2010, we approved the 2010 stock option awards for the named executive officers, as follows: Greig Woodring, Chief Executive Officer 46,392 shares; Jack Lay, Senior Executive Vice President and Chief Financial Officer 13,743 shares; Paul Schuster, Senior Executive Vice President, U.S. Operations 13,743 shares; Graham Watson, Senior Executive Vice President, International 15,805 shares; Paul Nitsou 9,205 shares; and Alain Neemeh 9,205 shares. We made these grants because we believe that stock options provide the most appropriate vehicle for providing long-term value to management because of the tie to shareholder value. The options have a strike price of \$47.10, which is the closing price of our stock on February 19, 2010, the date the grants were approved. The vesting schedule, expiration and other terms are described above under Stock Options. The grants were made pursuant to the terms of the Flexible Stock Plan and award agreements.

Executive Stock Ownership Guidelines

In order to further align the interests of our management and our shareholders, our executive stock ownership guidelines provide that our senior executives should seek to hold a market value of our shares, which is based on a multiple of the executive's base salary, as follows: our Chief Executive Officer (four times), Senior Executive Vice Presidents and Executive Vice Presidents (three times), and Senior Vice Presidents (two times). The market value of shares includes only those shares of common stock that are directly or beneficially owned by the executive. Executives who are subject to the guidelines must retain the net shares (net of applicable taxes and, for options, the exercise cost) from any stock option exercise or award of PCRS until they satisfy their respective stock ownership requirement.

As of February 2010, Messrs. Woodring, Lay, Schuster and Watson have met the stock ownership requirements through holdings of shares of our common stock.

Timing of Regular Equity Grants

We typically release earnings for the fourth quarter in late January of the following year. The Compensation Committee meets in mid-February of each year to approve regular grants of stock options and PCRS awards. Equity grants are effective on and have a grant date of the same day as the Committee meeting, and the exercise price for the stock option grants is the closing price of our common stock on the NYSE on the day of the Committee meeting in February. This timing and process is designed to ensure that our fourth-quarter earnings information is fully disseminated to the market by the time the stock option grants and related exercise price are determined. The PCRS awards are measured by financial performance over a three-year period and the market price of our common stock is not a factor in those calculations or measures. Prior to 2006, we made annual equity incentive grants on the date of the board and committee meetings in late January.

Perquisites

We compensate our executive officers in the form of cash, equity, equity-based awards and retirement benefits. Accordingly, we do not provide executive officers or their families with perquisites such as planes, cars, or apartments, and we do not reimburse executive officers or any of our employees for personal-benefit perquisites such as club dues or other social memberships. Executive officers and other employees may seek reimbursement for business-related expenses in accordance with our business expense reimbursement policy.

Table of Contents***Profit Sharing Plan***

All employees of RGA Reinsurance Company who meet the eligibility requirements participate in the profit sharing plan. Effective January 1, 2001, we adopted a safe harbor design for the plan that provides for a match of up to 4% of compensation. All eligible employees are also entitled to receive a profit sharing award ranging from 0% to 6% of compensation depending on whether we meet or exceed our minimum performance level and targets, regardless of their 401(k) participation. A minimum performance level must be met before the profit sharing award can be made. The minimum performance level and targets for each year are established at the beginning of the year. To the extent that the participant's cash compensation is less than limits set by the IRS (\$245,000 for 2009), a participant may elect to defer up to one-half of his profit sharing award to the plan, while the other one-half is automatically contributed to the plan.

As described above under *Annual Management Incentives*, in fiscal 2009 we attained the target amount for revenue growth but fell slightly short of the target amount for operating earnings per share. Based on these results, in January 2010, the Board of Directors approved a profit sharing award of 3.25% for 2009.

Retirement Plans

Some of our employees, including our executive officers, participate in the RGA Performance Pension Plan (or the Pension Plan), a qualified defined benefit plan. The Pension Plan is a broad-based retirement plan that is intended to provide a source of income during retirement for full-time employees in the U.S. Some of our employees, including certain executive officers, also participate in the RGA Reinsurance Company Augmented Benefit Plan (or the RGA Augmented Plan), a non-qualified plan under which eligible employees are entitled to additional retirement benefits not paid under the Pension Plan and the RGA Reinsurance Company Profit Sharing Plan (or the RGA Profit Sharing Plan) due to Internal Revenue Code (the Code) limits on the amount of benefits that may accrue and be paid under the Pension Plan and the RGA Profit Sharing Plan. The RGA Augmented Plan provides benefits based on an employee's annual cash compensation and without regard to certain limitations that apply to broad-based, qualified retirement plans, in order for a participant's retirement income provided under the plans to be based on his or her total eligible cash compensation. The Augmented Plan is generally only available to the associates at the vice president level and above who earn more than the compensation limits under the qualified plans (\$245,000 for 2009).

Additionally, employees at the vice president level and above are eligible to participate in our Executive Deferred Savings Plan, a non-qualified plan which allows participants to defer income, including bonuses and incentive compensation, and to defer matching contributions without regard to qualified plan limitations. Base pay and regular annual incentive awards, but not long-term compensation, are treated as eligible pay under the terms of our retirement plans. We sponsor tax-qualified pension and savings plans, as well as non-qualified parity pension and savings plans providing benefits to all employees whose benefits under the tax-qualified plans are limited by the Code. The Committee periodically reviews our retirement benefits to ensure that the benefits are appropriate and cost effective as part of an overall compensation program intended to provide basic economic security for our highly skilled and qualified workforce and at a level consistent with competitive practices.

Messrs. Woodring, Lay and Schuster participate in the Pension Plan and the RGA Augmented Plan. Messrs. Watson, Nitsou and Neemeh are not eligible to participate in the U.S. pension plans. To provide a similar retirement benefit, Messrs. Watson and Nitsou participate in a supplemental executive retirement plan sponsored by RGA International Corporation, which has the same benefit structure as the related plan for our executives at RGA Canada, our Canadian operating company. Mr. Neemeh participates in a supplemental executive retirement plan sponsored by RGA Canada. For additional details regarding executive participation in our retirement plans, see Pension Benefits in Fiscal 2009.

No Employment and Severance Agreements

Consistent with our pay-for-performance compensation philosophy, we do not provide employment or severance agreements to any of our named executive officers.

Table of Contents***Deductibility of Compensation***

The goal of the Committee is to comply with the requirements of Code Section 162(m), to the extent deemed practicable, with respect to annual and long-term incentive programs to avoid losing the deduction for non-performance-based compensation in excess of \$1,000,000 paid to our chief executive officer, chief financial officer and three other most highly-compensated executive officers (other than the CEO and CFO). We generally structure our performance-based compensation plans with the objective that amounts paid under those plans and arrangements are tax deductible, including having the plans approved by our shareholders.

Compensation Committee Report

The Compensation Committee has reviewed and discussed the Compensation Discussion and Analysis with management. Based on its review and discussions with management, the Compensation Committee recommended to the Board of Directors that the Compensation Discussion and Analysis be included in our Annual Report on Form 10-K for 2009 and our 2010 Proxy Statement. This report is provided by the following independent directors, who comprise the Committee:

John F. Danahy, Chairman
Arnoud W.A. Boot
J. Cliff Eason
Fred J. Sievert

Executive Compensation

Summary Compensation Table
Fiscal Years 2009, 2008 and 2007 Compensation

Name and Principal Position	Year	Salary ¹	Bonus	Stock Awards ²	Option Awards ³	Non- Equity Incentive Plan Compen- sation ⁴	Change in	All Other Compen- sation ⁶	Total
							Nonqualified Value and Deferred Compen- sation ⁵		
A. Greig Woodring President and CEO	2009	\$872,558	0	\$671,306	\$450,642	\$924,358	\$580,714	\$46,609	\$3,546,187
	2008	\$844,231	0	\$650,004	\$451,795	\$307,150	\$787,138	\$32,488	\$3,072,806
	2007	\$788,462	0	\$579,663	\$581,406	\$1,368,825	\$718,975	\$92,648	\$4,129,979
Jack B. Lay Sr. EVP and CFO	2009	\$461,942	0	\$311,986	\$209,449	\$393,788	\$119,051	\$38,989	\$1,535,205
	2008	\$446,538	0	\$303,010	\$210,608	\$130,750	\$217,882	\$50,085	\$1,358,873
	2007	\$417,115	0	\$207,512	\$208,148	\$578,169	\$187,931	\$49,769	\$1,648,644
Paul A. Schuster Sr. EVP U.S. Operations	2009	\$461,942	0	\$311,986	\$209,449	\$393,788	\$120,925	\$35,172	\$1,533,262
	2008	\$446,538	0	\$303,010	\$210,608	\$130,750	\$223,412	\$29,591	\$1,343,909
	2007	\$417,115	0	\$207,512	\$208,148	\$578,169	\$179,906	\$52,723	\$1,643,573
Graham Watson Sr. EVP International	2009	\$522,652	0	\$358,805	\$240,860	\$469,126	\$260,544	\$187,979	\$2,039,966
	2008	\$505,000	0	\$392,210	\$210,608	\$157,892	\$137,347	\$9,905	\$1,412,962
	2007	\$475,000	0	\$417,410	\$208,148	\$703,005	\$57,091	\$10,016	\$1,870,670
Paul Nitsou	2009	\$394,782	0	\$210,008	\$140,972	\$451,344	\$341,658	\$300,972	\$1,839,736

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President International	2008	\$365,472	0	\$204,005	\$141,798	\$307,542		\$9,905	\$1,028,722
Alain Neemeh	2009	\$336,131	0	\$210,008	\$140,972	\$301,807	\$194,605	\$11,439	\$1,194,962
President and CEO Canada	2008	\$346,732	0	\$204,005	\$141,798	\$242,575		\$9,905	\$ 945,015

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1. For Messrs. Woodring, Lay and Schuster, this column includes any amounts deferred at the election of the executive officers under the RGA Reinsurance Company Executive Deferred Savings Plan. Messrs. Watson, Nitsou and Neemeh are not U.S. citizens and are not eligible to participate in the deferred savings plan. Mr. Neemeh's salary is paid in Canadian dollars and is converted to U.S. dollars for presentation purposes in this table.

2. This column represents the grant date fair value of PCRS units granted in such year, using probable outcomes of performance conditions, in accordance with SFAS 123R. For additional information on the valuation assumptions, refer to note 18 of the RGA financial statements in the Form 10-K for the year ended

December 31, 2009, as filed with the SEC. See also Grants of Plan-Based Awards in 2009 for information on awards made in 2009. These amounts reflect the grant date fair value for these awards, and do not correspond to the actual value that will be recognized by the named executive officers. The amounts in this column would double if the PCRS performance measures attain the maximum amount payout level of 200%.

3. This column represents the grant date fair value of stock options granted in such year, in accordance with SFAS 123R. For additional information on the valuation assumptions, refer to note 18 of the RGA financial statements in the Form 10-K for the year ended December 31, 2009, as filed with the SEC. See also Grants of Plan-Based Awards in 2009 for information on options granted in

2009. These amounts reflect the grant date fair value for these awards, and do not correspond to the actual value that will be recognized by the named executive officers.

4. Includes, for all named executive officers, cash incentives earned for performance during each fiscal year and paid in March of the following year (including any incentives deferred at the election of the executive officers) under the cash incentive portion of the MIP, which we describe in the Compensation Discussion and Analysis (CD&A). The cash incentive payments for 2009 performance were \$920,377 for Mr. Woodring, \$389,807 for Mr. Lay, \$389,807 for Mr. Schuster, \$441,781 for Mr. Watson, \$379,336 for Mr. Nitsou and \$301,807 for Mr. Neemeh.

The cash incentive payments for 2008 performance were \$306,000 for

Mr. Woodring,
\$129,600 for
Mr. Lay, \$129,600
for Mr. Schuster,
\$146,880 for
Mr. Watson,
\$264,818 for
Mr. Nitsou and
\$242,575 for
Mr. Neemeh. Also
includes for
Mr. Nitsou a
retention bonus of
\$35,700. The cash
incentive payments
for 2007
performance were
\$1,363,200 for
Mr. Woodring,
\$572,544 for
Mr. Lay, \$572,544
for Mr. Schuster,
and \$654,336 for
Mr. Watson.

Also includes
amounts paid in
cash or deferred at
the officer's election
each year under the
RGA Profit
Sharing Plan for
Messrs. Woodring,
Lay, and Schuster,
which totaled
\$3,981 for 2009,
\$1,150 for 2008,
and \$5,625 for
2007. Also includes
\$27,345 paid to
Mr. Watson in
2009, \$11,012 in
2008, and \$48,669
in 2007, and
\$31,669 paid to
Mr. Nitsou in 2009
and \$7,024 in 2008,
in lieu of awards
under the RGA
Profit Sharing Plan,
in which they are

not eligible to participate. Also, this amount includes a retention bonus of \$40,339 for Mr. Nitsou in 2009.

5. This column represents the sum of the change in pension value in each fiscal year for each of the named executive officers. We do not pay above-market or preferential earnings on any account balances; therefore, this column does not reflect any amounts relating to nonqualified deferred compensation earnings. See the Pension Benefits and Nonqualified Deferred Compensation tables for additional information. In 2008 and 2009, the changes in the pension values for Messrs. Watson, Nitsou and Neemeh were primarily because of a change in the applicable interest rate. In 2008, the changes were negative for Mr. Nitsou (\$146,584) and Mr. Neemeh (\$226,744). The

amounts for Messrs. Watson, Nitsou and Neemeh represent the amount in Canadian dollars as converted to U.S. dollars using an annualized currency exchange rate of 0.883782.

6. Amount includes contributions for Messrs. Woodring, Lay and Schuster by RGA Reinsurance Company to the officers' accounts in qualified and non-qualified plans for the 2009 plan year. Amounts for Messrs. Watson and Nitsou represent contributions made to their accounts for the 2009 plan year by RGA International under its retirement plan, and one-time payments made in connection with a change in company policy for accrued vacation of \$177,656 for Mr. Watson and \$290,649 for Mr. Nitsou. Amount for Mr. Neemeh represents contributions made to his account for the 2009 plan year by RGA Canada under its retirement

plan. The amounts for Messrs. Watson, Nitsou and Neemeh represent the amount of Canadian dollars paid converted to U.S. dollars using an annualized currency exchange rate of 0.883782.

Grants of Plan-Based Awards in 2009

This table provides the following information about equity and non-equity awards granted to the named executive officers in 2009: (1) the grant date; (2) the estimated future payouts under non-equity incentive plan awards, which consist of potential payouts under the MIP award granted in 2009 for the 2009 performance period; (3) estimated future payouts under equity incentive plan awards, which consist of potential payouts under the PCRS grants in 2009 for the 2009-2011 performance period; (4) all other option

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awards, which consist of the number of shares underlying stock options granted to the named executive officers in 2009; (5) the exercise price of the stock options granted, which reflects the closing price of RGA stock on the date of grant, and (6) the grant date fair value of each equity grant calculated under SFAS 123R.

Name	Grant Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards ¹			Estimated Future Payouts Under Equity Incentive Plan Awards (Number of Shares) ²			All Other Stock Awards: Number of Shares of Stock or Units	All Other Option Awards: Number of Securities Underlying Options ³	Exercise or Base Price of Option Awards ⁴	Grant Date Fair Value of Stock and Option Awards ⁵
		Threshold	Target	Maximum	Threshold	Target	Maximum				
Woodring	2/18/2009	0	\$875,500	\$1,751,000	10,424	20,848	41,696		50,127	\$32.20	\$671,300 \$450,642
Lay	2/18/2009	0	\$370,800	\$741,600	4,845	9,689	19,378		23,298	\$32.20	\$311,980 \$209,449
Chuster	2/18/2009	0	\$370,800	\$741,600	4,845	9,689	19,378		23,298	\$32.20	\$311,980 \$209,449
Watson	2/18/2009	0	\$420,240	\$840,480	5,572	11,143	22,286		26,792	\$32.20	\$358,805 \$240,860
Nitsou	2/18/2009	0	\$280,000	\$560,000	3,261	6,522	13,044		15,681	\$32.20	\$210,008 \$140,972
Teemeh	2/18/2009	0	\$252,000	\$504,000	3,261	6,522	13,044		15,681	\$32.20	\$210,008 \$140,972

1. These columns reflect the potential value of the payment for 2009 performance under the MIP for each named executive if the threshold, target or maximum goals are satisfied for both performance measures. The potential payments

are performance-driven and are therefore completely at risk. The performance measurements, salary and bonus multiples for determining the payments are described in the CD&A. The bonus amount for actual 2009 performance was determined in February 2010 based on the metrics described in the CD&A, and is included in the Summary Compensation Table in the column titled Non-Equity Incentive Plan Compensation.

2. This column reflects the number of PCRS units granted in 2009 under our Flexible Stock Plan, which will convert into shares of RGA stock at the end of the three-year performance period if the specified performance levels are achieved. The performance period commenced January 1, 2009 and ends December 31, 2011. If the threshold level of performance is met, the award of shares starts at 50% (target is 100% and maximum is 200%).

See discussion of ITB awards in the CD&A.

3. This column reflects the number of stock options granted in 2009 to the named executive officers. These options vest and become exercisable in four equal annual installments of 25%, beginning on December 31, 2010.
4. This column reflects the exercise price per share of common stock for the stock options granted, which is the closing price of the common stock on February 18, 2009, the date the Compensation Committee approved the grant.
5. This column reflects the full grant date fair value of PCRS units under SFAS 123R and the full grant date fair value of stock options under SFAS 123R granted to the named executive officers in 2009. See note 2 of the Summary Compensation Table for a discussion of fair value calculation related to the PCRS. For PCRS units, fair value is calculated

using the closing price of RGA stock on the grant date of \$32.20. For stock options, fair value is calculated using the Black-Scholes value on the date of grant of \$8.99. For additional information on the valuation assumptions, refer to note 18 of RGA's financial statements in the Form 10-K for the year ended December 31, 2009, as filed with the SEC. These amounts reflect the grant date fair value, and do not correspond to the actual value that will be recognized by the named executive officers. For example, the PCRS units are subject to specified performance objectives over the performance period, with one-third tied to growth in revenue and two-thirds tied to growth in operating return on equity. The grant date fair value is calculated assuming a target payout. In addition, the value of options, if any, realized by the optionee will not be determined until exercise.

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Intermediate-Term Incentive Awards

The Compensation Committee approved grants of target awards of PCRS on February 18, 2009. The grants were made pursuant to the terms of the Flexible Stock Plan and a grant agreement. The Compensation Committee has established as performance goals annual operating return on equity and annual consolidated revenues. At the beginning of each three-year performance period, the Compensation Committee grants to each named executive officer a target PCRS award that is payable in shares of our common stock. The Compensation Committee also sets performance levels with minimum, target and maximum levels of performance. If we do not meet the minimum performance goals, the PCRS awards will not be earned and no common stock will be paid out, and if we exceed those performance goals, the award can be as much as 200% of the targeted award opportunity. Grants of performance-contingent restricted stock are not treated as outstanding shares until the performance goals are met and awards are made, as determined and approved by the Compensation Committee. Awards are made in units of fully vested, unrestricted common stock. The awards are pro-rated for recipients who die, become disabled or retire during the three-year performance period.

Stock Options

The options become exercisable in 25% increments on each of December 31, 2010, 2011, 2012 and 2013. Vesting will be accelerated upon the officer's death or disability and upon a change in control of us (as such terms are defined in the Flexible Stock Plan and option agreements). All stock option grants were approved by the Compensation Committee on February 18, 2009.

Employment Agreements

None of the named executive officers have written employment agreements with us. For additional information see CD&A.

Outstanding Equity Awards at 2009 Fiscal Year-End

The following table provides information on the 2009 year-end holdings of stock options, restricted stock and PCRS by our named executive officers. This table includes unexercised and unvested option awards and unvested PCRS grants with performance conditions that have not yet been satisfied. Each equity grant is shown separately for each named executive. The vesting schedule for each grant is described in the footnotes following this table, based on the option or stock award grant date. The market value of the stock awards is based on the closing market price of RGA stock as of December 31, 2009, the last business day of the year, which was \$47.65. The PCRS grants are subject to specified performance objectives over the performance period, with 67% tied to operating return on average equity and 33% tied to the cumulative average growth rate in revenues. For additional information about the option awards and stock awards, see the description of equity incentive compensation in the CD&A.

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A. Greig Woodring, *President and CEO*

Option Awards				Stock Awards		Equity Incentive Plan Awards
Equity Incentive						
Plan Awards: Number				Market Value of		Number of Unearned Shares, Units or Other Rights That Have Not Vested ²
Number of Securities Underlying Unexercised Options	Underlying Unexercised Options	Option Exercise Price	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested	Shares or Units of Stock That Have Not Vested	
67,086		\$29.81	1/1/2011			
70,197		\$31.91	1/1/2012			
82,081		\$27.29	1/29/2013			
34,335		\$39.61	1/28/2014			
29,492		\$47.47	1/27/2015			
28,433	9,478	\$47.48	2/21/2016			
15,529	15,529	\$59.63	2/20/2017			
8,056	24,169	\$56.03	2/20/2018			11,601
	50,127	\$32.20	2/18/2019			20,848

Jack B. Lay, *Senior Executive Vice President and CFO*

Option Awards				Stock Awards		Equity Incentive Plan Awards
Equity Incentive						
Plan Awards: Number				Market Value of		Number of Unearned Shares, Units or Other Rights That Have Not Vested ²
Number of Securities Underlying Unexercised Options	Underlying Unexercised Options	Option Exercise Price	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested	Shares or Units of Stock That Have Not Vested	
27,025		\$27.29	1/29/2013			

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4	12,150		\$39.61	1/28/2014	
5	10,533		\$47.47	1/27/2015	
6	8,490	2,831	\$47.48	2/21/2016	
7	5,559	5,560	\$59.63	2/20/2017	
8	3,755	11,267	\$56.03	2/20/2018	
8					5,408 \$
9		23,298	\$32.20	2/18/2019	
9					9,689 \$

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Paul A. Schuster, Senior Executive Vice President U.S. Operations

Option Awards

Stock Awards

Equity Incentive

Plan Awards: Number

of Securities

Market Value of

Number of Securities Underlying Unexercised Options

Underlying

Number of Shares or

Shares or Units of

Equity Incentive Plan Awards
Number of Unearned Shares, Units or Other Rights That Have Not

Exercisable
Unexercisable
Options

Unexercised Options

Option Exercise Price
Option Expiration Date

Units of Stock That Have Not Vested

Stock That Have Not Vested

Not Vested²

3 25,192
4 12,150
5 10,533
6 8,490 2,831
7 5,559 5,560
8 3,755 11,267
8
9 23,298
9

\$27.29 1/29/2013
\$39.61 1/28/2014
\$47.47 1/27/2015
\$47.48 2/21/2016
\$59.63 2/20/2017
\$56.03 2/20/2018
\$32.20 2/18/2019

5,408 \$
9,689 \$

Graham Watson, Senior Executive Vice President International

Option Awards

Stock Awards

Equity Incentive

Plan Awards: Number

of Securities

Market Value of

Number of Securities Underlying Unexercised Options

Underlying

Number of Shares or

Shares or Units of

Equity Incentive Plan Awards
Number of Unearned Shares, Units or Other Rights That Have Not

Exercisable
Unexercisable
Options

Unexercised Options

Option Exercise Price
Option Expiration Date

Units of Stock That Have Not Vested

Stock That Have Not Vested

Not Vested²

17,778
17,236
31,577

\$29.81 1/1/2011
\$31.91 1/1/2012
\$27.29 1/29/2013

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12,150		\$39.61	1/28/2014	
10,533		\$47.47	1/27/2015	
8,490	2,831	\$47.48	2/21/2016	
5,559	5,560	\$59.63	2/20/2017	
3,755	11,267	\$56.03	2/20/2018	
	26,792	\$32.20	2/18/2019	7,000
				11,143

Table of Contents**Paul Nitsou, *President International***

Grant Date	Option Awards			Stock Awards				
	Number of Securities Underlying Unexercised Options	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Options	Exercise Price	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 ²	Unearned Shares, Units or Rights That Have Not Vested ²	Market or Payout Value of Unearned Shares, Units or Rights That Have Not Vested ²
1/1/2001	8,302		\$29.81	1/1/2011				
1/1/2002	8,221		\$31.91	1/1/2012				
1/29/2003	12,697		\$27.29	1/29/2013				
1/28/2004	10,320		\$39.61	1/28/2014				
1/27/2005	8,953		\$47.47	1/27/2015				
2/21/2006	7,305	2,436	\$47.48	2/21/2016				
2/20/2007	3,993	3,994	\$59.63	2/20/2017				
2/20/2008	2,528	7,586	\$56.03	2/20/2018				
2/20/2008							3,641	\$173,494
2/18/2009		15,681	\$32.20	2/18/2019				
2/18/2009							6,522	\$310,773

Alain Neemeh, *President and CEO Canada*

Grant Date	Option Awards			Stock Awards			
	Number of Securities Underlying Unexercised Options	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Options	Exercise Price	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 ²	Unearned Shares, Units or Rights That Have Not Vested ²

Grant Date	Exercisable	Unexercisable	Unearned Options	Exercise Price	Expiration Date	Have Not Vested	Stock That Have Not Vested	Rights That Have Not Vested²	Have Not Vested²
1/1/2001	3,247			\$29.81	1/1/2011				
1/1/2002	5,416			\$31.91	1/1/2012				
1/29/2003	6,994			\$27.29	1/29/2013				
1/28/2004	3,600			\$39.61	1/28/2014				
1/27/2005	3,160			\$47.47	1/27/2015				
2/21/2006	3,554	1,185		\$47.48	2/21/2016				
2/20/2007	3,993	3,994		\$59.63	2/20/2017				
2/20/2008	2,528	7,586		\$56.03	2/20/2018				
2/20/2008								3,641	\$173,494
2/18/2009		15,681		\$32.20	2/18/2019				
2/18/2009								6,522	\$310,773

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1. Options with a grant date through 2003 vested and became exercisable in five equal annual installments of 20%, on December 31 of the first, second, third, fourth and fifth years. Options granted in 2004 and subsequent years vest and become exercisable in four equal annual installments of 25%, on December 31 of the second, third, fourth and fifth years.

2. These columns reflect the number of shares and estimated market value of grants of PCRS. On February 4, 2010, the Compensation Committee determined that the 2007 PCRS award would be paid at 68% of target. See Option Exercises and Stock Vested

During Fiscal 2009 for more information on the payout of those awards. SEC rules require disclosure of the number of shares and estimated market value of PCRS grants based on a level equal to or the next level higher (e.g., target or maximum) than the prior year's award. As noted, the 2007 PCRS award paid out at 68%. Accordingly, the number of shares and estimated market value for the PCRS grants made in 2008 are disclosed assuming they are awarded at the target (100%) level. The amounts for the PCRS grants made in 2009 are disclosed assuming they are awarded at the target (100%) level. The market or payout value is estimated using the closing price, \$47.65, of our common stock on

December 31, 2009, the last business day of the year. The performance period for the 2008 PCRS grant is January 1, 2008 through December 31, 2010. The performance period for the 2009 PCRS grant is January 1, 2009 through December 31, 2011.

Option Exercises and Stock Vested During Fiscal 2009

The following table provides information for the named executive officers on (1) stock option exercises during 2009, including the number of shares acquired upon exercise and the value realized, and (2) the number of shares awarded in settlement of the 2007 PCRS grants (three-year performance period ending December 31, 2009) and the value realized, each before payment of any applicable withholding tax and broker commissions.

Name	Option Awards		Stock Awards	
	Number of Shares Acquired on Exercise	Value Realized on Exercise	Number of Shares Acquired on Vesting	Value Realized on Vesting
Woodring ¹	49,596	\$1,116,376	6,610	\$318,602
Lay ²			8,917	\$394,571
Schuster ³	20,762	\$326,215	2,369	\$114,186
Watson ⁴			4,760	\$229,432
Nitsou ⁵	9,843	\$242,596	1,701	\$81,988
Neemeh ⁶			1,701	\$81,988

1. Mr. Woodring exercised 49,596 options on November 3, 2009, with an exercise price of \$23.19. He acquired 6,610 shares with a market price of \$48.20 on

January 28,
2010, the award
date for the
2007-2009
PCRS grant.

2. Mr. Lay
acquired 2,369
shares with a
market price of
\$48.20 on
January 28,
2010, the award
date for the
2007-2009
PCRS grant. He
acquired 6,548
shares with a
market price of
\$42.82 on
January 1, 2009,
the vesting date
of his restricted
stock granted on
January 1, 1999.
3. Mr. Schuster
exercised
20,762 options
on
November 13,
2009 with an
exercise price of
\$31.91. He
acquired 2,369
shares with a
market price of
\$48.20 on
January 28,
2010, the award
date for the
2007-2009
PCRS grant.
4. Mr. Watson
acquired 4,760
shares with a
market price of
\$48.20 on
January 28,
2010, the award

date for the
2007-2009
PCRS grant.

5. Mr. Nitsou exercised 9,843 options on October 29, 2009, with an exercise price of \$23.19. He acquired 1,701 shares with a market price of \$48.20 on January 28, 2010, the award date for the 2007-2009 PCRS grant.
6. Mr. Neemeh acquired 1,701 shares with a market price of \$48.20 on January 28, 2010, the award date for the 2007-2009 PCRS grant.

Table of Contents**Pension Benefits in Fiscal 2009**

Some of our employees participate in the RGA Performance Pension Plan (the Pension Plan), a qualified defined benefit plan. Some of our employees also participate in the RGA Reinsurance Company Augmented Benefit Plan (the RGA Augmented Plan), a non-qualified plan under which eligible employees are entitled to receive retirement benefits not paid under the Pension Plan and the RGA Profit Sharing Plan due to Internal Revenue Code (the Code) limits on the amount of benefits that may accrue and be paid under the Pension Plan and the RGA Profit Sharing Plan.

Messrs. Woodring, Lay and Schuster participate in the Pension Plan and the RGA Augmented Plan. The monthly benefit payable for life at age 65 for each individual is the sum of (a) and (b) below:

- (a) The sum of (1) 1.05% of Final Average Monthly Compensation (as defined below), multiplied by the number of years of service earned as of December 31, 1995, plus (2) 0.65% of the excess, if any, of Final Average Monthly Compensation minus one-twelfth of the Social Security Maximum Wage Average (as defined below), multiplied by the number of years of service earned as of December 31, 1995; plus
- (b) The actuarial equivalent of a lump sum benefit equal to the sum of the amounts determined below for each full year of service completed after December 31, 1995:

Age on January 1 of the Plan Year in Which the Year of Service is Earned	Percentage of Final Average Annual Compensation Credited	Percentage of Excess Compensation Credited
Up to 35	2%	1%
35 - 44	4%	2%
45 - 54	6%	3%
55 or over	8%	4%

Social Security Maximum Wage Average means the average of the Social Security Wage Base in effect for each calendar year during the 35-year period ending with the calendar year in which a participant attains the Social Security retirement age. *Social Security Wage Base* means the maximum amount of compensation that may be considered wages for FICA tax, or \$106,800 for 2009. *Breakpoint* means 60% of the Social Security Wage Base raised to the next highest \$100 increment. *Excess Compensation* means the excess, if any, of Final Average Annual Compensation minus the Breakpoint. *Final Average Annual Compensation* means the highest average Benefit Salary for the five consecutive years during the preceding ten years. *Benefit Salary* means actual base salary, eligible bonuses and pre-tax salary deferrals made to the profit sharing plan or a cafeteria plan and the CODA portion of the profit sharing award.

Final Average Monthly Compensation is one-twelfth of Final Average Annual Compensation.

Payment of the specified retirement benefits is contingent upon continuation of the plans in their present form until the officer retires. RGA International Corporation and RGA Canada maintain Canadian Supplemental Executive Retirement Plans, which are non-qualified defined benefit plans pursuant to which eligible executive officers are entitled to receive additional retirement benefits. Messrs. Watson, Nitsou and Neemeh participate in these plans and are not eligible to participate in the Pension Plan or the RGA Augmented Plan.

Until January 1, 1994, we also maintained an Executive Supplemental Retirement Plan (the RGA Supplemental Plan), a non-qualified defined benefit plan pursuant to which eligible executive officers are entitled to receive additional retirement benefits. Benefits under the RGA Supplemental Plan were frozen as of January 1, 1994. The frozen annual benefit payable upon retirement at age 65 is \$3,060 for Mr. Woodring. Retirement benefits under the RGA Supplemental Plan are payable at age 65 in the form of a 15-year certain life annuity, with no direct or indirect integration with Social Security benefits.

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Name	Plan Name	Number of Years Credited Service	Present Value of Accumulated Benefit¹	Payments During Last Fiscal Year
Woodring	Performance Pension Plan	29	\$ 668,715	
	Augmented Benefit Plan	29	\$4,178,820	
	Supplemental Plan	15	\$ 273,243	
Lay	Performance Pension Plan	17	\$ 316,964	
	Augmented Benefit Plan	17	\$ 750,513	
Schuster	Performance Pension Plan	17	\$ 317,747	
	Augmented Benefit Plan	17	\$ 747,404	
Watson	RGA International Supplemental Executive Retirement Plan	13	\$ 1,607,955 ²	
Nitsou	RGA International Supplemental Executive Retirement Plan	13	\$ 952,482 ³	
Neemeh	RGA Canada Supplemental Executive Retirement Plan	13	\$ 585,446 ⁴	

1. The accumulated benefit for the U.S. plans is based on service and compensation (as described above) considered by the plans for the period through December 31, 2009. The present value has been calculated assuming the earliest retirement age

at which the participant can elect an unreduced benefit. For additional discussion of the assumptions, see note 10 of RGA's financial statements in the Form 10-K for the year ended December 31, 2009, as filed with the SEC. As described in such note, the interest assumption is 6.01%.

2. Represents Canadian \$1,819,402 converted to U.S. dollars using an annualized currency exchange rate of 0.883782.
3. Represents Canadian \$1,077,734 converted to U.S. dollars using an annualized currency exchange rate of 0.883782.
4. Represents Canadian \$662,433 converted to U.S. dollars using an

annualized
currency
exchange rate of
0.883782.

Nonqualified Deferred Compensation in Fiscal 2009

The table below provides information on the non-qualified deferred compensation arrangements in which our U.S. named executive officers were eligible to participate during 2009. Messrs. Watson, Nitsou and Neemeh are not U.S. citizens and therefore are not eligible to participate in these deferred compensation arrangements, nor are there any similar arrangements available to our Canadian employees. Employees in the U.S. who hold the office of vice president and above are able to defer up to 50% of their base salary and up to 100% of their cash bonus payments under our Executive Deferred Savings Plan (EDSP). With respect to distributions, participants may elect to receive either a lump sum payment or 1 to 15 annual installments. In addition, we also maintain the RGA Augmented Plan, a non-qualified plan under which eligible employees are entitled to receive profit sharing and matching contributions not paid to the employee under the RGA Profit Sharing Plan, due to Code limits or a reduction in compensation pursuant to the employee s participation in the EDSP. The contributions made into the employee s non-qualified deferred compensation account are based upon the maximum matching contribution rate we provide to other employees in connection with the RGA Profit Sharing Plan.

The investment fund alternatives under the RGA Augmented Plan and EDSP are identical to those in the RGA Profit Sharing Plan, and we credit the participant s non-qualified deferred compensation account(s) with the returns he or she would have received in accordance with the investment alternatives selected from time to time by the participant. We do not pay above-market or preferential earnings, compensation or returns under the EDSP or Augmented Plan, or any other plan.

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The named executive officers cannot withdraw any amounts from their deferred compensation balances until they either terminate employment or reach the designated distribution date selected by the executive at the time of their deferral election (in the case of benefits held in the executive's EDSP account).

Name	Executive Contributions in Last FY¹	Registrant Contributions in Last FY²	Aggregate Earnings in Last FY³	Aggregate Withdrawals/Distributions	Aggregate Balance at Last FYE⁴
Woodring		\$22,138	\$ 83,106		\$341,653
Lay	\$26,818	\$39,735	\$129,658		\$653,625
Schuster		\$19,241	\$ 47,896		\$177,847
Watson	N/A	N/A	N/A	N/A	N/A
Nitsou	N/A	N/A	N/A	N/A	N/A
Neemeh	N/A	N/A	N/A	N/A	N/A

1. The amounts in this column are also included in the Summary Compensation Table in the salary column (i.e., contributions to the EDSP).

2. The amounts in this column reflect 2008 contributions credited to the participant's account during fiscal year 2009. For reasons related to the timing of the contributions, the amounts will not match the amounts in the Summary Compensation Table's All Other Compensation column, which are

contributions for the 2009 fiscal year credited in 2010. All amounts represent contributions in the Augmented Plan except for Mr. Lay, for which \$31,788 represents contributions to the EDSP.

3. Reflects earnings credited to the participant's account during 2009 in connection with the investment selections chosen from time to time by the participant. All amounts represent earnings in the Augmented Plan except for Messrs. Lay (\$120,007) and Schuster (\$11,218), which amounts represent earnings in the EDSP.
4. The aggregate balance at last fiscal year-end column reflects the following amounts that were reported in the Summary Compensation Table in

previous years:
Woodring,
\$236,409; Lay,
\$457,413; and
Schuster,
\$110,709.

Potential Payments Upon Termination or Change of Control

As described in the CD&A, our named executive officers do not have employment, severance or change of control agreements with our Company. The information below describes and quantifies certain compensation that may or will become payable under existing plans and agreements if the named executive officer's employment had terminated on December 31, 2009, due to a change of control, disability or death, given his or her compensation and service levels as of such date and, where applicable, based on our closing stock price on that date. These benefits are in addition to benefits available generally to salaried employees such as distributions under the 401(k) and pension plans, retiree medical benefits, disability benefits and accrued vacation pay.

Change of Control. Upon the occurrence of a change of control (as defined below), any unvested stock options granted before the date of that event could become exercisable if the Compensation Committee decided to maintain the named executive officer's rights following a change in control. Our Flexible Stock Plan and stock option grant agreements provide that the Compensation Committee may accelerate the vesting periods or arrange for us to purchase the options so the named executive officer receives the value that he or she would have attained had the option been currently exercisable. In addition, our Flexible Stock Plan and PCRS grant agreements provide that upon a change of control, as soon as practicable following the end of the applicable three-year performance period, we must deliver to the named executive officer the number of shares that coincides with the target award for each outstanding grant of PCRS.

Disability or Death. If one of the named executive officers were to become disabled or die, any unvested stock options granted before the date of such event would immediately vest and become

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exercisable. In addition, he or she would receive a pro rata proportion of the shares of common stock that would have been issued under any award of PCRS at the end of the three-year performance period. The pro rata proportion is determined based on the number of calendar months in the performance period during which he or she was employed, divided by 36 months (the total number of months in the three-year performance period).

Retirement. Upon the retirement (as defined below) of a named executive officer, unvested stock options do not accelerate but continue to vest in accordance with the vesting schedule and provisions specified in the respective option grant agreement(s). Upon his or her retirement, the pro rata distribution provisions described above under Disability or Death apply to any PCRS grants. Due to the number of factors that affect the nature, amount and timing of the vesting and exercise of stock options, or the actual award following a PCRS performance period, the amounts paid to or received by the named executive officer may differ and are undeterminable until actually realized.

The named executive officers may participate in deferred compensation plans that permit deferral of certain compensation. They also participate in our defined contribution and defined benefit retirement plans. The last column of the Nonqualified Deferred Compensation table reports each named executive's aggregate balance at December 31, 2009, under each nonqualified deferred compensation or defined contribution plan. The named executive officers are entitled to receive the amount in their deferred compensation account in the event of termination of employment or retirement. The Pension Benefits table describes the general terms of each pension plan in which the named executive officers participate, the years of credited service and the present value of each named executive officer's accumulated pension benefit.

Definitions. Change of Control is defined in our Flexible Stock Plan and, for this discussion, means (i) the acquisition, without Board approval, of more than twenty percent (20%) of our outstanding common shares through a tender offer, exchange offer or otherwise, (ii) our liquidation or dissolution following a sale or other disposition of all or substantially all of our assets, (iii) a merger or consolidation involving us which results in us not being the surviving corporation, or (iv) a change in the majority of the members of our Board of Directors during any two-year period not approved by at least two-thirds of the Directors who were members at the beginning of the two-year period.

Retirement is defined in the respective equity incentive grant agreements and means disability, death or termination of employment due to retirement of a named executive officer who has attained age 55 and a combination of age and service that equals at least 65. Thus, named executive officers who attain age 55 and have 10 years of service (which at December 31, 2009 includes Messrs. Woodring, Lay, Schuster and Watson) satisfy the definition and are eligible for the benefits described above associated with retirement.

The following table provides the value of equity awards that would accelerate and become exercisable or vested upon the occurrence of a change of control or if the named executive officer had become disabled or died as of December 31, 2009. The value calculations are based upon our stock price as of December 31, 2009 (\$47.65), the last business day of the year, and in the case of options reflect the payment of the respective option exercise price.

Name	Change of Control		Disability or Death	
	Options	PCRS (full award at target)	Options	PCRS (pro rata)
Woodring	\$776,073	\$1,546,195	\$776,073	\$699,661
Lay	\$360,435	\$ 719,372	\$360,435	\$325,688
Schuster	\$360,435	\$ 719,372	\$360,435	\$325,688
Watson	\$414,418	\$ 864,514	\$414,418	\$399,355
Nitsou	\$242,686	\$ 484,267	\$242,686	\$219,254
Neemeh	\$242,473	\$ 484,267	\$242,473	\$219,254

Table of Contents**Director Compensation**

Directors who also serve as officers of our Company or any subsidiary do not receive any additional compensation for serving our Company as members of the Board of Directors or any of our committees. During 2009, this group of directors consisted of Mr. Woodring, and the group of directors who are not employees of our Company or any subsidiary (non-employee directors) consisted of Messrs. Bartlett, Boot, Danahy, Eason, Greenbaum, Henderson, and Ms. Lomax. Effective January 1, 2005, the Board revised the compensation for non-employee directors, and that compensation arrangement continued in 2009. In 2009, non-employee directors were paid an annual retainer fee of \$50,000 (except the chair of the Audit Committee, who received an annual retainer fee of \$62,000 and the chair of any other Committee, who received an annual retainer fee of \$58,000). Non-employee directors were paid \$3,000 for each Board and Committee meeting attended in person, and \$1,500 for participating in a telephonic Board or Committee meeting. A non-employee director serving as Chairman of the Board (e.g., Mr. Eason) receives an annual retainer of \$83,000, a \$4,000 fee for each Board meeting attended in person and \$2,000 for participating in a telephonic Board meeting, and an annual grant of 1,600 shares of stock. Each non-employee director is issued 1,200 shares of stock effective on the date of the February Board meeting. Mr. Eason was elected Chairman in October 2008, and received a pro-rated annual retainer and meeting fees after that date as a non-employee Chairman. We also reimburse directors for out-of-pocket expenses incurred in connection with attending and participating in Board and Committee meetings and director education programs. Mr. Bartlett also serves as a director of our Australian holding and operating companies, and receives an annual retainer of \$65,985 and superannuation pension benefits of \$5,939 for those services.

The following table illustrates the compensation earned in 2009 for all directors:

Name	Fees Earned or Paid		Change in Pension Value and Nonqualified Non-Equity Deferred Incentive				Total
	in Cash ¹	Stock Awards ²	Option Award	Plan Compensation	Earnings	All Other Compensation	
William J. Bartlett	\$ 117,500	\$38,640				\$ 71,924 ⁴	\$ 228,064
Arnoud W.A. Boot	\$ 87,500	\$38,640					\$ 126,140
John F. Danahy	\$ 87,500	\$38,640					\$ 126,140
J. Cliff Eason	\$ 115,250	\$51,520					\$ 166,770
Stuart I. Greenbaum	\$ 110,500	\$38,640					\$ 149,140
Alan C. Henderson	\$ 110,500	\$38,640					\$ 149,140
Rachel Lomax	\$ 43,000	\$19,320					\$ 62,320

1. This column reflects the retainer and fees earned in 2009 for Board and committee service. The 2009 retainer is

paid in January 2009 and the 2009 board and committee meeting fees are paid in January 2010. Ms. Lomax received a prorated amount since she joined the Board in July 2009.

2. This column reflects the award of 1,200 shares (and 1,600 shares in the case of Mr. Eason) of common stock on February 18, 2009, at a closing market price of \$32.20. The stock is issued as part of the directors annual compensation. For additional information on the valuation assumptions, refer to note 18 of the RGA financial statements in the Form 10-K for the year ended December 31, 2009, as filed with the SEC. Pursuant to SEC rules, the amounts shown exclude the impact of

estimated forfeitures related to service-based vesting conditions. Stock awards are made pursuant to the Flexible Stock Plan for Directors, which was amended and restated at the annual meeting held May 28, 2003.

3. We ceased granting stock options to directors in 2003. The following directors have outstanding vested options at 2009 fiscal year-end: Greenbaum 11,250; and Henderson - 6,000.
4. Represents compensation for services as a director of our Australian holding and operating companies. Converted to U.S. dollar amount using the average AUD/USD exchange rate for 2009.

Table of Contents**Securities Ownership of Directors, Management and Certain Beneficial Owners**
Ownership of Shares of RGA

The following table sets forth, as of February 1, 2010, certain information with respect to: (1) each person known by us to be the beneficial owner of 5% or more of our outstanding common stock, and (2) the ownership of common stock by (i) each of our directors and nominees, (ii) each of our named executive officers, and (iii) all directors, nominees, and executive officers as a group.

Beneficial Owner²	Amount and Nature of Beneficial Ownership¹	Percent of Class²
<i>Significant Shareholders:</i>		
FMR/Johnson 82 Devonshire Street Boston, MA 02109	5,376,412 ³	7.37%
Neuberger Berman 605 Third Avenue New York, NY 10158	7,093,768 ⁴	9.72%
<i>Directors, Nominees and Named Executive Officers:</i>		
William J. Bartlett, Director	6,700	*
Arnoud W.A. Boot, Director	1,200	*
John F. Danahy, Director	1,200	*
J. Cliff Eason, Director	12,100	*
Stuart I. Greenbaum, Director	23,650 ⁵	*
Alan C. Henderson, Director	17,196 ⁶	*
Rachel Lomax, Director	0	*
Fred J. Sievert, Director	5,000	*
A. Greig Woodring, Director, President and Chief Executive Officer	457,055 ⁷	*
Jack B. Lay Senior Executive Vice President and Chief Financial Officer	110,183 ⁸	*
Paul A. Schuster Senior Executive Vice President U.S. Operations	100,305 ⁹	*
Graham Watson		

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Senior Executive Vice President	International	148,043 ₁₀	*
Paul Nitsou			
President	International	99,180 ₁₁	*
Alain Neemeh			
President and CEO	Canada	43,426 ₁₂	*
All directors and executive officers as a group (14 persons)		1,100,813 ₁₃	1.5%

* Less than one percent.

** Not applicable.

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1. Unless otherwise indicated, each named person has sole voting and investment power over the shares listed as beneficially owned and none of the shares listed are pledged as security.
2. For purposes of this table, beneficial ownership is determined in accordance with Rule 13d-3 under the Exchange Act, pursuant to which a person or group of persons is deemed to have beneficial ownership of any shares of common stock that such person has the right to acquire within 60 days. For computing the percentage of the class of securities held by each person or group of persons named above, any shares which such person or persons has the right to acquire within 60 days (as well as the shares of common stock underlying fully vested stock options) are deemed to be outstanding for the purposes of computing the percentage ownership of such person or group but are not deemed to be outstanding for the purposes of computing the percentage ownership of any other person or group. No director, nominee or named executive officer owns more than one percent of our outstanding common stock.
3. As reported on a Schedule 13G/A filed February 16, 2010, FMR LLC is a holding company for Fidelity Management & Research Company, a registered investment advisor. Edward C. Johnson III, Chairman of FMR LLC and FMR LLC have sole voting power of 212,079 shares and sole dispositive power over all the beneficially owned shares.
4. As reported on Schedule 13G/A filed February 16, 2010, Neuberger Berman, Inc. is the holding company for Neuberger Berman, LLC, a broker-dealer and investment advisor. The two entities have sole voting power over 4,424,738 shares, and shared dispositive power over all the beneficially owned shares.
5. Includes for Mr. Greenbaum 11,250 shares of common stock subject to stock options that are exercisable within 60 days.
6. Includes for Mr. Henderson 6,000 shares of common stock subject to stock options that are exercisable within 60 days and 3,000 shares owned by Bess L. Henderson Trust, of which Mr. Henderson is trustee and primary beneficiary. Mr. Henderson has pledged 11,196 shares as security.
7. Includes for Mr. Woodring 335,209 shares of common stock subject to stock options that are exercisable within 60 days.
8. Includes for Mr. Lay 67,512 shares of common stock subject to stock options that are exercisable within 60 days, and Mr. Lay shares voting and investment power for all of the shares with his spouse.
9. Includes for Mr. Schuster 65,679 shares of common stock subject to stock options that are exercisable within 60 days, and 22,238 shares for which Mr. Schuster shares voting and investment power with his spouse.
10. Includes for Mr. Watson 107,078 shares of common stock subject to stock options that are exercisable within 60 days and 6,187 shares owned by Intercedent Limited, a Canadian corporation of which Mr. Watson has a majority ownership interest.
11. Includes for Mr. Nitsou 62,319 shares of common stock subject to stock options that are exercisable within 60 days.
12. Includes for Mr. Neemeh 32,492 shares of common stock subject to stock options that are exercisable within 60 days. Mr. Neemeh has pledged 10,934 shares as security.
13. Includes a total of 741,869 shares of common stock subject to stock options that are exercisable within 60 days.

Directors Phantom Shares

Non-employee directors may elect to receive phantom shares by deferring their annual retainer (including the stock portion) and meeting fees. A phantom share is a hypothetical share of our common stock based upon the fair market value of the common stock at the time of the grant. Phantom shares are not distributed until the director ceases to be a director by reason of retirement as a director, at which time we will issue cash or shares of common stock in an amount equal to the value of the phantom shares. Phantom shares are granted under the Phantom Stock Plan for Directors, which was last amended at the annual meeting held May 28, 2003.

Because phantom shares can be distributed in cash instead of stock, they are not included as shares beneficially owned by the directors under the Ownership of Shares of RGA table above. However, several directors have elected to participate in the deferral option, and the following table illustrates their accumulated phantom share balance as of February 1, 2010:

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Name	Phantom Shares
William J. Bartlett	5,631
J. Cliff Eason	16,383
Stuart I. Greenbaum	14,598
Alan C. Henderson	1,086
Total	37,698

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Exchange Act requires our directors, executive officers, and persons who beneficially own more than ten percent of a registered class of our equity securities, to file reports of ownership and changes in ownership on Forms 3, 4 and 5 with the SEC and the NYSE. Directors, executive officers, and greater than 10% shareholders are required by SEC regulation to furnish us with copies of all Forms 3, 4, and 5 they file.

Based solely on our review of the copies of such forms we have received or that were filed with the SEC, or written representations from certain reporting persons, we believe that all our directors, executive officers, and greater than 10% beneficial owners complied with all filing requirements applicable to them with respect to transactions during 2009.

Certain Relationships and Related Person Transactions

Review and Approval of Related Person Transactions. We do not have any agreements, transactions or relationships with related persons such as directors, nominees, executive officers, or immediate family members of such individuals. At least annually we review all relationships between our Company and our directors and executive officers and their immediate family members to determine whether such persons have a direct or indirect material interest in any transaction with us. Our legal staff is primarily responsible for the development and implementation of processes and controls to obtain information from the directors, nominees and executive officers with respect to related person transactions. If such a transaction arose, our legal staff would determine, based on the facts and circumstances, whether we or a related person has a direct or indirect material interest in the transaction. As required under SEC rules, related person transactions that are determined to be directly or indirectly material to us are disclosed in our Proxy Statement and other SEC filings.

The current related person transactions to which we or our subsidiaries are parties are reinsurance agreements, administrative service agreements, a product license and a registration rights agreement, all of which are with MetLife, our former majority shareholder. The charges for reinsurance, administrative and corporate services and the license fee are based on arms-length negotiations and pricing that we believe is comparable to the fees that would be charged to our other clients or incurred for services provided by a third party vendor. Any agreements between RGA Reinsurance Company, our primary operating company, or Reinsurance Company of Missouri, Inc., both of which are Missouri insurance companies, and another subsidiary or affiliate of the Company must be filed for review and approval by the Missouri Department of Insurance (MDOI). The MDOI requires that the fees be fair, reasonable and less than or equal to the cost for such services from a third party.

In July 2007, our board of directors adopted a policy as part of its corporate governance guidelines that requires advance approval by our board of directors before any of the following persons knowingly enter into any transaction with our company or any of our subsidiaries or affiliates through which such person receives any direct or indirect financial, economic or other similar benefit or interest. The individuals covered by the policy include:

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any director

any nominee for director

any executive officer

any holder of more than five percent of our voting securities

any immediate family member of such a person, as that term is defined in the policy, and

any charitable entity or organization affiliated with such person or any immediate family member of such person.

Transactions covered by the policy include any contract, arrangement, understanding, relationship, transaction, contribution or donation of goods or services, but exclude transactions with any of the following:

MetLife, our former majority shareholder, if the transaction is entered into in the ordinary course of our business and the terms are comparable to those that are or would be negotiated with an unrelated client or vendor, or

any charitable entity or organization affiliated with a director, nominee for director, executive officer, or any immediate family member of such a person if the amount involved is \$2,500 or less.

Each of the transactions below that commenced in or after July 2007 was ratified or pre-approved in accordance with the foregoing policy, other than reinsurance agreements that fall within the exception described above.

During 2007 and until September 12, 2008, MetLife beneficially owned 32,243,539 shares, or approximately 51.7%, of the outstanding shares of common stock of RGA. On September 12, 2008, MetLife disposed of the majority of its interest in RGA by exchanging 29,243,539 of its shares of RGA common stock to MetLife shareholders for shares of MetLife common stock (the *MetLife Divestiture*).

Reinsurance Business. We have arms-length direct policies and reinsurance agreements with MetLife and some of its affiliates. Under these agreements, we had net premiums of approximately \$163.5 million in 2008 through the *MetLife Divestiture* and \$250.9 million in 2007. The net premiums reflect the net business assumed from and ceded to such affiliates of MetLife. Our pre-tax income (loss), excluding interest income allocated to support the business, was approximately \$15.8 million in 2008 through the *MetLife Divestiture* and \$16.0 million in 2007. Our reinsurance treaties with MetLife are generally terminable by either party on 90 days written notice, but only with respect to future new business; existing business generally is not terminable, unless the underlying policies terminate or are recaptured. Under these treaties, MetLife is permitted to reassume all or a portion of the risk formerly ceded to us after an agreed-upon period of time, or in some cases, due to changes in our financial condition or ratings. Recapture of business previously ceded does not affect premiums ceded prior to the recapture of such business, but would reduce premiums in subsequent periods.

Registration Rights. On November 24, 2003, our Company entered into a registration rights agreement with MetLife and its subsidiaries, whereby MetLife and its affiliates were entitled, subject to certain limitations and conditions, to piggyback and demand registration rights and we were required to bear certain expenses associated with the registration of any shares held by MetLife or its affiliates. Pursuant to the *MetLife Divestiture*, the registration rights agreement between MetLife and RGA was terminated. However, under the terms of the recapitalization and distribution agreement, MetLife may make one written request to RGA that RGA register, after the expiration of the lock-up period and prior to the first anniversary of the completion of the *MetLife Divestiture*, the offer and sale of all or any part of the recently acquired stock. On November 18, 2008, MetLife made such a written request and RGA registered MetLife's 3.0 million shares under a shelf registration statement on Form S-3, filed by RGA on December 10, 2008.

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MetLife and RGA agreed that if, during the 36 months following the earlier of the distribution of all of MetLife's shares of RGA class B common stock or the first anniversary of the recapitalization, RGA conducts a registered offering of any RGA class A common stock (subject to certain exceptions), MetLife will have certain rights to participate and sell all or a portion of its recently acquired stock in such offering.

Administrative Services. MetLife and its subsidiaries have historically provided our Company and its subsidiaries with certain limited administrative services, such as corporate risk management and corporate travel services. The cost of these services was approximately \$1.8 million in 2008 through the MetLife Divestiture and \$2.8 million in 2007.

Product License Agreement. RGA Reinsurance Company has a product license and service agreement with MetLife, which is terminable by either party on 30 days notice. Under this agreement, we have licensed the use of our electronic underwriting product to MetLife and provide Internet hosting services, installation and modification services for the product. Revenue under this agreement from MetLife was approximately \$0.6 million in 2008 through the MetLife Divestiture and \$0.6 million in 2007.

Audit Committee Report

The Audit Committee has reviewed and discussed our 2009 audited financial statements with management. The Audit Committee also discussed with the independent registered public accounting firm the matters required to be discussed by SAS 114 (Codification of Statements on Auditing Standard, AU 380). The Audit Committee has received the written disclosures and the letter from the independent registered public accounting firm required by Independence Standards Board Standard No. 1, and has discussed with those accountants their independence. Based on those reviews and discussions, the Audit Committee recommended to our Board of Directors that the audited financial statements be included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2009, for filing with the SEC. This report is provided by the following independent directors, who comprise the Committee:

William J. Bartlett, Chairman

Arnoud W.A. Boot

John F. Danahy

Rachel Lomax

Item 2 Ratification of Appointment of the Independent Auditor

The second item to be acted upon at the Annual Meeting is the ratification of the appointment of Deloitte & Touche LLP, the member firms of Deloitte Touche Tohmatsu, and their respective affiliates (collectively, Deloitte) as the Company's independent auditor for the fiscal year ending December 31, 2010. The Audit Committee has appointed Deloitte, subject to shareholder ratification. Deloitte has served as independent auditor of the Company since the 2000 fiscal year. Its long term knowledge of the RGA group of companies, combined with its insurance industry expertise, has enabled it to carry out its audits of the Company's financial statements with effectiveness and efficiency.

In considering Deloitte's appointment, the Audit Committee reviewed the firm's qualifications and competencies, including the following factors:

Deloitte's status as a registered public accounting firm with the Public Company Accounting Oversight Board (United States) (PCAOB) as required by the Sarbanes-Oxley Act of 2002 (Sarbanes-Oxley) and the Rules of the PCAOB;

Deloitte's independence and its processes for maintaining its independence;

the results of the independent review of the firm's quality control system;

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the key members of the engagement team for the audit of the Company's financial statements;

Deloitte's approach to resolving significant accounting and auditing matters including consultation with the firm's national office; and

Deloitte's reputation for integrity and competence in the fields of accounting and auditing.

The Audit Committee assures the regular rotation of the audit engagement team partners as required by law. The Audit Committee approves Deloitte's audit and non-audit services in advance as required under Sarbanes-Oxley and SEC rules. Under procedures adopted by the Audit Committee, the Audit Committee reviews, on an annual basis, a schedule of particular audit services that the Company expects to be performed and an estimated amount of fees for each particular audit service. The Audit Committee also reviews a schedule of audit-related, tax and other permitted non-audit services that the Company may engage the independent auditor to perform and an estimated amount of fees for each of those services.

All audit related services, tax services and other services were pre-approved by the Audit Committee, which concluded that the provision of such services by Deloitte was compatible with the maintenance of that firm's independence in the conduct of its auditing functions. The Audit Committee has adopted a Pre-Approval Policy which provides for pre-approval of audit, audit-related and tax services on an annual basis and, in addition, individual engagements anticipated to exceed pre-established thresholds must be separately approved. The policy authorizes the Committee to delegate to one or more of its members pre-approval authority with respect to permitted services.

Representatives of Deloitte will attend the 2010 Annual Meeting. They will have an opportunity to make a statement if they desire to do so, and they will be available to respond to appropriate questions.

The aggregate fees billed to us for the fiscal years ending December 31, 2009 and 2008 by Deloitte are set forth below. These fees have been pre-approved by the Company's Audit Committee in accordance with its Pre-Approval Policy.

	<i>Fiscal Year</i>	
	<i>2009</i>	<i>2008</i>
Audit Fees ¹	\$ 3,697,450	\$ 4,185,139
Audit Related Fees ²	\$ 219,468	\$ 413,623
Total audit and audit-related fees	\$ 3,916,918	\$ 4,598,762
Tax Fees ³	\$ 200,162	\$ 184,369
All Other Fees ⁴		
Total Fees	\$ 4,117,080	\$ 4,783,131

1. Includes fees for the audit of our Company's and its subsidiaries annual financial statements, reviews of our quarterly financial statements, and Sarbanes-Oxley

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attestation.

2. Includes fees for services rendered by the Deloitte Entities for matters such as employee benefit plan audits, assistance with internal control reporting requirements, and services associated with SEC registration statements, periodic reports and securities offerings.
3. Includes fees for tax services rendered by the Deloitte Entities, such as consultation related to tax planning and compliance.
4. De minimis fees for other types of permitted services.

Table of Contents***Vote Required***

If a quorum is present, the vote required to approve this Item 2 is a majority of the common stock represented in person or by proxy at the Annual Meeting.

Recommendation of the Board of Directors

The Board of Directors has approved the proposal regarding the appointment of Deloitte and recommends that shareholders vote **FOR** the proposal.

Equity Compensation Plan Information

The following table presents Equity Compensation Plan information as of December 31, 2009:

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights	Number of Securities Remaining Available for Issuance Under Equity Compensation Plans
Equity Compensation Plans Approved by Security Holders	3,794,553 ¹	\$39.96 ^{2,3}	1,733,826 ⁴
Equity Compensation Plans Not Approved by Security Holders			
Total	3,794,553 ¹	\$39.96 ^{2,3}	1,733,826 ⁴

- Includes the number of securities to be issued upon exercises under the following plans: Flexible Stock Plan 3,739,605; Flexible Stock Plan for Directors 17,250; and Phantom Stock Plan for Directors 37,698.
- Does not include 556,216 PCRS units to be issued under the Flexible Stock Plan, or 37,698 phantom units outstanding under the Phantom Stock Plan for Directors

because those securities do not have an exercise price (i.e., a unit is a hypothetical share of our common stock with a value equal to the fair market value of our common stock).

3. Reflects the blended weighted-average exercise price of outstanding options under the Flexible Stock Plan (\$40.01) and Flexible Stock Plan for Directors (\$30.66).
4. Includes the number of securities remaining available for future issuance under the following plans:
Flexible Stock Plan 1,625,200;
Flexible Stock Plan for Directors 90,653; and
Phantom Stock Plan for Directors 17,973.

Additional Information

Voting

If a quorum is present, the affirmative vote of the holders of a majority of the shares of our common stock entitled to vote which are present in person or represented by proxy at the 2010 Annual Meeting is required to approve Items 1 and 2 and to act on any other matters properly brought before the meeting (other than the other specified proposals). Voting results will be disclosed in our Form 8-K filed within four business days following the Annual Meeting. Shares represented by proxies which are marked `withhold authority` with respect to the election of any one or more nominees for election as directors and proxies which are marked `abstain` or which deny discretionary authority on other matters will be counted for the purpose of determining the number of shares represented by proxy at the meeting. Such proxies will thus have the same effect as if the shares represented thereby were voted against such nominee or nominees and against such other matters, respectively.

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Under the current rules of the New York Stock Exchange, or NYSE, if you do not give instructions to your brokerage firm, it will still be able to vote your shares with respect to certain discretionary items, but will not be allowed to vote your shares with respect to certain non-discretionary items. The ratification of Deloitte as our independent registered public accounting firm (Item 2) is considered to be a discretionary

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item under the NYSE rules and your brokerage firm will be able to vote on that item even if it does not receive instructions from you, so long as it holds your shares in its name. **Starting this year, the election of directors (Item 1) is a non-discretionary item. If you do not instruct your broker how to vote with respect to this item, your broker may not vote with respect to this proposal and those votes will be counted as broker non-votes.** Therefore, we urge you to give voting instructions to your broker on both voting items.

We know of no other matters to come before the meeting. If any other matters properly come before the meeting, the proxies solicited hereby will be voted on such matters in accordance with the judgment of the persons voting such proxies.

Shareholder Nominations and Proposals

As described in our Corporate Governance Guidelines, the Nominating and Corporate Governance Committee will consider shareholder nominations for Directors that meet the notification, timeliness, consent and information requirements of our Articles of Incorporation. The Committee makes no distinctions in evaluating nominees for positions on the Board based on whether or not a nominee is recommended by a shareholder, provided that the procedures with respect to nominations referred to above are followed. Potential candidates for nomination as Director candidates must provide written information about their qualifications and participate in interviews conducted by individual Board members, including the Chairs of the Audit or Nominating and Governance Committees. Candidates are evaluated using the criteria adopted by the Board to determine their qualifications based on the information supplied by the candidates and information obtained from other sources. The Committee will recommend candidates for election as Director only if the Committee determines, in its judgment, that they have the following specific, minimum qualifications that have been recommended by the Nominating and Governance Committee to, and approved by, the Board:

Financial Literacy. Such person should be financially literate as such qualification is interpreted by the Board of Directors in its business judgment.

Leadership Experience. Such person should possess significant leadership experience, such as experience in business, finance/accounting, law, education or government, and shall possess qualities reflecting a proven record of accomplishment and ability to work with others.

Commitment to Our Values. Such person shall be committed to promoting our financial success and preserving and enhancing our business and ethical reputation, as embodied in our Codes of Conduct.

Absence of Conflicting Commitments. Such person should not have commitments that would conflict with the time commitments of a Director of RGA.

Reputation and Integrity. Such person shall be of high repute and recognized integrity and not have been convicted in a criminal proceeding (excluding traffic violations and other minor offenses). Such person shall not have been found in a civil proceeding to have violated any federal or state securities or commodities law, and shall not be subject to any court or regulatory order or decree limiting his or her business activity, including in connection with the purchase or sale of any security or commodity.

Other Factors. Such person shall have other characteristics considered appropriate for membership on the Board of Directors, including an understanding of marketing and finance, sound business judgment, significant experience and accomplishments and educational background.

Shareholder proposals submitted under the process prescribed by the SEC (in Rule 14a-8 of the Exchange Act) for presentation at the 2011 Annual Meeting must be received by us by December 10, 2010, for inclusion in our Proxy Statement and proxy relating to that meeting. Upon receipt of any such proposal,

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we will determine whether or not to include such proposal in the Proxy Statement and proxy in accordance with regulations governing the solicitation of proxies.

In order for a Shareholder to nominate a candidate for director, under our Restated Articles of Incorporation, timely notice of the nomination must be given to us in advance of the meeting. Ordinarily, such notice must be given not less than 60 nor more than 90 days before the meeting (but if we give less than 70 days notice of the meeting, or prior public disclosure of the date of the meeting, then the Shareholder must give such notice within 10 days after notice of the meeting is mailed or other public disclosure of the meeting is made, whichever occurs first). The shareholder filing the notice of nomination must describe various matters as specified in our Amended and Restated Articles of Incorporation, including such information as name, address, occupation, and number of shares held.

In order for a shareholder to bring other business before a Shareholder meeting, timely notice must be given to us within the time limits described above. Such notice must include a description of the proposed business, the reasons therefore, and other matters specified in our Amended and Restated Articles of Incorporation. The Board or the presiding officer at the Annual Meeting may reject any such proposals that are not made in accordance with these procedures or that are not a proper subject for shareholder action in accordance with applicable law. The foregoing time limits also apply in determining whether notice is timely for purposes of rules adopted by the SEC relating to the exercise of discretionary voting authority. These requirements are separate from and in addition to the requirements a shareholder must meet to have a proposal included in our Proxy Statement.

In each case, the notice must be given to our Secretary, whose address is 1370 Timberlake Manor Parkway, Chesterfield, Missouri 63017-6039. Any Shareholder desiring a copy of our Restated Articles of Incorporation or Bylaws will be furnished a copy, without charge, upon written request to the Secretary.

Householding of Proxy Materials

The SEC has adopted rules that permit companies and intermediaries such as brokers to satisfy delivery requirements for proxy statements with respect to two or more shareholders sharing the same address by delivering a single proxy statement addressed to those shareholders. This process, which is commonly referred to as householding, potentially provides extra convenience for shareholders and cost savings for companies. Some brokers household proxy materials, delivering a single proxy statement to multiple shareholders sharing an address unless contrary instructions have been received from the affected shareholders. Once you have received notice from your broker that they will be householding materials to your address, householding will continue until you are notified otherwise or until you revoke your consent. If, at any time, you no longer wish to participate in householding and would prefer to receive a separate proxy statement or if your household currently receives multiple copies and would like to participate in householding in the future, please notify your broker.

Access to Proxy Materials and Annual Report

This Proxy Statement and our 2009 Annual Report to Shareholders may be viewed online at www.rgare.com. You may request a physical copy of this Proxy Statement, form of proxy card and our Annual Report to Shareholders, without charge, by writing to us at 1370 Timberlake Manor Parkway, Chesterfield, Missouri 63017-6039, Attention Secretary.

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YOUR VOTE IS IMPORTANT. PLEASE VOTE TODAY. We encourage you to take advantage of Internet or telephone voting. Both are available 24 hours a day, 7 days a week. Internet and telephone voting is available through 11:59 PM Eastern Time the day prior to the shareholder meeting date. INTERNET REINSURANCE GROUP <http://www.proxyvoting.com/rga> Use the Internet to vote your proxy. OF AMERICA, INCORPORATED Have your proxy card in hand when you access the web site. OR TELEPHONE 1-866-540-5760 Use any touch-tone telephone to vote your proxy. Have your proxy card in hand when you call. If you vote your proxy by Internet or by telephone, you do NOT need to mail back your proxy card. To vote by mail, mark, sign and date your proxy card and return it in the enclosed postage-paid envelope. Your Internet or telephone vote authorizes the named proxies to vote your shares in the same manner as if you marked, signed and returned your proxy card. 70672 FOLD AND DETACH HERE Please mark your votes as MANAGEMENT RECOMMENDS A VOTE FOR THE FOLLOWING: indicated in this example X Election of Directors FOR WITHHOLD *EXCEPTIONS ALL FOR ALL FOR AGAINST ABSTAIN 1. To elect three directors for 2. To ratify the appointment of Deloitte & Touche LLP terms expiring in 2013; as the Company's independent auditor for the fiscal year ending December 31, 2010. 01 William J. Bartlett 02 Alan C. Henderson 03 Rachel Lomax The undersigned hereby acknowledges receipt of the Notice of the To elect one director for 2010 Annual Meeting of Shareholders and the accompanying Proxy terms expiring in 2012; Statement. 04 Fred J. Sievert This proxy will be voted as specified. If no specification is made, this proxy will be voted FOR Items 1 and 2. (INSTRUCTIONS: To withhold authority to vote for any individual nominee, mark the Exceptions box above and strike through the nominee's name.) Mark Here for Address Change or Comments SEE REVERSE Signature Signature Date NOTE: Please sign as name appears hereon. Joint owners should each sign. When signing as attorney, executor, administrator, trustee or guardian, please give full title as such.

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April 8, 2010 Dear Shareholder: We invite you to attend the 2010 Annual Meeting of Shareholders of Reinsurance Group of America, Incorporated, to be held on May 19, 2010 at the Company's offices at 1370 Timberlake Manor Parkway, Chesterfield, Missouri 63017 at 2:00 p.m. It is important that your shares are represented at the meeting. Whether or not you plan to attend the meeting, please review the enclosed proxy materials, complete the proxy form below, detach it, and return it promptly in the envelope provided. The proxy statement and our 2009 Annual Report to Shareholders may be viewed online at www.rgare.com. Choose MLinkSM for fast, easy and secure 24/7 online access to your future proxy materials, investment plan statements, tax documents and more. Simply log on to Investor ServiceDirect[®] at www.bnymellon.com/shareowner/isd where step-by-step instructions will prompt you through enrollment. Important notice regarding the Internet availability of proxy materials for the Annual Meeting of Shareholders. The Proxy Statement and the 2009 Annual Report to Shareholders are available at: <http://www.rgare.com> FOLD AND DETACH HERE REINSURANCE GROUP OF AMERICA, INCORPORATED This Proxy is Solicited on Behalf of the Board of Directors The undersigned does hereby appoint Jack B. Lay, James E. Sherman and William L. Hutton, or any of them, the true and lawful attorneys-in-fact, agents and proxies of the undersigned to represent the undersigned at the Annual Meeting of the Shareholders of REINSURANCE GROUP OF AMERICA, INCORPORATED to be held May 19, 2010, commencing at 2:00 p.m., St. Louis time, at the Company's offices at 1370 Timberlake Manor Parkway, Chesterfield, Missouri 63017, and at any and all adjournments and postponements of said meeting, and to vote all the shares of Common Stock of the Company standing on the books of the Company in the name of the undersigned as specified and in their discretion on such other business as may properly come before the meeting. Address Change/Comments (Mark the corresponding box on the reverse side) BNY MELLON SHAREOWNER SERVICES P.O. BOX 3550 SOUTH HACKENSACK, NJ 07606-9250 (Continued and to be marked, dated and signed, on the other side) 70672