

CRYPTOLOGIC LTD
Form 6-K
May 12, 2009
FORM 6-K

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Report of Foreign Private Issuer

Pursuant to Rule 13a-16 or 15d-16

of the Securities Exchange Act of 1934

For the month of **May 2009**

Commission File Number **000-30224**

CRYPTOLOGIC LIMITED
Marine House, 3rd Floor

Clanwilliam Place

Dublin 2, Ireland

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): ___

Note: Regulation S-T Rule 101(b)(1) only permits the submission in paper of a Form 6-K if submitted solely to provide an attached annual report to security holders.

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): ___

Note: Regulation S-T Rule 101(b)(7) only permits the submission in paper of a Form 6-K if submitted to furnish a report or other document that the registrant foreign private issuer must furnish and make public under the laws of the jurisdiction in which the registrant is incorporated, domiciled or legally organized (the registrant's "home country"), or under the rules of the home country exchange on which the registrant's securities are traded, as long as the report or other document is not a press release, is not required to be and has not been distributed to the registrant's security holders, and, if discussing a material event, has already been the subject of a Form 6-K submission or other Commission filing on EDGAR.

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Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CRYPTOLOGIC LIMITED

Date: May 11, 2009

Stephen Taylor

Chief Financial Officer

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
<u>99.1</u>	<u>Notice of Annual Meeting and Management Information Circular</u>
<u>99.2</u>	<u>Form of Proxy</u>
<u>99.3</u>	<u>Notice of Supplemental Mailing</u>

CRYPTOLOGIC LIMITED

Marine House

Clanwilliam Place, Dublin 2, Ireland

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the annual meeting of shareholders of CryptoLogic Limited (**CryptoLogic** or the **Company**) will be held at St. Andrew's Club & Conference Centre, The Conservatory Suite, 150 King Street West, 16th Floor, Toronto, Ontario, Canada, on June 3, 2009 at 4:30 p.m. (Toronto time) (the **Meeting**) for the following purposes:

1. To receive and consider the financial statements of the Company for the fiscal year ended December 31, 2008, together with the auditor's report thereon.
2. To elect the directors of the Company to hold office until the close of the next annual meeting of shareholders of the Company or until their successors shall be elected or appointed.
3. To appoint the auditors of the Company to hold office until the next annual meeting of shareholders of the Company or until a successor is appointed, and to authorize the directors to fix their remuneration.
4. To transact such other business as may properly come before the meeting or any adjournment thereof.

The Board of Directors of the Company has fixed May 4, 2009 as the record date for the determination of the persons entitled to receive this Notice and to attend and vote at the Meeting. Accompanying this Notice are the: (i) Management Information Circular, which provides additional information relating to the matters to be dealt with at the Meeting; and (ii) form of Proxy.

If you are a registered shareholder and are unable to attend the Meeting, please complete, sign, date and return the enclosed form of Proxy. A proxy will not be valid unless it is deposited at the office of Equity Transfer & Trust Company, 400 - 200 University Avenue, Toronto, Ontario, Canada, M5H 4H1 or by fax at (416) 595-9593, prior to 4:30 p.m. on June 1, 2009, or, if the Meeting is adjourned, forty-eight hours (excluding Saturdays, Sundays and holidays) before the time of such reconvened meeting. Failure to properly complete or deposit the form of Proxy may result in its invalidation. The time limit for proxies may be waived by the Chairman in his sole discretion without notice.

If you are a non-registered shareholder and receive these materials through your broker or through another intermediary, please complete and return the materials in accordance with the instructions provided to you by your broker or such intermediary. If you do not complete and return the materials in accordance with such instructions, you may lose your right to vote at the Meeting, either in person or by proxy.

DATED at Toronto, Ontario, as of the 6th day of May, 2009.

By the order of the Board of Directors

(Signed)

Robert Stikeman

Chairman

CRYPTOLOGIC LIMITED

MANAGEMENT INFORMATION CIRCULAR

May 6, 2009

SOLICITATION OF PROXIES

This Management Information Circular is furnished in connection with the solicitation of proxies by management of CryptoLogic Limited (**CryptoLogic** or the **Company**) for use at the annual meeting of shareholders of the Company to be held on June 3, 2009, and at any and all adjournments or postponements thereof (the **Meeting**) for the purposes set forth in the attached Notice of Annual Meeting of Shareholders (the

Notice of Meeting). **The solicitation is made by or on behalf of the management of the Company (Management)**. The solicitation of proxies will be made primarily by mail, but proxies may also be solicited personally or by telephone on behalf of the Company. The cost of solicitation will be borne by the Company. The information contained in this Management Information Circular is given as of May 1, 2009, unless otherwise indicated.

GENERAL PROXY INFORMATION

Voting of Proxies

All shares represented at the Meeting by properly executed proxies will be voted for or against (including the voting on any ballot) or will be withheld from voting in accordance with the instructions specified in the enclosed form of Proxy. **In the absence of any such specification such shares will be voted:**

1. **FOR the election of Thomas Byrne as a director of the Company to hold office until the close of the next annual meeting of shareholders of the Company or until his successor shall be elected or appointed;**
 2. **FOR the election of Stephen H. Freedhoff as a director of the Company to hold office until the close of the next annual meeting of shareholders of the Company or until his successor shall be elected or appointed;**
 3. **FOR the election of David M. J. Gavagan as a director of the Company to hold office until the close of the next annual meeting of shareholders of the Company or until his successor shall be elected or appointed;**
 4. **FOR the election of Brian Hadfield as a director of the Company to hold office until the close of the next annual meeting of shareholders of the Company or until his successor shall be elected or appointed;**
 5. **FOR the election of Robert H. Stikeman as a director of the Company to hold office until the close of the next annual meeting of shareholders of the Company or until his successor shall be elected or appointed;**
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6. **FOR the election of Stephen B. Taylor as a director of the Company to hold office until the close of the next annual meeting of shareholders of the Company or until his successor shall be elected or appointed;**
7. **FOR the election of James Wallace as a director of the Company to hold office until the close of the next annual meeting of shareholders of the Company or until his successor shall be elected or appointed; and**
8. **FOR the appointment of Grant Thornton Ireland, as auditors of the Company to hold office until the next annual meeting of shareholders of the Company or until a successor is appointed, and authorizing the directors to fix the remuneration of the auditors.**

The enclosed form of Proxy confers discretionary authority upon the persons named therein with respect to amendments to or variations of matters identified in the Notice of Meeting and with respect to other matters which may properly come before the Meeting. If other matters should properly come before the Meeting the form of Proxy will be voted on such matters in accordance with the best judgment of the person or persons voting the form of Proxy.

A simple majority of affirmative votes cast at the Meeting is required to pass the resolutions described herein. A quorum for the meeting consists of two shareholders holding not less than 25% of the outstanding ordinary shares of the Company between them, either in person or by proxy. All proxies submitted, regardless of how voted, will be included for purposes of determining whether a quorum is present for the Meeting.

Appointment of Proxies

The persons named in the enclosed form of Proxy are directors and officers of the Company. **A shareholder has the right to appoint a person, who need not be a shareholder, other than the persons designated in the enclosed form of Proxy, to attend and act on behalf of the shareholder at the Meeting. Such right may be exercised by inserting such other person's name in the blank space provided on the enclosed form of Proxy and striking out the names of the Management designees or by completing another proper form of Proxy.**

To be valid, the enclosed form of Proxy must be signed by the shareholder or the shareholder's attorney authorized in writing or, if the shareholder is a corporation, by a duly authorized officer or attorney. The enclosed form of Proxy, to be acted upon, must be deposited at the office of Equity Transfer & Trust Company, 400 - 200 University Avenue, Toronto, Ontario, Canada, M5H 4H1 or by fax at (416) 595-9593, by 4:30 p.m. (Toronto time) on June 1, 2009 or, in the case of any adjournment or postponement of the Meeting, no later than forty-eight hours (excluding Saturdays, Sundays and holidays) before the time of such reconvened meeting. **Failure to properly complete or deposit the form of Proxy may result in its invalidation. The time limit for proxies may be waived by the Chairman in his sole discretion without notice.**

Revocation of Proxies

Pursuant to The Companies (Guernsey) Law, 2008, a shareholder who has given a proxy may revoke the proxy: (a) by completing and signing a proxy bearing a later date and depositing it as aforesaid containing a statement that any previous proxy is revoked; (b) by depositing an instrument in writing executed by him or by his attorney authorized in writing containing a statement any previous proxy is revoked: (i) at the registered office of the Company at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, at which the proxy is to be used, or (ii)

with the Chairman of the Meeting prior to the commencement of such meeting on the day of such meeting or any adjournment thereof.

Voting Procedures for Non-Registered Shareholders

Only registered holders of ordinary shares of the Company (Shares) or exchangeable shares of CryptoLogic Exchange Corporation (CEC Shares), or the persons they appoint as their proxies, are entitled to vote at the Meeting. Holders of CEC Shares are entitled to vote at the Meeting under a voting trust agreement appointing Equity Transfer & Trust Company as voting trustee, on the basis of 1 vote for each CEC Share held. Holders of CEC Shares must follow the same practices regarding proxies as holders of Shares.

Many shareholders are non-registered shareholders because the Shares or CEC Shares that they own are not registered in their names but are instead registered in the name of the brokerage, firm, bank or trust company through which they purchased the Shares or CEC Shares. More particularly, a person is not a registered shareholder in respect of Shares or CEC Shares which are held on behalf of that person (a

Non-Registered Holder) but which are registered either: (a) in the name of an intermediary (an **Intermediary**) that the Non-Registered Holder deals with in respect of the Shares or CEC Shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans); or (b) in the name of a depository (such as The Depository Trust Company in the United States, or CDS Clearing and Depository Services Inc. in Canada) of which the Intermediary is a participant.

In accordance with the requirements of National Instrument 54-101 *Communication with Beneficial Securities of a Reporting Issuer* (**NI 54-101**), the Company has distributed copies of the Notice of Meeting, this Management Proxy Circular, the form of Proxy and related documents (collectively, the **Meeting Materials**) to the clearing agencies and Intermediaries for onward distribution to Non-Registered Holders. Intermediaries are required to forward the Meeting Materials to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. Typically, Intermediaries will use service companies to forward the Meeting Materials to Non-Registered Holders.

Non-Registered Holders who have not waived the right to receive Meeting Materials will receive either a voting instruction form or, less frequently, a form of Proxy. The purpose of these forms is to permit Non-Registered Holders to direct the voting of the Shares or CEC Shares they beneficially own. Non-Registered Holders should follow the procedures set out below, depending on which type of form they receive.

1. **Voting Instruction Form.** In most cases, a Non-Registered Holder will receive, as part of the Meeting Materials, a voting instruction form, which, when properly completed and returned to the Intermediary or its service provider, will constitute voting instructions that the Intermediary must follow. Should a Non-Registered Holder wish to vote at the Meeting in person, the Non-Registered Holder should follow the procedure in the request for voting instructions provided by or on behalf of the Intermediary and request a form of legal proxy which will grant the Non-Registered Holder the right to attend the Meeting and vote in person.
2. **Form of Proxy.** Less frequently, a Non-Registered Holder will receive, as part of the Meeting Materials, a form of Proxy that has already been signed by the Intermediary which is restricted as to the number of Shares or CEC Shares beneficially owned by the Non-Registered Holder, but which is otherwise incomplete. If the Non-Registered Holder does not wish to attend and vote at the Meeting in person, the Non-Registered Holder should complete the form of Proxy and deposit it to the offices of Equity Transfer & Trust Company, 400 - 200 University Avenue, Toronto, Ontario, Canada, M5H 4H1 or by fax at (416) 595-9593, as described above. If a Non-

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Registered Holder wishes to attend and vote at the Meeting in person (or have another person attend and vote on the Non-Registered Holder's behalf), the Non-Registered Holder must strike out the names of the persons named in the form of Proxy and insert the Non-Registered Holder's (or such other person's) name in the blank space provided.

Non-Registered Holders should carefully follow the instructions of their Intermediary including those regarding when and where the voting instruction form or form of Proxy is to be deposited.

Voting Securities and Principal Holders of Voting Securities

The Board of Directors has fixed May 4, 2009 as the record date (the **Record Date**) for determination of persons entitled to receive notice of the Meeting. Only shareholders of record at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deposit the enclosed form of Proxy in the manner and subject to the provisions described above will be entitled to vote or to have their shares voted at the Meeting.

The authorized capital of the Company consists of an unlimited number of Shares and one preferred share designated as the Special Voting Share. As of April 30, 2009, there are 12,735,819 Shares and one Special Voting Share outstanding. The Special Voting Share is entitled to that number of votes equal to the number of CEC Shares outstanding at the close of business on the Record Date, other than the CEC Shares held by the Company or its affiliates. The Special Voting Share, which is held by Equity Transfer & Trust Company pursuant to a Voting Trust Agreement, allows the holders of CEC Shares to vote at a meeting of holders of the Company's ordinary shares on the basis of 1 vote for each CEC Share held. As of April 30, 2009, there were 1,083,232 CEC Shares outstanding (other than CEC Shares held by affiliates of the Company). Consequently, 13,819,051 votes may be cast at the meeting.

Each holder of record of a Share at the close of business on the Record Date, will be entitled to one vote for each Share held, as applicable, on all matters proposed to come or that come before the Meeting. If a shareholder has transferred any ordinary shares after the Record Date, the transferee of such shares must establish ownership thereof and make a written demand, not later than ten days before the date of the Meeting, to be included in the list of shareholders entitled to vote at the Meeting, in order to be entitled to vote such shares.

This Management Information Circular is being mailed to holders of Shares and CEC Shares. The Management Information Circular relates principally to the Company as CryptoLogic Exchange Corporation is exempt from National Instrument 51-102 -- *Continuous Disclosure Obligations* (**NI 51-102**) provided that the Company complies with the requirements set out in Section 13.3 of NI 51-102. The CEC Shares are the economic equivalent of the Shares.

As of the date hereof, to the knowledge of the directors and officers of the Company, no person beneficially owns, directly or indirectly, or exercises control or direction over, Shares carrying more than 10% of the votes attached to the issued and outstanding Shares except as follows:

NAME	NUMBER OF SHARES BENEFICIALLY OWNED OR OVER WHICH CONTROL OR DIRECTION IS EXERCISED	PERCENTAGE OF ISSUED AND OUTSTANDING SHARES
Javaid Aziz	1,388,994 ⁽¹⁾	10.05%

⁽¹⁾ According to U.S. securities law filings made by Javaid Aziz on March 16, 2009.

BUSINESS TO BE CONDUCTED AT THE MEETING

1. Audited Financial Statements

The audited financial statements of the Company for the year ended December 31, 2008, and the Auditors' Report thereon will be placed before the shareholders at the Meeting for their consideration.

2. Election of Directors

The following table sets out the names of Management's nominees for election as directors, all major offices and positions with the Company and any of its significant affiliates each now holds, each nominee's principal occupation, business or employment, the period of time during which each has been a Director of the Company and the number of Shares of the Company beneficially owned by each, directly or indirectly, or over which each exercised control or direction. The information in the table concerning each nominee director is based on information received by the Company from the nominee director.

The persons named in the enclosed form of Proxy intend to vote FOR the election of these proposed nominees, to hold office until the close of the next annual meeting of shareholders of the Company or until their successors shall be elected or appointed.

NAME AND RESIDENCE (DIRECTOR SINCE)	PRINCIPAL OCCUPATION	NUMBER OF SHARES BENEFICIALLY OWNED OR OVER WHICH CONTROL OF DIRECTION IS EXERCISED
<p>Thomas Byrne^{(1) (2) (3)} Dublin, Ireland</p> <p>(April 13, 2007)</p>	<p>Mr. Byrne is a member of the Audit, Remuneration and Nominating Committees.</p> <p>Mr. Byrne is a non-executive director of the following public companies: Eco Securities Group PLC and SWIP II PLC.</p> <p>Mr. Byrne also advises early stage companies in Ireland and sits on the Irish Takeover Panel.</p>	<p>8,000</p>
<p>Stephen H. Freedhoff^{(1) (2)} Toronto, Ontario, Canada</p> <p>(February 27, 2008)</p>	<p>Mr. Freedhoff has been a self-employed consultant since July 1999. Nil Previously, he was a partner of a Canadian national accounting firm for 30 years. He is a non-executive director of the following publicly traded companies: Iamgold Corporation, IBI Income Fund and CryptoLogic Exchange Corporation</p>	

NAME AND RESIDENCE	PRINCIPAL OCCUPATION	NUMBER OF SHARES BENEFICIALLY OWNED OR OVER WHICH CONTROL OF DIRECTION IS EXERCISED
<p>David M. J. Gavagan⁽¹⁾⁽²⁾ Dublin, Ireland (June 17, 2008)</p>	<p>Mr. Gavagan was the co-founder and managing/senior partner of Hibernia Capital Partners, where he served in this capacity from 1996 until the fund closed in 2006. Hibernia Capital Partners was a private equity fund manager. At present, Mr. Gavagan is a self-employed accountant and serves as a non-executive director on a number of private companies.</p>	3,000
<p>Brian Hadfield Gerrards Cross, England (May 30, 2007)</p>	<p>Mr. Hadfield was appointed President and Chief Executive Officer of the Company on February 27, 2008. Mr. Hadfield held progressively more senior positions at Unisys Limited from 1984 to 2005 and for the period between 2000 and 2005 was its managing director.</p>	4,250
<p>Robert H. Stikeman⁽³⁾⁽⁴⁾ Toronto, Ontario, Canada (March 7, 1996)</p>	<p>Mr. Stikeman has served as the Company's Corporate Secretary since March, 1996. He is a member of the Corporate Governance & Compliance and Nominating Committees. Mr. Stikeman is the Chairman of the Board and he is a partner of Stikeman Keeley Spiegel & Pasternack LLP, a law firm he was instrumental in establishing over 20 years ago. Mr. Stikeman acts as outside counsel to the Company. He is also a non-executive director of the following publicly traded companies: Pure Diamonds Exploration Inc. and CryptoLogic Exchange Corporation Mr. Taylor is the Chief Financial Officer of the Company.</p>	5,000 5,000 (CEC)
<p>Stephen B. Taylor Dublin, Ireland (May 30, 2007)</p>	<p>From 2001 to 2005, he was President of BCL Advisors Inc., an investment banking company affiliated with Seale & Associates of Arlington, VA, which he founded. From 2002 to 2004, Mr. Taylor also served as Executive Vice President and Chief Operating Officer of Buffett, Taylor & Associates, a benefits consulting and wellness practice, functioning as Executive in Residence. Previous posts included senior financial and corporate roles at Derlan Industries, a TSX-listed aerospace company; President and Chief Operating Officer of Spellcaster Telecommunications, an early-stage private software company; and Vice President of Mergers and Acquisitions with Ernst & Young's corporate finance practice. Mr. Taylor spent the first 11 years of his career Coopers & Lybrand (now PricewaterhouseCoopers) auditing multinational clients in the manufacturing, mining and financial services sectors.</p>	8,700

NAME AND RESIDENCE	PRINCIPAL OCCUPATION	NUMBER OF SHARES BENEFICIALLY OWNED OR OVER WHICH CONTROL OF DIRECTION IS EXERCISED
(DIRECTOR SINCE) James Wallace Bowdon, Cheshire, England	Mr. Wallace is a professional public company director, who currently sits on the boards of two public companies in the United Kingdom. He is currently Chairman of Scapa Group plc, the senior independent non-executive director and Audit Committee Chairman of NCC Group plc, and also a non-executive director of the Manchester Airport Group. Previously Mr. Wallace served as Chairman of Bodycote International plc until 2008, and senior independent non-executive director of Holidaybreak plc until 2008. Mr. Wallace also served as Chairman of Sigma Capital Group plc until 2008 and Chairman of the Audit Committee of Sanctuary Group plc until 2007. Mr. Wallace is also a chartered accountant by profession.	Nil
	⁽¹⁾ <i>Member of Audit Committee.</i>	
	⁽²⁾ <i>Member of Remuneration Committee.</i>	
	⁽³⁾ <i>Member of Nominating Committee.</i>	
	⁽⁴⁾ <i>Member of Corporate Governance and Compliance Committee.</i>	

Additional Disclosure Relating to Directors

As is typical for European companies, and in accordance with the Cadbury Committee's Code of Best Practice, the Chief Financial Officer of the Company is a member of the Board of Directors.

Except as disclosed below, to the knowledge of Management of the Company, none of the individuals named above is at the date hereof or has been within the past ten years: (i) a director, chief executive officer or chief financial officer of any company that, while such individual was acting in such capacity, was subject to an order within the meaning of Form 51-102F5 of National Instrument 51-102 *Continuous Disclosure Obligations*; (ii) a director or executive officer of any company that, while such person was acting in such capacity, or within a year of such person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or (iii) been bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

Mr. Byrne represented EVP Early Stage Fund on the board of directors of ORBO Technologies Ltd, which went into liquidation in March 2006. The main creditor of ORBO Technologies Ltd. was EVP Early Stage Fund.

Mr. Gavagan was a non-executive director of two companies which had received investments from Hibernia Capital Partners and that subsequently went into receivership and liquidation. The two companies were Eurocare Environmental Services Ltd. (a U.K. registered company) and Key Tech Group Limited (an Irish registered company).

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Mr. Stikeman was a non-executive director of the following companies:

RTICA Corporation - This development corporation was and remains subject to a cease trade order issued in October 2005 by both the British Columbia Securities Commission and the Ontario Securities Commission for failing to file financial statements.

Canadian Spooner Resources Inc. - In November 2003, the company had a cease trade order issued by the Ontario and Alberta securities commissions for failing to file financial statements. In February 2005, the British Columbia Securities Commission issued a similar cease trade order. All such cease trade orders remain outstanding.

Canadian Spooner Industries Corporation - In May 2003, the Ontario Securities Commission and the British Columbia Securities Commission each issued cease trade orders for failure to file financial statements. In July 2003, the Alberta Securities Commission issued a similar cease trade order. All remain outstanding.

3. Appointment of Auditors

It is proposed that Grant Thornton Ireland be appointed as the Company's auditors, to hold office until the next annual meeting of shareholders of the Company or until a successor is appointed, and that the directors be authorized to fix the auditor's remuneration. Grant Thornton Ireland has served as auditor of the Company since October 17, 2008.

The persons named in the enclosed form of Proxy intend to vote FOR the appointment of Grant Thornton Ireland as auditors of the Company, to hold office until the close of the next annual meeting of shareholders of the Company at remuneration to be fixed by the directors.

On September 19, 2008 KPMG LLP resigned as auditors of the Company. Accordingly, on the recommendation of the Company's Audit Committee, the Board of Directors appointed Grant Thornton Ireland to fill the vacancy on October 17, 2008. A copy of the reporting package (as such term is defined in Section 4.11 of NI 51-102) required to be included in this Management Information Circular under Section 4.11(5)(c) of NI 51-102 is attached as Appendix B. The reporting package includes the Change in Auditor Notice filed by the Company on October 17, 2008, and a letter of each of KPMG LLP and Grant Thornton Ireland in response thereto.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The Canadian Securities Administrators implemented new rules relating to disclosure of executive compensation and related matters under a revised Form 51-102F6 *Statement of Executive Compensation*. The following section addresses the disclosure requirements of this form, which differ in many respects from the executive compensation disclosure the Company has been required to provide in previous years.

Overview

The Remuneration Committee is responsible for developing and monitoring the Company's approach to compensation. This includes developing compensation programs aimed at attracting, retaining and building high calibre management and expertise and providing for the orderly succession of management. The Remuneration Committee is also charged with periodically reviewing the compensation provided to Directors to ensure it adequately reflects the roles and responsibilities of the Board of Directors. Due to the size and structure of the business of the Company, the Remuneration

Committee carries out its duties in consultation with other members of the Board of Directors and individual executive officers, as appropriate. In this respect, the Chief Executive Officer, and from time to time other members of senior management, are involved in providing input and guidance on specific compensation related issues. The Remuneration Committee carries out its duties with a particular focus on the unique characteristics of the Company, including the nature of its business and the challenges, risks and opportunities particular to it. In respect of the year ended December 31, 2008, these challenges included ensuring that the compensation program continued to meet its goals in light of the continuing migration and transition of functions to the Company's new (as of June of 2007) head office in Dublin, Ireland and other changes in the Company's business, including the implementation of the Company's announced plans to restructure certain fundamental aspects of the business. This requires consideration of the impact of these circumstances and developments on the Company as a whole, as well as their professional and personal impact on individual executives.

As part of developing the Company's overall compensation program, the Remuneration Committee is also responsible for setting and reviewing the compensation packages for the Company's Named Executive Officers (each, an **NEO**). The names of the NEOs, together with detailed quantitative information regarding compensation earned by each NEO for the year ended December 31, 2008, is set out in the Summary Compensation Table below. The discussion below highlights the different elements of compensation comprising the compensation packages of the NEOs and should be read in conjunction with the Summary Compensation Table.

Objectives of Compensation Program

The nature, level and combination of elements of compensation made available to the NEOs is designed to attract, retain and motivate highly qualified executive officers, while promoting an alignment of interests between such executive officers and the Company's shareholders. The Company has engaged third party consultants in the past to aid in determining the appropriate level of base salary, and appropriate combination between salary and other elements of compensation. While the information and recommendations provided by these past consulting engagements has historically been considered by the Remuneration Committee, the different elements and levels of compensation have ultimately been tailored having regard to circumstances unique to the Company.

For the year ended December 31, 2008, determinations relating to compensation were made based on past practice, subject to alterations determined necessary to reflect current circumstances and developments. For example, in arriving at the compensation for Mr. Hadfield, who became CEO on February 27, 2008, the input and analysis of compensation consultants engaged by the Company in the past with regard to similarly situated executives, was considered, but his compensation was then specifically tailored in light of the particular circumstances facing the Company at the time of his hire. While compensation consultants have been engaged in the past by the Company, no compensation consultants were engaged in respect of compensation earned for the year ended December 31, 2008.

Elements of the Compensation Program

As discussed in further detail below, the Company's compensation program is comprised of the following elements: base salary, cash bonus, stock option awards, long-term incentive plan (**LTIP**) awards, participation in an employee share purchase plan, certain limited pension benefits and selective allowances. While most of these elements are available to all NEOs, allowances and pension benefits are individually tailored and provided on a comparatively limited basis. As well, while elements of compensation are subject to achievement of a mix of personal and corporate objectives, the Company's compensation program is designed overall to reward superior individual and corporate performance.

The general policy relating to requisite individual and corporate objectives is set by the Remuneration Committee and is reviewed from time to time to ensure it is responsive to changes in individual NEO

circumstances as well as the business of the Company as a whole, including general market conditions, and those specific to the market for the Company's business. Awards under the Company's stock option plan and LTIP are also guided by objectives specific to those programs. Awards to individual NEOs are reviewed in light of the Remuneration Committee's general policy and the specific elements of the stock option plan and LTIP, as well as the objectives forming part of an NEO's individual compensation program. These are discussed further in context below.

Base Salary and Bonus:

Base salary is a key element of the Company's compensation program. The Company's view is that a competitive base salary is crucial for retaining qualified executive officers. The amount payable to an NEO is determined primarily based on each NEO's level of responsibility, experience and role within the business. For these reasons, base salary generally comprises the most significant component of NEO compensation. In comparison, bonus payments, option and LTIP awards and allowances or perquisites have been generally limited. Increases to base salary are made generally on an annual basis in consideration of individual and corporate performance following review by the Remuneration Committee. During the two most recently completed financial years, retention was of specific concern as a result of the relocation of the Company's headquarters to Ireland and the above-referenced significant changes in the structure and direction of the Company's business. Compensation of executives who were identified as being integral to the transition of the business after the relocation to Ireland was adjusted in order to align their interests over a short and long term horizon, as well as to motivate performance and provide financial rewards for success given the risks and challenges posed by these changes. For example, to ensure his compensation continued to be equitable, the compensation structure for Mr. Taylor was modified, and he was provided with certain additional allowances and perquisites as compared to other NEOs, as a result of his personal relocation from Canada to Ireland.

Cash bonuses have historically formed part of the Company's compensation program. While in some cases, NEO bonuses are non-discretionary and mandated by contractual terms between the Company and the NEO, generally, most NEO bonuses are discretionary, performance-based, and have been guided by annual management bonus programs. These programs have been designed to motivate excellence by connecting financial rewards with exceptional performance. Payment levels have therefore been set based on achievement of personal and corporate objectives. However, a level of discretion has been considered appropriate to afford the Remuneration Committee the flexibility to meet the Company's compensation objectives. Historically, this was achieved by the Remuneration Committee allocating a specified amount to the bonus pool. This pool was then funded based on the Company's development and performance over the relevant bonus period (typically, a fiscal year). Payments to individual officers were then made based on the amount available in the bonus pool (which was generated in correlation to corporate performance) and personal performance. Corporate objectives considered for these purposes have been based on overall profitability of the consolidated operations of the Company. Personal performance measures have included personal and overall contributions to the business, determined at the discretion of the Remuneration Committee. In consideration of the poor performance by the Company and the downturn in general economic conditions during the period, and to reserve capital, no bonus program was implemented for the most recently completed financial year, and thus, no discretionary performance bonus payments were made to NEOs in respect of such period. To the extent that bonuses were paid to NEOs in respect of the most recently completed financial year, they were paid pursuant to pre-existing contractual commitments owed to the said NEOs, and were non-discretionary in nature.

Stock Options:

Under the Company's incentive stock option plan (the **Stock Option Plan**), options have a term of five years or less and are subject to earlier termination if the holder leaves the employ of the Company, unless the Remuneration Committee otherwise decides. Options granted to NEOs typically vest at a rate of one-quarter of the total amount granted per year, the first vesting date to follow one year after the date of grant. One exception in this regard was 100,000 of the options granted to Mr. Aziz on his appointment as CEO of the Company, which options vested immediately. Vesting follows annually after the anniversary date of the original grant, and is accelerated in the event of a public takeover bid for the Company's shares. The Company awards options to NEOs in order to attract and retain high quality individuals to serve as officers and executives of the Company and to ensure alignment the interests of officers and executives with those of shareholders of the Company. Further details on the Stock Option Plan are set out below under the heading "Securities Authorized for Issuance under Equity Compensation Plans".

Historically option grants to NEOs have been determined at the discretion of the Remuneration Committee, having regard to the need to reward performance while limiting the dilutive impact on the Shares. Such discretion was considered appropriate given the business of the Company, its size and structure, as well as the need to retain flexibility in light of changing circumstances. While the Remuneration Committee considers option grants from a principled perspective, keeping in line with the objectives of the compensation program and relevant market trends, options grants may also be based, in part, on the specific circumstances of individuals. Individual grants were made to Mr. Taylor in fiscal 2008 and Mr. Hadfield was granted options on the six month anniversary of his assumption of the role of Chief Executive Officer of the Company.

Long-Term Incentive Plan:

The long-term incentive plan (**LTIP**) was adopted by the Board of Directors with effect as of January 1, 2005. The LTIP is intended to enhance the Company's ability to attract and retain high quality individuals to serve as officers and executives of the Company and to align the interests of officers and executives with those of shareholders of the Company. The LTIP provides performance-based incentives, payable in cash, Shares or a combination of both. Any payments in Shares are made through acquisitions of those Shares by the Company in the secondary market, which avoids any dilutive effect to shareholders' interests. The LTIP provides for the granting of performance share units (**PSUs**) on a discretionary basis to reward participants for growth in the Company's earnings per share and share price, with vesting occurring over a 3 year period (generally referred to as a performance cycle). In the LTIP's inaugural year, 50% of the initial grant of PSUs was structured to vest at the end of year 2, and the remaining 50% at the end of year 3. In subsequent years, grants are generally structured to vest 100% at the end of year 3. Vesting may also be accelerated under certain circumstances, such as a change of control of the Company as defined in the LTIP, or a Participant's death. The Chief Executive Officer, the President, each Vice President, each Director or Director-level executive, each other officer of the Company and certain consultants are eligible to participate in the LTIP, on a discretionary basis. Non-employee members of the Board of Directors are not eligible participants. Generally, PSUs granted under the LTIP are not transferable. PSU grants and the financial and performance objectives required for PSUs to vest are subject to review and approval of the Remuneration Committee.

The LTIP has been designed to reward participants for growth in earnings per share and share price through overlapping three-year performance cycles. The LTIP payout is generally based upon the product of three factors: (i) The number of PSUs awarded; (ii) the share price at the end of the performance cycle; and (iii) a performance modifier that is based upon cumulative earnings per share actually achieved by the Company during the performance cycle. Generally, if cumulative targeted earnings per share are not satisfied, no payouts are made. Initial grants were made under the LTIP in 2005. PSUs granted to Mr. Salmon and Mr. Strazynski matured on December 31, 2007 and were paid out

in 2008. Further grants were made under the 2006 LTIP. However, given the payout conditions associated with the 2006 LTIP, the exit by the Company from the US market in October of 2006 made it highly improbable that the 2006 LTIPs would ultimately pay anything out to holders of 2006 LTIP PSUs. As a result, the Board of Directors determined in October 2006 that the value and payment of one-third of the 2006 LTIP PSUs would be guaranteed and paid out on maturity. The 2006 LTIP matured on December 31, 2008, and holders of 2006 LTIP PSUs received payouts of the guaranteed portion of the said PSUs in early 2009. Further grants were made under the 2007 LTIP. However, payouts are not expected as it is unlikely that the target cumulative annual growth required to meet the payout conditions will be achieved. No PSUs were granted in respect of the most recently completed financial year.

Employee Share Purchase Plan:

In 2005, the Company established an Employee Share Purchase Plan to provide employees with an opportunity to purchase Shares, further participants' alignment with the interests of shareholders and allow them to participate in the growth of the Company. Participation is limited to eligible employees and independent consultants of the Company and its subsidiaries. Employees become eligible after six months of employment with the Company. There are four (4) offering periods (each, an **Offering Period**) per year (once a quarter), as determined by the Board of Directors. Shares will be purchased, through an agent, at market value on the open market of the Toronto Stock Exchange. Employees may elect to purchase shares through a cash transaction at the beginning of the Offering Period, or through payroll deductions over a 12 month period. Employees can contribute up to 10% of their salary (excluding bonuses). The Company will match 50% of the employee's contribution, subject to a Cdn\$2,500 annual limit. Shares purchased with Company match funds will have a 12 month hold period (from the date of purchase). As at December 31, 2008 there were 9374 Shares held under the Employee Share Purchase Plan.

Allowances:

Certain limited allowances or personal benefits or perquisites are also made available to NEOs under the Company's compensation program. These include car allowances, which are generally available to all NEOs consistent with market practices in the industry. In addition, allowances may be provided to reflect the unique circumstances of particular NEOs. For example, Mr. Taylor's employment contract provides that, in connection with his relocation to Ireland, the Company compensate him for both one-time and ongoing expenses associated with his relocation and the relocation of his family. Certain adjustments were also made to his compensation to reflect cost of living allowances. With respect to allowances made available to Mr. Taylor, the Company engaged the services of outside consultants to advise the Company on matters relating to executive compensation in connection with executive relocation at the time of his relocation.

Comparator Group

The Company's compensation program has historically been developed with reference to compensation offered by comparable publicly-traded, software companies. While comparator group compensation levels were historically used as a point of reference, NEO compensation is highly individualized with regard to the opportunities and challenges unique to the Company's business. NEO compensation earned in respect of the year-ended December 31, 2008 was not set in direct reference to any comparator group or benchmark but was determined largely based on compensation levels paid in prior years. As discussed above, for the most recently completed financial year, salary comprised the main component of compensation as, for most NEOs, no discretionary bonuses were paid, no grants were made under the LTIP and only limited stock options were granted.

Determining NEO Compensation

Generally speaking, and subject to as otherwise set forth below, the compensation payable to each NEO for the most recently completed financial year was determined based on previously paid compensation adjusted to reflect changing circumstances and current market conditions. The compensation payable to Mr. Taylor for the most recently completed financial year was determined by the Remuneration Committee in 2006, in part based on the fact that Mr. Taylor had agreed to relocate his family from Toronto to Dublin as part and parcel of the re-domiciling of the Company's head office. Mr. Taylor, who has been employed with the Company since fiscal 2005, was provided with a series of enhancements to his compensation at the time of his relocation, as express consideration for his agreement to relocate. The Company engaged two independent relocation consultants and various tax consultants to advise it with respect to the arriving at the compensation arrangements of Mr. Taylor, and to ensure that all arrangements with Mr. Taylor are in accordance with applicable tax laws. The employment of Mr. Aziz was terminated effective April 30, 2008. As such, the bulk of the compensation paid to Mr. Aziz for the most recently completed financial year represented contractual entitlements of Mr. Aziz on the termination of his employment.

No NEO is involved in the decision-making process related to the setting of his own compensation. Mr. Hadfield, as the President and CEO of the Company, makes recommendations to the Remuneration Committee regarding the compensation of all other NEOs. Mr. Taylor is not a member of the Remuneration Committee, but as a director of the Company, votes on the recommendations of the Remuneration Committee in respect of the compensation of all other NEOs.

Circumstances Triggering Termination and Change of Control Benefits

As noted below under the heading *Termination and Change of Control Benefits* there are certain circumstances that trigger or accelerate payments or the provision of other benefits to an NEO upon termination or a change of control relating to the Company. Elements that may be subject to payment or acceleration based on termination or change of control include salary, LTIP awards and stock option awards as discussed in further detail below.

Performance Graph

The following graph compares the Company's five year cumulative total shareholder return to the S&P/TSX Composite Total Return Index, assuming reinvestment of dividends and considering \$100 investment on January 1, 2004.

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The Company, its business and its industry have been subject to a great deal of volatility and uncertainty during the five years reflected in the performance graph. The performance graph reflects, among other factors, the impact that regulatory changes and uncertainty, as well as changes in general economic conditions and the business of Company, have had on the price of the Shares. At the same time, there has been a significant increase in the challenges facing the Company, which of course impacts the role, breadth and scope of duties of the NEOs. As discussed above, compensation of NEOs is comprised of fixed and performance based compensation in the form of base salary, supplemented by bonuses, option grants, LTIP awards and allowances or perquisites as appropriate. Base salary, being a fixed component of overall compensation, forms the most significant element of this mix and is paid to reflect factors such as competence, skill, experience and the role of the NEOs in respect of the business of the Company. Base salary has remained relatively stable during the comparison period, taking into account cost of living and other adjustments, and further considering that the factors that are reflected in base salary are not diminished, but have taken on increased significance in the face of the escalating challenges the Company has faced and continues to face. While these challenges may have a negative impact on market performance of the Company's stock, the Remuneration Committee must also consider the impact of these challenges on retention and motivation. At the same time, performance based elements of compensation have generally declined in correlation to, and reflective of, the decline in the price of Shares. Any exceptions to this general decline have occurred on account of changes in management (for example, while general option grants have been suspended, new or incoming executives may still be granted options in their first and/or second year of employment as employment and retention incentives).

Summary Compensation Table

The following table presents all compensation in respect of each NEO for the financial year ending December 31, 2008.

NAME AND PRINCIPAL POSITION	YEAR	SALARY US(\$) ¹	SHARE- BASED AWARDS US(\$)	OPTION- BASED AWARDS US(\$) ²	NON-EQUITY INCENTIVE PLAN COMPENSATION		PENSION VALUE US(\$)	ALL OTHER COMPENSATION US(\$)	TOTAL COMPENSATION US(\$)
					ANNUAL INCENTIVE PLANS (f1)	LONG-TERM INCENTIVE PLANS (f2)			
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	
Brian Hadfield President and CEO and Director	2008	580,217	NIL	516,581	NIL	NIL	NIL	33,454 ³	1,132,256
Stephen Taylor Chief Financial Officer	2008	313,554	NIL	154,974	NIL	NIL	18,813 ⁴	372,804 ⁵	860,145
Javaid Aziz President and CEO	2008	67,743 ⁶	NIL	NIL	NIL	NIL	81,291 ⁷	2,727,938 ⁸	2,876,972
Shailesh Naik Managing Director, Singapore	2008	282,574	NIL	NIL	NIL	NIL	NIL	NIL	282,574