

OCA, INC. / DE /
Form 8-K
November 15, 2005

**SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
Date of Report (date of earliest event reported): November 8, 2005**

OCA, INC.

(Exact Name of Registrant as Specified in Its Charter)

**Delaware
(State or Other Jurisdiction
of Incorporation)**

**001-13457
(Commission File Number)**

**72-1278948
(I.R.S. Employer
Identification Number)**

**3850 N. Causeway Boulevard, Suite 800
Metairie, Louisiana*
(Address of Principal Executive Offices)**

**70002*
(Zip Code)**

(504) 834-4392*

(Registrant's Telephone Number, Including Area Code)

Not Applicable

(Former Name or Former Address, if Changed from Last Report)

* Temporary address and telephone number due to the Hurricane Katrina evacuation are:
1451 West Cypress Creek Road, Ft. Lauderdale, FL 33309, (888) 622-7645

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

**Item 3.01 Notice of
Delisting or
Failure to
Satisfy a
Continued
Listing Rule or
Standard;
Transfer of
Listing.**

On November 8, 2005, the New York Stock Exchange (the NYSE) notified us of its decision to suspend trading and seek delisting of our common stock due in part to our failure timely to file our Form 10-K for the fiscal year ended December 31, 2004 and our quarterly reports for fiscal 2005. Application by the NYSE to the Securities and Exchange Commission (the SEC) to delist our common stock is pending the completion of applicable procedures, including any appeal by us of the NYSE s staff decision, and we intend to appeal this decision. The NYSE did not cite any rule that it claimed we violated but instead asserted its general right to seek delisting when it deems appropriate. A copy of the NYSE s letter to us notifying us of its decision to suspend trading and seek delisting of our common stock is attached to this Form 8-K as Exhibit 99.1.

OCA has been unable to complete the current financial statement filing requirements with the SEC due to the ongoing investigation of our Board s Special Committee, the recent disruptions, displacements and delays caused by Hurricanes Katrina, Rita and Wilma, and other events disclosed in our Forms 8-K filed on June 7th, November 4th and November 7th of this year. A copy of OCA s press release announcing the suspension and possible delisting of its shares is attached to this Form 8-K as Exhibit 99.2 and is incorporated by reference.

OCA is now quoted on the Pink Sheets Electronic Quotation Service following the suspension and possible delisting under the symbol.

**Item 9.01 Financial
Statements and
Exhibits.**

(c) Exhibits

99.1 Letter dated November 8, 2005 to OCA, Inc. from the New York Stock Exchange.

99.2 Press Release dated November 14, 2005 announcing suspension and possible delisting of shares.

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 hereunto duly authorized.

OCA, INC.

By: /s/ Bartholomew F. Palmisano, Sr.
Bartholomew F. Palmisano, Sr.
Chairman of the Board, President and
Chief Executive Officer

Date: November 14, 2005

Exhibit Index

**Exhibit
Number**
Description

99.1 Letter dated November 8, 2005 to OCA, Inc. from the New York Stock Exchange.
99.2 Press Release dated November 14, 2005 announcing suspension of shares on NYSE.

2">1.90 (0.86) (45.3%)

J. Wes Frye

0.28 0.35 (0.07) (20.0%)

David S. Congdon

1.04 1.15 (0.11) (9.6%)

John B. Yowell

0.68 0.50 0.18 36.0%

John R. Congdon

0.20 0.40 (0.20) (50.0%)

As discussed above, the Compensation Committee also modified the XPS Plan to require a minimum threshold of profitability before a payout could be made to any of the participants. For 2008, our pre-tax profit margin for a month must exceed 2%, after including the impact of any potential XPS Plan incentive payments, before we can make XPS Plan payments for such month.

Phantom Stock Plan

The Old Dominion Freight Line, Inc. Phantom Stock Plan, adopted on May 16, 2005, provides a long-term retirement incentive for our named executive officers. While awards under this plan are discretionary, it has been our practice to award phantom stock annually during the first quarter of each year, beginning in 2006. All awards are recommended by our Compensation Committee and approved by our Board of Directors. Prior to granting any awards, the Compensation Committee developed a table to determine the amount of these awards, expressed as a percentage of annual base salary, in relation to our operating ratio for the previous fiscal year. This table was modified prior to the 2008 award as a result of the 2007 Compensation Consultant's findings and the Compensation Committee's conclusion that the long-term components of our compensation plan should be strengthened to remain competitive. As a result, the table was modified to allow awards when our operating ratio exceeds 91% and had no impact on the 2008 awards that would otherwise have been made under the original table, as shown below:

Operating Ratio	Phantom Stock Awards	Phantom Stock Awards
	Granted in 2008 as a % of Annual Base Salary	Granted Prior to 2008 as a % of Annual Base Salary
Greater than 91%	20%	No award
90% to 91%	20%	20%
89% to 90%	30%	30%
88% to 89%	40%	40%
Less than 88%	50%	50%

On January 29, 2007, the Compensation Committee approved awards under the plan that were granted on February 12, 2007. As a result of an operating ratio of 89.8% for 2006, the number of phantom shares we awarded each named executive officer was equal to 30.0% of base salary at year-end 2006 divided by the average closing price of our common stock for the fourth, fifth and sixth trading day following the release of our fourth quarter 2006 earnings press release.

On February 11, 2008, the Compensation Committee approved awards under the plan that were granted on that same date. For 2007, our operating ratio was 90.7%, which resulted in each named executive officer receiving a number of phantom shares equal to 20% of their annual base salary on the date of the award divided by the average closing price of our common stock for the fourth, fifth and sixth trading day following the release of our fourth quarter 2007 earnings press release.

Phantom stock awards are generally subject to a five-year vesting period or the earlier to occur of the following: the date of a change of control in our ownership; the fifth anniversary of the grant date of the award, provided the named executive officer is employed by us on that date; the date of the named executive officer's death while employed by us; the date of the named executive officer's total disability; or the date the named executive officer attains the age of 65 while employed. Awards that are not vested upon termination of employment are forfeited. If termination occurs prior to attaining the age of 55, all vested and unvested awards are forfeited unless the termination results from death or total disability. Phantom stock awards are settled in cash after the required vesting period has been satisfied and upon termination of employment. Our named executive officers are each entitled to receive the fair market value of each share of phantom stock awarded on the settlement date, which is generally paid in 24 monthly installments. Because of the required vesting period and settlement provisions, this component of compensation generally rewards longevity and provides a retirement benefit to our named executive officers that is tied directly to shareholder value.

Nonqualified Deferred Compensation Plan

As noted above we do not provide a significant retirement plan for our named executive officers. While we offer a 401(k) plan and we make matching contributions to that plan, the limits on both employee contributions and our match prevent our named executive officers from saving an amount that we believe is adequate for their retirement or competitive with similarly-situated executives at other companies in our industry. As a result, we have provided an opportunity for our named executive officers to defer significant percentages of both their annual base salary and their monthly XPS Plan cash incentive payments pursuant to the 2006 Nonqualified Deferred Compensation Plan of Old Dominion Freight Line, Inc. as a means to fund their retirement. This plan is described in further detail on page 28 of this proxy statement.

By deferring income into the Nonqualified Deferred Compensation Plan, certain of our named executive officers have preserved our federal income tax deduction relating to such compensation. Section 162(m) of the Internal Revenue Code generally limits amounts that can be deducted for compensation paid to executives to \$1 million, unless certain requirements are met. In December 2006, each of our named executive officers estimated their compensation for 2007 and voluntarily elected to defer the amount of compensation anticipated in excess of \$1 million in 2007 into the Nonqualified Deferred Compensation Plan. As a result, only \$119,392 of compensation for Earl E. Congdon and \$23,834 of compensation for David S. Congdon was determined to be nondeductible in 2007. Although we prefer to deduct all compensation paid to our named executive officers, we may exceed the limits of deductibility in order to achieve our primary compensation objectives. We are asking our shareholders to approve the material terms of the Performance Incentive Plan in Proposal 2, which is described in further detail on page 34 of this proxy statement. If approved, the Company could deduct compensation paid from this performance based plan.

Employment Agreements

In 2004, based in part upon the analysis of our compensation and retention incentives conducted by AON in 2003, we decided to enter into employment agreements with our four most senior executives, each of whom is a named executive officer: Earl E. Congdon, our Executive Chairman of the Board; David S. Congdon, our President and Chief Executive Officer; John B. Yowell, our Executive Vice President and Chief Operating Officer; and John R. Congdon, our Senior Vice President. The factors supporting our decision were:

we did not have non-competition and non-solicitation agreements in place, which could have exposed us to increased competition in the event that one of these executives started a new LTL company or was hired by one of our competitors;

we wanted to provide long-term incentives to retain David S. Congdon and John B. Yowell, which we believe will help ensure the continuity of leadership upon retirement of Earl E. Congdon and John R. Congdon;

we wanted to provide protection to these executives in the event of a change in control of Old Dominion Freight Line, Inc.; and

these four employees were also major shareholders of our common stock and, without sufficient life insurance, a liquidation of shares to provide for estate taxes could result in a sudden and significant drop in the market for our common stock.

As a result, on May 17, 2004, we entered into employment agreements with each of these four most senior executives. Each agreement is tailored to address the competitive and financial exposures to both us and the employee as detailed above. Each separate agreement requires the executive to perform duties customarily performed by persons holding their respective positions and to perform other services and duties that we may reasonably assign. A more detailed discussion of the terms and provisions of these agreements is provided beginning on page 30 of this proxy statement.

We made no modifications to any of the employment agreements in 2007. However, the Compensation Committee, with the assistance of Hay Group, conducted a study of the employment agreements in 2007 and identified several amendments to the agreements that the Compensation Committee believes would be appropriate. The Compensation Committee and the executives have engaged in discussions concerning such amendments and expect to reach agreement on the amendments later in 2008.

Change of Control and Severance Considerations

On May 16, 2005, we adopted the Old Dominion Freight Line, Inc. Change of Control Severance Plan for Key Executives for eligible key executives, which generally includes all of our officers except for Earl E. Congdon, David S. Congdon, John B. Yowell and John R. Congdon, whose employment agreements provide for change of control and severance considerations. Under this plan, termination of a participant's employment by us for any reason other than for cause, death or total disability, or by the participant for good reason occurring within 36 months following a change in control (as defined on page 31 of this proxy statement), entitles the participant to receive the following benefits: receipt of base salary through the last day of the month in which the termination date occurs; monthly termination compensation during a compensation continuance period; and continued participation in our welfare benefit plans until the earlier of the participant's death or the last day of the compensation continuance period. The compensation continuance period is equal to 12 calendar months plus three additional calendar months for each year of service in excess of 10 years that has been completed by the participant as of the termination date, not to exceed 36 calendar months. Monthly termination compensation is one-twelfth of the participant's annual base salary plus the average annual cash incentive earned during the three full calendar years preceding the termination date, provided the employee is terminated within 12 months of a change in control. If termination due to a change in control occurs within 13 to 24 months or within 25 to 36 months, the participant is entitled to two-thirds or one-third, respectively, of his monthly termination compensation over the compensation continuance period.

The employment agreements for each of Earl E. Congdon, David S. Congdon, John B. Yowell and John R. Congdon provide for post-employment benefits that result from a change in control, which is defined on page 30 of this proxy statement. We determined that, due to their age, the risk in loss of income to Earl E. Congdon and John R. Congdon in the event of a change of control was not as great as that risk to David S. Congdon and John B. Yowell and, therefore, less post-employment benefits were provided in their employment agreements. In the event of a change in control, each of Earl E. Congdon and John R. Congdon are entitled to receive a lump sum payment equal to three times their average annual total compensation for the five years preceding a change of control, less one dollar.

Under their current employment agreements, David S. Congdon and John B. Yowell are entitled to receive post-employment benefits upon termination for any reason except for cause. These post-employment benefits include: (i) their base salary through the last day of the month of termination; (ii) three years of annual compensation continuance, paid weekly, calculated by averaging the three years in the five-year period preceding termination that produces the highest average annual compensation; (iii) a lump sum special termination bonus equal to the amount of the highest annual bonus earned by the executive during any one of the three calendar years preceding termination; and (iv) participation at no cost to the executives and their families in our welfare benefit programs during the compensation continuance period, which includes health, dental, vision and life insurance programs as well as continuance in our non-qualified deferred compensation. These post-employment benefits are not predicated upon a change in control.

We believe that the Change of Control Severance Plan for Key Executives and the employment agreements provide a reasonable level of protection to our named executive officers in the event of a change in control of ownership of the Company. We also believe the post-employment benefits provided in the employment agreements for David S. Congdon and John B. Yowell are effective incentives for retaining these key executive officers, who we believe are critical to our continued success.

401(k) Retirement Plan

Our named executive officers may participate in our 401(k) retirement plan, which includes a matching provision that is based upon the participant's contributions. We consider this match in our evaluation of overall compensation; however, we believe the maximum employee contribution and matching limits in our plan would not provide an adequate vehicle to fund our named executive officers' retirement needs.

Other Benefits and Perquisites

Our named executive officers participate equitably, except as noted below, with all employees in our employee benefit plans, which include medical, dental, vision, long-term disability and group life insurance. Each named executive officer receives term life insurance benefits insuring his life for \$300,000. In addition, the employment agreements with David S. Congdon and John B. Yowell provide for the reimbursement of premiums for term life insurance coverage up to \$10,000,000. We also have endorsed \$2,000,000 in death benefits to John R. Congdon's spouse provided by two split-dollar life insurance contracts that we own. We believe the life insurance provided to these named executive officers offers some protection from a liquidation of stock that could cause a sudden and significant decline in the market for our common stock, which might occur upon their death in order to provide for estate taxes. Earl E. Congdon, at his own expense, has obtained additional life insurance benefits that we deem adequate in mitigating this risk; therefore, no additional life insurance benefits were provided to him.

We provide basic employee group health and dental coverage for all employees but charge a premium for dependent and family coverage. We have waived these premiums for our named executive officers.

The named executive officers, with the exception of J. Wes Frye and John R. Congdon, are provided the use of an automobile, which is paid by the Company. We have increased the annual base salary commensurately for Messrs. Frye and Congdon to compensate for the absence of this perquisite.

We allow Earl E. Congdon, David S. Congdon, John B. Yowell and John R. Congdon to each use our corporate aircraft for personal use. Each of these four named executive officers is also a related person and beneficially owns a significant amount of our common stock. In 2007, personal use of our corporate aircraft was approximately 10.5% of the total hours that our aircraft were utilized. The incremental cost for personal usage of our corporate aircraft is reflected for each of our named executive officers on page 25 of this proxy statement.

The employment agreements for Earl E. Congdon, David S. Congdon and John B. Yowell provide for additional perquisites. Each of these named executive officers is entitled to a special annual bonus equal to the amount necessary to pay all taxes applicable to income derived from the personal use of our corporate aircraft. The special annual bonus also provides for the payment of all taxes applicable to the income derived from the life insurance benefits in the employment agreements for David S. Congdon and John B. Yowell.

The employment agreements for Earl E. Congdon, David S. Congdon and John B. Yowell also provide for the payment of annual membership dues and initiation fees for memberships in private clubs in accordance with our practice prior to executing these employment agreements. We also utilize these club memberships for employee functions, vendor relations and customer events.

We believe the above perquisites, which are quantified for each named executive officer on page 25 of this proxy statement, are not a significant component of our overall compensation program.

As noted above the Compensation Committee, with the assistance of Hay Group, conducted a study of the employment agreements in 2007 and identified several amendments to the agreements that the Compensation Committee believes would be appropriate. The Compensation Committee and the executives have engaged in discussions concerning such amendments and expect to reach agreement on the amendments later in 2008.

REPORT OF COMPENSATION COMMITTEE

The Compensation Committee of the Board of Directors has reviewed and discussed the above Compensation Discussion and Analysis (the CD&A) required by Item 402(b) of Regulation S-K with our management. Based on such review and discussions, the Compensation Committee recommended to the Company's Board of Directors that the CD&A be included in our annual report on Form 10-K for the year ended December 31, 2007 by incorporation by reference to this proxy statement.

Except for the annual report on Form 10-K described above, this Report of Compensation Committee is not incorporated by reference into any of our previous or future filings with the SEC, unless such filing explicitly incorporates this report.

The Compensation Committee,

Robert G. Culp, III, Chairman

Franz F. Holscher

EXECUTIVE COMPENSATION

Summary Compensation Table

The following table provides an overview of 2007 and 2006 compensation earned by our Chief Executive Officer, Chief Financial Officer, and our three most highly compensated executive officers:

Name and Principal Position	Year	Salary (\$)	Stock Awards \$(1)	Non-Equity Incentive Plan Compensation \$(2)	All Other Compensation \$(3)	Total (\$)
Earl E. Congdon Executive Chairman of the Board	2007	445,860	129,817	2,200,094	205,771	2,981,542
	2006	439,740	86,616	2,258,402	108,048	2,892,806
J. Wes Frye Senior Vice President Finance, Chief Financial Officer, Treasurer and Assistant Secretary	2007	196,350	55,627	405,280	10,508	667,765
	2006	186,390	36,099	416,021	6,380	644,890
David S. Congdon President, Chief Executive Officer and Director	2007	259,260	74,872	1,331,636	116,143	1,781,911
	2006	250,860	48,611	1,366,928	110,557	1,776,956
John B. Yowell Executive Vice President and Chief Operating Officer	2007	219,810	63,437	578,971	98,467	960,685
	2006	210,810	40,325	594,316	60,386	905,837
John R. Congdon Senior Vice President and Vice Chairman of the Board	2007	315,860	91,668	463,178	47,111	917,817
	2006	309,740	60,792	475,453	32,480	878,465

- (1) Awards were granted in 2007 pursuant to the provisions of the Old Dominion Freight Line, Inc. Phantom Stock Plan (the "Phantom Stock Plan"). These awards were based on fiscal year 2006 financial results and are included below in the Grants of Plan-Based Awards Table. Each named executive officer was awarded a number of phantom shares equal to 30.0% of base salary at year-end 2006 divided by the average closing price of our common stock for the three-day period commencing February 7, 2007 and ending February 9, 2007. The value of these awards in the table was determined by multiplying the number of phantom stock shares awarded to each named executive officer by the closing share price of \$30.99 on the grant date of February 12, 2007, and assumes that all shares will vest based on the requirements of the Phantom Stock Plan. While we used 2006 financial results to determine these awards, awards under the Phantom Stock Plan are discretionary and are considered earned in the year granted. Additionally, our Compensation Committee considers the value of the grant as part of the compensation in the year of grant when evaluating compensation to our named executive officers.
- (2) Pursuant to our XPS Plan we pay monthly cash incentives to our named executive officers based upon our pre-tax income during the fiscal year. Cash incentives are generally paid in the month following the actual month earned; therefore, the table reflects only the incentives earned for each of the 12 months of 2007, regardless of when the incentive payment was actually made.
- (3) See "All Other Compensation" below for the amounts and descriptions of these components of compensation in 2007.

All Other Compensation

The allocation of 2007 All Other Compensation from the Summary Compensation Table is presented below:

Name	Personal Use of Corporate Aircraft	Life Insurance Premiums	Group Health Premiums	Personal Use of Corporate Automobile	Company Contributions to the 401(k) Plan	Club Memberships	Special Bonus	Total
	(\$)(1)	(\$)(2)	(\$)(3)	(\$)(4)	(\$)(5)	(\$)(6)	(\$)(7)	(\$)
Earl E. Congdon	134,491	6,180	1,976	4,508	5,926	1,690	51,000	205,771
J. Wes Frye		1,980	2,600		5,928			10,508
David S. Congdon	40,923	20,375	2,600	8,658	6,295	6,165	31,127	116,143
John B. Yowell	8,091	39,840	2,600	9,193	6,666	4,735	27,342	98,467
John R. Congdon	16,931	22,260	1,976		5,944			47,111

- (1) For the purpose of this table, compensation for the personal use of the corporate aircraft is calculated using incremental variable costs per flight hour.
- (2) Includes the following: (i) the taxable excess group term-life insurance premiums under our group term life insurance policy for all employees; (ii) reimbursement of term-life premiums for policies up to \$10,000,000 provided to David S. Congdon and John B. Yowell under their employment agreements that are further described in Compensation Discussion and Analysis Employment Agreements ; and (iii) the taxable benefit to John R. Congdon for our endorsement of \$2,000,000 in death benefits to Mr. Congdon s spouse under two split-dollar life insurance policies insuring the life of John R. Congdon.
- (3) We offer our employees a choice in group health and dental plans that vary by the level of benefits available and premiums paid by the employee. Employee premiums for our basic plans are waived for our named executive officers. If our named executive officers elect to enroll in plans with higher benefits and premiums, they are required to pay the difference in premiums between the basic plan and the more robust plan selected. The amount in the table reflects the group health and dental premiums waived for our named executive officers in 2007.
- (4) The amount reflected in the table for personal use of a Company automobile is calculated by allocating the fixed and variable costs of the vehicle over the percentage of personal versus total mileage driven.
- (5) Each of our named executive officers is eligible to participate in the Old Dominion 401(k) Employee Retirement Plan on the same basis as other employees. Employee contributions are limited to a percentage of their compensation, as defined in the plan. We guarantee a match of 30% of the first 6% of all employee contributions or a discretionary match of ten percent of net income, whichever is greater.
- (6) Club membership dues and initiation fees are provided for in the employment agreements with Earl E. Congdon, David S. Congdon and John B. Yowell, which are further described in Compensation Discussion and Analysis Employment Agreements .
- (7) The special bonus consists of reimbursements for the payment of taxes on the personal use of Company aircraft and term-life insurance premiums reimbursed to the employee, both of which are pursuant to the employment contracts with each named executive officer, which are further described in Compensation Discussion and Analysis Employment Agreements .

Grants of Plan-Based Awards

The following table provides information regarding plan-based awards made during fiscal 2007:

Name	Grant Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards (1)			All Other Stock Awards: Number of Shares of Stock or Units (#)(2)	Grant Date Fair Value of Stock and Option Awards (\$)(3)
		Threshold	Target	Maximum		
Earl E. Congdon	2/12/07				4,189	\$ 129,817
J. Wes Frye	2/12/07				1,795	\$ 55,627
David S. Congdon	2/12/07				2,416	\$ 74,872
John B. Yowell	2/12/07				2,047	\$ 63,437
John R. Congdon	2/12/07				2,958	\$ 91,668

- (1) All payments made pursuant to the XPS Plan and relating to the 2007 fiscal year have been made and are reflected in the Non-Equity Incentive Plan Compensation column of the Summary Compensation Table. The XPS Plan remains in effect and monthly payments relating to the 2008 fiscal year will be made to our named executive officers based upon a fixed percentage of pre-tax income, subject to a minimum profitability threshold, as described in Compensation Discussion and Analysis - Executive Profit Sharing Incentive Plan .
- (2) Shares of phantom stock awarded in 2007 were based upon our financial performance in fiscal year 2006. Each named executive officer was awarded shares of phantom stock equal to 30% of base salary at year-end 2006 divided by the average closing price of our common stock on the fourth, fifth and sixth days following our fourth quarter 2006 earnings press release. While we used 2006 financial results to determine these awards, awards under the Phantom Stock Plan are discretionary and are considered earned in the year granted. Additionally, our Compensation Committee considers the value of the grant as part of the compensation in the year of grant when evaluating compensation to our named executive officers. No shares of common stock will be issued pursuant to the Phantom Stock Plan, as the awards are settled in cash.
- (3) The grant date fair value of phantom stock shares is determined by the number of shares set forth above multiplied by the February 12, 2007 closing share price of \$30.99.

Old Dominion Freight Line, Inc. Phantom Stock Plan

On May 16, 2005, our Board of Directors approved and we adopted the Old Dominion Freight Line, Inc. Phantom Stock Plan, which provides a long-term retirement incentive for our key executives that is tied directly to shareholder value. Each share of phantom stock awarded under this plan represents a contractual right to receive an amount in cash equal to the fair market value of a share of our common stock on the settlement date, to be paid out of our general funds. The maximum number of shares of phantom stock available for awards under the Phantom Stock Plan is 375,000, after adjusting for the three-for-two stock split on November 30, 2005, of which 101,702 shares have been awarded. No shares of common stock will be issued pursuant to the Phantom Stock Plan.

Generally, each award vests on the earlier to occur of the following: a change of control in our ownership; the fifth anniversary of the grant date of the award, provided the participant is employed on such date; the date of the participant's death while employed; the date of the participant's total disability;

or the date the participant attains the age of 65 while employed by us. The Phantom Stock Plan is discussed in more detail in the Compensation Discussion and Analysis section of this proxy statement.

Outstanding Awards at Fiscal Year-End

The following table displays the Phantom Stock Plan awards that have not vested at year-end 2007, due to the vesting requirements of the Phantom Stock Plan:

Name	Number of Shares or Units of Stock That Have Not Vested (#)(1)	Market Value of Shares or Units of Stock That Have Not Vested \$(2)
J. Wes Frye	3,102	71,687
David S. Congdon	4,176	96,507
John B. Yowell	3,507	81,047

- (1) The vesting provisions of these phantom stock shares are described above under Old Dominion Freight Line, Inc. Phantom Stock Plan. No shares of common stock will be issued pursuant to the Phantom Stock Plan, as the awards are settled in cash.
- (2) The market value of phantom stock shares that have not vested at year-end 2007 for each named executive officer is determined by the number of shares set forth above multiplied by the December 31, 2007 closing share price of \$23.11.

Stock Vested

The following table displays the Phantom Stock Plan awards that have vested at year-end 2007:

Name	Stock Awards	
	Number of Shares Acquired on Vesting (#)(1)	Value Realized on Vesting \$(2)
Earl E. Congdon	7,325	
John R. Congdon	5,159	

- (1) Both Earl E. Congdon and John R. Congdon have attained the age of 65 while employed with the Company and therefore, under the plan, have fully vested in all phantom shares awarded.
- (2) Participants are only entitled to receive cash amounts due for each vested share of phantom stock on the settlement date, which shall be made from the general funds of the Company. The settlement date is the earlier of: the date of the participant's termination of employment on or after attaining age 55 for any reason other than death, total disability, or for cause; the date of the participant's death while employed; or the date of the participant's termination of employment as a result of total disability. The market values at year-end 2007 for the vested shares of Earl E. Congdon and John R. Congdon are \$169,281 and \$119,224, respectively, as determined using the number of shares set forth above multiplied by the December 31, 2007 closing share price of \$23.11.

Nonqualified Deferred Compensation

The following table provides information regarding our named executive officers' contributions to and earnings from our nonqualified deferred compensation plans in 2007:

Name	Executive Contributions in Last FY (\$)(1)	Registrant Contributions in Last FY (\$)	Aggregate Earnings in Last FY (\$)(2)	Aggregate Withdrawals/ Distributions (\$)	Aggregate Balance at Last FYE (\$)
Earl E. Congdon	1,650,071		143,970		3,525,464
J. Wes Frye	101,320		71,227		884,098
David S. Congdon	665,818		86,081		2,041,095
John B. Yowell	86,846		14,281		553,146
John R. Congdon					

- (1) Contributions represent deferrals of salary and incentives for 2007. These amounts are included in the Salary and Non-Equity Incentive Plan Compensation columns of the Summary Compensation Table.
- (2) Aggregate earnings represent the earnings on the investment options selected by each named executive officer in 2007 in our deferred compensation plans. These earnings are not included in the Summary Compensation Table because they did not constitute above-market or preferential earnings.

2006 Nonqualified Deferred Compensation Plan of Old Dominion Freight Line, Inc.

Effective January 1, 2006, we adopted the 2006 Nonqualified Deferred Compensation Plan of Old Dominion Freight Line, Inc. (the "Deferred Compensation Plan"). The Deferred Compensation Plan was established to permit certain management employees of the Company, including each of the named executive officers, to defer receipt of current compensation. The Deferred Compensation Plan is an unfunded plan maintained primarily for the purpose of providing retirement benefits for eligible employees. Participating employees may elect to reduce their (i) regular base salary by a whole number percentage from three to fifty percent and/or (ii) XPS Plan incentive by a whole number percentage from five to seventy-five percent. The deferred amount is credited to the deferred compensation account we maintain for each participant. While not funded, each participant is allowed to select one or more investment options that mirror the actual performance of publicly traded funds. As of each March 31, June 30, September 30 and December 31, the deferred compensation account of each participant is adjusted to reflect gains and losses from their selected investment options in which the amount in the account is deemed invested. The total deferrals, plus the cumulative gains and losses on the investment options, are eligible for distribution from our general corporate funds. Distributions are generally made in the event of retirement, disability, death or other termination of service. Distributions also may be made upon the occurrence of certain other events, such as an unforeseeable emergency, or delayed under certain circumstances, such as when a distribution might violate the terms of a loan agreement to which the Company is a party. Payments are made from the Deferred Compensation Plan in a lump sum or in annual installments over a certain term, as elected by the participant.

Prior to the adoption of the Deferred Compensation Plan, we offered a similar plan allowing participating employees to defer receipt of regular base salary and/or cash incentive compensation. The deferral of wages earned subsequent to December 31, 2004 are no longer allowed under this plan, as it did not fully comply with Section 409A of the Internal Revenue Code of 1986, as amended. Gains and losses for this plan are determined in the same manner as for the Deferred Compensation Plan. Distributions are, and will be, handled in the same manner as described above.

Potential Payments Upon Termination or Change of Control

Below is a table of the amount of post-employment payments and benefits that would be provided to our named executive officers under the provisions of their employment agreements or the Old Dominion Freight Line, Inc. Change of Control Severance Plan for Key Executives assuming that the triggering event occurred at December 31, 2007. Such amounts would be paid from the general funds of the Company.

Name and Principal Position	Estimated Payout (\$)
Earl E. Congdon (1)	6,351,686
J. Wes Frye (2)	1,719,552
David S. Congdon (3)	4,684,514
John B. Yowell (4)	2,762,924
John R. Congdon (1)	1,855,889

- (1) Amount payable pursuant to the named executive officer's employment agreement is equal to one dollar less than three (3) times the executive's average annual compensations, which includes base salary, cash incentives and other amounts included in gross income, for the prior five taxable years before the change in control. This estimated amount is payable in lump sum and due only if the executive's employment is terminated within 12 months of a change of control. There would be no payment upon termination of employment for retirement, death, disability or for cause.
- (2) Amount payable pursuant to the Old Dominion Freight Line, Inc. Change of Control Severance Plan for Key Executives, which is equal to three times the sum of the executive's base salary in effect at the termination date and the average of cash incentives paid in the preceding three full calendar years. This estimated amount is payable over the compensation continuance period on the normal payroll schedule for salaried employees and due only if the executive's employment is terminated within 12 months of a change of control and is reduced to two-thirds of this amount if terminated within 13 to 24 months and one-third of this amount if terminated within 25 to 36 months of a change in control. There would be no payment upon termination of employment for retirement, death, disability or for cause.
- (3) Amount payable pursuant to the named executive officer's employment agreement, which includes \$3,265,889 payable under a three-year salary continuation provision on the normal payroll schedule for salaried employees and \$1,418,625 payable in lump sum under a special termination bonus provision. The settlement provisions of this agreement are further described in Compensation Discussion and Analysis Employment Agreements, but generally provide for the payment of this estimated amount at termination due to retirement, death, disability or a change of control. No payment would be made if termination resulted from cause.
- (4) Amount payable pursuant to the named executive officer's employment agreement, which includes \$2,122,216 payable under a three-year salary continuation provision on the normal payroll schedule for salaried employees and \$640,708 payable in lump sum under a special termination bonus provision. The settlement provisions of this agreement are further described in Compensation Discussion and Analysis Employment Agreements, but generally provide for the payment of this estimated amount at termination due to retirement, death, disability or a change of control. No payment would be made if termination resulted from cause.
- Our named executive officers, or their beneficiaries, will also receive payments due to them at retirement, death or disability pursuant to our non-discriminatory 401(k) Retirement Plan and our nonqualified deferred compensation plans, for which the amounts due to each named executive officer are provided in the Nonqualified Deferred Compensation section on page 28 of this proxy statement.

Employment Agreements

On May 17, 2004, we entered into employment agreements with Earl E. Congdon, John R. Congdon, David S. Congdon and John B. Yowell. Each of these agreements was reviewed and approved by the Compensation Committee. Each separate agreement requires the executive to perform duties customarily performed by persons holding their respective positions and to perform other services and duties reasonably assigned from time to time by the Company or, with respect to the agreements with Earl E. Congdon and John R. Congdon, the Board of Directors.

Employment Agreements with Earl E. Congdon and John R. Congdon

The employment agreements with Earl E. Congdon and John R. Congdon provide for each executive to receive a base salary to be reviewed annually in accordance with standard payroll practices and procedures applicable to our executive officers, and both executives are entitled to participate in our XPS Plan. The Board may also award a discretionary bonus to be paid to each executive in the manner specified by the Board at the time any such bonus is approved; however, none were approved or paid in 2007. Earl E. Congdon is also entitled to (i) a special annual bonus equal to the amount necessary to pay all taxes applicable to income derived from the personal use of corporate aircraft (as well as any taxes on the special annual bonus itself); (ii) membership dues and initiation fees for membership in private clubs; and (iii) an automobile for personal and business use.

Each of the employment agreements provide for a term commencing June 1, 2004, and continuing until the earliest of (i) the death of the executive; (ii) written notice by either of the executives or us of a desire to terminate, subject to a 365-day notice requirement; (iii) termination for cause, which generally refers to termination resulting from (a) habitual intoxication that affects job performance; (b) conviction of felony theft, fraud or embezzlement; or (c) conviction of a felony involving moral turpitude; and (iv) termination resulting from total disability. The executive may terminate his employment and forego the 365-day notice requirement if the notice of termination is within 12 months of a change in control. Generally, a change in control is defined in the agreement to be either (i) the date any person or group of persons, excluding employee benefit plans, directly or indirectly becomes the beneficial owner of 20% or more of the combined voting power of the then outstanding shares of common stock; (ii) the date when individuals who at the beginning of any two-year period constitute the Board, plus new directors whose nomination or election was approved by two-thirds of the directors still in office at the beginning of the two-year period, cease for any reason during the two-year period to constitute at least two-thirds of the members of the Board; (iii) the date shareholders approve an equity transaction that would result in our voting securities immediately prior to the transaction to represent less than 60% of the combined voting power of our Company or a surviving entity immediately after the transaction; (iv) the date shareholders approve a plan of complete liquidation; (v) the date shareholders approve an agreement to dispose of substantially all of our assets; (vi) the date of a bankruptcy filing; or (vii) the date of any event that the Board determines to constitute a substantial threat to corporate policy or effectiveness.

If we terminate either executive's employment or either executive voluntarily terminates through exercise of the 365-day notice exception described above, and such exercise occurs within 12 months of a change in control, the executive is entitled to receive a lump sum payment equal to three times the average annual compensation for the prior five taxable years before the change in control, less one dollar. If employment is terminated by the 365-day notice exception and does not occur within 12 months of a change in control, the executive is due only the compensation not paid through the termination date.

Each executive is also subject to a non-competition and non-solicitation clause, which covers the term of the executive's employment plus the twenty-four month period following such executive's termination of employment.

Employment Agreements with David S. Congdon and John B. Yowell

The employment agreements with David S. Congdon and John B. Yowell provides each executive with (i) a base salary; (ii) participation in the XPS Plan; (iii) reimbursement of life insurance premiums for

term life coverage up to \$10,000,000 in death benefits; (iv) an automobile for personal and business use; (v) the personal use of corporate aircraft; (vi) membership dues and initiation fees for membership in private clubs; (vii) a discretionary bonus as determined by the Board; and (viii) a special annual bonus equal to the amount necessary to pay all taxes applicable to income derived from the personal use of corporate aircraft and life insurance premium reimbursements.

Each of the agreements provide for a term commencing on June 1, 2004 and continuing until the earliest of (i) May 31, 2007, notwithstanding the provision to automatically extend the term as described below; (ii) the date of death of the executive; (iii) written notice by either the executive or us to terminate, subject to a 90-day notice requirement; (iv) the date of termination due to cause, which generally refers to termination resulting from (a) habitual intoxication that affects job performance; (b) conviction of felony theft, fraud or embezzlement; or (c) conviction of a felony involving moral turpitude; (v) the date the executive terminates his employment for good reason, which includes a breach of the employment contract, resignation due to a change in control (as defined in the description of the Employment Agreements with Earl E. Congdon and John R. Congdon), any reduction in the executive's base salary, the dissolution or liquidation of a significant portion of our assets, the assignment of duties inconsistent with the executive's position, exclusion from employee benefit plans, transfer of primary work location or substantially greater travel requirements; or (vi) the date of total disability. Unless written notification is provided by either of the executives or the Company, the term is automatically extended on the first day of each month for one additional calendar month, unless either of the executives or we desire to fix the term for a definite three-year period.

Upon termination due to our exercise of the 90-day notice exception, disability, good reason, the executive's exercise of the 90-day notice exception after attaining the age of 65 or the expiration of a three-year term after being fixed by us, the executive is entitled to receive (i) his base salary through the last day of the month of termination; (ii) three years of annual compensation continuance, to be paid weekly, calculated by averaging the three years in the five-year period preceding termination that produces the highest average annual compensation; and (iii) a lump sum special termination bonus equal to the amount of the highest annual bonus earned by the executive during any one of the three calendar years preceding termination. During the compensation continuance period, we will pay the entire cost for the executives and their families to participate in our welfare benefit programs, which include health, dental, vision and life insurance programs, and the executives may continue to participate in our non-qualified deferred compensation plan.

Each executive is also subject to a non-competition and non-solicitation clause, which covers the term of the executive's employment plus the twenty-four month period following such executive's termination of employment.

Old Dominion Freight Line, Inc. Change of Control Severance Plan for Key Executives

On May 16, 2005, the Board approved and the Company immediately adopted the Old Dominion Freight Line, Inc. Change of Control Severance Plan for Key Executives (the Severance Plan) for eligible key executives as determined by the Committee (generally, a senior vice president or vice president). Under the Severance Plan, termination of a participant's employment by the Company for any reason other than for cause, death or total disability, or by the participant for good reason occurring within 36 months following a change in control, entitles the participant to receive the following benefits: receipt of base salary through the last day of the month in which the termination date occurs; a monthly benefit equal to the participant's monthly termination compensation, as defined in the Severance Plan, during the compensation continuance period; and continued participation in the Company welfare benefit plans until the earlier of the participant's death or the last day of the calendar month in which the participant receives his final payment of termination compensation. The compensation continuance period is equal to 12 calendar months plus three additional calendar months for each year of service completed by the participant as of the termination date in excess of 10 years, not to exceed 36 calendar months.

Compensation of Directors

All fees earned by our Board of Directors for services performed in 2007, consisting of annual retainer fees and meeting fees, were paid in cash in 2007 as reflected in the table below:

Name	Fees Earned or Paid in Cash (\$)	Total (\$)
J. Paul Breitbach	64,500	64,500
John R. Congdon, Jr.	35,000	35,000
Robert G. Culp, III	62,000	62,000
John A. Ebeling	49,000	49,000
W. Chester Evans, III (1)	54,750	54,750
Franz F. Holscher	50,000	50,000

(1) On October 15, 2007, Mr. Evans resigned from the Board of Directors and received no further compensation for his services after that date.

On July 31, 2006, the Board of Directors approved our current fee structure for outside directors, which was effective immediately. The annual retainers, for both the Board and its Committees, are paid ratably throughout the year at each of the four planned Board meetings. The current fee structure for directors is provided below:

	Board of Directors (\$)	Audit Committee (\$)	Compensation Committee (\$)	Governance and Nomination Committee (\$)
Annual Retainer, Chair	N/A	10,000	7,500	7,500
Annual Retainer - Member	27,500	5,000	3,000	3,000
Meeting Attendance Fee	1,500	1,500	1,500	1,500

There is no compensation provided for attendance at a telephonic meeting. All directors receive reimbursement of business expenses incurred as a director. Each of Earl E. Congdon, John R. Congdon and David S. Congdon, who are also our officers, receive no retainers or meeting fee compensation for Board services.

RELATED PERSON TRANSACTIONS*Family Relationships*

Earl E. Congdon, the Executive Chairman of our Board of Directors, is the brother of John R. Congdon, the Vice Chairman of our Board of Directors, and is the father of David S. Congdon, our President and Chief Executive Officer. John B. Yowell, our Executive Vice President and Chief Operating Officer, is the son-in-law of Earl E. Congdon. John R. Congdon, Jr., a director, is the son of John R. Congdon. Earl E. Congdon, John B. Yowell and John R. Congdon may be deemed to each beneficially own more than 5% of our common stock.

Transactions with Old Dominion Truck Leasing, Inc.

Old Dominion Truck Leasing, Inc. (Leasing), a North Carolina corporation whose voting stock is owned by the Earl E. Congdon Intangibles Trust, David S. Congdon, Trustee; the John R. Congdon Revocable Trust; and members of Earl E. Congdon's and John R. Congdon's families, is primarily engaged in the business of leasing tractors, trailers and other vehicles. John R. Congdon is Chairman of the Board of Leasing, and Earl E. Congdon is Vice Chairman of the Board of Leasing. Since 1986, we have combined our requirements with Leasing for the purchase of tractors, trailers, equipment, parts, tires and fuel. We believe that the termination of this arrangement would not have a material adverse impact on our financial results.

In 2007, we charged Leasing \$4,000 for vehicle repair, maintenance and other services we provide to Leasing at cost plus a negotiated markup.

We purchased \$257,000 of maintenance and other services from Leasing in 2007. We believe that the prices we pay for such services are lower than those that would be charged by unaffiliated third parties for the same quality of work, and we intend to continue to purchase maintenance and other services from Leasing, provided that Leasing's prices continue to be favorable to us.

We also paid Leasing \$588,000 for leased equipment in 2007. This leased equipment was primarily utilized by our customers, who reimbursed us for the lease amount through a periodic billing process that included charges for additional services we provided to these customers.

Split-Dollar Life Insurance Policies

We are a party to two split-dollar life insurance contracts insuring the life of John R. Congdon. We have endorsed a total of \$2,000,000 of the death benefits provided by these policies to Mr. Congdon's spouse and the compensation to Mr. Congdon resulting from this transaction has been reported in the All Other Compensation column of the Summary Compensation Table in this proxy statement.

Audit Committee Approval and Related Person Transaction Policy

Each of the foregoing transactions or series of transactions was reviewed and approved by the Audit Committee of our Board of Directors during 2007. In considering whether to approve such transactions, the Audit Committee determined that they were fair to us and that the terms and conditions of the transactions were substantially the same as, or more favorable to us than, transactions that would be available from unaffiliated parties. Any extensions, modifications or renewals of the foregoing transactions, or any new transactions that involve us and a related party, must be approved by the Audit Committee and must be on terms no less favorable to us than the terms that could be obtained in a similar transaction with an unaffiliated party in accordance with our written Related Person Transactions Policy, which was adopted by the Board of Directors in April 2007.

Our Related Person Transactions Policy governs the procedures for review and consideration of all related person transactions involving the Company to help ensure that any such transactions are identified and given appropriate consideration. Generally, any transaction, arrangement or relationship with a related person, as defined by Item 404 of Regulation S-K under the Securities Exchange Act of 1934, in an amount exceeding \$120,000 and in which the Company was or would be a participant, requires the approval of the Audit Committee or a majority of the disinterested members of the Board. In making such approval, the Audit Committee will consider all of the relevant facts and circumstances to ensure that the proposed transaction is in the best interest of the Company and our shareholders.

In conducting its review of any proposed related person transaction, the Audit Committee will consider all of the relevant facts and circumstances available to the Audit Committee, including but not limited to (i) the benefits to the Company; (ii) the impact on a director's independence in the event the related person is a director, an immediate family member of a director or an entity in which a director is a partner, shareholder or executive officer; (iii) the availability of other sources for comparable products or services; (iv) the terms

of the proposed related person transaction; and (v) the terms available to unrelated third parties or to employees generally in an arms-length negotiation. No member of the Audit Committee will participate in any review, consideration or approval of any related person transaction with respect to which such member or any of his or her immediate family members is the related person.

Notwithstanding the foregoing, the Audit Committee has adopted a special approval process for certain transactions that the Company has entered into and will likely continue entering into with Leasing. These transactions include the following four types of transactions with Leasing, which have been separately approved by the Audit Committee: (i) vehicle repair, maintenance and other services that the Company provides to Leasing in an amount not to exceed \$120,000 in any period since the last review of services by the Audit Committee (Type 1); (ii) vehicle repair, maintenance and other services that Leasing provides to the Company in an amount not to exceed \$120,000 in any period since the last review of services by the Audit Committee (Type 2); (iii) leases of dedicated equipment for specific customers, who reimburse us for the lease amount through a periodic billing process that includes charges for additional services we provide (Type 3); and (iv) combined purchasing with Leasing of tractors, trailers, equipment, parts, tires and fuel to obtain volume price discounts, subject to review by the Audit Committee no less frequently than quarterly to confirm that the combined purchasing arrangement continues to be in the best interests of the Company (Type 4). In the event of a Type 3 transaction and prior to providing leased equipment to the Company's customers, the Company shall obtain a minimum of three bids from vendors approved by the customer. When Leasing is one of the vendors approved to submit bids, the Company shall disclose to the customer its affiliation with Leasing. Any Type 3 transaction in connection with which the Company receives commissions or other financial benefit from Leasing in an amount that, together with all other Type 3 transactions entered into since the last review of such transactions by the Audit Committee, exceeds \$120,000 shall require the approval of the Audit Committee. With respect to each such transaction that is entered into or in conjunction with Leasing, the Audit Committee shall not approve such transaction unless it determines that such transaction is in the best interest of the Company and its shareholders and that the terms are at least as favorable as those that could be obtained in an arms-length negotiation.

In accordance with the Related Person Transactions Policy, the Audit Committee will also perform an annual review of previously approved related person transactions greater than \$120,000 that remain ongoing and have a remaining term of more than six months. Based on the relevant facts and circumstances, the Audit Committee shall determine if it is in our best interest to continue, modify or terminate any ongoing transaction, arrangement or relationship.

**PROPOSAL 2 APPROVAL OF THE MATERIAL TERMS OF THE OLD DOMINION FREIGHT LINE,
INC. PERFORMANCE INCENTIVE PLAN**

The Compensation Committee and the Board of Directors have approved the adoption of the Old Dominion Freight Line, Inc. Performance Incentive Plan (or the PIP Plan), subject to shareholder approval of the material terms of the PIP Plan at the annual meeting. The discussion that follows provides a summary of the material terms of the PIP Plan.

Background

We have historically provided cash incentive award opportunities to designated employees under our XPS Plan. The XPS Plan, which has been in effect for over 45 years, provides monthly cash incentives to the named executive officers and other selected employees based on attainment of specified performance goals. See Compensation Discussion and Analysis and Executive Compensation Summary Compensation Table, above. The PIP Plan would replace and extend the general framework of the XPS Plan, but is intended to enable us to maximize Company deductions for compensation paid to certain employees under our cash incentive program.

Under Code Section 162(m) and related regulations, compensation in excess of \$1,000,000 paid in any one year to a public corporation's covered employees (generally, the principal executive officer and

the three most highly compensated officers, other than the principal financial officer) who are employed by the corporation at year end will not be deductible for federal income tax purposes unless the compensation is considered qualified performance-based compensation under Code Section 162(m) (or another exemption is met). Code Section 162(m) and related regulations require that shareholders approve the material terms of the performance goals under which compensation may be paid under a plan in order for the qualified performance-based compensation deduction exception to be available. In an attempt to preserve, to the extent practicable, our ability to deduct compensation payable under the PIP Plan to covered employees, we are proposing that shareholders approve the material terms of the PIP Plan. The material terms subject to shareholder approval include: (i) the employees eligible to receive compensation; (ii) a description of the business criteria upon which the performance goal is based; and (iii) the formula used to calculate the amount of compensation to be paid, if the performance goal is met. These material terms are described below.

The effective date of the PIP Plan is January 1, 2009 and would continue until it is terminated or suspended by the Board of Directors.

The Compensation Committee intends to continue the XPS Program for 2008 (See Compensation Discussion and Analysis, above). In the event that the PIP Plan is not approved by the shareholders, the Compensation Committee intends to revisit our cash incentive structure for our named executive officers for 2009, although it is anticipated that any such incentive program would continue to be performance-based and to emphasize at-risk compensation.

Eligibility

Participants in the PIP Plan will be those employees of the Company who are selected or meet the guidelines set by the Compensation Committee. At this time, 63 employees are eligible and participate in the XPS Plan and we anticipate that generally the same levels of employees would participate in the PIP Plan. Participation in the XPS Plan has generally been limited to employees at the departmental director level or above (including the named executive officers). Non-employee service providers and non-employee directors are not eligible to participate.

Administration; Amendment and Termination

The PIP Plan will be administered by the Compensation Committee or a subcommittee of the Compensation Committee. To the extent required by Code Section 162(m), the Compensation Committee will be comprised of at least two members who are outside directors as defined under Code Section 162(m). The Compensation Committee will have the authority to take any action with respect to the PIP Plan, including but not limited to the authority to: (i) determine all matters related to awards, including selection of individuals to be granted awards and all other terms, conditions, restrictions and limitations of an award; and (ii) construe and interpret the PIP Plan and any related documents, establish and interpret rules and regulations for plan administration and make all other determinations necessary or advisable for administering the PIP Plan. The Compensation Committee may delegate authority to specified officers to grant awards and make other determinations with respect to such awards, but only with respect to matters which would not affect the deductibility under Code Section 162(m) of compensation paid to covered employees (and provided that such delegation is in accordance with applicable laws, rules and regulations).

The Board of Directors may amend, discontinue or terminate the PIP Plan in whole or in part at any time, subject to: (a) shareholder approval of any amendments if required by applicable laws, rules or regulations; and (b) participant consent if such action may adversely affect any award earned and payable under the plan at that time. However, the Board of Directors has unilateral authority to amend the PIP Plan and any award (without participant consent) to the extent necessary to comply with applicable laws, rules or regulations or changes to applicable laws, rules and regulations. The Compensation Committee has the authority to make adjustments to awards and performance objectives upon the occurrence of certain unusual or nonrecurring events or other similar circumstances, but does not have

the discretion to increase the amount of an award payable under the PIP Plan to any participant who is a covered employee. In addition, the Compensation Committee's authority to grant awards and authorize payments under the PIP Plan does not restrict its authority to grant compensation to employees under our Company compensation plans or programs.

Performance Objectives

Under the PIP Plan, cash incentive opportunities are based upon a participant's fixed percentage, or participation factor, of our monthly income before tax and the effects, if any, of a change in accounting principles, extraordinary items or discontinued operations determined in accordance with U.S. generally accepted accounting principles and subject to a minimum threshold of profitability before any payouts may be made. This measurement, which we refer to as IBT, includes the impact of the expense related to the estimated payout of the cash incentive for the performance period. Although the PIP Plan's performance factor is limited to IBT, the Compensation Committee retains discretion to determine from time to time, among other things, (i) the minimum level of profitability that must be met before payments may be made and (ii) the participation factor for each participant. Under the PIP Plan, these determinations will generally be made by the Compensation Committee before the beginning of the next plan year (that is, the calendar year), and, in any event, in accordance with Code Section 162(m) requirements applicable to covered employees. For 2008, under the existing XPS Plan, IBT for a month must exceed 2% of revenue from operations for such month, determined in accordance with U.S. generally accepted accounting principles and after including the impact of any potential incentive payments, before any incentive payments may be made. Although the Compensation Committee generally will establish the participation factors and minimum profitability threshold on an annual basis, the earning of cash incentives under the PIP Plan will be based on one-month performance periods.

Earning and Payment of Awards; Award Limitations

As soon as practicable after the end of each monthly performance period, the Company will determine if the performance goals were met and, if so, will calculate the incentive amount payable to each participant. The formula used to calculate each participant's monthly incentive amount is as follows:

$$\text{Monthly IBT} \times \text{PIP Plan Participation Factor} = \text{PIP Plan Monthly Payout}$$

The XPS Plan participation factors for our named executive officers for 2007 and 2008 are reflected in the table on page 19 of this proxy statement. The Compensation Committee has authority to change the PIP Plan participation factors for each participant; however, the maximum participation factor and, therefore, the maximum amount payable under the PIP Plan to each participant will not exceed 1.50% of IBT in each performance period. As a result, no participant will receive in excess of \$15 for each \$1,000 of IBT in a performance period. In addition, a limit of no more than 15% of IBT is available to be paid to the participants under the PIP Plan.

Cash incentives earned under the PIP Plan will be paid as soon as practicable following the end of the monthly performance period and determination of the amount of the award; provided, that, with respect to covered employees, the Compensation Committee (or a subcommittee) must certify to what extent the performance factors were met and the amount, if any, that was earned by each covered employee. In any event, amounts payable under the PIP Plan will be paid no later than 2-1/2 months after the end of the taxable year in which the amount ceases to be subject to a substantial risk or forfeiture, or otherwise in accordance with Code Section 409A (discussed below).

The Compensation Committee has discretion to reduce, modify or eliminate the amount of an award otherwise earned and payable under the PIP Plan but does not have the discretion to increase the amount of an award payable under the PIP Plan to any participant who is a covered employee. We reserve the right to pay discretionary bonuses outside of the PIP Plan if it is determined that it is in our best interest to do so.

Effect of Termination and Other Events; Covenants; Offset and Recoupment

If a participant terminates employment before the end of the performance period, the participant will forfeit the incentive (and subsequent incentives) unless the Compensation Committee determines otherwise. However, the Compensation Committee retains discretion to determine whether awards will be paid or forfeited in the event of a participant's termination of employment or other events; provided, however, that, with respect to covered employees, any such pro rata payment may only be made following the completion of the performance period and only if (and to the extent that) the incentives would have otherwise been earned by the covered employee. In addition, the Compensation Committee may require a participant to enter into non-competition, non-solicitation, confidentiality or other similar covenants as a condition to the grant of an award or receipt of payments under the PIP Plan. Further, we may reduce the amount of any payment otherwise payable to a participant under the PIP Plan by the amount of any obligation of the participant to us that is or becomes due and payable and any compensation payable to a participant under the PIP Plan will be subject to any recoupment, clawback or similar Company policy.

Transferability

Unless the Compensation Committee determines otherwise, awards and any other right under the PIP Plan may not be transferred, pledged or assigned, except by designation of a beneficiary or by will or the laws of intestate succession.

Certain Federal Income Tax Consequences

The following summary generally describes the principal U.S. federal (and not foreign, state or local) income tax consequences of awards granted under the PIP Plan as of the date of this proxy statement. The summary is general in nature and is not intended to cover all tax consequences that may apply to a particular employee or to us. The provisions of the Code and regulations thereunder relating to these matters are complicated and their impact in any one case may depend upon the particular circumstances.

In general, a participant in the PIP Plan will be taxed at ordinary income rates on any cash incentive in the year received. Generally, we will receive a federal income tax deduction corresponding to the amount included in the participant's income (subject to compliance with the Code Section 162(m) requirements described herein). We will withhold any amounts required by any governmental authority to be withheld with respect to incentive payments.

Code Section 409A

Code Section 409A imposes certain requirements on compensation that is deemed under Code Section 409A to involve deferred compensation. Awards granted under the PIP Plan are designed to be exempt from (or comply with) Code Section 409A. However, if Code Section 409A is deemed to apply to the PIP Plan or any award, and the PIP Plan and award do not, when considered together, satisfy the requirements of Code Section 409A during a taxable year, the participant will have ordinary income in the year of non-compliance in the amount of all deferrals subject to Code Section 409A to the extent that the award is not subject to a substantial risk of forfeiture. The participant will be subject to an additional tax of 20% on all amounts includable in income and may also be subject to interest charges under Code Section 409A. Subject to Code Section 162(m) and certain reporting requirements, we will be entitled to an income tax deduction with respect to the amount of compensation includable as income to the participant. We have no responsibility to take, or to refrain from taking, any actions in order to achieve a certain tax result for any participant.

Performance-based Compensation Section 162(m) Requirements

The PIP Plan is structured to comply with the requirements imposed by Code Section 162(m) and related regulations in order to preserve, to the extent practicable, our tax deduction for awards made under the PIP Plan to covered employees. As described above, Code Section 162(m) generally denies an employer a deduction for compensation paid to covered employees of a publicly held corporation in excess of \$1,000,000 unless the compensation is exempt from the \$1,000,000 limitation because it is performance-based compensation.

New Plan Benefits

As noted above, awards made under the PIP Plan are made at the Compensation Committee's discretion and are based on attainment of performance goals. Since IBT is not known for future performance periods, it is not possible to determine at this time the exact amount of the awards that could be paid under the PIP Plan. The PIP Plan limits the maximum amount of IBT that can be paid in the aggregate to the participants to 15%, with no participant receiving more than 1.5%. The cash incentives that were paid to the named executive officers for fiscal years 2006 and 2007 under the XPS Plan are described above in the Summary Compensation Table.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE APPROVAL OF THE MATERIAL TERMS OF THE PERFORMANCE INCENTIVE PLAN.

**PROPOSAL 3 AMENDMENT TO THE OLD DOMINION FREIGHT LINE, INC. AMENDED AND
RESTATED BYLAWS TO INCREASE THE MAXIMUM NUMBER OF DIRECTORS WHO MAY SERVE
ON OUR BOARD OF DIRECTORS**

Our Amended and Restated Bylaws (the Bylaws), as currently in effect, provide that the authorized number of directors of Old Dominion Freight Line, Inc. may range from five to nine. Under Article 3, Section 2 of the Bylaws, both the Board of Directors (the Board) and the shareholders are authorized to fix the exact number within this range. On October 29, 2007, the Board approved an amendment to the Bylaws to increase the maximum number of directors that may serve on the Board from nine to twelve, subject to compliance with Section 13.1-675(C) of the Virginia Stock Corporation Act, which requires shareholder approval to change the range for the size of the board of directors.

Pursuant to the Board's proposed amendment, the first sentence of Article 3, Section 2 (Number, Term and Qualification) of the Bylaws would be amended to read as follows:

The number of directors of the corporation shall be not less than five nor more than twelve individuals.

The purpose of the proposed amendment is to increase the maximum number of directors who may serve on the Board. The proposed amendment does not immediately increase the current size of the Board or create vacancies on the Board. However, upon shareholder approval of the proposed amendment, the Board would be authorized, without obtaining additional shareholder approval, to increase the size of the Board to up to twelve directors and would be authorized to appoint one or more directors to fill the new position or positions created.

Our Board is currently at its maximum allowable size. The Board's Governance and Nomination Committee, along with our entire Board, believes that it may be beneficial to add qualified individuals to the Board in the future, including (but not limited to) additional persons who satisfy the definition of independent director, as that term is defined by Rule 4200(a)(15) of The NASDAQ Stock Market LLC. By giving the Board the power to increase the maximum size of the Board beyond its current maximum size of nine, the proposed amendment would enhance our ability to attract additional qualified directors when and if available.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR APPROVAL OF AN AMENDMENT TO THE OLD DOMINION FREIGHT LINE, INC. AMENDED AND RESTATED BYLAWS TO INCREASE THE MAXIMUM NUMBER OF DIRECTORS WHO MAY SERVE ON OUR BOARD OF DIRECTORS.

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM
FEES AND SERVICES

At its next scheduled meeting on May 28, 2008, the Audit Committee of the Board of Directors expects to select the independent registered public accounting firm to audit our financial statements and our internal control over financial reporting for the year ended December 31, 2008. Beginning in 2009, the Audit Committee plans to ask shareholders to annually ratify its selection of the independent registered public accounting firm. A representative of Ernst & Young LLP, which has served as our independent registered public accounting firm since 1994, is expected to be present at the Annual Meeting and will have the opportunity to make a statement if he or she desires to do so and to respond to any appropriate questions.

Ernst & Young LLP charged the following fees for services relating to fiscal years 2007 and 2006:

	Fiscal 2007	Fiscal 2006
Audit Fees	\$ 660,000	\$ 627,000
Audit-Related Fees		
Tax Fees	88,000	58,000
All Other Fees		
Total	\$ 748,000	\$ 685,000

Audit Fees. This category includes the aggregate fees billed for professional services rendered for the audits of our financial statements for fiscal years 2007 and 2006, including fees associated with the reviews of our quarterly reports on Form 10-Q, and for services that are normally provided by the independent registered public accounting firm in connection with regulatory filings or engagements for the relevant fiscal years. Audit fees also include the aggregate fees billed for professional services rendered for the (i) attestation of management's assessment of the effectiveness of the Company's internal control over financial reporting, as required by Section 404 of the Sarbanes-Oxley Act and related SEC rules, in 2006 and (ii) the audit of the Company's internal control over financial reporting.

Audit-Related Fees. This category includes the aggregate fees billed in each of the last two fiscal years for assurance and related services by the independent registered public accounting firm that are reasonably related to the performance of the audits or reviews of the financial statements and which are not reported above under *Audit Fees*.

Tax Fees. This category includes the aggregate fees in each of the last two fiscal years for professional services rendered by the independent registered public accounting firm for tax compliance, tax planning and tax advice. Tax compliance includes the preparation of state and federal income tax returns. Tax planning and tax advice includes assistance with various tax accounting methods, analysis of various state filing positions and assistance in obtaining state and federal tax credits.

All Other Fees. This category includes the aggregate fees in each of the last two fiscal years for products and services provided by the independent registered public accounting firm that are not reported above under *Audit Fees*, *Audit-Related Fees* or *Tax Fees*.

Our engagement of Ernst & Young LLP in 2007 to provide these services described above was approved by the Audit Committee in accordance with our written pre-approval policy.

ANNUAL REPORT ON FORM 10-K

Shareholders may obtain a copy of our Annual Report on Form 10-K as filed with the SEC for the year ended December 31, 2007, without charge, from our web site, <http://www.odfl.com>, or by writing to J. Wes Frye, Senior Vice President Finance, Chief Financial Officer, Treasurer and Assistant Secretary, Old Dominion Freight Line, Inc., 500 Old Dominion Way, Thomasville, North Carolina 27360. Exhibits are not included, but copies of them may be obtained upon payment of copying charges.

HOUSEHOLDING OF ANNUAL MEETING MATERIALS

Some banks, brokers or other nominee record holders may be participating in the practice of householding proxy statements and annual reports. This means that only one copy of our proxy statement or Annual Report to Shareholders may have been sent to multiple shareholders in the same household. We will promptly deliver a separate copy of either document to any shareholder upon request submitted in writing to the following address: Old Dominion Freight Line, Inc., 500 Old Dominion Way, Thomasville, North Carolina 27360, Attention: J. Wes Frye, Senior Vice President Finance, Chief Financial Officer, Treasurer and Assistant Secretary or by contacting us at (336) 889-5000. Any shareholder who wants to receive separate copies of the Annual Report to Shareholders and proxy statements in the future, or who is currently receiving multiple copies and would like to receive only one copy for his or her household, should contact his or her bank, broker or other nominee record holder, or contact us at the above address or telephone number.

DEADLINE FOR SHAREHOLDER PROPOSALS

Any shareholder desiring to present a proposal for inclusion in the proxy statement to be acted upon at our 2009 Annual Meeting in accordance with Rule 14a-8 must ensure that the proposal is received by the Company at its principal executive offices no later than December 23, 2008.

In addition to any other applicable requirements, for business to be properly brought before the Annual Meeting by a shareholder, even if the proposal is not to be included in the Company's proxy statement, our bylaws provide that the shareholder must give timely notice of such business in writing to the Secretary of the Company at least 60 days and not more than 90 days prior to the meeting, except that if public disclosure of the date of the meeting is given less than 70 days prior to the meeting, notice by the shareholder will be considered timely if received by the Secretary by the close of business on the 10th day after public disclosure of the date of the meeting. As to each item of business, the notice must contain (i) a brief description of the business to be brought before the meeting and the reasons therefore; (ii) the name and the address of record of the shareholder and the number of shares of the Company's common stock owned of record or beneficially by the shareholder; and (iii) any material interest the shareholder has in the proposed business, other than in his or her capacity as a shareholder. If written notice is not timely given, the proposal will be considered untimely and the Company may exclude the proposal from consideration at the meeting. If the proposal is permitted to be considered at the meeting, the proxies appointed pursuant to the proxy cards will have discretionary authority to vote for or against the proposal even if the proposal was not discussed in the proxy statement.

By Order of the Board of Directors

Joel B. McCarty, Jr.
Secretary

Thomasville, North Carolina

April 22, 2008

PROXY

OLD DOMINION FREIGHT LINE, INC.

THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS AND WILL BE

VOTED AS SPECIFIED BY THE SHAREHOLDER.

The undersigned shareholder of Old Dominion Freight Line, Inc. designates Earl E. Congdon, John R. Congdon and Joel B. McCarty, Jr., and any of them, agents to vote the shares of the undersigned at the Annual Meeting of Shareholders, Wednesday, May 28, 2008, at 10:00 a.m. Eastern Daylight Time, and at any adjournment thereof, as follows:

Please sign the proxy printed on the other side and return it at once unless you expect to attend the meeting in person. The shares represented by this proxy will be voted in accordance with the instructions of the undersigned shareholder(s) when instructions are given in accordance with the procedures described herein and the accompanying proxy statement. This proxy, if duly executed and returned, will be voted for the proposals described herein if no instruction to the contrary is indicated. If any other business is presented at the meeting, this proxy will be voted in accordance with the best judgment of the agents named above.

(Continued on reverse side)

ANNUAL MEETING OF SHAREHOLDERS OF

OLD DOMINION FREIGHT LINE, INC.

May 28, 2008

Please date, sign and mail your proxy card in the envelope provided as soon as possible.

Please detach along perforated line and mail in the envelope provided.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR ALL PROPOSALS. PLEASE SIGN, DATE AND RETURN PROMPTLY IN THE ENCLOSED ENVELOPE. PLEASE MARK YOUR VOTE IN BLUE OR BLACK INK AS SHOWN HERE x

- (1) To elect nine directors to the Company's Board of Directors for one-year terms and until their successors have been elected and qualified or until their death, resignation, removal or disqualification or until there is a decrease in the number of directors.
(2) Approval of the material terms of the Old Dominion Freight Line, Inc. Performance Incentive Plan.
(3) Amendment to the Old Dominion Freight Line, Inc. Amended and Restated Bylaws to increase the maximum number of directors who may serve on our Board of Directors from nine to twelve.

FOR ALL NOMINEES NOMINEES:
WITHHOLD AUTHORITY Earl E. Congdon
FOR ALL NOMINEES David S. Congdon
John R. Congdon
J. Paul Breitbach

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- FOR ALL EXCEPT .. John R. Congdon, Jr.
- (See instructions below) .. Robert G. Culp, III
- .. John A. Ebeling
- .. John D. Kasarda
- .. D. Michael Wray

INSTRUCTION: To withhold authority to vote for any individual nominee(s), mark **FOR ALL EXCEPT** and fill in the circle next to each nominee for whom you wish to withhold authority to vote, as shown here: 1

IF NO SPECIFICATION IS MADE WITH RESPECT TO A MATTER WHERE A BALLOT IS PROVIDED, THIS PROXY WILL BE VOTED FOR SUCH MATTER.

Your shares should be represented at the meeting either in person or by your properly completed proxy. The meeting will be held Wednesday, May 28, 2008, at 10:00 a.m. Eastern Daylight Time, at the Executive Offices of Old Dominion Freight Line, Inc., 500 Old Dominion Way, Thomasville, North Carolina 27360.

To change the address on your account, please check the box at right and indicate your new address in the address space above. Please note that changes to the registered name(s) on the account may not be submitted via this method.

PLEASE SIGN AND SEND IN YOUR PROXY CARD

THE UNDERSIGNED HEREBY RATIFIES AND CONFIRMS ALL THAT SAID AGENTS, OR ANY OF THEM OR THEIR SUBSTITUTES, MAY LAWFULLY DO OR CAUSE TO BE DONE BY VIRTUE HEREOF, AND ACKNOWLEDGES RECEIPT OF THE NOTICE OF THE ANNUAL MEETING, THE ACCOMPANYING PROXY STATEMENT AND THE ANNUAL REPORT TO SHAREHOLDERS FOR THE YEAR ENDED DECEMBER 31, 2007.

Signature of Shareholder _____ Date: _____ Signature of Shareholder _____ Date: _____

Note: Please sign exactly as your name or names appear on this Proxy. When shares are held jointly, each holder should sign. When signing as executor, administrator, attorney, trustee or guardian, please give full title as such. If the signer is a corporation, please sign full corporate name by duly authorized officer, giving full title as such. If signer is a partnership, please sign in partnership name by authorized person.