



Armanino Welcomes You To Today's Webinar:
Equity Administration Software Selection Tips

The presentation will begin in a few moments

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- Use a personal computer (no PDAs) and log in with your own information and unique URL
- Be logged into our online software for at least 50 consecutive minutes within the scheduled time frame of the webinar
- Actively respond to at least 75% of the polling questions
- Complete evaluation survey at the end of the webinar

Based on the California Code of Regulations, Board of Accountancy Requirements
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About the Presenters



Scott Schimberg, Director

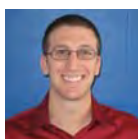
Scott has more than 20 years of financial executive, operations and consulting experience in public and private companies and has held positions as Controller and Vice President, Finance and Administration.

Scott returned to Consulting after working as the head of finance for a Med Tech company that filed an S-1. While working for TRIABeauty Inc. (TRIA), Scott learned first-hand how to address a company's stock compensation audit readiness by managing the initial audit for the company all the way through filing an S-1.

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About the Presenters



Scott Schwartz, Manager

Scott has worked in the legal and financial industries, providing financial and consulting services to public and private companies, as well as entrepreneurs.

He has provided extensive equity compensation and valuation services to clients, as well as financial modeling and process re-engineering assistance. Scott has worked with auditors' related to stock-based compensation and other equity transactions. He has also completed various specialized training courses in business valuations, fraud, equity compensation administration, excel, and other continuing professional education.

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Learning Objectives



During today's webinar, participants will:

- Calculate the total cost of an equity plan
- Analyze who should influence the software selection decision
- Appraise the right time for an equity administration software investment
- Discover key criteria to consider when selecting equity software



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Presentation Overview




- Cost of Your Equity Plan
- Self-Assessment
- Making the Decision
 - Stakeholders
 - Timing
 - Process
- Software Requirements



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Polling Question # 1


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The correct answer for question #1 is...

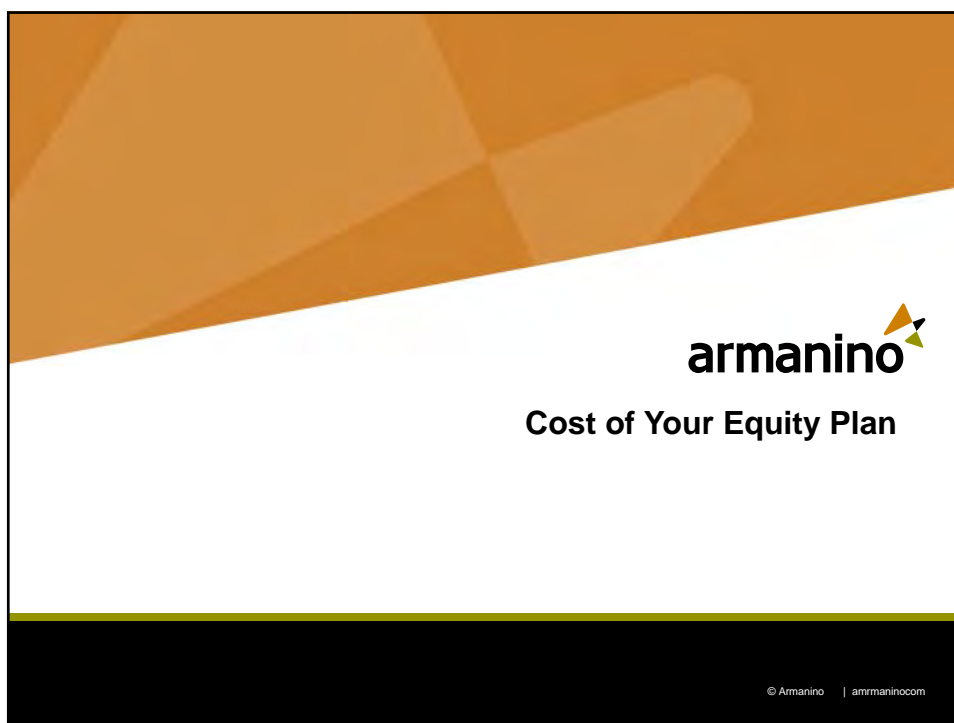
- B. - False




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Total Cost of "An Equity Plan"



- Stems across multiple departments internally
- Recognize all of your external costs
- Think about it annually/TCO



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Those Involved...

**Internal**

- You
- Finance Department
- HR Department
- Tax Department
- Payroll
- Participants



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Those Involved...


**External**

- Legal Counsel
- Consultants
 - Administrators
 - ASC 718 (FAS 123R)
 - Tax
- Valuation Firm
- Auditors
- Transfer Agent
- Software



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Polling Question # 2


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The correct answer for question #2 is...

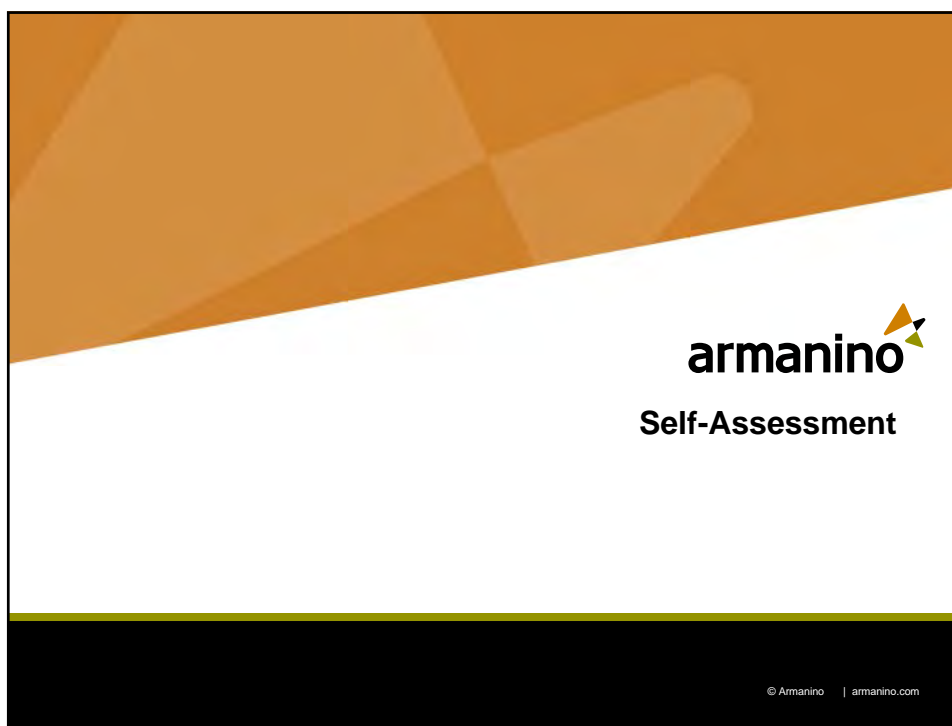
- B. - Administration




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Self-Assessment (6 Questions)



- 1. What are my business objectives/needs?**
 - IPO Readiness
 - Cost Saving
 - Ease Administrative Burden
 - Reporting
- 2. Where do I have the most challenges?**
- 3. What are alternatives?**



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This slide is titled 'Self-Assessment (6 Questions)'. It features a portrait of a man in a blue shirt in the top right corner. The main content is a list of three questions. The first question, '1. What are my business objectives/needs?', has four bullet points: 'IPO Readiness', 'Cost Saving', 'Ease Administrative Burden', and 'Reporting'. The second question is '2. Where do I have the most challenges?' and the third is '3. What are alternatives?'. To the right of the first question is an image of a hand holding a coin over a background of US currency. The Armanino logo is in the bottom right, and the copyright notice '16 © Armanino | armanino.com' is in the bottom left.

Self-Assessment (cont'd)



4. Where will technology solve problems? Where will it not?
5. What type of solution am I looking for?
6. Where do I expect my company to be in a year / three years?

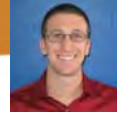
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Making the Decision

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Examine Key Stakeholders



Most Important

- Finance Department
- Board of Directors
- HR Department
- Participants
- Legal
- Auditors
- IT

Influence Decision

- System Users
 - Finance
 - HR
- IT
- Auditors



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Polling Question # 3

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The correct answer for question #3 is...

- B. - False



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Key Timing Considerations




- No Formula for Ideal Time
 - Before First Audit
 - Before Financing – Cap Table more complicated
 - Before Complex Vesting Schedules
- Wrong Time – Waiting until Liquidity Event
 - Audit/IPO
 - M&A activity



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Polling Question # 4

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Software Requirements

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Key Software Requirements



- Public vs. Private requirements
- Solves your pain points
- Implementation Strategy
- Participant Interface
- Post-implementation support



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Meet your needs



Department	Requirement
HR	Administrative needs (different award types)
Payroll	Tax calculations
Accounting	Fair value and expense calculations, Journal entries
Tax	ISO/NSO; DTA
Legal	Stock ledger/Cap Table
Board	Cap Table
Participants	Self-service

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Financial Reporting



- Journal Entries
- Disclosure Reports – all data needed
- Tax
- EPS
- Insider Reporting
- Automated Reporting



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Polling Question # 5

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The correct answer for question #5 is...

- D. – All of the above



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Why does equity software matter?



- Auditors
- Employee
- Executives/Board
- SEC/Public



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In Conclusion...



During this webinar, we've covered:

- How to compute your total cost of "equity ownership"
- Insights into the equity software selection process
- Key Company considerations
- Key software considerations



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What Questions Do You Have?

Submit Your Questions Now!



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