

## SOS IPO TRANSITIONING SERVICES

Stock & Option Solutions, Inc. (SOS) offers specialized equity plan solutions for companies going through the Initial Public Offering (IPO) experience. These services generally include:

- **Project & Logistics Management**
  - End to End & Scalable
- **Accounting (FAS123R/Amortization/DTA/EPS)**
  - Cheap Stock Review
  - Equity Award Modification Review
- **Audit/reconciliation of records and software:**
  - Board of Directors minutes, grants, grant agreements
  - Outside Counsel Historical Equity Transactions & Capitalization Table
  - Exercises and repurchases
  - Personnel data, terminations, LOA's
  - Fair market values
  - Ongoing audit/reconciliation procedures
  - Plan Reserve/Share Ratio Balance Analysis and Forecasting
- **Implement Equity Related Legal Compliance Requirements**
  - Section 16 policies and procedures
  - Insider Determination
  - Insider Policy Drafting & Maintenance Procedures
  - Pre-clearance procedures
  - Initial communications
  - Form 3, 4, and 5 preparation and EDGAR filing process set-up
  - Implement 10b5-1 plan with Broker
  - Implement Rule 144 and 701 clearance procedures
  - Preparation of stock-related data for inclusion in regulatory filings (FAS123 valuation, S-1, 10-Q, 10-K, proxy)

### **Vendor Analysis & Implementation:**

- **Equity System setup:**
  - System/Vendor selection, contract negotiations and implementation
  - Data Flow Procedures and Automation
  - Equity Related Transaction Procedure Design, Implementation & Processing
- **Transfer Agent setup:**
  - Cap Table Review
  - Transfer agent selection, implementation, account set-up
  - Ongoing audit/reconciliation procedures
  - Post-IPO certificate exchange process:
    - Letter of transmittal
    - Certificate collection and reissuance (if applicable)
- **Broker setup:**

- Broker selection, contract negotiations and implementation
- Employee communications, account set-up
- Transaction processing and settlement
- Ongoing audit/reconciliation procedures
- **Employee communications:**
  - Written policies and procedures, FAQs, forms
  - In-person presentations
  - New hire orientations
  - Employee Intranet
  - Standardized documentation (new offer letters, grant agreement packages, exercise confirmations, year-end tax statements, Section 6039 statements)
- **Reporting:**
  - Accounting/finance, HR, payroll, International
- **International Equity Procedure Assessment**
  - Procedure Design for Cash Flow, Equity and Tax Requirements
  - Implement Best Practices
- **Employee Stock Purchase Plan:**
  - Plan design and documentation
  - Database set-up
  - Employee communications
  - Initial enrollment, ongoing enrollments/changes/withdrawals
  - Payroll interface set-up
  - Disposition reporting
  - Ongoing audit/reconciliation procedures
- **Stock admin policies and procedures:**
  - New grants, changes, personnel updates, broker/payroll/transfer agent interfaces, exercise transaction processing, reporting
  - LOA's
  - Cash Flow Procedures (wires, international transfers, etc)
  - Ongoing Data Feeds
    - HR
    - Payroll
    - International locations
    - Vendors
- **Stock Plan Outsourcing / Staffing**
  - ESPP enrollments, contributions, purchase processing, disposition reporting
  - Transactional Activity (New Grants, Exercises, Terminations & periodic Reporting)
  - Administrator Handbook
  - Training for ongoing administration
- **Lockup agreements and expiration coordination:**
  - Distribution, collection, and tracking of lockup agreements prior to IPO
  - Preparation for lockup expiration