

Proxy 911: Help is on the Way!

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Materials

A link to the materials was sent to all registered attendees.

If you did not receive the email, materials are also available here:

http://www.sos-team.com/pdfs/proxy_services.pdf

Disclaimer

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Anyone viewing this presentation should not act upon this information without seeking professional counsel and/or input from their advisors.

Agenda

The Top 10

- 10 ways SOS can help YOU sail through proxy season

Top 10: Proxy Assistance

Scenario #1 – Proxy 101

- New to proxy or equity compensation?
- Or just confused?
 - Get an overview of applicable regulations
 - Identify which tables will need your input
 - Understanding the meaning and context for each table
 - Learn about new initiatives and emerging trends

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Scenario #1 – Proxy 101

How we can help:

- Proxy education: let us walk you through it!
 - Regulations
 - Tables: context and requirements
 - Initiatives and Trends
 - Delivery requirements
- Full 101 or specific questions

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Scenario #2 – Proxy Equity Plan Proposals

- New Plan, New Offering
 - Adding an ESPP?
 - New LTI Plan?
- Amendments to Existing Plan
 - More shares?
 - Amended terms?

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Scenario #2 – Proxy Equity Plan Proposals

How we can help:

- Review proposals with perspective on benchmarking, best practices, and implementation

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Scenario #3 – Table Completion

- Run reports, populate table information
- Use client provided reports to populate table information
- Second set of eyes on tables completed by internal Equity Admin team
- Best practice guidance

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Scenario #3 – Table Completion

How we can help:

- Lead or assist client with completion of equity table content
- Interface with other departments/contacts on behalf of the Equity team to facilitate table completion
- Review and reconcile completed table information against client reports

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Scenario #4 – SEC Late Filings Compilation

- Have any late Section 16 filings?
- Need to evaluate who/how many late filings?
- Should there be an explanation?

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Scenario #4 – SEC Late Filings Compilation

How we can help:

- Evaluate SEC filings to determine how many were late
- Review internal reports to determine if/how many were late
- Compile list and explanation

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Scenario #5 – Proxy Distribution

- Equity plan participants need to receive copy of Proxy and related materials, even if no outright shares are held
- Electronic vs. manual distribution
 - “Notice and Access” vs. “Full Delivery”
 - Requirements for default electronic delivery
- Broker and transfer agent coordination
- Separation of equity plan participant distribution from general shareholder population
- Communication plan
 - Any content in proxy statement that may need to be preemptively explained?
 - Electronic delivery notifications

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Scenario #5 – Proxy Distribution

How we can help:

- Evaluate whether default electronic delivery to employee equity plan participants is feasible
 - Consent may be required, even for active employees, if they don't have routine access to the Internet as part of their job
- Work with transfer agent and brokers to facilitate delivery to equity plan participants
- Prepare and deliver communication material
 - If electronic, employees must receive notice that they can revoke e-delivery and also request paper copies at any time

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Scenario #6 – The Peripheral Planning

- What happens when your proxy proposals are adopted?
 - New plan implementation
 - Vendor setup
 - Processes to support
 - Amendments

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Scenario #6 – The Peripheral Planning

How we can help:

- Process guidance to support new plans
- Plan setup
 - Vendor and process setup
- Participant communications
 - You worked hard to get the approval, now focus on how to get the bang for the buck!

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Scenario #7 – Staffing Resources

- Not enough hours in the day?
- Managing peak periods, such as proxy, with additional resources
 - Offload the day job to someone else?

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Scenario #7 – Staffing Resources

How we can help:

- Our People Solutions team can assist
- Expertise in day to day administration or proxy
- Short or long term

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Scenario #8 – Web site tools

- Electronic delivery consent

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Scenario #9 – A full review

- Review your proxy content
 - Tables and footnotes
 - Equity plan proposals
 - NEO determination
 - Section 16 Late Filings
 - Anything missing?
- A practical review before legal review could save time and money

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Scenario #9 – A full review

How we can help:

- Senior consultant seasoned in Proxy can review all or part of your content and provide feedback
- Not a legal review, a practical review
- Our checklist will help you to ensure nothing has been overlooked in compiling your information
- Feedback on planning for next steps post proxy

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Scenario #10 – Resource Binder

Keep a binder for each year's proxy statement

- Copies of all reports you run (or from vendor)
 - Record how filtered/sorted so can reproduce if needed
 - System may automatically note “input parameters”
 - If not, write them down on the report OR
 - Take a screenshot of the report parameters window as you run the report
- E-mails regarding data requested and any questions that came up
- Notes to yourself about issues you had
- Copies of all your supporting documentation
- Copy of final proxy statement

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Scenario #10 – Resource Binder

How we can help:

- Compile and organize all documentation and backup, attach to relevant pages of proxy and prepare binder
- Brief narrative information about the ‘why’ behind various decisions and disclosures

Contact Information



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Bio – Chris O’Harra

SOS - Sr. Equity Compensation Consultant

- Areas of expertise:
 - Restatements
 - New plan implementation
 - Project management
 - Vendor implementation
 - Process documentation

Bio – Jennifer Namazi, CEP

SOS - Director, Strategic Solutions

- **Areas of Expertise**

- IPO and M&A
- Proxy reporting
- Communications
- Infrastructure analysis/guidance
- Best practices
- Plan design and implementation

- **Industry**

- Certified Equity Professional (CEP)
- CEPI Advisory Board Member, 2002 – 2009
- Past Program Chair, San Francisco NASPP