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**TWO STEP SOFTWARE PARTNERS WITH NATIONAL CENTER FOR EMPLOYEE OWNERSHIP  
TO BENCHMARK EQUITY COMPENSATION PRACTICES**

*Hard to Find Privately-Held Company Data to be Available for Board Members and Other Advisors*

Needham, MA –June 9, 2008 —Two Step Software, Inc., a leader in stock plan administration and corporate governance solutions, announces its co-sponsorship of a survey of equity compensation practices at privately-held companies with the non-profit National Center for Employee Ownership (NCEO). See: [www.nceo.org](http://www.nceo.org)

The survey will benchmark stock option programs, focusing on key issues of who gets how much, subject to what rules -- including equity percentages and expected ranges for varying titles. It is expected to be the first survey to look at this issue in a broad group of companies, rather than just high-tech companies or the clients of compensation consultants. Names of respondents and their companies will not be revealed based on the NCEO's strict data privacy rules.

“We know from the questions we get from our customers that many venture-backed companies and their investors are looking for this type of information from a reliable source,” said Gary D. Levine, President and CEO of Two Step Software. “Since the NCEO serves as the leading source of accurate, unbiased information on employee ownership and Two Step’s solutions track ownership and governance information for more than 100,000 privately-held companies, we thought it made sense to encourage our users to participate in this important survey that will provide valuable data for insight and better decision making.”

As a co-sponsor of the survey, Two Step Software has made arrangements for those who participate to receive an executive summary of the results at no cost. In addition, respondents will be able to purchase the online, searchable survey results at a special discount -- just \$75, instead of \$150 or more (if they enter Two Step Software in Item 18 and their names and email addresses in Item 19).

“Although we realize that most privately-held companies consider their equity compensation practices highly confidential,” commented Levine, “we also know that board members and financial executives would love to get their hands on a report outlining the general trends in equity compensation practices at non-public companies so they can make their decisions based on real data points and attract the highest level of talent to their organizations.”

Two Step Software is encouraging its customers to participate as well as other members of the equity compensation tracking community, since the more people who respond, the better the results. The survey, which takes about 15 minutes to complete, can be accessed at: [http://www.twostep.com/assets/images/enewsletter/respond\\_now.png](http://www.twostep.com/assets/images/enewsletter/respond_now.png). Law firms who track stock option plans for clients are also invited to participate. For additional information, contact Christine Zwerling, NCEO Project Director, at: (510) 208-1310 or [czwerling@nceo.org](mailto:czwerling@nceo.org).

**About Two Step Software, Inc.**

Founded in 1995, Two Step Software, Inc. offers the on-demand applications Equity Focus™ and Corporate Focus™, market leading stock plan administration and corporate governance solutions, used by financial executives, stock plan administrators, law firms, and corporate legal departments to track such information for more than 100,000 companies. Two Step Software offers the only set of on-demand solutions that combine stock plan administration, equity compensation reporting, and corporate governance tracking. Two Step Software is located in Needham, Massachusetts. For more information, visit their web site at: [www.twostep.com](http://www.twostep.com) or call: (800) 223-8900.

**About The National Center for Employee Ownership (NCEO)**

The NCEO is a private, non-profit membership and research organization whose mission is to provide the most objective, reliable information possible about employee ownership at the lowest price possible. NCEO is the main publisher and research source in the field, holds dozens of webinars and live meetings annually, and provides services to thousands of members. For more information, visit their website at: [www.nceo.org](http://www.nceo.org) or call: (510) 208-1300.

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