



EquityFocus™



With the complexity of today's regulatory environment and higher levels of scrutiny from boards and auditors, stock plan administrators now require a system that integrates stockholder and stock option management, tax and accounting reporting, and good corporate governance. Stock plan administration may involve a cross departmental team that includes legal, finance and human resources. You need a system that enables everyone to rely on the same set of consolidated corporate records that combines stock plan administration, stock option expensing, and corporate governance management.

With Equity Focus, you can:

- Manage all of your stock plan information in one centralized location
- Record all employee transactions, such as option exercises and employee terminations
- Report plan summary and FAS 123R expensing information for any reporting period
- Retrieve copies of supporting board actions and corporate governance documents
- Reduce legal and financial risk by insuring a complete audit trail

When customers choose Equity Focus, they also gain the benefit of Two Step's vast experience and personal commitment to providing outstanding support, training and consulting services.

BROWSER USER INTERFACE = NO CLIENT SOFTWARE

Since Equity Focus is browser-based, there is no client software to install. The complete add, edit, viewing and reporting functionality is all in your browser. As a result, you can access the information from anywhere at any time. And since Equity Focus is hosted by Two Step, you can get started using it right away from our world-class hosting facility.

STOCK OPTION TRACKING AND FAS 123R EXPENSING = PEACE OF MIND

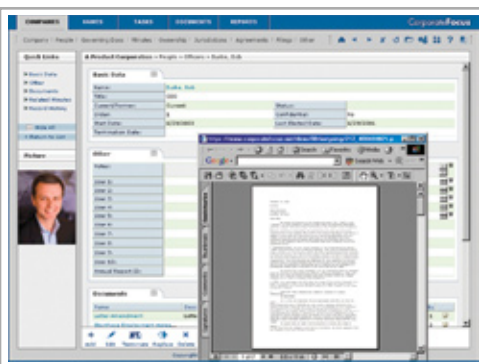
With the complexity of stock option expensing under FAS 123R, it is important that stock option administration and equity compensation accounting be combined in one system. You need to calculate the fair value of each option grant and the corresponding compensation expense for any period and any reporting group. With Equity Focus, you can avoid multiple systems and duplicate data entry by combining all of your tracking and expensing in one, consolidated system.

FULLY INTEGRATED SYSTEM = AUDITORS DREAM

Stock plan administration best practices require that all supporting documents be carefully tracked along with the related stock option records. If an issue arises, it's easy to be able to look back at the original signed documents or determine who made a change. Equity Focus is the only system that dynamically links corporate governance documents to stock plan records to insure that all your information is supported by appropriate and auditable documentation.



GENERATE FULLY DILUTED CAP TABLES



LINK DOCUMENTS TO DATA RECORDS

STOCK PLAN ADMINISTRATION

- Stock options and restricted stock
- Common and convertible preferred stock
- Membership units and partnership interests
- Warrants and other types of securities
- Dividends and distributions
- Unlimited user-defined vesting schedules
- Reserved shares management
- Summary capitalization dashboard
- Flexible fully diluted capitalization tables
- Export capitalization tables and reports to Excel
- Totals and percentages by type and name
- Drill through to see detailed ownership records
- FAS 123R Black-Scholes Valuation
- Accelerated and Straight-Line Amortization
- Date in time reporting
- Employee information tracking
- Automated stock transfers and option exercises
- Automated preferred stock conversions
- Automated stock splits and other updates
- Automated option cancellations
- Automated restricted stock repurchases
- Complete audit trail
- Email notifications to plan administrator
- Warnings when you exceed available shares
- Organization charts from capitalization information
- Scanned copies of board actions, stock certificates, option agreements and other related documents linked to all records

SAMPLE REPORTS AND DOCUMENTS

- Stock option ledgers
- Option plan summaries
- Vesting reports
- Employee closing statements
- Confirmation of exercise
- Stockholder ledgers
- Fully diluted capitalization tables
- Rule 701 analysis
- \$100K ISO limit
- FAS 123R valuation disclosures
- FAS 123R expense reports
- Company summaries
- Option agreements
- Stock certificates
- Consents of directors and stockholders

CORPORATE GOVERNANCE INFORMATION

- Track all entity types
- States and dates of organization
- Registered agents
- Officers, directors and committees
- Date in time reporting for officers and directors
- Global election and retirement
- Foreign qualifications and annual reports
- Summary corporate governance dashboard
- Governing documents, minutes, and consents linked to all records
- Due date and task date tracking
- Email reminders for date tracking
- Over 100 user defined fields
- Notes fields with searchable text
- Extensive searching and filtering

CUSTOMER SUPPORT

At Two Step, we believe that customer support, training and consulting services are critical parts of a complete solution. Our support team will assist you with each step in the process, from your initial implementation to when you need training, when you have a question, or when it's time to upgrade.

Standard support services include:

- Online instructor-led training classes
- Toll-free telephone and email technical support
- Web-based remote access support
- Access to the customer support web site
- Ongoing upgrades and updates

Custom consulting services and training classes are also available for those customers that may have unique or more complex needs. Consulting services relate to specialized reports, automated documents, data imports from existing systems, and implementation planning.

CONTACT INFORMATION

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