

## Webinar Agenda

- Introduction & overview
- What is an Equity/Option compensation plan
- Industry overview
- The players
- Competitive landscape
- Competitive Analysis
- Relationships
- Platform tools
- Support Resources
  
- Questions & Answers

# Stock Plan Administration: Equity Compensation Overview

- › What is it?
  - › Compensating employees with company stock or stock-based awards including (but not limited to):
    - › Options
    - › Restricted stock
    - › Stock purchase plans
  - › Companies use equity compensation to reward, retain and recruit talent

# Industry Overview

4,100+

public issuers

\$500B

in-the-money

5.86M

employees

<100

advisor teams

Revenue from stock plans has an immediate impact on your business with limited time invested

# The Players



## Financial Advisors

- Management and support of 10b5-1 plans
- Preclearance support and execution
- Diversification and liquidation strategies



## Administrators

- Issuing new grants
- Expense & disclosure reporting
- Regulatory compliance



## Participants

- Receiving grants
- Online access to portfolio
- Real-time transactions and modeling

# Competitive Landscape

## Retail Brokers

Morgan Stanley  
UBS  
BAML  
RBC



## Discount Brokers

Fidelity  
E\*Trade  
Schwab  
TD Ameritrade



## Transfer Agents

Computershare  
AST  
Wells Fargo



## Software Providers

Certent (EASi)  
OpTrack  
Global Shares



# Competitive Analysis

3,000

global clients

2,400

US clients

>60%

private company unicorns

1M+

participants

150+

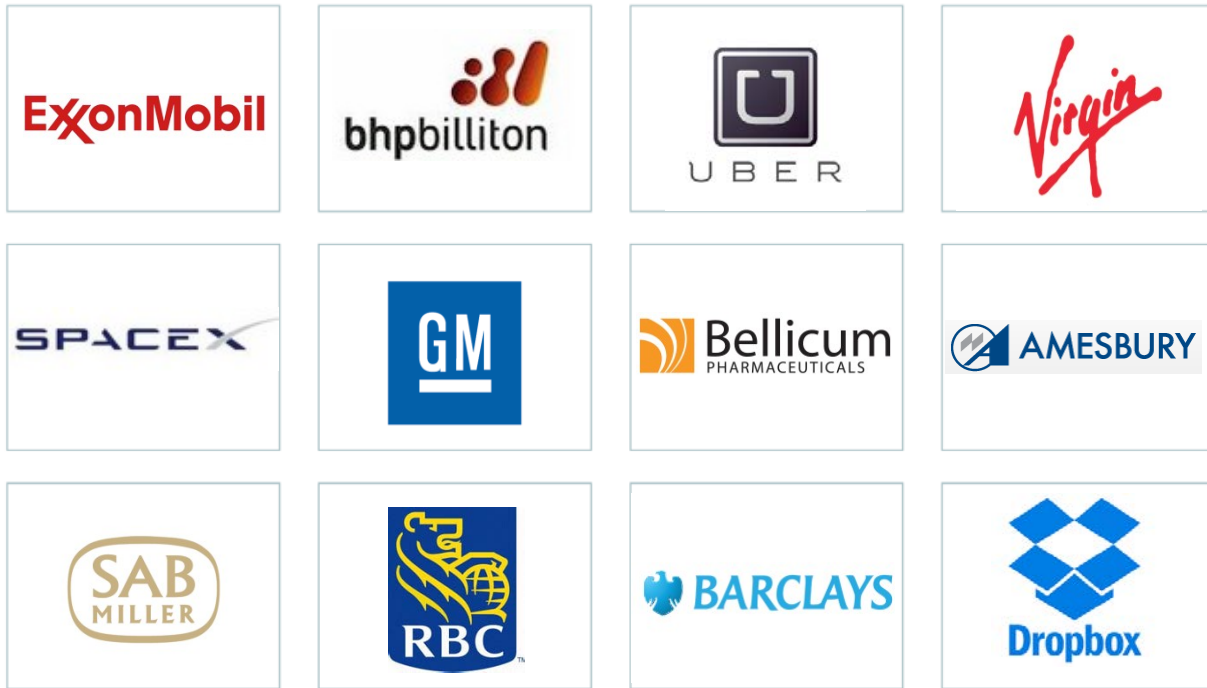
countries

Interactive Brokers has partnered with the largest independent provider of stock plan services in North America

# Competitive Analysis

- › Interactive Brokers has a partner whose core business is stock plan administration
  - › All resources dedicated to stock plan administration
  - › 100% of investment toward stock plan advancement
- › Flexible and scalable solution
  - › Private & public issuers
  - › Fully outsourced administration available
  - › Global platform
    - Multi-currency
    - Multiple exchanges
    - Multilingual
    - Regulatory & tax

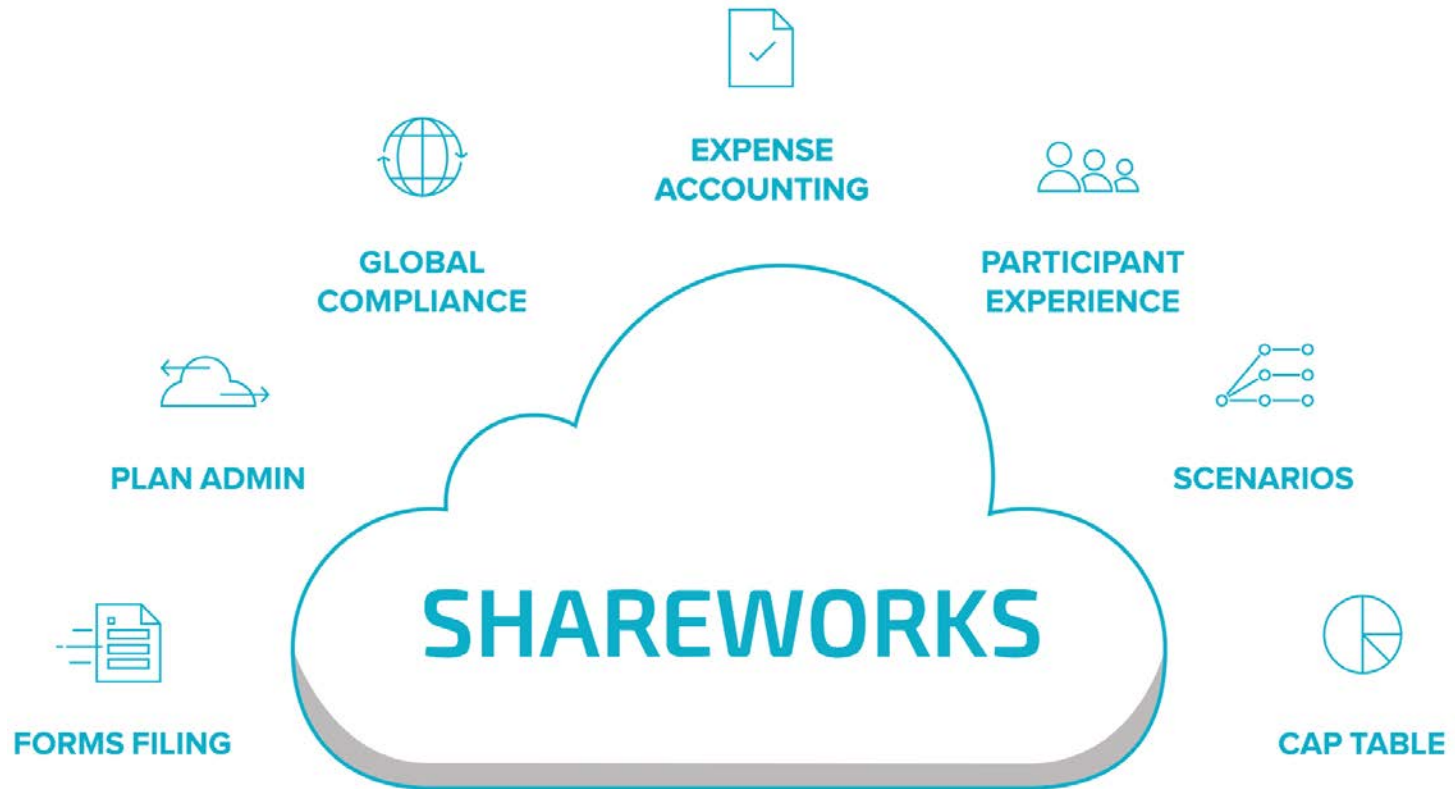
# Solium's Trusted Relationships



3,000 clients



# The Power of One



# SHAREWORKS

Public

Public and Private

Private



SHAREWORKS  
**FORMS FILING**

Automated filing of SEC  
Forms 3, 4 & 5



SHAREWORKS  
**PLAN ADMIN**

Day-to-day administration  
of new grant uploads and  
management of vesting  
schedules



SHAREWORKS  
**PARTICIPANT EXPERIENCE**

Online portfolio view with  
modeling and transaction  
capabilities



SHAREWORKS  
**CAP TABLE**

Track private stakeholder  
equity



SHAREWORKS  
**GLOBAL COMPLIANCE**

Tax guides for  
multinational issuers



SHAREWORKS  
**EXPENSE ACCOUNTING**

Complete IFRS 2 and ASC 718  
reporting with 10Q and 10K  
disclosures.



SHAREWORKS  
**SCENARIOS**

Sophisticated analysis for  
financing and exit events

# Support Resources

- › Solium Institutional Services
  - › Knowledge Center  
<https://solium.com/knowledge-center>
  - › The Bottom Line – Monthly Newsletter  
<https://solium.com/thebottomline>
  - › Shareworks for Private Companies  
[www.captable.com](http://www.captable.com)



# How and why IB is expanding our offering

- › IB is providing our Advisors with tools to compete and win Stock and Option Plan business more effectively than many other banks & brokers
  - › IB's unique offering (via Solium): differentiating factors in supporting comp plans
    - › **1) Yield enhancement:** Many firms' stock becomes hard-to-borrow for an extended period of time following an IPO
    - › **2) Extremely competitive financing rates.** Employees may want to maximize LT gains, so financing is especially important during initial holding period
    - › **3) Ability to use IB's options platform** to protect profits (or limit losses) during short term in order to gain LT gain status. Other tools: **Tax Optimizer, writing covered calls (2 day settlement** to protect LT gains status), **no commission costs** to exercise or assign U.S. options
    - › **4) Portfolio Analyst:** 17,000 sources integrated, Solium positions integrated
    - › **5) EmployeeTrack** offered at no cost (especially regulated sectors: finance, legal, medical, etc...)

# How and why IB is expanding our offering

- › Most other banks have much higher min acct levels and min fee schedules
  - › Advisors can only focus on the C level employees and lose the majority of the firm's employees
  - › Check the Barron's top 100 Advisors, a number of those businesses were built through comp plans
- › Effective & efficient sales process
  - › Automation and integration already built between IB & Solium
  - › Limited ongoing sales support required to maintain comp plans at IB

> Please feel free to follow-up directly with any questions to your dedicated Interactive Brokers sales representative or Brett Goldstein

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