

13TH ANNUAL CEP AND SILICON VALLEY NASPP SYMPOSIUM

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SANTA CLARA UNIVERSITY • CERTIFIED EQUITY PROFESSIONAL INSTITUTE • SILICON VALLEY CHAPTER-NASPP



ESPP – Bench Clearing Brawls

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The Wind-Up...and the Pitch

- How do you administer plan details that conflict with your equity administration/outsourcing system?
- How do you administratively interpret plan details that aren't included in your plan?
- Color commentary: What do other companies do?
- Trading players in the off-season: Ideas for new plan or amending current plan



Batter Up: Carry-Forwards

- Carry-forward the price of less than one share (residual) or refund?
- Refunds are clean, balance is easy to track
- Level of work for payroll/accounting
- The batter's stats
- Verdict: Trade in the off-season or Franchise Player?



Batter Up: What is Compensation?

- What is included in eligible compensation: Salary, bonus, commission, or overtime?
- The batter's stats
- Verdict: Trade in the off-season or Franchise Player?



Batter Up: Maximum Contribution Percentage

- 10% or 15%?
- Is the limit irrelevant with the IRS 25K limit or a company plan mandated limit?
- The batter's stats
- Verdict: Trade in the off-season or Franchise Player?



Batter Up: Minimum Service Requirement

- Must be employed how many days prior to beginning of purchase period?
- Administrative issue with enrollment? Work around? Audit issue?
- The batter's stats
- Verdict: Trade in the off-season or Franchise Player?



Batter Up: Withdrawal Deadlines Prior to Purchase Date

- How many days prior to the purchase date can employees withdraw?
- Administratively how many days are needed?
- Timing issues: What if the system doesn't generate a withdrawal report until the next day?
- The batter's stats
- Verdict: Trade in the off-season or Franchise Player?



Batter Up: Importing Contributions

- When do you import contributions into the stock administration system? Once? Every contribution period?
- The batter's stats
- Verdict: Trade in the off-season or Franchise Player?



Batter Up: Contribution Conversions

- When do you convert non-USD contributions to USD? Once? Every contribution period?
- What is the source of the FX rate used? Corporate set rate from Treasury? Oanda.com? Federal Reserve?
- The batter's stats
- Verdict: Trade in the off-season or Franchise Player?



Batter Up: Payroll Caps

- Do you cap payroll contributions from employees to prevent over-contributing?
- U.S. only? How do you estimate for non-U.S.?
- Personal responsibility to set contribution rate?
- What if the cap is wrong and funds are under-withheld?
- What if the cap is right but over-withholding occurs anyway?
- The batter's stats
- Verdict: Trade in the off-season or Franchise Player?



Batter Up: Deduction Percentage Changes

- Do you allow any changes to deduction percentages during the period?
- How many? Unlimited changes? Tracking of changes?
- Impact on the accounting?
- The batter's stats
- Verdict: Trade in the off-season or Franchise Player?



Post-Game Interviews With the Players

It ain't over till its over. -Yogi Berra

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