



The National Center for
Employee Ownership

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2009 Employee Stock Purchase Plan Questionnaire

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Which of the following best describes your company's employee stock purchase plan (ESPP)?

- We currently have an ESPP that is qualified under section 423
- We currently have an ESPP that is not qualified under section 423
- We had a plan but terminated it within the past twelve months
- We have not had an ESPP for 12 months or more

Is your company publicly traded?

What are your company's approximate annual revenues?

- Under \$10 million
- \$10 million to \$100 million
- \$100 million to \$500 million
- \$500 million to \$1 billion
- Over \$1 billion

Which of the following categories best describes your company's primary business?

What is your approximate number of U.S. employees?

What percentage of your total worldwide workforce is not in the U.S.?

In how many other countries do you have operations?

Do you extend participation in the ESPP to employees outside the U.S.?

Do non-U.S. employees participate in the company's main plan or in a mirror plan?

**What changes, if any, have you made to your ESPP in the last 12 months?
(Check all that apply.)**

- No changes made in the last 12 months
- Reduced the length of the offering period. (The "offering period" is the period during which the right to purchase stock under an ESPP is outstanding. The period begins for all participants on an offering date and ends on a predetermined exercise date.)
- Increased the length of the offering period
- Reduced the discount
- Increased the discount

- Eliminated the look-back feature (a feature in which the purchase price is based on the lower of the share price on the first or last day of the offering period)
- Added a look-back feature
- Other (please specify)

How long is your current offering period?

What is your current discount?

When is the purchase price of your shares determined?

Does your company use a liberal or conservative application of the \$25,000 limit? (For an offering period that spans more than one calendar year, the "liberal" approach involves "carrying over" from one calendar year to the next any unused portion of the \$25,000 limit; the "conservative" approach does NOT carry over any amount from one calendar year to the next.)

Are you considering any changes for 2009?

- No changes are being considered
- Reduce the length of the offering period
- Increase the length of the offering period
- Reduce the discount
- Increase the discount
- Eliminate the look-back feature (a feature in which the purchase price is based on the lower of the share price on the first or last day of the offering period)
- Add a look-back feature
- Eliminate an automatic re-enrollment / auto-reset provision
- Add an automatic re-enrollment / auto-reset provision
- Eliminate the plan
- Other (please specify)

Thinking about shares available for the ESPP in 2009 or 2010, please check which of the following apply:

- We have or expect to run out of shares in 2009.
- We expect to run out of shares in 2010.
- We have enough shares available to meet our needs.

If you expect to request an additional allocation of shares, in what year do you expect to make the request? (Check all that apply).

- We do not expect to request more shares
- 2009
- 2010
- After 2010

Does your plan include a specific limit on the number of shares individual employees can buy in an offering period (other than the \$25,000 limit for qualified plans)?

Do you allow employees to increase the percentage they contribute to the ESPP during the offering period?

Please provide the following so we can calculate your company's run rate:

- How many outstanding shares does your company have?
- How many shares have been issued under your ESPP during the prior 12 months?

Please estimate the percentage of your total compensation cost for 2008 that was attributable to ESPPs (as stated on your income statement). *[The survey provides a drop-down menu and does NOT request an exact number]*

What percentage of the total shares available for your equity compensation programs (i.e., stock options, restricted stock, stock appreciation rights, etc.) are reserved for the ESPP? *[The survey provides a drop-down menu and does NOT request an exact number]*

Approximately what percentage of eligible employees participate in the ESPP? *[The survey provides a drop-down menu and does NOT request an exact number]*

- Hourly workers
- Salaried non-managerial workers
- Managers other than senior executives
- Senior executives

Please answer these questions as best possible without omitting employee groups. If, for example, participation rates in your ESPP are different for different groups of hourly employees, please make your best estimate for hourly employees overall.

What percentage of pay would you estimate the average employee in each of the following groups puts into the ESPP? *[The survey provides a drop-down menu and does NOT request an exact number]*

- Hourly workers
- Salaried non-managerial workers
- Managers other than senior executives
- Senior executives

How have participation rates changed in the last two years?

Approximately what percentage of plan participants hold onto shares after purchase for more than one year? *[The survey provides a drop-down menu and does NOT request an exact number]*

- Hourly workers
- Salaried non-managerial workers
- Managers other than senior executives
- Senior executives

Do you report the discount amount on each participant's W-2 in the year of a qualifying disposition?

Do you have a plan provision for automatic withdrawal and re-enrollment when the stock price drops?

Given the expense associated with a plan, which of the following best describes your company's return on its investment in the ESPP?

- The ESPP is an excellent use of corporate resources.
- The ESPP is net beneficial.
- The ESPP has mixed results and is close to breakeven.
- The ESPP is not worth the investment.