

Dear **Sally A Sample**,

This is your **StockOpter® Employee Stock Option Analysis Summary**. At the assumed price of **\$23.78** for **NDAQ** stock, here are the key findings for your stock option grants:

- The **In-the-Money Value** of your vested and unvested options is: **\$382,050**
- The **Total Value** of your vested and unvested options is: **\$1,148,988**
- Your Stock Option **Forfeit Value®** is: **\$789,388**

The “Forfeit Value” of your equity compensation represents the real value you would be giving up if you left the company prior to retirement. In addition to the in-the-money value you would be forfeiting, you are also forgoing the time value of both your vested and unvested options. Consequently, your Forfeit Value® includes the Total Value of your unvested options and the Time Value of your vested options.

The table below is designed to provide you with a framework regarding when to exercise your stock options. It contains the **StockOpter Insight Ratios** for your option holdings. This ratio takes into consideration key factors fundamental to determining the optimal time to exercise. These factors include:

- The extent to which the option is in the money (current market price less the exercise price). The more the option is in the money, the stronger the argument to exercise.
- The length of time until the option expires. The closer the option is to expiration the stronger the argument to exercise.
- Characteristics regarding your company stock and the current risk free investment rate (i.e. rate for mid-term Treasury Bonds).

**Current Stock Price:** \$23.78

**Volatility:** 40.00 %

**Risk Free Rate:** 2.00 %

**Date:** 11/26/2012

StockOpter®		Insight Ratios					
Grant ID	Grant Type	Expire Date	Exercise Price	Vested ITMV \$	Vested Time Value \$	Vested Total Value \$	Insight Ratio
N2005	NQSO	3/7/2015	\$10.2900	269,800	14,850	284,650	5.22 %
N2007	NQSO	3/12/2017	\$27.8100	0	106,193	106,193	100.00 %
N2011	NQSO	9/1/2021	\$24.0000	0	117,071	117,071	100.00 %
S2009	SAR	3/2/2019	\$19.2900	89,800	142,088	231,888	61.27 %
<b>Total</b>				<b>359,600</b>	<b>380,201</b>	<b>739,801</b>	

Generally speaking, the lower the ratio the greater the risk of continuing to hold the option. This is where a Financial Advisor with specialized knowledge can be invaluable to help you evaluate the following factors:

- The extent to which you are concentrated in company stock and options.
- Your risk tolerance and expectations regarding the future of your company’s stock price.
- Time to retirement and where you are relative to your retirement goals.
- The risk profile of your retirement investments outside of your company stock and options.

As a successful executive, you can certainly do this analysis on your own, but there is something to be said for getting advice from an Advisor who spends full time on these matters and can aid you in making objective decisions. Please contact me to setup a meeting.

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