

Norse Solutions

Your best option for share-based payment administration

Longest IFRS-2 experience in the market



By Options - for Options

Who are we?

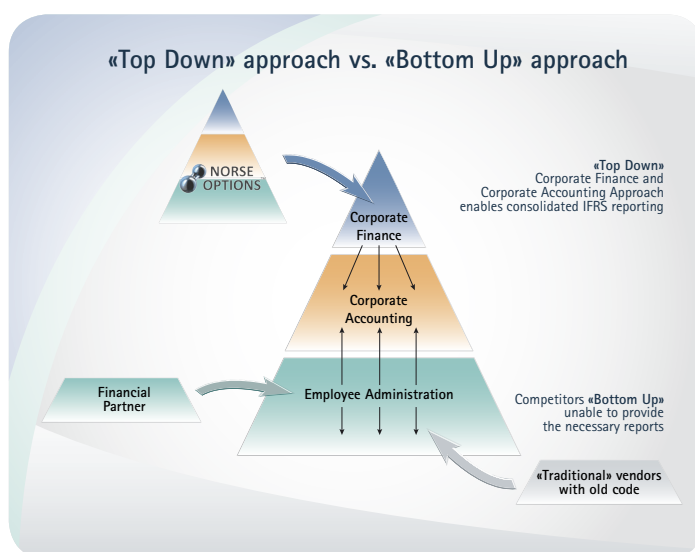
Norse Solutions has developed corporate finance and accounting software since 1986. During the late 90's, we decided to shift focus to more complex accounting and disclosure issues in order to increase our competitive advantage. We identified the share-based payment market as a growing niche with few competitors in Europe. In 2002, the founders invested gains earned through own share-based payment from previous employment as start capital for Norse Solutions. Thus, Norse was founded as a result of share-based payment "By Options", and aims to play a significant role in developing the share-based payment industry "for Options".

We started coding our comprehensive web-based software Norse Options™ from scratch, in accordance with our "Top Down" architecture principle. In retrospect, our timing was excellent as it allowed us to take all the changes in IFRS-2 and Sarbanes Oxley requirements (SAS 70 type II etc.) into account during our continuous development.

The "Top Down" approach

With a single system, Norse provides solutions on 3 levels:

1. **Corporate Finance and Consolidated Reporting**, including quarterly/annual consolidated reports, stock market notifications, audit trail, calculations of fair value, volatility, complex options, corporate tax and social security accrual;
2. **Corporate Accounting and Monitoring**, including tracking of all transactions and costs, and internal information flow between payroll, HR, accounting and other systems; and
3. **Employee Administration**, including account access, exercises, transfer of shares, settlement, dissemination of tax information, notifications and general correspondence.



«The software is fully IFRS-2 compliant and can be set up to communicate with other Plan Administration systems and deliver all relevant reports under IFRS-2.»

Unique Software - Norse Options™

Norse has continuously developed the comprehensive web-based software Norse Options for more than 10 years. Norse Options is designed for streamlined administration and reporting of all forms of share-based payment programs in accordance with the prevailing standards and requirements. The software is fully IFRS-2 compliant and can be set up to communicate with other Plan Administration systems and deliver all relevant reports under IFRS-2.

Norse Solutions has focused on developing Norse Options using what we call a "Top Down" approach. We view the Client from a corporate perspective. Therefore, Norse Options has strong reporting capabilities, all of which are in real-time. Standardized and customized reports can be instantly exported from the system. Clients are able to report figures on consolidated level as well as distributed between different subsidiaries. Norse Options allows for up to 6 accounting dimensions, enabling the Client to "slice and dice" the company any which way needed. This increases the efficiency of quarterly and annual reporting, as disclosures can be reported per employee, subsidiary or at consolidated level.



Longest IFRS-2 experience in the market

Traditionally, Scandinavia has been known for its moderation in employee compensation. The region has also had a very strict and transparent reporting environment and a habit for adopting new standards early. Thus, Norse Solutions has provided Plan Administration software and services compliant with IFRS-2 (share-based payment) since 2003 and is thereby most likely the provider with the longest IFRS-2 experience in the world today. We also have extensive experience with complex instruments including cap, rising strikes, intricate vesting schedules, contribution plans, bonus shares etc.

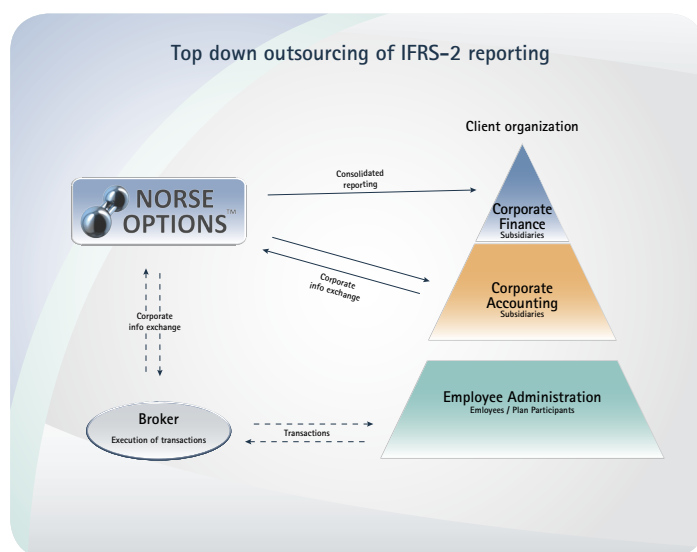
Largest supplier in Northern Europe

Today, Norse Solutions is a majority employee-owned company and is the largest supplier of software and services related to administration of share-based payment programs in Northern Europe. Norse Solutions has a substantial number of Clients of all sizes in 11 countries with plan participants located all around the world. Having started our business in Europe, we have had to adopt a wide range of different share-based payment instruments into our software, as well as various local GAAPs. Based on the complexity and non-core business nature of such instruments, most of our Clients have chosen to outsource their Plan Administration completely to us.

Outsourcing of Plan Administration

We offer Plan Administration and tailored outsourcing of share-based payment to fit the needs of any given Client. We cover all aspects related to Corporate Finance, Corporate Tax, Accounting, reporting and disclosures, HR-functions as well as information to and interaction with employees and financial institutions. Our software can ensure a smooth transition from US-GAAP reporting to the new IFRS-2 standard without disturbing the current setup and administration of beneficiaries.

By feeding all transactions between company records, employees and broker(s) into our system, we will be able to provide you with all relevant IFRS-2 reports in real time including; fair value calculations and amortization by tranche, liability accounting, fair value accrual of social security, mobility tracking, performance vesting, deferred tax assets (DTA), all required IFRS-disclosure reports, etc.



Norse Options is web-based with separate interface for administrators and plan participants. The system can be interfaced with any broker as well as compliance and back-office within financial institutions, as required. It can also be set to operate in "White Label" and/or single sign-on, where the financial Partner can choose Norse Options' employee-interface or use its own in concert with Norse Options. The software is a flexible platform for efficient administration of share-based payment programs, securely and reliably linking various users with sources of information.

Flexibility to handle a wide range of share-based payment instruments

Norse Options provides all necessary reports and functionality with a transaction-based audit-trail. It has "drill-down" capability down to individual grants and tranches per employee, which are user-defined in order to ensure integrity and access control of data. In short, Norse Options is an all-in-one system for the efficient administration of most known share-based incentive instruments. Norse Solutions and Norse Options are SAS 70/SOX compliant.

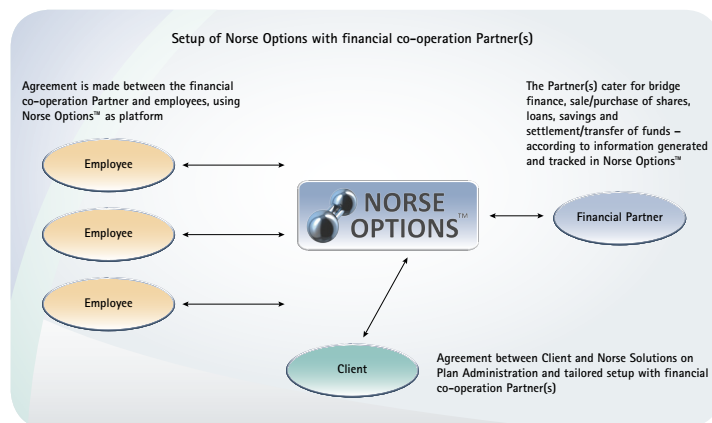
We have solid experience with most forms of share-based payment instruments, all of which can be administrated jointly in Norse Options;

- Employee Stock Options, Warrants and Synthetic Options
- Performance Based Options (various types)
- Employee Stock Ownership Plans (ESOPs)
- Employee Stock Saving Plans (ESSPs)
- Employee Stock Purchase Plans (ESPPs)
- Restricted Stock Units (RSUs)
- Restricted Stock Awards (RSAs)
- Stock Appreciation Rights (SARs)
- Various national schemes with special requirements (salary loans, put-option rebates, qualified plans etc.)

Our software also handles Fixed and Variable Plan Accounting including performance based and performance vested options, price vesting, indexed options, exotics, Bermudas etc., as well as re-pricings with full audit trail per tranche.

Financial Transactions in Norse Options

The system facilitates various transactions and exercise methods including cashless exercise, share-purchase and share-saving programs. All transactions are handled efficiently within the system, always ensuring full traceability down to single-transaction level with PDF-confirmation to employees via email. The administrative burden related to employee transactions is reduced to a minimum.



Solid co-operation Partners

We are proud to work with several large international banks and financial institutions. Through distributors and co-operation Partners, we make Norse Options available in "White label" or other tailored setup. As our volumes steadily increase, we offer seamless solutions at the best prices in the market. Thereby, our co-operation Partners, Clients and beneficiaries get a better and more efficient product at a lower price.

In the interest of providing a more smooth service for our Clients, we are in the process of identifying co-operation Partners amongst the major players within the industry. By combining the size, competence and capacity of such major players with our superior software solution, the co-operation Partner(s) can focus on transactions, brokerage, wealth management etc., whilst Norse provides software and services to handle the corporate accounting and financial reporting for the end Clients. Norse Solutions is interested in discussing new, potential partnerships for given markets.

Consulting

To comply with the accounting standards, some companies need to reassess the treatment of their share-based payment programs. Others need assistance in tailoring new programs to be able to attract, retain and motivate existing and new employees. In addition to our state of the art software and outsourcing service, Norse Solutions offers advisory services in the areas of:

- Impact assessment of current and future share-based payment programs
- Choice of model and structure tailored to the Client's situation and needs
- Development of templates and other documents and reports, including Option Plan and Award Agreements
- Re-pricing of options, accelerated or delayed vesting as well as other mid-life upgrades
- Valuations

We have a solution-oriented Client focus. We are committed to understanding our Clients, solving their problems and improving their performance. We deliver outstanding service.

Advisory services related to complex financial instruments

Recent publications by major audit firms have shown that many corporations face difficulties when valuating and presenting complex financial instruments. Problems arise as the auditors are prohibited from advising in such matters. The outcome may be a time-consuming and expensive re-assessment process, non-compliant reporting and subsequent modification of reported statements.

Norse Solutions has specialized in offering independent fair value calculations of complex financial instruments in compliance with IFRS (related to IAS 32/39). We perform fair value calculations of embedded derivatives in convertible and callable bonds, hedge-contract valuation of options, forwards, swaps and futures as well as creation of forward curves for pricing of such instruments. We review valuation methodology regularly to ensure compliance with guidelines issued by the major audit firms.

Please contact us for more information, meeting or price offer.



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