

it's good to Share

Annual Conference & Exhibition

With just over two months to go until our Annual Conference & Exhibition on 24 September there is plenty of activity going on here at *ifs ProShare*. A varied programme has been put together including panel discussions, case studies and technical sessions, so the event is a great opportunity not only to hear from industry experts but also to network with your peers. You will also have the opportunity to question representatives from the three main political parties.

Over the coming weeks we will be sending you more details of the individual sessions as we build up to what we believe will be this year's largest UK conference and exhibition dedicated solely to employee share plans.

The move to a new venue has enabled us to review our costs and this year all rates for members of *ifs ProShare* have been reduced. Delegate rates for this year are:

Companies

<i>ifs ProShare</i> member	First delegate free of charge, additional delegates £50 + VAT
Non-member	£175 + VAT

Service providers/advisers

<i>ifs ProShare</i> member	£425 + VAT
Non-member	£750 + VAT

Subject to availability all bookings made will qualify for our '3 for the price of 2' offer.

Our major sponsor this year will be HBOS Employee Equity Solutions. Supporting sponsors are Equiniti and Killik Employee Services and exhibiting sponsors are Baker & McKenzie, Global Equity Organization and Ogier. Their continued support of this event is greatly appreciated.

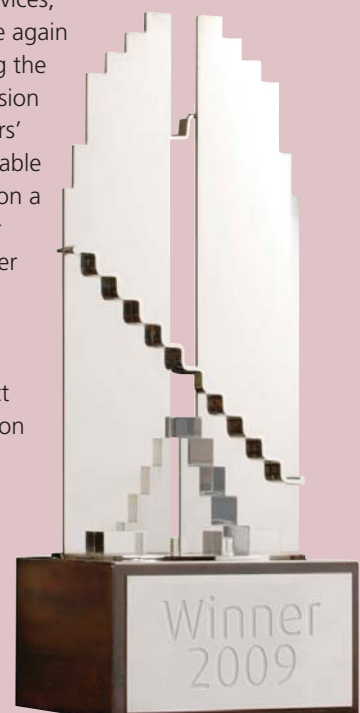
There are limited sponsorship opportunities available and for more information on these please contact Julie Richardson on 020 7444 7104.

Annual Awards

The categories for the *ifs ProShare* Annual Awards have been announced and several companies have already contacted us to say they will be submitting entries for this year's awards. Winners will be announced at a gala dinner on Wednesday 2 December hosted by John Sergeant, who will also be our guest speaker. We are delighted that this year ShareGift, the share donation charity, is donating £15,000 to charities chosen by the three overall winning companies. There will also be a special donation of £5,000 to a charity chosen by the winner of the Best Financial Education Programme for Employees award. Many of you will be familiar with ShareGift, which provides a charitable solution to the problem of unwanted small shareholdings. So far it has donated over £13m to more than 1,500 UK registered charities.

The new venue looks fantastic and we already have bookings for over 30 tables. To ensure your place at this flagship event on the employee share plans calendar you are advised to book early. Tables can be booked online on our [website](#).

Our thanks go to Killik Employee Services, who will once again be sponsoring the electronic version of the Winners' Booklet, available on the night on a USB stick. For details of other available sponsorship opportunities please contact Julie Richardson on 020 7444 7104 or visit our [website](#).



Is now the right time to be embracing employee share plans?

The last 12–18 months have made most of us question what the benefit of an employee share plan is, given the significant fall in most companies' share prices. Would a simple cash bonus have been far simpler and less risky? If you look at the last 12–18 months, then the answer is probably yes, a cash bonus would have been better: we have seen one of the worst periods in history for companies operating employee share plans. Share prices on the FTSE 100 dropped from the highs of 7,000-plus, to the low of 3,500 on 3 March 2009. In some extreme cases more than 90% has been wiped off the value of shareholdings, which has meant that employees participating in a share plan have seen their value all but wiped out.

What I think this extremely difficult period has served to do is make companies question why they do provide employee share plans and whether they are delivering the benefit they set out to provide. That question is even more pertinent given that the majority of employers are still staring at underwater share options or shares purchased within an all-employee plan that are worth less than the original purchase price.

I for one always like to look for the positives – my glass is always half full as opposed to half empty. (Well, it's normally empty but that's another story!) In my opinion there is now a real opportunity for employers to reward the very employees who will help to bring them through what could continue to be a difficult period for the next 12–24 months.

Let's look at the positives. I would like to think that we are past the worst and although we could still have a bumpy ride for a while to come I am hopeful that we can move forward, particularly with employee share plans. There is an investment argument to 'average down' in harder times to maximise the value of your investment when recovery comes; this I believe to be the plus argument to all the previous negatives of low share prices and worthless option grants. For example, there are a number of companies that have taken or are taking advantage of their depressed share prices to launch new share plans or make awards under existing plans. Those that have done so in the face of falling stock markets may have already benefited from significant gains and, if you believe the world is not going to end tomorrow, there will be a recovery. Those that have been lucky, brave or fortunate enough to make new share plan awards will be aware that it hasn't taken a huge improvement in trading conditions to see rises of 100%, 200% and in some cases over 400%, with the market now trading at near 4,200. To give you some examples, the best-performing FTSE 100 stock in the last six months has increased by 458% and in the case of the FTSE 250 by 553%.

We should all remember that an employee share plan gives employees the opportunity to build a stake in the company they work for, in most cases within a tax-efficient environment, and align themselves with the same goals and aspirations of shareholders. I believe that companies should be looking at all employee plans alongside their executive arrangements at this potentially opportunistic time, so that those most loyal – who potentially have sacrificed the most in the tough times – are also able to benefit from better times in the future.

These are long-term investment vehicles; they provide an excellent opportunity for employees to benefit from the growth in share price and create wealth for their future. Admittedly, some may have seen employee share plans as weapons of mass destruction recently but, as I say, we must look forward. I hope we will look back on this difficult period and recognise it for what it is – an opportune time to embrace employee share plans.

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Views and opinions expressed in external articles do not necessarily reflect those of *ifs ProShare*.

ifs ProShare wins a 2009 GEO Judges Award

ifs ProShare won a Judges Award at the 2009 Global Equity Organization's (GEO) Annual Awards ceremony, celebrating outstanding performance in the international employee share plan community.

In giving the award, the GEO judges recognised the contribution that *ifs ProShare* makes in facilitating communication between employee share plan professionals and service providers, and representing the employee share plan industry to key policymakers and industry bodies in the UK. Particular reference was made to the work that *ifs ProShare* did in connection with the EU Prospectus Directive (EUPD). The work on the EUPD was not something we could have achieved on our own so thanks must also go to Jessica McMichael of Lovells and to Jeremy Edwards of Baker & McKenzie, who are the Chair and Vice Chair of the EUPD sub focus group. Thanks also go to Adetutu Odutola at the FSA and all members of the sub focus group for their valuable input.

We were delighted to accept the Judges Award; it is real recognition of what we do as an organisation on behalf of our members. *ifs ProShare* is committed to encouraging employee share plans and wider share ownership by engaging directly with employees and policymakers and ensuring that the benefits of share plans are open to as many as possible. As a result it is very welcome that our efforts have been recognised in this way by those working directly within the employee share plans industry.

Congratulations also go to *ifs ProShare* member Shell, who won an award for Best Plan Effectiveness.

Training courses and workshops

Our Autumn programme will include our Introduction to Employee Share Plans (ESP) courses which are always very popular for those new to the world of ESPs. We will also be including some new courses that are being introduced following feedback and suggestions we have received from you, the members. The new courses will cover corporate actions and their impact on ESPs as well as employment law and their effect on ESPs.

We are presently finalising the programme so look out for an email in the near future which will contain the full details.