Welcome to

UpstockWorker Equity Simplified

Worker Onboarding

Fixed Equity

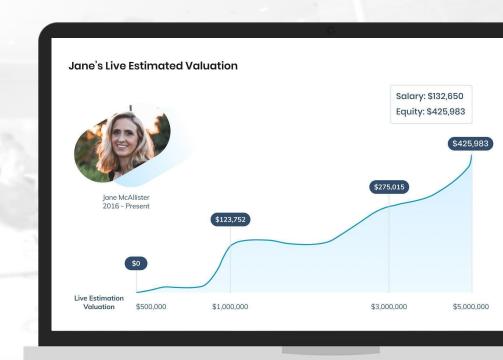












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Created to fix traditional equity

In his previous start-up Couchsurfing, Casey Fenton encountered the **Silicon Valley equity problem.**

Hard to interpret legal documents skewed to protect the company and not designed to address the needs of workers with a high price for all, leaving everyone unsatisfied.



Workers said, "Stock options, is this a scam?"

Upstock is simple, powerful and trustworthy.

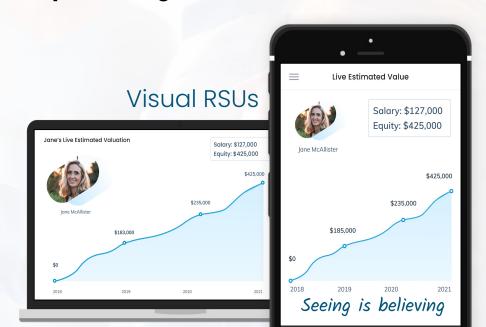
For workers: Motivational dashboard + mobile app

For managers: Easy equity management

For everyone: Standardized top-shelf legal docs

ENABLING...

- → Fair division of equity
- → Emotional engagement
- → Alignment of workers & owners
- → Future of work framework
- → Globally accessible for distributed teams



BENEFITS

Why you can succeed with Upstock

Workers are much more likely to experience:

- A culture of cooperation = less internal politics
- Feeling inspired to step up & lead teams
- Being more engaged with company solutions
- Appreciation for going above & beyond
- A desire to work smarter, harder, longer
- A desire to be more creative

Shared ownership aligns the company with your future.

How Upstock does it

VISUAL EQUITY

- Personal dashboard to visualize your equity earnings.
- No need to read legal document and make wild guesses.
- Track equity growth and monetary value of equity over time.

BUILD TRUST

- See that you're getting your fair share.
- Easy access to sign and save your legal documents on your dashboard.
- Transparent company equity - see who owns what.

TAX MANAGEMENT

- Reduced tax liability compared to stock options.
- Restricted Stock Units (RSUs) with double trigger vesting means no tax liabilities until a liquidity event occurs.*

*Tax is due when equity value is fully known, generally a qualified distribution following a landmark event.

AN UPGRADE TO LEGACY SOLUTIONS

RSUs are replacing stock options

(Restricted Stock Units)

RSUs are a promise to receive company stock (or their cash equivalent) at a future date in return for fulfilling specific obligations to the company.

RSUs do not grant voting rights or dividends.

Top tech companies are RSU centric



"... stock options have become a lottery ticket rather than compelling & predictable wealth creation"

Sam Jadallah
 Head of Home Services





THESE SILICON VALLEY TOP TECH COMPANIES HELPED PIONEER

"Double Trigger Vesting" RSU equity plans

facebook.

Google

Uber

Microsoft



amazon





First trigger: RSUs gained by time or tasks performed.

Second trigger: a liquidity event like acquisition or IPO.

(by default, but can be changed)

Avoid huge tax bills that you likely can't pay & avoid the many other problems presented by stock options.

WHAT TO EXPECT

Your company has chosen to use fixed RSUs

Similar to stock options.

You will receive a set number of equity units over a set period of time.

Here's how you'll receive them:

1. Accept the company's offer

You will be offered a set number of shares that vest over time. The most common configuration is four years with a one year cliff.

2. Set up your Upstock account

You will be sent an email invite or special link when your company signs you up to Upstock with a specific vesting schedule.

3. Sign legal documents

Now you can watch your equity grow over time.

4. Receive equity at landmark event

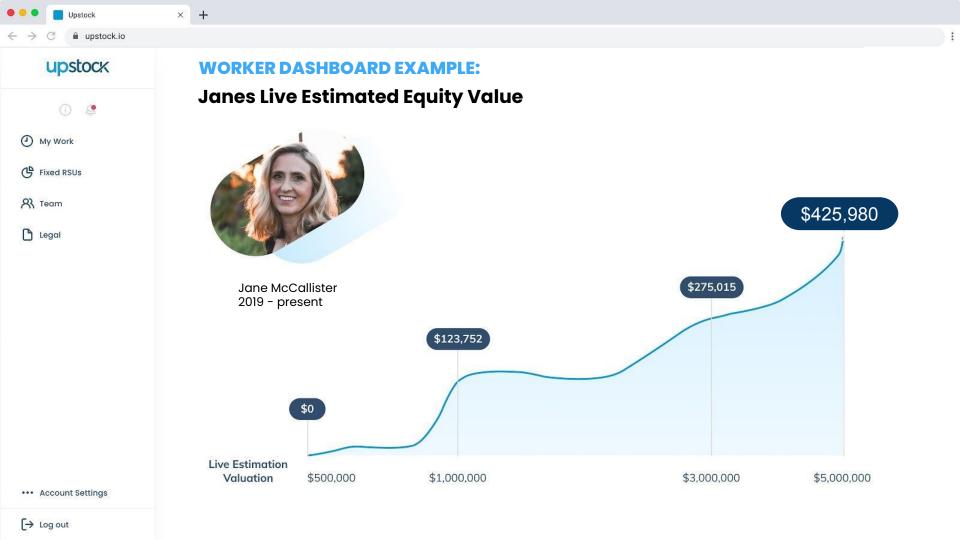
When double trigger happens receive your equity.

A Landmark Event



The landmark event is a company goal, typically an acquisition, IPO or direct listing.

Your vested equity points will be converted into RSUs. For example, if you have 100 equity points, and the pool has a total of 1,000 equity points, you will receive 10% of the RSU in that pool.



*OPTIONAL FEATURE:

How much is my company worth?

Company Valuation

How is my company valued?

Investors and founders determine a company's valuation by analyzing it as an asset, including the prospect of future earnings.

How does a valuation affect my equity?

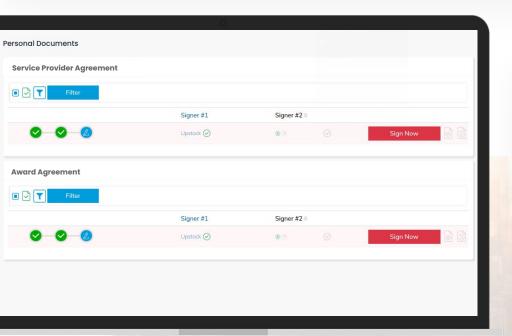
When a company's valuation increases, your equity value increases accordingly. This usually happens when an investment is made or when a 409a valuation is performed. The value of the shares in equity pools will rise or fall corresponding to the company's valuation.

*With sharing turned off

If the company does not use this feature, you will instead see your % of the company.

EXAMPLE COMPANY Founders & Investors 85% 100% Worker Advisors RSUs 10% 5%

Your Documents



Sign & save your documents online.

SERVICE PROVIDER AGREEMENT

Engagement document defining pay rate, confidential information, ect.

EQUITY AWARD AGREEMENT

This document describes the equity award which is governed by the company's RSU plan.

For questions about how Upstock works, contact Upstock's Legal Team. For advice about your specific legal situation, please contact a qualified professional, generally a lawyer or CPA.

Upstock can not provide "legal advice."

Automatically upgraded legal documents



Upstock automatically and retroactively upgrades your legal documents as rules and regulations change in your jurisdiction.

- Upstock endeavours to help your company use the most modern equity strategies.
- Upstock endeavors to help you automatically take advantage of the latest tax strategies.

Equity simplified.

LEGAL:

Designed with care by top attorneys

Drafted by lawyers & reviewed by top global firms







20 years building international equity plans for Fortune 100's in 90+ countries



& other top firms

DISTRIBUTION PROCESS:

Receiving your share of company ownership

Initial Public Offering (IPO)

- 1. Landmark event occurs.
- 2. Possible lock up period (30 -180 days).
- 3. To cover tax due for each worker's award, the company may do what's called a "sell to cover," selling a portion of each worker's equity to cover the tax due.
- The remaining RSUs are converted into stock for each worker.
- 5. Success!

Acquisition

- 1. The acquiring company buys all of the company stock including stock promised to workers through Upstock.
- 2. Generally, equity pools freeze and fixed equity share schedules accelerate, giving each worker all of the equity that they would eventually vest.
- 3. In a sandwiched transaction, the company will convert RSUs into real shares and then sell those real shares to the acquirer.
- 4. Workers will get their fair share and pay any tax due.
- 5. Success!

YOUR UPSTOCK ROADMAP:

Introducing the fastest, easiest and most affordable way to share company ownership.

1. Set up your account

Open email from your manager with login link and instructions.

3. See equity grow overtime

Your equity will accrue overtime, when you receive bonuses or when completed tasks are recorded.

5. Receive Award

Company distributes the equity pool value as cash or stock, sometimes cashing out a portion to cover any tax due.

2. Sign legal documents

Log into Upstock to review and sign Service Provider Agreement (optional) & Award Agreement.

4. Achieve Success

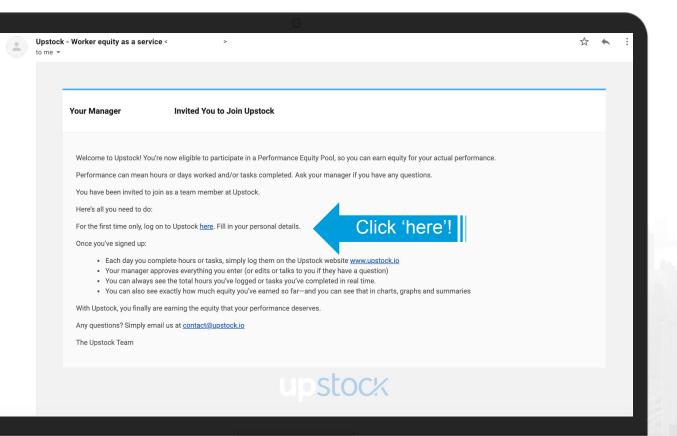
Company reaches triggering event, the equity pools freeze, vesting stops.

Ready to get started?



Setting up an account is fast and easy!

1. Check your email



When your manager has added you to Upstock an invite will be sent to your email.

Subject line:

"[Upstock] Your Manager (Name) Invited You to Join Upstock

CHECK YOUR SPAM FOLDER

2. Create Your Upstock Account

Generate Password

Confirm password



- terms of service
- privacy policy

Click Save

Welcome to Upstock, Your Name!

I'm not Your Name

Finish setting up your Upstock account

Your sign-in identifier is your email address: youremail@company.com

You can later update your email address if this one is not adapted

You will be know as Your Name

You can later update your name

Please provide a password of a minimum of 6 characters

Password

Password Confirmation

I have read and agree to the terms of services and privacy policy

Click 'Save'!

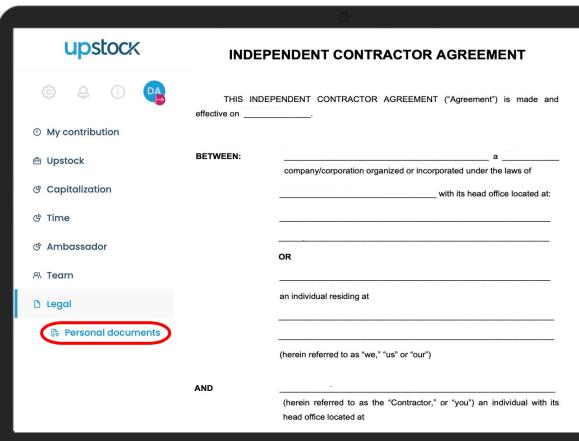
Save

3. Sign Service Provider Agreement

Review and sign

Upstock's employment, contractor or adviser agreement

*Disregard if your company already has an agreement in place.



4. Sign Award Agreement

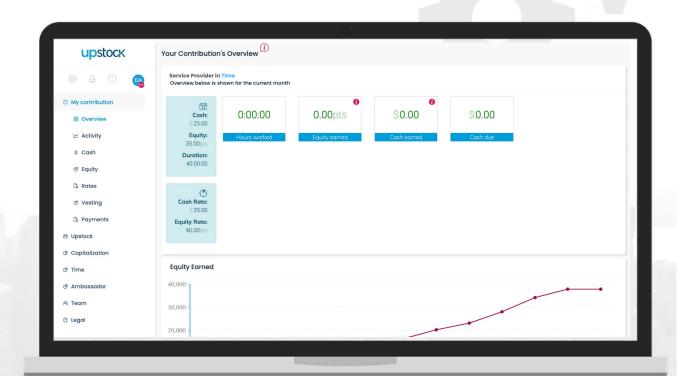
Review and sign your Award Agreement

*This agreement outlines your minimum pay rate and conditions of employment



6. Familiarize yourself with Upstock

Clicking on red (i) icons will walk you through a brief description of features.



Thank You for choosing UPSTOCK

The future will be owned by all of us.

Together we are creating a world where everyone owns their fair share.

CONTACT US

Customer Support	support@upstock.io
Legal Support	legal@upstock.io
Frequently Asked Questions	upstock.io/faqs
Tutorials	app.upstock.io/help/how-to

