

## **Guidelines**

### **Executive Stock Option Experience Study**

**Data Formats:** The file formats for the data must use the ASCII character set. The data may be submitted in either comma delimited value format (CSV) or in Excel (XLS). If the comma delimited data format is chosen, there should be a separate file submitted for each of three following data record layouts. If the Excel data format is chosen, the workbook should include at least one worksheet for each of the three following data record layouts.

#### **Data File Number 1: Option Grant Records**

- **File naming convention:** Since the econometric model to be implemented in this study requires information for each participating firm's historical stock price path, some form of firm identification will be required. If you are using the comma delimited text format for data submission, please name the Data File Number 1 COMPANY\_NAME\_Grant.csv. If you are using the Excel spreadsheet format, please name the first worksheet in the Excel Workbook COMPANY\_NAME\_Grant. COMPANY\_NAME should be replaced with your company's name.
- **Data entry protocol:**
  1. **Number of options granted:** The number of shares granted should be recorded as of the grant date. In other words, do not make any adjustments for stock splits that occur after the grant date.
  2. **Strike Price:** The strike prices should be recorded as of the grant date. As above, do not make any adjustments for stock splits that occur after the grant date.
  3. **Vesting dates and Number of Options Vested:** The date for each vest and the number of options vested on that date should be recorded for all vesting periods. In each case, the number of options should be recorded as of the grant date. As above, do not make any adjustments for stock splits that occur after the grant date. Thus, a firm that has a vesting structure of monthly vests over three years would require seventy two columns (thirty six paired entries) to record the date and the number of options that vested on that date over the thirty six month vesting period. Similarly, a grant that allows 100% vesting at the end of the first year would have only two columns (a single date and the number of options vested at that date).

## Data File Number 2: Option Exercise Records

- **File naming convention:** If you are using the comma delimited text format for data submission, please name the Data File Number 2 COMPANY\_NAME\_Exercises.csv. If you are using the Excel spreadsheet format, please name the second worksheet in the Excel Workbook COMPANY\_NAME\_Exercises. COMPANY\_NAME should be replaced with your company's name.
- **Data entry protocol:**
  1. **Number of options exercised:** The number of shares exercised should be recorded as of the exercise date. In other words, unlike the values in Data File Number 1, these numbers are adjusted for stock splits.
  2. **Stock Price at Exercise:** The price recorded should be the closing price on the exercise date.

## Data File Number 3: Option Modification/Cancellation Records

- **File naming convention:** If you are using the comma delimited text format for data submission, please name the Data File Number 3 COMPANY\_NAME\_Cancellations.csv. If you are using the Excel spreadsheet format, please name the third worksheet in the Excel Workbook COMPANY\_NAME\_Cancellations. COMPANY\_NAME should be replaced with your company's name.
- **Data entry protocol:**
  1. **Number of Cancelled/Forfeited Options:** The number of shares cancelled or modified should be recorded as of the cancellation/modification date. In other words, unlike the values in Data File Number 1, these numbers are adjusted for stock splits.

**Data Submissions:** The preferred data delivery method is on one or more CDs sent by some insured overnight carrier such as FEDEX. The FEDEX should be addressed to:

Professor Nancy Wallace  
Haas School of Business  
University of California, Berkeley  
Berkeley, CA 94720-1900  
(510) 642-4732  
wallace@haas.berkeley.edu

**Please include the Confidentiality Form with your data submission if you send it on CDs.**

An alternative acceptable submission protocol is a file transfer protocol (FTP) providing the study data on your company secure internet website together with an account ID and password to Professor Nancy E. Wallace via US mail or other secure transmission mechanism. If you use FTP for submitting data, please send the Confidentiality Form separately.

**Data Layout Specification  
Stock Option Experience Study**

**(There should be three separate data files where each row is one data record. There should be a comma entered in the column between each variable field for the CVS format. Excel submissions should have the following column headings for each variable column.)**

**Data File Number 1: Option Grant Records**

<b>Character columns</b>	<b>Variable Name</b>	<b>Description</b>
1–15	Employee Code Number	Encrypted employee code. The code format can be either character or numeric.
17–31	Option ID	Encrypted option grant identification code. The code format can be character or numeric.
33–40	Grant date	Date of the option grant. (Format: DDMMYYYY)
42–56	Number of options granted	Number of options that were granted on the grant date. Please refer to the Guidelines if there have been stock splits.
58–65	Strike price	Strike price of the option. Price should be reported accurately to the thousandth place. Please refer to the Guidelines if there have been stock splits. (Format: 9999.999)
67	Type of options:	1=Incentive; 2=Nonqualified
69–76	Grant Expiration Date	Date at which the option expires. (Format: DDMMYYYY)
78–97	Vesting schedule description	Description in words and percentages of the vesting structure. As an example, a grant that vests at the rate of twenty five percent per year over four years would appear as ( 25%/4 Yrs)
99–106	First Vest: Date (1)	First vesting date for the grant. (Format: DDMMYYYY)

<b>Character columns</b>	<b>Variable Name</b>	<b>Description</b>
108–122	First Vest: Number of Options Vested (1)	Number of options that vest on the first vesting date. Please refer to the Guidelines if there have been stock splits.
124–131	Second Vest: Date (2)	If there is a second vesting date for the grant, then record the vesting date. (Format: DDMMYYYY)
133–147	Second Vest: Number of Options Vested (2)	If there is a second vesting period, then record the number of options that vested on the second vesting date. Please refer to the Guidelines if there have been stock splits.
149–156	Third Vest: Date (3)	If there is a third vesting date for the grant, then record the vesting date. (Format: DDMMYYYY)
158–172	Third Vest: Number of Options Vested (3)	If there is a third vesting period, then record the number of options that vested on the third vesting date. Please refer to the Guidelines if there have been stock splits
174–181	Fourth Vest: Date (4)	If there is a fourth vesting date for the grant, then record the vesting date. (Format: DDMMYYYY)
183–197	Fourth Vest: Number of Options Vested (4)	If there is a fourth vesting period, then record the number of options that vested on the fourth vesting date. Please refer to the Guidelines if there have been stock splits
	...	Continue to record subsequent vesting dates in order.
	...	Record subsequent numbers of options vested on each vesting date.
	N <sup>th</sup> Vest: Date (N)	If there is a N <sup>th</sup> period vesting date for the grant, then record the vesting date. (Format: DDMMYYYY)
	N <sup>th</sup> Vest: Number of Options Vested (N)	If there is an N <sup>th</sup> vesting period, then record the number of options that vested on the N <sup>th</sup> vesting date. Please refer to the Guidelines if there have been stock splits

## Data File Number 2: Option Exercise Records

<b>Data columns</b>	<b>Variable Name</b>	<b>Description</b>
1–15	Employee Code Number	Encrypted employee code. The code format can be either character or numeric.
17–31	Option ID	Encrypted option grant identification code. The code format can be character or numeric.
33–40	Exercise Date	Date that the option was exercised. (Format: DDMMYYYY)
42–56	Number of Options Exercised	Number of options exercised on the recorded exercise date. Please refer to the Guidelines if there have been stock splits.
58–65	Stock Price on Exercise Date	Stock price on the exercise date. Price should be reported accurately to the thousandth place. Please refer to the Guidelines if there have been stock splits. (Format: 9999.999)
67–81	Number of Shares Sold Same Day	Total number of shares sold on the same day as the option exercise. Please refer to the Guidelines if there have been stock splits.

### **Data File Number 3: Option Modification/Cancellation Records**

<b>Data columns</b>	<b>Variable Name</b>	<b>Description</b>
1-15	Employee Code Number	Encrypted employee code. The code format can be either character or numeric.
17-31	Option ID	Encrypted option grant identification code. The code format can be character or numeric.
33-40	Cancellation Date	Date that the option was cancelled or modified. (Format: DDMMYYYY)
42-56	Number of Cancelled/Forfeited Options	Please refer to the Guidelines if there have been stock splits.
58	Reason:	1 = Deceased; 2 = Resigned; 3 = Retired; 4 = Repriced; 5 = Unknown