

SAMPLE ISO NOTICE

TO: [Person who exercised an incentive stock option during 2007]
FROM: [Company Name]
RE: **Exercise of Incentive Stock Option (as described in Section 422 of the Internal Revenue Code)**

Dear _____:

Pursuant to Internal Revenue Code Section 6039(a)(1), the following information is being furnished to you with regard to your exercise of an incentive stock option under the [Company Name] [plan title, e.g., 2006 Equity Incentive Plan] during 2007:

1. Corporation transferring the stock to you upon exercise of the option:
Name:
Address:

Employer Identification Number:
2. Corporation whose stock was transferred upon exercise of the option (if different from corporation named in item 1):
Name:
Address:
3. Person to whom stock was transferred upon exercise of the option:
Name:
Address:

Social Security Number:
4. Date option granted:
5. Date of transfer of stock to you upon exercise of the option:
6. Number of shares transferred to you upon exercise of the option:

7. Total fair market value (at time of exercise) of stock transferred to you upon exercise of the option*:
8. Aggregate option exercise price:
9. Total cost of all shares:

Dated: _____

[Company Name]

By _____

* This amount is used to determine the adjustment to income made in calculating alternative minimum tax for optionees whose stock is not subject to a “substantial risk of forfeiture” pursuant to Section 83 of the Internal Revenue Code. Optionees whose stock was subject to a “substantial risk of forfeiture” at the time of exercise should consult their own tax advisors regarding the amount and timing of the adjustment.