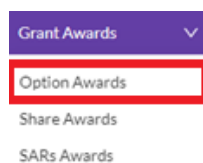


Create an Option Award Grant

Modified on: Thu, 15 Dec, 2022 at 1:52 PM

Adding an Option award plan in QapMap is a simple and an easy process.

1. Click Equity Awards in the left menu, select **Grants**.
2. Click **Grant Awards** drop-down and select **Option Awards**.



Award Details

 A screenshot of the 'Grant Awards' form in the Qapita system. The form is divided into several sections:

- Stakeholder**: Includes a text field for 'Stakeholder Email ID' with a note: 'Email ID is mandatory if Acceptance Flow is enabled.'
- Award Plan**: A dropdown menu currently showing 'Bulk Approval'.
- Share Class**: A dropdown menu currently showing 'Series A'.
- Grant Certificate ID**: A text field for 'Enter Grant Certificate ID'.
- Grant Date**: A date field showing '2022-12-13'.
- Enter**: A section with two tabs: 'Granted Quantity' (active) and 'Value of Options'.
- Granted**: A text field for 'Enter Options Granted' with a note: 'Options available for grant 87,630,433'.
- Display Value of Options at Grant**: A checkbox that is checked.
- FMV (Share Price on Grant Date)**: A section with a currency dropdown (showing 'INR') and a text field for 'Enter FMV'.
- Value of options**: A section with a currency dropdown (showing 'INR') and a text field.

 A 'Next' button is located at the bottom right of the form.

1. Select the **Stakeholder** by typing their first name. Select the stakeholder from the list displayed.
2. Enter **Stakeholder Email ID**. Click Add New Stakeholder if you need to add a new employee. Refer to the [Stakeholder Documentation for more information \(https://qapita-fintech.freshdesk.com/support/solutions/folders/72000479345\)](https://qapita-fintech.freshdesk.com/support/solutions/folders/72000479345).
3. Select the relevant **Award Plan**. The associated **Share Class** is displayed.
4. Enter **Grant Certificate ID**.
5. Select the **Grant Date**.
6. Select the **Currency** and enter the **Exercise Price**.
7. Select either **Granted Quantity** or **Value of Options**
 - a. **Granted** – enter the number of options granted.

• Enter

Granted Quantity Value of Options

• Granted

Enter Options Granted

Options available for grant 999,999,985,365.03

☐ Display Value of Options at Grant

Display Value of Options at Grant - Checking this will display the Value of Options in the Grant if not the field will be hidden.

• Enter

Granted Quantity Value of Options

• Granted

Enter Options Granted

Options available for grant 999,999,985,365.03

☒ Display Value of Options at Grant

• FMV (Share Price on Grant Date) ⓘ

INR Enter FMV

Value of options ⓘ

INR

FMV (Share Price on Grant Date) - FMV can be manually entered or is auto populated if FMV is added in the **Valuations page** under **Settings**, with the purpose specified as Grant of Options.

Value of Options – Defaulted to Issuer base currency, calculated as **Granted * FMV**

b. **Value of Options** – Enter the Value of options. FMV can be manually entered or is auto populated if FMV is added in the **Valuations page** under **Settings**, with the purpose specified as Grant of Options.

• Enter

Granted Quantity Value of Options

• Value of options

INR Enter Value of options

• FMV (Share Price on Grant Date) ⓘ

INR Enter FMV

Round Off options

Don't Round Off

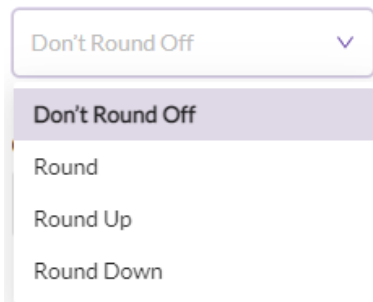
Displays the value along with decimal points accuracy Ex: 2.444

Granted

Options available for grant 999,999,985,365.03

8. Select the **Round Off** option you would like to display the values to the decimal points.

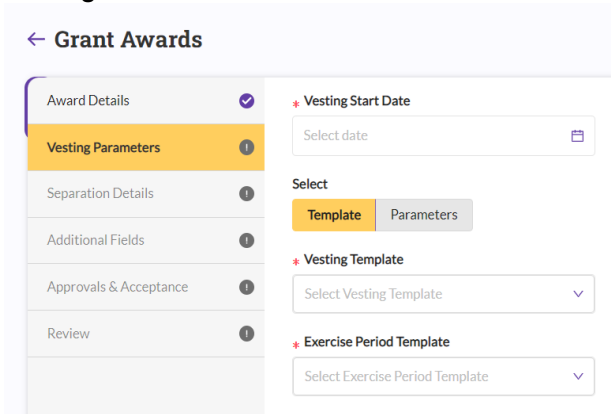
- **Don't Round Off:** Leave the value entered as is.
- **Round:** For decimal values greater than .5, rounds off to the next highest whole number and decimal values lesser than .5, rounds off to the previous lowest whole number. For example, 2.5 becomes 3, 2.2 becomes 2.
- **Round up:** Rounds off to the next highest whole number. For example, 2.3 becomes 3.
- **Round down:** Rounds off to the previous lowest whole number. For example, 2.7 becomes 2.

Round Off options


A screenshot of a dropdown menu for 'Round Off options'. The menu is open, showing four options: 'Don't Round Off' (selected), 'Round', 'Round Up', and 'Round Down'. The selected option is highlighted with a purple background and a checkmark icon.

9. The number of Options Granted is automatically calculated and displayed.

10. Click **Next**.

Vesting Parameters


A screenshot of the 'Vesting Parameters' form. The form has a sidebar with navigation links: 'Grant Awards', 'Award Details', 'Vesting Parameters' (selected), 'Separation Details', 'Additional Fields', 'Approvals & Acceptance', and 'Review'. The main content area shows fields for 'Vesting Start Date' (with a calendar icon), 'Vesting Template' (with a dropdown arrow), and 'Exercise Period Template' (with a dropdown arrow). There are also tabs for 'Template' and 'Parameters'.

1. Select the **Vesting Start Date**.
2. Select **Vesting Template** or **Parameters**

a. Vesting Template:

- I. Select the Vesting Template from the Dropdown. If a vesting template is not available, you can create it by clicking Create New Vesting Template.

Note: Click



to view the template.

- II. Select **Exercise Period Template**. If an exercise period template is not available, you can create it by clicking Create New Exercise Period Template.

Note: Click



to view the template.

- III. Click **Next**.

b. Parameters:

- I. If you want to start the vesting schedule immediately, select **Yes** in the **Immediate Vesting** field.
- II. Type the percentage to vest in the **Vested immediate** field.
- III. Click Yes in the **Cliff Vesting** field to specify the required period until the vesting of the first tranche.

- IV. Type the percentage an employee can vest in the **Cliff Vested** field. For Example: If its 10%, then after the cliff, 10% of the granted options are vested.
- V. In the **Cliff period at the end of** field, select the appropriate number of days, months, quarters, half yearly, or years to specify the required length of the vesting period for the first tranche
- VI. By default, the vesting is balanced over the time frame you specify. If you would like to change this, select the days, months, quarters, half yearly, or years in the **Balance vests equally over** field.
- VII. You can also set how often vesting can happen. For this, select the relevant option in the **Vesting occurs** field. You can select same date as vesting start date, on the first, 15th, or last day of the month to specify the appropriate timing for the vesting.
- VIII. The **Round number of options at each vest** allows you specify the logic the vesting schedule will follow in regards to rounding of vesting tranche quantities.
- IX. In the **Round off options at** field, you can enable rounding off in the first vest, last vest, or for every round. This will help you determine at what stage the rounding should apply to ensure that the split of vesting quantities across all tranches adds up to the total granted quantity.
- X. In the **Rounding Off Method** field, you can enable rounding off method to: **Round, RoundUp or Round Down**
- XI. Select the **Exercise Period**. Either Perpetual or you can specify the period.
- XII. Select the **Lock In Period**
- XIII. Click on **Next**

- **Round:** For decimal values greater than .5 , rounds off to the next highest whole number and decimal values lesser than .5 , rounds off to the previous lowest whole number. Ex: 2.5 -> 3, 2.2 -> 2
- **Round Up:** Rounds off to the next highest whole number. Ex: 2.3 -> 3
- **Round Down:** Rounds off to the previous lowest whole number. Ex: 2.7 -> 2

Separation Details

Use this section to specify how both vested and unvested awards should be handled when an employee leaves the company.

← Grant Awards

Award Details

Vesting Parameters

Separation Details

Additional Fields

Approvals & Acceptance

Review

Resignation

☒ Enable separation rule linked to tenure of employee with the company

Value

Unit

Tenure with the company is less than or same as

Unvested Awards

Vested Awards

Cancel on Separation Date

Active Till Expiry Period

Tenure with the company is more than

Unvested Awards

Vested Awards

Cancel on Separation Date

Active Till Expiry Period

Default Setting if tenure is not entered

Unvested Awards

Vested Awards

Cancel on Separation Date

Active Till Expiry Period

Involuntary Termination

Unvested Awards

Vested Awards

Cancel on Separation Date

Active Till Expiry Period

Termination With Cause

Unvested Awards

Vested Awards

Cancel on Separation Date

Active Till Expiry Period

Retirement

Unvested Awards

Vested Awards

Cancel on Separation Date

Active Till Expiry Period

Death

Unvested Awards

Vested Awards

Cancel on Separation Date

Active Till Expiry Period

Disability

Unvested Awards

Vested Awards

Cancel on Separation Date

Active Till Expiry Period

- **Resignation:** Use this section to specify how both vested and unvested awards should be handled when an employee voluntarily leaves the job.
 - You can **Enable separation rule linked to tenure of employee with the company**.
 - Selecting the above option enables **Tenure with the company is less than or same as**. You can enter the number of days, month, or years in **Value** and **Unit**.
 - Select the appropriate option for **Unvested Awards**.

Unvested Awards

Cancel on Separation Date ▼

Cancel on Separation Date

Vest on Separation Date

Continue to Vest as per Schedule

Continue to Vest from Separation Date

d. Select the appropriate option for **Vested Awards**.

Vested Awards

Active Till Expiry Period ▼

Active Till Expiry Period

Last Date of Exercise from Separation Date

- **Involuntary Termination:** Use this section to specify how both vested and unvested awards should be handled when an employee is terminated from their job.
 - a. Select the appropriate option for **Unvested Awards**.
 - b. Select the appropriate option for **Vested Awards**.
- **Termination With Cause:** Use this section to specify how both vested and unvested awards should be handled when an employee is terminated due to misconduct.
 - a. Select the appropriate option for **Unvested Awards**.
 - b. Select the appropriate option for **Vested Awards**.
- **Retirement:** Use this section to specify how both vested and unvested awards should be handled when an employee retires.
 - a. Select the appropriate option for **Unvested Awards**.
 - b. Select the appropriate option for **Vested Awards**.
- **Death:** Use this section to specify how both vested and unvested awards should be handled when an employee passes away while in service.
 - a. Select the appropriate option for **Unvested Awards**.
 - b. Select the appropriate option for **Vested Awards**.
- **Disability:** Use the to specify how both vested and unvested awards should be handled for a disabled employee or one who is disabled due to an injury.
 - a. Select the appropriate option for **Unvested Awards**.
 - b. Select the appropriate option for **Vested Awards**.

Additional Fields

In this tab, you can include any Additional Fields needed. Please note that the Additional fields are created in the Configurations Settings.

[Click here to learn more about creating Additional Fields \(https://qapita-fintech.freshdesk.com/support/solutions/articles/72000542397-stakeholder-settings\)](https://qapita-fintech.freshdesk.com/support/solutions/articles/72000542397-stakeholder-settings).

Approval & Acceptance

Next, under **Select Type of Grants** you can choose one of these:

Record Grant

You can select Record Grant to enter all grant details (already transacted).

← Grant Awards

- Award Details ✓
- Vesting Parameters ✓
- Separation Details ✓
- Additional Fields ✓
- Approvals & Acceptance** !
- Review !

*** Select Type of Grants**

Record Grant Enable Acceptance Flow

*** Grant status**

Accepted Rejected

Acceptance Date

Select date

Grant Letter Template

Select Grant Letter Template

Supporting Documents

Drag & Drop

Supported files: Word, PDF, Excel, Images, PPT are only allowed.
File size should be Maximum 100MB

Choose files

- Select the appropriate **Grant status** when you record the grant.
- If you want to include these details, select **Acceptance Date**, **Grant Letter Template** and add Supporting Documents by dragging and dropping the file or click **Choose files** to add any relevant contract or documents. Supported documents are Word, PDF, Excel, Images & PPT. The file size should be Maximum 100MB
- Click **Next**.

Enable Acceptance Flow

Select **Enable Acceptance Flow** to enable a digital approval process for a grant award.

Bifurcation of Click to Accept / e-sign flow

This will help admin users to embed the signature of approver in the grant letter and bulk approve grants whereas employees can be directed to the e-sign flow.

Flexibility to configure either e-sign or click to accept for approvers and option grantees in create/edit grant.

1. In Select Type of Grants:

- Click **E-sign** if you want to enable the e-signature process. In this option, the employee can view the grant contract.
- Alternatively, **Click to Accept** to give the employee the option to accept a grant. If the employee does not accept the offer by the due date, the grant automatically expires.

2. You may wish to Associate Approvers to approve the grant. Click E-sign to enable the e-signature process. Select Approver by clicking their name. If you need to add an approver, click **Add Approver**.

3. In the displayed dialog box, provide the details and click **Add Approver**.

4. Next, set the date or timeline for **Acceptance for Option Grantee**:

Acceptance for Option Grantee

Date Timeline

Last Date of Acceptance for Option Grantee

2022-05-31

- Click **Date** if you want to specify a specific date by when the grantee must accept the grant.
- Select **Last Date of Acceptance for Option Grantee**.

Acceptance for Option Grantee

Date Timeline

* Last Date of Acceptance for Option Grantee

60 days after approval

- Click **Timeline** if you want to specify number of days (from the grant date) within which the grantee must accept the grant.
- Enter the **days after approval**.
- Select **Grant Letter Template**.
- Add Supporting Documents by dragging and dropping the file or click **Choose files** to add any relevant contract or documents.
- Click **Next**.

Review

Finally, you can review all the details in the grant. You can edit the grant before creating it.

← Grant Awards

Award Details ✓

Vesting Parameters ✓

Separation Details ✓

Additional Fields ✓

Approvals & Acceptance ✓

Review ✓

1 Grant Letter previewed in Acceptance & Approvals Tab is only for reference

1 Final Grant Letter is generated only after clicking on Save as Draft or Grant Award and can be viewed in the respective confirmation screens

Awardee Details

Stakeholder	ABC Test	Stakeholder Emp ID	-
Stakeholder Email ID	amit.majumder@qapita.com	Awardee Status	Active

Grant Details

Grant Certificate ID	-	Type of grant	Enable Acceptance Flow
Grant Date	Nov 01, 2022	Exercise Price	SGD 10
Award Type	Option Award	Granted	10
Award Plan	Option Plan 2022		
Share Class	Seed		

Vesting Schedule

Vesting Start Date
Nov 01, 2022

Previous Save as Draft Grant Award

Click **Grant Award**.