CLARITY **FSR**™

AUTOMATED EXTERNAL REPORTING

www.claritysystems.com

CLARITY FSR provides a comprehensive solution to any organization's external reporting requirements by automating the creation of annual reports, quarterly reports, board books, bank call reports, corporate actions, CSR reports and any other statutory or regulatory filings.

CLARITY FSR provides a collaborative environment where many contributors can participate in the creation of the external document, within a secure environment, tight audit trail and with a seamless connection to source data.

CLARITY SYSTEMS

A Broken Process

Today, most organizations continue to manually produce their external financial documents, such as the annual report, quarterly and annual submissions to regulatory bodies (e.g. SEC 10-K and 10-Q), the board book, bank call reports, corporate actions, and many other statutory and regulatory filings.

Organizations typically face a number of challenges in the completion of the external financial reports including:

• Time-consuming, manual processes

• Data inaccuracies

• No audit trail documenting who made changes

• No common system to manage the process and to manage the access to information

CFOs Face Increasing Risk…

Increasingly complex regulations. Shrinking filing deadlines. A pervasive use of spreadsheets in the finance department. Expanding quarterly and annual reports. More people than ever involved in the creation of these sensitive reports. All of which makes the job of the CFO, who is accountable for all aspects of the external financial documents, that much harder.

CFOs need to mitigate several sources of financial reporting risk including:

• Risk of errors leading to restatements

• Risk of late filings

• Risk of insider leaks

• Risk of non-compliance with a variety of regulations

…And Increasing Costs of Compliance

The manual nature of financial reporting means that as external reports and its requirements become more complex, more effort is required to create the reports and to manage the process. As a result, current staff must work longer hours or additional people are required to consolidate multiple spreadsheets, find and correct mistakes, manage compliance checklists, and coordinate the approval process – all of which lead to increased costs.

And CFOs see the costs of compliance manifested in several ways:

• Internal personnel costs, both monetary and health-wise

• Auditor fees

• Graphic design fees

"Clarity Systems has a differentiated capability to produce full regulatory filings as well as strong XBRL tools."
The Forrester Wave™: Business Performance Solutions, Q4 2007, Forrester Research, Inc., October 2007

"Chief Financial Officers are looking for substantial reductions in the cost of compliance while minimizing the risk of non-compliance at the same time."
IT Implications of Sarbanes-Oxley, PwC

CLARITY SYSTEMS

THE SOLUTION

End User → CLARITY FSR™ Central Application → Annual Reports, Quarterly Reports, Bank Call Reports, Corporate Actions, Regulatory Reports, XBRL

Link Source Data to Report Data

Every number in the final report links directly back to a single data source ensuring that there are no conflicting numbers anywhere in the report. And changes to that source number automatically cascade through the report. This ensures there is only "one version of the truth".

Easy to Use

Most people are already familiar with MS-Word and MS-Excel. CLARITY FSR provides a user interface that leverages all of the formatting capabilities of MS-Word and all of the calculation abilities of MS-Excel.

Use Prior Report as a Template for the Next Report

New reports typically contain the same sections as previous reports, reuse the same data sources (e.g. revenue, net income, etc.) and recreate the look and feel of past reports. CLARITY FSR uses this fact to "jump-start" the report creation process. The latest data is automatically loaded into a report template that is pre-formatted, letting the user focus on editing the document rather than collecting, consolidating and formatting the data.

Audit Trail

CLARITY FSR provides a comprehensive audit trail – tracking each change to the document. With the CLARITY FSR audit trail, users can easily compare any two versions of the document to see what was changed, who changed it, and when it was changed.

XBRL

CLARITY FSR can easily tag financial data and commentary once and have it automatically flow to future reports. The Taxonomy Manager, Taxonomy Editor and Taxonomy Designer extend your company-specific taxonomy to meet the latest filing regulations. And the XBRL Viewer lets users view the final XBRL report.

Integration with Online Resources

CLARITY FSR integrates with online research systems such as Thompson Reuters Tax & Accounting Checkpoint® platform. While creating external reports within CLARITY FSR, users can, for example, directly access analysis, official text of regulations and standards, searchable SEC filings, and current news regulatory developments.

Workflow

A workflow process within CLARITY FSR tracks the status of each section of the document, with due dates and responsibility assignments. With workflow, the administrator can easily see the status of each section of the document, which sections are overdue and who is responsible for each section.

Output

CLARITY FSR supports a variety of output options including: MS-Word, MS-PowerPoint, Adobe PDF, Adobe InDesign, and optionally XBRL or "Edgar-ready" documents for filing to the SEC.

Reduced Personnel Costs

With the ability to pull data from multiple sources, built-in workflow, multiple output options and a familiar user interface that leverages all the formatting capabilities of MS-Word and all the calculation abilities of MS-Excel, financial reporting departments are improving personnel efficiency and effectiveness.

• Workload reduction through more efficient processes

• Reduction in overtime hours

• Well-paid employees focused on high-return activities

• Increased review time resulting in more 'actionable' insights into the business

Lower External Costs

With built-in internal controls, audit trail and workflow, companies realize significant savings using CLARITY FSR by reducing the time spent by external resources in checking and then producing various reports.

• Reduction in auditor fees

• Reduction in printer fees

• Reduction in typesetting fees

Reduced Risk

Risks, including those associated with factual errors, late filing, insider leaks and non-compliance incidents, are avoided via CLARITY FSR workflow, collaboration, audit trail and central database features.

• Reduced risk of error

• Reduced risk of late filing

• Reduced risk of non-compliance

• Reduced risk of insider leaks

"We weren't aware of anything on the market like CLARITY FSR, so the product sold itself. We realized straight off that this was the control mechanism we needed. Overall, the reduced risk of data inaccuracies and the availability of an audit-trail-feature convinced us to purchase, and we're glad we did."
Jeff Brister, Reporting Development Manager
Group Financial Reporting, British Airways

Reduced Cycle Time

By automating the overall external reporting process to reduced production timelines, time is gained to conduct more comprehensive internal reviews, discussions and analysis, in plenty of time to meet filing deadlines. And a single version of the truth means not having to re-apply formulas and re-key data, resulting in increased confidence in "the numbers".

• Less review time required

• Fewer manual processes

Reduced Personnel Costs

"My staff and I have reduced the time we had to spend compiling, checking and producing our reports, as was the case during 'crunch time.' Not only are we filing on time but our employees have a life!"

Senior Director, Financial Reporting, Leading National Distributor of Medical Supplies & Equipment

"The whole work-life balance you hear so much about these days is going to be improved for our staff when preparing our 10-K with CLARITY FSR. We've created and filed our 10-Q already with CLARITY FSR and it really reduced our workloads."

Executive Director, Corporate Financial Systems, TV and Entertainment Giant

Lower External Costs

"We were incurring a lot of printer charges due to copy changes. Now we can focus on getting the information right to begin with, so that when it's sent to the printer, it's pretty much done. For example, our 10-K was 177 pages and we saved roughly $10,000 USD in typesetting fees when all was said and done."

Director of External Reporting, Large Healthcare Insurance Provider

"Outsourcing the XBRL process to printers is very costly and would have an ongoing cost, incurred every time we filed. We feel that in the long run CLARITY FSR integrated XBRL solution will be much more cost effective than outsourcing the tagging and formatting to a printer, especially when it comes time for the detailed tagging of footnotes to our filings."

Manager, External Financial Reporting, International Energy Company

Reduced Risk

"We found the one product on the market that could automate our manual, MS-Excel-based annual account preparation and filing process … With CLARITY FSR, we've gained greater control over the reporting process, with the specific benefit of the consolidation of numerous spreadsheets into a single CLARITY FSR document, complete with version control, workflow and audit trail capabilities."

Group Financial Controller, UK Mutual Financial Services Group

"CLARITY FSR has improved our accuracy. The items that need to appear in numerous places in our document are populated immediately, and they're right! We feel a lot more comfortable with the accuracy of the document using CLARITY FSR."

Senior Director, External Financial Reporting & Compliance, Giant Multinational Petroleum & Natural Gas Corporation

Reduced Cycle Time

"We went live in March 2009 and filed our 10-Q in April using CLARITY FSR, including our XBRL document. It certainly gives us greater confidence in our numbers… we know that "cash" in the balance sheet is going to equal "cash" in the cash flow statement."

Executive Director, Corporate Financial Systems, TV & Entertainment Giant

"The automation of numbers that once took three days to accomplish now are done in 12 seconds. And the "dynamic links" between our source documents and CLARITY FSR is a huge advantage to us!"

Director of External Reporting, Electronics/Defense Contractor

"With CLARITY FSR, we've been able to fully automate the creation of our external reports, replacing a more labor intensive, manual process. What used to involve multiple steps and oversight can now be done in seconds."

Michelle Boyer, Senior Director, Financial Reporting, PSS World Medical, Inc.

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IMPACT AWARDS Winner

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About Clarity Systems

Clarity Systems delivers software solutions to the Office of Finance. Our software helps large and mid-market organizations around the world improve their budgeting, planning, consolidations, scorecarding and management reporting processes, and also automates their external reporting processes to support the production of regulatory and statutory reports. Our unified applications help CFOs reduce risk while simultaneously improving operational efficiency. For more information, please visit our website at **www.claritysystems.com**.

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