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## **Restricted Stock Systems Achieves Record Quarter**

*With Insider Trading on the Rise, Demand for Restricted Stock Systems' Compliance Technology Reaches All-Time High*

**PRINCETON, N.J. — May 22, 2007** — Restricted Stock Systems, a leading provider of insider trading software and services to brokerage firms and publicly traded companies has closed the most successful quarter in the company's seven-year history, achieving revenue growth in upward of 95 percent when compared to 2006 first-quarter performance and putting the company on pace to increase its annual revenues by more than 50 percent for the third consecutive year.

Driving the company's year-to-date success is the record reporting of unusual trades to regulators by U.S. stock and option exchanges; new regulations effected by the U.S. Securities and Exchange Commission (SEC) including Rule 10b5-1 which affords corporate insiders, directors or affiliates with a safe harbor or affirmative defense that stock trades were made on the basis of material information; the proliferation of restricted stock held by corporate insiders; and brokerage firms' focus on providing wealth management services to corporate executives.

With a complete line of software and services that address SEC regulations and required filings including Rule 144, Forms 3, 4, and 5, in addition to Rule 10b5-1 for both corporate administrators and plan managers, Restricted Stock Systems is well positioned to take advantage of this burgeoning market as it continues to grow and mature.

"As insider trading activity has become more sophisticated and regulatory compliance more complex, corporations and financial institutions are looking for technologies that shore up corporate governance and mitigate risk," said Greg Besner, CEO of Restricted Stock Systems. "Our Web-based solutions and Software-as-a-Service (SaaS) delivery model makes Restricted Stock Systems' products easy to deploy, use and maintain resulting in an impressive client retention rate of 95 percent cumulatively since our founding in 2000."

The proliferation of restricted stock held by corporate insiders in addition to brokerage firms seeking to provide superior services for corporate executives, has resulted in several new brokerage and corporate clients in the first quarter of 2007, bringing the company's total number of clients to 46.

The introduction of Restricted Stock Systems' second-generation *10b5-1 Administrator* platform announced in March brought enhanced features and functionality to ease the management and execution of 10b5-1 trading plans and helped drive further adoption of Restricted Stock Systems' technology offering via direct sales and the partner channel. The only commercial solution of its kind to provide corporate 10b5-1 compliance and administration, the platform has been touted by corporate governance professionals as a critical tool for the enforcement of corporate guidelines and shareholder accountability.

The *10b5-1 Administrator* platform is offered as a standalone solution for public companies or bundled with the *10b5-1 Plan Manager* solution used by leading brokerage firms to handle the execution and management of trading plans once created – providing an end-to-end 10b5-1 solution. Restricted Stock Systems maintains distribution channel partnerships with two of the largest clearing brokerage firms in the world and ongoing alliances with The NASDAQ Stock Market, Inc. and the Depository Trust & Clearing Corporation (DTCC).

**About Restricted Stock Systems, Inc.**

Restricted Stock Systems, Inc. provides the industry's only commercial software to manage Rule 10b5-1 trading plans in addition to software and services for processing and reporting of restricted stock and insider trading compliance. Offering the most comprehensive trade management and compliance solutions available, Restricted Stock Systems enables public companies and financial institutions to simplify the collection and verification of shareholder information, automate required filings and streamline compliance processing and reporting. With software and services to support Rule 10b5-1, Rule 144, Venture Capital distributions and Forms 3, 4 and 5, Restricted Stock Systems' insider trading and compliance solutions are used by many leading financial firms and *Fortune* 500 companies. For more information, visit [www.rssgroup.com](http://www.rssgroup.com).

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