



XBRL Case Studies

The Integrated XBRL Approach

Clarity Systems

Agenda

- **3 Real Life XBRL Case Studies**
- **Clarity FSR Overview**
- **Q&A**



XBRL Case Study

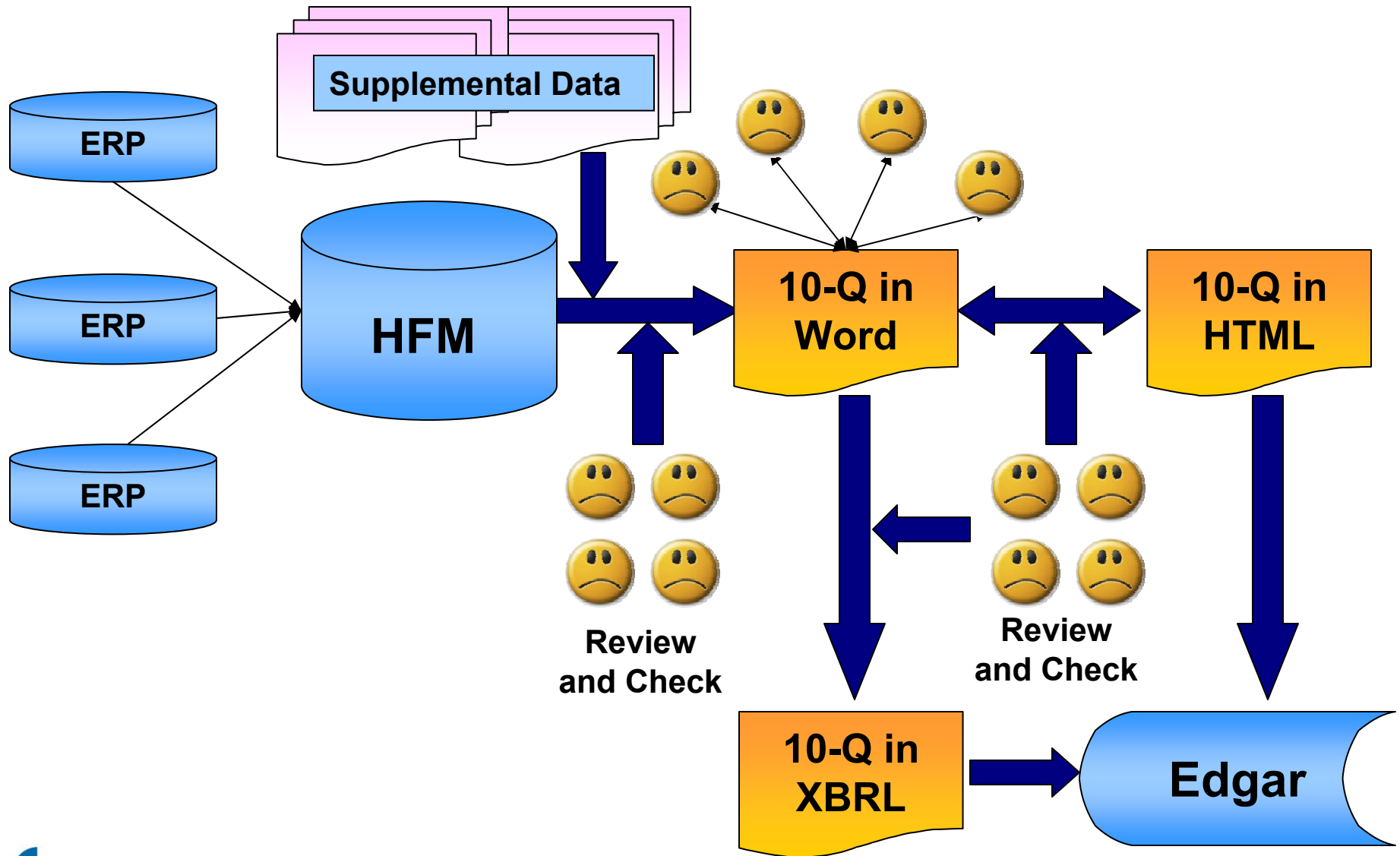
Global 500 Public Filer

Presentation from Clarity Systems User Conference

Company Background

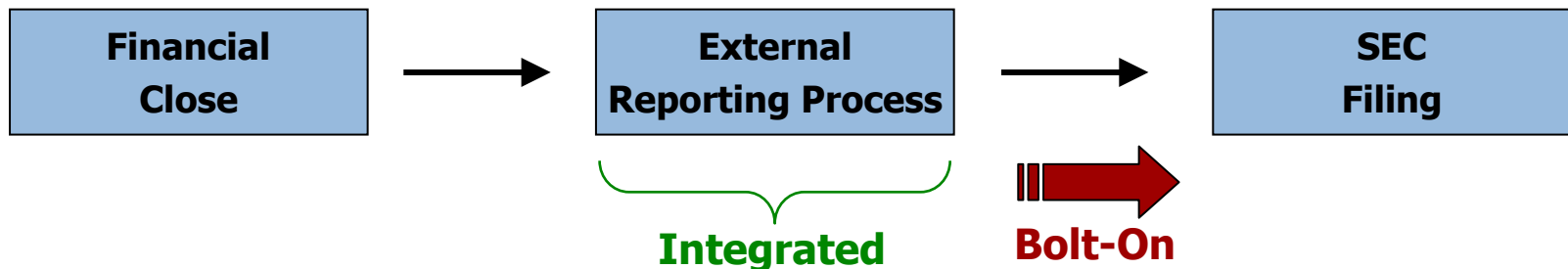
- International conglomerate
- One of the fastest filers in the Fortune 50
- One of the first companies to participate in the XBRL Voluntary Filing Program with the SEC

Original 10-Q Process

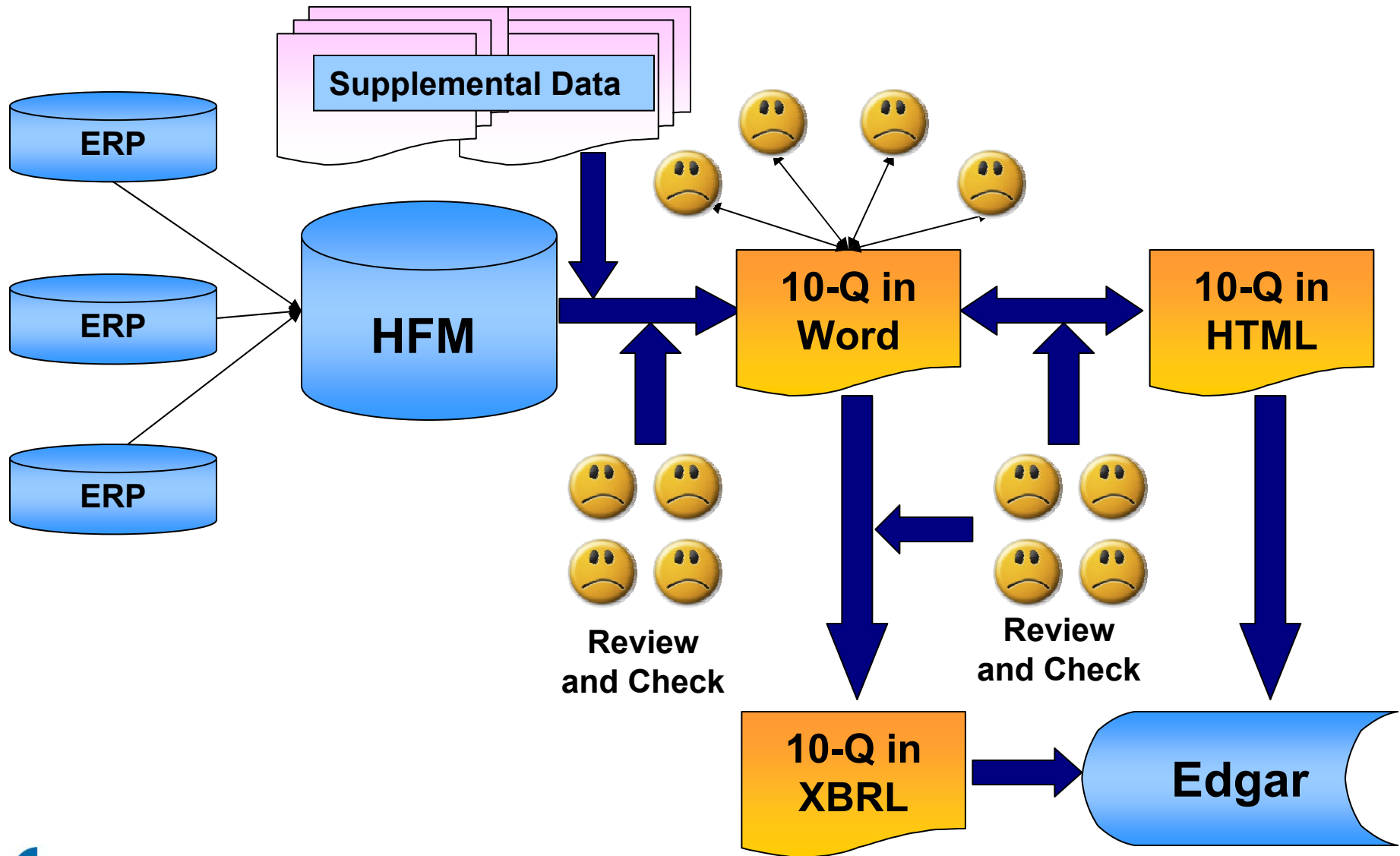


Considered Two Options for XBRL Tagging

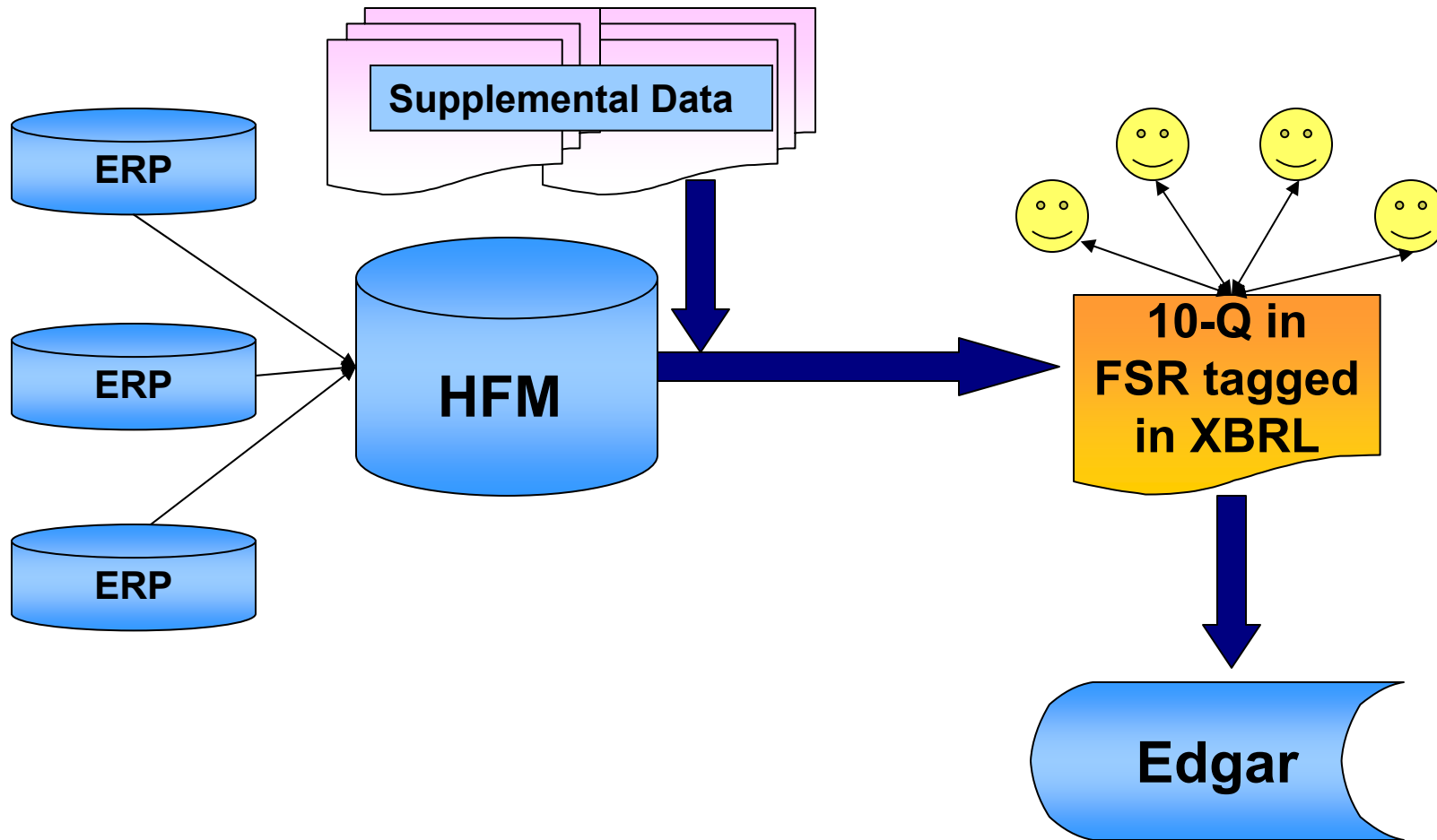
| Options | Leads to... |
|---|---|
| Bolt-On XBRL <ul style="list-style-type: none">• XBRL tagging occurs after the external reporting process is complete | <ul style="list-style-type: none">• Extended reporting times• More work• Higher risk |
| Integrated XBRL Solutions <ul style="list-style-type: none">• XBRL solution is fully integrated with the external reporting process | <ul style="list-style-type: none">• Greater control• Lower risk• More efficiency• Lower cost |



Original 10-Q Process



Clarity FSR (Integrated XBRL) 10-Q Process



Clarity FSR Integrated XBRL Solution Benefits

- One central location with direct connection with HFM data
- Automatic creation of entire document
- **Automatic creation of XBRL instance document**
 - **Tag Once™ XBRL technology**
 - **Block tagging and Level IV tagging**
 - **Taxonomy version management**



XBRL Case Study

Fortune 50 Public Filer

Presentation from Clarity Systems Field Event

Company Background



- Integrated oil & gas company
- Global operations
- File with the SEC

Previous Reporting Process

- **SEC docs – mainly 10-Q, 10-K – prepared in MS Word**
 - Word tables problematic since no math capability and lots of re-keying
- **Switched to MS Excel tables in mid-2007, with Excel tables linked to Word**
 - Upside: no more math problems
- **But still too much re-keying and more files to manage**
- **No XBRL reporting capability**

What They Looked For

- **Ways to streamline processes**
- **Ability to keep one database and use for ALL reports**
- **XBRL Reporting tool**

Selected Clarity FSR™

- **Lived up to promises**
 - Initial 10-Q converted and filed on time
 - Rolling into Q2 took less time than rolling a new Word doc
- **XBRL capability linked to work papers**
 - Better than bolt-on software or an external service

Key XBRL Benefits

From client email:

- **Having control over the process**

“This was probably the most important factor to us in deciding whether to use a printer to do the tagging for us vs. trying to do it ourselves through FSR. We know in much more detail what the amounts in each of our financial statement lines represents regardless of what we call it, and we feel that we could never get complete comfort over outsourcing this process.”

Key XBRL Benefits

- **Timing**

“Since we’re large-accelerated, we usually cut it fairly close to produce our filings by the given deadlines, and to have an additional bolt-on process on top of it seemed like a train-wreck waiting to happen. It probably wouldn’t have been as much as an issue for year 1 with block-tagging, but with detailed tagging, I don’t know how companies outsourcing the process are going to get it all done.”

Key XBRL Benefits

- **Efficiency**

“Integrating the XBRL process into the preparation of the financial statements and footnotes seems much more logical and efficient than having an add-on process at the end. FSR has already made us much more efficient in preparing and validating the reports and to be able to easily tag as we go and to roll it forward without having to reinvent the wheel every reporting period is a huge plus in our eyes.”

Key XBRL Benefits

- **Internal controls**

'While SOX has not entered the XBRL realm yet, we are anticipating that our external auditors and the SEC will hold us to the same standard of internal controls over XBRL reporting as in our SEC financial reporting.

FSR has really good workflow controls, audit trail reports, etc. to provide our management comfort over XBRL instance documents. It makes more sense control-wise to have everything housed together and to be reviewed together, which FSR does nicely."

Key XBRL Benefits

- **Cost**

“Outsourcing the XBRL process to printers is very costly and would have been a repetitive cost every time we did a filing. We feel in the long run, FSR’s XBRL solution will be much more cost-effective, especially when it comes time for detail-tagging of footnotes.”



XBRL Case Study

Fortune 200 Public Filer – CIGNA

Presentation from Clarity Systems Field Event

CIGNA Company Background

- One of the largest investor-owned health service organizations in the United States
- Global operations
- Files with the SEC

Previous Reporting Process

- Manually producing many of its external financial documents
- The creation of these documents was the final step in the financial reporting process
- Involved the leap from a financial system to a Word or Excel document
- As reports became more complex, more effort was required to create the reports and to manage the process

Is there a better way?

- The process of generating the 10-Q and 10-K was inefficient requiring re-keying of information mainly using prior year and prior quarter reports as a starting point
- Excessive time was spent on document formatting and data collection than on value added activities
- Many inputs from many people across the organization in many different formats
- **XBRL filing requirements – built-in or bolt-on solution?**

Why Choose Clarity FSR?

- **Met all future state requirements including XBRL:**
 - Creating a collaborative working environment
 - Linking source data to report
 - Rolling forward documents from one period to the next
 - XBRL tagging
- **Scalability**
 - Could start small and quick by linking to existing Excel files on shared drives
 - Later ramp up to using the more advanced database features

Key XBRL Benefits ...

- Very easy to tag (and tags are saved in database)
- Once tagged, rolled over from report to report and re-use tagging (Tag Once™ Technology)
- Tagging is done in Word and Excel, same documents used for final report. Leverages the core FSR technology and keeps them in a controlled and managed workflow.
- Seamless Integration to Source Data
- Can tag 100s of Excel and Word “objects” that FSR seamlessly brings together to create the single XBRL document
- Control environment that helps our compliance with the “Disclosure Controls & Procedures” – Reg 13a-15

Key XBRL Benefits ...

- Simple and controlled management of extension taxonomies
- Supports “collaborative” tagging
- Built-in validation for “Chapter 6 Rules” (Release 6.5)
- Block tags multiple Word narratives and Excel data ranges with the same XBRL ‘text block’ element that make up a disclosure and automatically weaves them together
- Provides detail tagging report that shows all tagged items as well as an ‘inline XBRL’ version
- Leverages rounding function that is inherent in FSR so it’s a non-issue with XBRL instance creation

Key XBRL Benefits ...

- Simple and controlled management of extension taxonomies
- Leverages rounding function that is inherent in FSR so it's a non-issue with XBRL instance creation
- Concurrent generation of traditional formatted documented and the XBRL document.
- XBRL generated documents are SEC ready

Current Clarity FSR Uses

- **External Reporting**

- 10-K for the year ended 12/31/08
- 10-Q for the quarter ending 3/31/09
- 10-Q with XBRL to be used for the quarter ending 6/30/09
- State Insurance Department Filings (2008 CGLIC Footnotes)

- **Internal Reporting**

- Significant Accounting Matters Memo
- CFO Package For Quarterly Analyst Calls



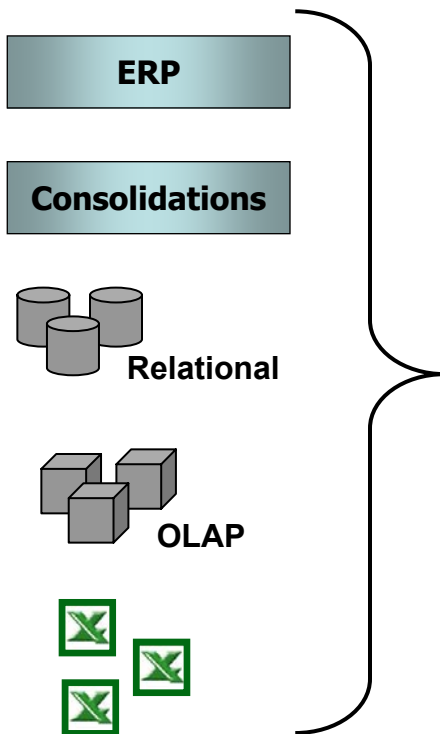
Clarity Systems

Clarity Systems

| | |
|------------------|--|
| Founded | 1995 |
| Focus | Focus on CPM & External Reporting |
| Solutions | Clarity 6 & Clarity FSR |
| Services | Large vendor-based services team |
| Customers | Fortune 1000 – across all industries |
| Users | 40,000+ users |
| Growth | 35% average annual growth rate |
| Stability | No debt. No V.C. Privately held |

Clarity FSR – the Integrated XBRL Solution

Data Sources

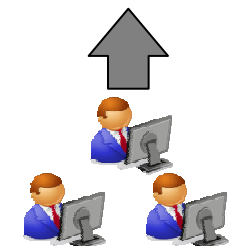


Financial Information

Clarity FSR External Document



- Title Page
- Table of Contents
- Letter to Shareholders
- Business Overview
- Balance Sheet
- Income Statement
- Cash Flow Statement
- Notes – Cash
- Notes – Long Term Assets
- Notes – Revenue
- Auditors Report
- Compliance Processes



Data Collection
(Statistical & Operational)

Output Options



EDGAR-ready



Unique XBRL Benefits of Clarity FSR

Clarity FSR not only delivers standard XBRL tagging / reading / viewing functionality but it also embeds:

- Multi-dimensional mark-up capabilities to support segmental reporting and analysis
- Taxonomy extension capabilities through additional design and edit functionality eg for specific industries
- Secure taxonomy storage in the FSR database supported by FSR user access and workflow controls
- The ability to track taxonomy changes by user over time through the FSR audit trail
- A single user interface to tag numeric, textual and footnote data
- Automatic XBRL update whenever tagged data within an FSR Excel / Word object is amended and saved
- Tag preservation following initial document creation eg no need to re-tag every item individually during the next production cycle

Questions

