



Line of Business

Forsythe is an information technology infrastructure integrator. Forsythe helps complex organizations across all industries, including Fortune 1000 companies, optimize the cost and manage the risk of their IT while improving performance. Forsythe provides independent technology and business consulting services, technology leasing services, and value-added reseller services for all the leading technology product manufacturers. Headquartered in Skokie, Illinois, Forsythe employs 872 people in 48 offices throughout the United States and Canada. Forsythe is privately held and 100-percent employee-owned. In 2010, Forsythe achieved its 39th consecutive year of profitability with estimated revenues of \$1 billion.

History

For 39 years, Forsythe has been growing and evolving with our clients to meet and anticipate their changing IT needs. Founded in 1971 as a vendor-independent alternative for mainframe financing and acquisition support, Forsythe has evolved into an information technology infrastructure integrator. In the 1980's and '90's, we expanded our vendor relationships and developed expertise in evaluating and integrating interdependent client-server technologies. In recent years, as our clients continue to evolve and grow, they are increasingly relying on us for IT and business alignment advisory services and for IT support outside of the U.S. In March of 2006, Forsythe became 100-percent employee-owned after purchasing the company from its founder, Rick Forsythe.

Form of Ownership

Forsythe Technology, Inc. is a 100% ESOP-owned S Corporation. There were approximately 880 participants in the plan as of December 31, 2009 out of a total workforce of 913. Employees hired after October 1, 2009 became eligible for the plan January 1, 2010. Our Canadian employees are offered an alternative deferred compensation plan that is structured in accordance with Canadian laws.

Forsythe is committed to strengthening its ownership culture and its senior leadership continues to support the Employee Ownership Team it established in 2006. It is the leadership and commitment of this team that qualifies Forsythe Technology as the Illinois ESOP Company of the Year. Sixteen employee owners from across the company came together in 2006 and laid the foundation for a team that is dedicated to educating and communicating with all employees the "Ownership Advantage". Our team meets semi-annually at our corporate headquarters to set goals and strategize for the year ahead. We work in smaller groups throughout the year on projects selected during our semi-annual meeting. Our corporate sponsors, Al Weiss, CFO and Julie Nagle, Senior Vice President of Human Resources provide guidance and support to our team while championing our causes to our Senior Leadership Team. As evidence of our support of employee participation and the preservation of the ESOP form of



ownership, our very first chairman of the Employee Ownership Team, Tony Lessmeister, went on to become the President of the Illinois ESOP Association.

Our CORE Values

During the first year of our 100% Employee-Owned status, Forsythe employees outlined their CORE values. This process was jointly spearheaded by Human Resources and the Employee Ownership Team and the result was six CORE values which coincidentally spell out the word IMPACT, Integrity, Mutual Respect, Passion for Excellence, Accountability, Client Focus and Teamwork. Our emphasis on our Core Values is a strategy to further engage our employees in the benefits and responsibilities of ownership. Our IMPACT theme connects our internal and client-facing objectives as a company. We strive to achieve positive outcomes for our clients, and to do so in a way that produces positive outcomes for our company. We further branded our Core Values through an annual IMPACT award for employee excellence developed in 2008. The IMPACT award recognizes employees whose day-to-day contributions to our company and our clients reflect their consistent demonstration of our core values and the positive impact they have upon our company as a result.

Forsythe Technology should be recognized as the Illinois ESOP Company of the Year because:

Our Commitment to Education

The past year has been a busy one for our Employee Ownership Team. We began the year by reintroducing our employees to the Wealth Estimation Calculator. The Calculator was developed several years ago and provides an easy way for employees to estimate their wealth accumulation after inputting a few simple estimates. This is a great tool to help employee-owners envision their future prosperity and we wrote and presented a webinar on how to use this simple tool in April

Three additional webinars were presented during Ownership Month, a key time of year for communicating the benefits and responsibilities of ownership. Each webinar focused on a different educational goal:

- ESOP 101 – This webinar, redone this year in cooperation with our ESOP trustee, The Principal Financial Group, focused on laying out the key provisions of our ESOP in simple terms.
- Hot Dog Math – This webinar presents basic business fundamentals of our company and stresses the importance of expense management and its impact on the bottom line and ultimately share value.
- Margin—Where does it Go? – This webinar uses charts and diagrams to break down Forsythe’s Income Statement and teach employees how Forsythe makes money and where that money goes.

Our Commitment to Communication

The Employee Ownership team proudly unveiled their newly improved website this past year. This site is a central repository of information of interest to employee owners such as: presentations from past webinars, event calendars, a link to the wealth accumulation estimator, our stock price trend, contact information for the Employee Ownership Team along with our mission statement, just to name a few.

Our biggest event during the year is Employee Ownership Month. Each week of October contains a communication or educational event. This past year we ran three educational webinars, staged an ESOP Virtual Scavenger Hunt and opened up nominations for our annual IMPACT award.

We are committed to preserving the benefits of employee ownership. To this end we communicate our passion for our ESOP and our company to our legislators by sending a delegation from our employee ownership team to Washington each May. We contact our legislators in advance, set up meetings and share our ESOP story and the benefits of employee ownership hoping to make a personal connection and put a face on an issue.

Our Focus on Recognition

An important aspect of our “Ownership Advantage” is the day to day commitment of our employee owners. We recognize our most valued resource, our employees, in several ways throughout the year. Our Human Resource department awards “A Player” and “A Team” awards quarterly for exceptional contributions by individuals and teams. The recipients, nominated by their peers, are recognized at all-company meetings and receive a cash award and crystal plaque. Once per year at the annual company Kick-off meeting, the Employee Ownership Team presents the IMPACT Award to three employees who have exhibited our CORE values in their work day in and day out. All winners, nominated by their peers, receive a cash award, a crystal plaque and have their picture taken with Bill Brennan, our president.

Becoming 100% vested is viewed as a significant achievement and something to be aspired to. To commemorate this important event, all newly 100% vested employees over the past year are recognized at the annual Kick-off meeting. Each employee receives a pin, a crystal plaque commemorating the event and the entire “class” has their photo taken.

Company of the Year

In summary, we believe our commitment to our employees and the ESOP community is evident in our Employee Ownership Team’s mission statement: “The mission of Forsythe’s Employee Ownership Team (EOT) is to raise awareness, promote pride and strengthen the impact of employee ownership. The EOT teaches, communicates and advocates the advantages of employee ownership both internally and externally so that each owner has the opportunity to perform at their highest level. Our end goal is to enhance our fellow employees’ experience of contributing to Forsythe’s continued growth and success while reinforcing their own future prosperity through the ESOP. “