22nd Annual High Technology Tax Institute

SJSU/TEI HIGH TECHNOLOGY TAX INSTITUTE

NOVEMBER 6 & 7, 2006
CROWNE PLAZA CABANA HOTEL
4290 EL CAMINO REAL
PALO ALTO, CA

SPONSORED BY
TAX EXECUTIVES INSTITUTE
&
SAN JOSE STATE UNIVERSITY
COLLEGE OF BUSINESS
...an invaluable, tax education experience for accountants, attorneys, and corporate employees who serve high technology companies.

Since 1984, the Tax Executives Institute (TEI) and San José State University have sponsored the High Technology Tax Institute in Silicon Valley. The Institute's focus on relevant tax issues for hardware and software companies, as well as pharmaceutical, biotech, communication, and aerospace industries makes it an invaluable tax education experience for accountants, attorneys, and corporate employees who serve high technology companies.

Each Institute session is designed to foster sharing of tax planning ideas and problem-solving strategies at a level consistent with TEI and San Jose State University's high standards for professional tax education. Sessions are presented by nationally recognized practitioners and Treasury representatives who have the practical experience of implementation.

Sixteen hours of Continuing Professional Education credit are available for certified public accountants and attorneys who specialize in the field of taxation.

This year's Institute highlights the following topics and speakers:

- Top Tax Planning Tips for High Tech Companies
- Federal High Tech Tax Current Developments
- International High Technology U.S. Tax Current Developments
- California and Multistate High Technology Tax Current Developments
- IRC §199 Update
- IRS Practice & Procedure & the High Tech Examinee
- Tax Implications of Doing Business in India
- Living Successfully with FAS 109
- Cost Sharing/Buy-in Payments
- Tax Reform and Its Relevance to High Tech Businesses
- Mergers and Acquisitions Current Developments and Planning Strategies
- Tax Considerations When Public Companies Acquire Private Companies
- FAS 123R and SEC Reporting Issues and Tax Implications

**FEATURED SPEAKERS**

- Barton Bassett
- Thomas Bondi
- John M. Breen
- Peter Campagna
- Carol Conjura
- Brian L. Cumberland
- Nishith Desai
- Danni Dunn
- Lester Ezati
- Kandy Free
- Jim Fuller
- Andrew Gibson
- David Gill
- Hal Hicks
- Joe Huddleston
- Ivan Humphreys
- Maria S. Hwang
- Mallorie K. Jeong
- Ellie Keheimeier
- Glen Kohl
- Larry R. Langdon
- Cherrilynn Lee
- Gogan Malik
- Ed McClellan
- Buff Miller
- Steven A. Musher
- Annette Nellen
- Brian Pedersen
- Wendy Perez
- John M. Peterson
- Enrique Rayon
- Michael Reichert
- David B. Robison
- Ray Rossi
- Charles O. Rossotti
- Stephen P. Sedler
- Jeffrey L. Shore
- Allan Smith
- Jeff Sokol
- Eric Solomon (invited)
- Jim Songey
- Rob Terpening
- Donald B. Thomas
- Rusty Thomas
- Neil Traubenberg
- Thomas W. Wilson, Jr.
- Janet Wong
MONDAY NOVEMBER 6

7:30 - 8:15  REGISTRATION & COFFEE
8:15 - 8:30  INTRODUCTIONS
   • Donald Scott
     TEI Santa Clara Valley Chapter President
   • Bruce Magid, Dean
     SJSU College of Business
   • Annette Nellen
     Tax Professor, SJSU

8:30 - 9:00  TOP TAX PLANNING TIPS FOR HIGH TECH COMPANIES
What are the top planning considerations for high tech companies?
What are some often overlooked opportunities to minimize tax?
International, federal, state and local taxes will be addressed.
   • Lester Ezrati, Senior Vice President, Tax
     Hewlett Packard
   • Michael Reichert, Global Managing Tax Partner-
     Technology Industry
     Deloitte
   • Janet Wong, Partner
     KPMG

9:00 - 10:00  FEDERAL HIGH TECH TAX CURRENT DEVELOPMENTS
Focus on domestic federal developments including IRC 409A.
   • Brian L. Cumberland, Managing Director
     Alvarez & Marsal
   • Annette Nellen, Professor
     San José State University

10:00 - 10:20  BREAK

10:20 - 12:00  BREAKOUT SESSION #1:
International High Technology U.S. Tax Current Developments
Comprehensive review of developments relevant to high tech companies.
   • Jim Fuller, Partner
     Fenwick & West

BREAKOUT SESSION #2:
California and Multistate High Technology Tax Current Developments
Comprehensive review of recent legislation and cases affecting high tech businesses.
   • Brian Pedersen, Managing Director
     Alvarez & Marsal
   • Allan Smith, Partner
     Grant Thornton
   • Jim Songey, Partner
     KPMG
MONDAY NOVEMBER 6

12:00 - 1:45 LUNCH & SPEAKER

- Steven A. Musher, Associate Chief Counsel, International Internal Revenue Service

2:00 - 5:15 BREAKOUT SESSION #3 (consisting of 2 presentations):
IRC §199 Update (45 minutes)
A review and analysis of recent guidance under IRC §199 as it relates to high tech companies.

- Carol Conjura, Partner KPMG

2:45 - 3:00 BREAK

IRS Practice & Procedure & the High Tech Examinee (2 1/4 hours)
IRS initiatives including ATG on the research tax credit, current audit cycle theory and approach, document management issues, current practice regarding attorney-client privilege, use of M-3 by the IRS, other matters of interest to high technology companies.

- Maria S. Hwang, Territory Manager-Communication, Technology & Media Industry Internal Revenue Service

- Mallorie K. Jeong, Technical Advisor-Research Credit Internal Revenue Service

- Cherrilynn Lee, LMSB Technical Advisor for High Technology Internal Revenue Service

CONTINUED

- David B. Robison, Senior Advisor-Tax Resolution Strategies Skadden Arps; former National Chief of Appeals

- Stephen P. Sedler, Senior Vice President of Taxes and International Trade Administration Seagate Technology

- Thomas W. Wilson, Jr., Managing Director PWC IRS Service Team PricewaterhouseCoopers; Former IRS Industry Director, Communications, Technology & Media

BREAKOUT SESSION #4:
Tax Implications of Doing Business in India
What a tax director or adviser should know about starting or expanding operations in India, with a focus on strategies, opportunities and cautions.

- Barton Bassett, Partner Fenwick & West

- Nishith Desai, Founder Nishith Desai Associates

- David Gill, International Tax Partner Ernst & Young

- Gagan Malik, Senior Manager, India Tax Desk Ernst & Young

HOSTED SOCIAL HOUR
Sponsored by Alvarez and Marsal Tax Advisory Services, LLC
5:15 - 7:30PM
http://www.alvarezandmarsal.com
TUESDAY NOVEMBER 7

7:30 - 8:00
REGISTRATION & COFFEE

8:00 - 12:15
BREAKOUT SESSION #5:
Living Successfully with FAS 109
The basics of FAS 109, current developments and issues; uncertain tax positions; and how to avoid problems.

* Glen Kohl, Senior Vice President-Tax and Treasury
  Electronic Arts

* Jeff Sokol, Partner
  Deloitte

* Rob Terpening, Partner
  BDO Seidman LLP

* Donald B. Thomas, former FASB Interpretation 48
  Project Manager

* Rusty Thomas, Partner
  KPMG

* Neil Traubenberg, Vice President-Tax
  Sun Microsystems

10:00 - 10:15
BREAK

BREAKOUT SESSION #6 (consisting of 2 presentations):
Cost Sharing/Buy-in Payments (2 hours)
A review of recent and pending guidance, IRS concerns, planning and avoiding problems.

* John M. Breen, Chief, Branch 6, Office of the
  Associate Chief Counsel (Int'l)
  Internal Revenue Service

* Hal Hicks, International Tax Counsel
  Department of the Treasury

CONTINUED

* John M. Peterson, Partner
  Baker & McKenzie

* Enrique Rayon, Ph.D., Director of Transfer Pricing-
  Western Region
  Grant Thornton

Tax Reform and Its Relevance to High Tech Businesses
(2 hours)
An overview to why tax reform is needed, commentary on the proposals of the President's advisory panel; what is most important to high tech in terms of international, domestic and state tax reform. Why has significant reform occurred in some states, but not others?

* Joe Huddleston, Executive Director
  Multistate Tax Commission

* Larry R. Langdon, Partner
  Mayer Brown Rowe & Maw
  former Commissioner LMSB, IRS

* Ed McClellan, Partner
  Alston & Bird
  former Tax Counsel with the Committee on Finance, U.S. Senate

* Ray Rossi, Director of External Tax Affairs
  Intel

* Charles O. Rossotti, Senior Advisor
  The Carlyle Group; President's Advisory Panel on Federal
  Tax Reform; former IRS Commissioner

* Eric Solomon, Deputy Assistant Secretary (Regulatory
  Affairs) - Office of Tax Policy (invited)
  Department of the Treasury
TUESDAY NOVEMBER 7

12:15 - 1:40 LUNCH & SPEAKER

- Eric Solomon, Deputy Assistant Secretary (Regulatory Affairs) – Office of Tax Policy (invited)
  Department of the Treasury

1:45 - 2:45 MERGERS AND ACQUISITIONS CURRENT DEVELOPMENTS AND PLANNING STRATEGIES
A review of current M&A developments and their relevance to high tech companies.

- Danni Dunn, Tax Partner
  Ernst & Young

- Hal Hicks, International Tax Counsel
  Department of the Treasury

- Ivan Humphreys, Partner
  Wilson Sonsini Goodrich & Rosati

- Jeffrey L. Shore, Senior Income Tax Counsel
  Intel

2:45 - 3:00 BREAK

3:00 - 5:15 BREAKOUT SESSION #7:
Tax Considerations When Public Companies Acquire Private Companies
An exploration of certain tax implications and planning opportunities that arise when a public company acquires a private company. Topics will include the effect of service related earnout conditions or vesting restrictions on the character of payments for target stock, the interplay of the installment sale rules and section 338(h)(10) elections when acquiring an S corp, the interplay of the installment sale rules and a disqualifying disposition of ISO shares, assuming target stock options with a possible Section 409A taint, section 280G issues, IP planning, withholding tax planning, and integration of IP and foreign subsidiaries.

CONTINUED

- Thomas Bondi, Principal/Director of Emerging Business Services Group
  Berger Lewis

- Randy Free, West Region International Tax Practice Leader
  Grant Thornton

- Buff Miller, Partner
  Cooley Godward

BREAKOUT SESSION #8:
FAS 123R and SEC Reporting Issues and Tax Implications
Reporting valuation and tax considerations of the reporting guidance and issues, including changes to cash flow statements and EPS calculations. The current issues surrounding SEC investigations on option grant practices would also be addressed with an emphasis on the tax implications involved.

- Peter Campagna, Vice President
  Clark Consulting

- Andrew Gibson, Partner
  BDO Seidman, LLP

- Ellie Kehmeier, Tax Director
  Deloitte

- Wendy Perez, Tax Partner
  Ernst & Young
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JANIS ZAIMA
San José State University

REGISTRATION AND ACCOMMODATIONS

Tuition fee includes all sessions, materials, lunches and refreshment breaks.

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<tr>
<th>On or before October 20</th>
<th>$600</th>
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<td>After October 20</td>
<td>$625</td>
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Special TEI Member/Guest of TEI member rate before Oct. 20, 2006 (after, $600) $550

CPE CREDITS

The High Technology Tax Institute has been approved for Continuing Professional Education accreditation by the California State Board of Accountancy. The conference qualifies for 16 hours of CPE credit. San José State University's College of Business, certifies that an application is pending for approval of this activity for MCLE credit by the State Bar of California.

HOTEL ACCOMMODATIONS

The Crowne Plaza Cabaña
4290 El Camino Real
Palo Alto, California 94306
Hotel Room Rate: $159/night
Reservations: (650) 628-0114

Contact the hotel by October 15, 2006 and identify yourself as a High Technology Tax Institute participant to qualify for the special rate.

REFUND POLICY

The Institute will refund registration fees contingent on receipt of a written request postmarked by October 20, 2006. The Institute will retain a $50 processing fee. No refund requests postmarked after October 20, 2006 will be accepted.