

RE: Capitalizing on Compliance-as-a-Service

Partner Model.

The Company provides compliance and workforce support via a subscription model with on-demand access to tools, apps, resources, and certified pros.



The company is the trusted partner to organizations and entrepreneurs that require a personalized approach to fit their industry & unique company requirements. While there is an enormous amount of new technologies and vendors, the Company provides solutions for companies that want compliance & HR handled.

Partner Impact Summary.

The Company currently serves thousands a month that value having a dedicated partner team, versus an inhouse resource. And the company provides a depth of end-to-end solutions not readily available to most organizations at a price they can afford. The impact for partners for each of their customers includes:

- **150%** higher FY revenues per customer
- **2X** more profitable
- **4X** more solutions delivered per customer

Revenue Impact = 1.5x lift for every \$1 in FY revenues (i.e. 5x NLTV)

Many have chosen to partner with Company in order to deliver an end-to-end portfolio of solutions to their clients.

	Status Quo	With MyHRConcierge	
Revenues	Current	1.5X	Serve micro & small customers profitability Increase services for complex, larger clients
EBITDA	% single digit	% Double Digit Improvement	Eliminate low-margin and pass-through software/data costs Reinvest in the business or pay down debt

Please note:

- There are significant positive impacts beyond the financials for clients
- For a comprehensive list of benefits, please see the **Confidential** presentation

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Revenue Portfolio Summary



The rise of **HR Compliance as a Service**.

The rising percentage of non-traditional workforce, combined with the demand to outsource administration processing, coupled with the digital cloud requirements, along with regulations have made “compliance as a service” into a market.

HR Vendor Services Bundled Pricing

Solutions	Corporate MRR	MRR PEPM
Compliance		
Corporate HR Compliance	\$92	
Employment Compliance		\$9
Administration		
eRecruiting	\$29	
Benefits Administration	\$85	
ACA & COBRA Administration	\$6	
Workforce Reporting	\$3	
Wellness	\$49	\$4
Retirement & Financial	\$149	\$46
Compensation & Dev	\$89	\$6
	ARR	ARR PEPY
TOTAL	\$6,024	\$780
FORECAST at 10% Usage	\$602	\$78

Beyond payroll, employers require:

- 1) Employee Compliance and workforce reporting: COBRA, ACA, FMLA, etc.
- 2) Benefits, Wellness, & Compensation Administration Support

HR subscription services by size:

Employee Count	
< 10 FTEs	Tax & 1099 Compliance
10 to 50 FTEs	Administration: Payroll, Benefits, Onboarding
50 to 100 FTEs	eRecruiting, Staffing, Recruiting, Testing, HRTech
100 to 500 FTEs	Compensation & Tier I HR Support: HR Help Desk, Manager Hotline,
500+ FTEs	Shared Services, Virtual Support, Global Expertise

HR preferred vendor services most common revenue share opportunities include:

1. eRecruiting: job placement, ads, testing, background and reference checking
2. Salary & Compensation analysis
3. Training on-demand, regulatory requirements
4. Financial Wellness & Health Wellness
5. Compliance: Documents, Immigration Services, Reporting, Translation Services

**Key
Success
Factor**

— Offering additional services results in a 30% premium.

Reinventing the HR Model

The organization is the **trusted HR partner** for HR compliance and workforce support.

Currently, the company has an impressive portfolio of end-to-end HR solutions supported by a team of certified HR pros serving small business entrepreneurs, and industry midmarket partners.

The HR Concierge Model

Clients are assigned a **certified HR Pro Concierge** that provides guidance on the right solutions at the right price, overseas implementation, provides access to solutions, and assigns expert resources based on the unique needs of the organization. All at an affordable fixed monthly price that ensures compliance and peace-of-mind.



Personal Service



Knowledgeable Experts



Affordable Pricing



Secure Infrastructure



Corporate Solutions



Cloud Solutions



Backoffice Administration 1-800 Certified Pro Advisor



Beyond Vendor Services to Industry Solutions

The HR Concierge solution includes a portfolio of end-to-end compliance plus

Guidance	On-demand Support to Questions Answered as needed	Proactive guidance year around	Subscription pricing is transparent, flexible, scalable	Tech-enablement
Spend & Procurement Recommendations	Industry Benchmarks & Recs	HR Compliance beyond handbooks & policies	Virtual Support Model	Suite of apps

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