

Carta Law Firm Newsletter: September 2022

Product Highlights

Pro Forma Beta

We have been working closely with many of you over the last few years and you've been instrumental in helping us make issuing equity, fundraising, and tracking ownership easier for lawyers and founders.

But there is a piece of the equity financing process that is still not straightforward: The pro forma. This time consuming, tedious, and error-prone task can lead to inaccurate wire amounts and a prolonged close for you and your client.

Today, we're giving you beta access to Carta Pro Forma (built by lawyers, for lawyers), our new tool that enables you to build an accurate pro forma in minutes. All you need to do is enter the necessary inputs, and our tool will do the math for you. In a fraction of the time, you'll have a transaction-ready pro forma generated in Carta and ready for download.

If you're interested in trying Carta Pro Forma, [sign up here](#).

Changes to Implementation Workflow coming in October

Next month, Carta will be rolling out improvements to the client onboarding experience. You'll be able to work either from your inbox or from the Carta onboarding system, which offers new customized workflows that can be tailored to your firm's needs. Improvements include:

- Customizable reminders and notifications
- Robust dashboards on the overall progress of a project - tasks overdue/blocked/at risk
- Scheduled reports for regular updates

New and Improved 409A workflow

We've made reviewing and accepting your 409A valuation easier for you and your board members. Now, you'll get a summary of the analysis and a note from your analyst with next steps to finalize your fair market value (FMV) and receive board approvals right in Carta. [Learn more](#)

Programs & Enablement

New! Law Firm Certification Program

Carta has officially launched the Law Firm Certification Program, which will provide structured training for paralegals and associates on how to use the Carta cap table platform. Our very first session will take place on Wednesday, October 12 at 12pm PT.

Once you've completed the course, you'll be invited to participate in a corresponding assessment. After you've passed the assessment, you will receive a certification badge.

Check out the Certification Program Guide and FAQ Guide for more information. [Register](#)

Join Carta Around the Table!

We'd love to have you join [Around the Table](#), our premier user community for Law Firm partners! Through the community, you'll be able to access the hive mind of equity professionals, share Carta tips & tricks, ask for support from peers when facing a challenge, expand your professional network, share ideas to improve the Carta platform, and more. [Join here](#)

Data rends from Carta

Q2 State of Private Markets

The numbers are in for our [Q2 State of Private Markets Report](#) and while venture activity in the first half of 2022 was slower than last year, it's on pace to exceed totals from 2020 and earlier years. [View full report](#)

Get Carta's best data in your inbox

Get the latest data about venture capital and the startups it funds with our new Data Minute newsletter. We cover one key chart per week, generated by data from Carta's 30,000+ cap table companies. Topics include valuations, fundraising, hiring, liquidity—anything that touches the business of startups. [Subscribe](#)

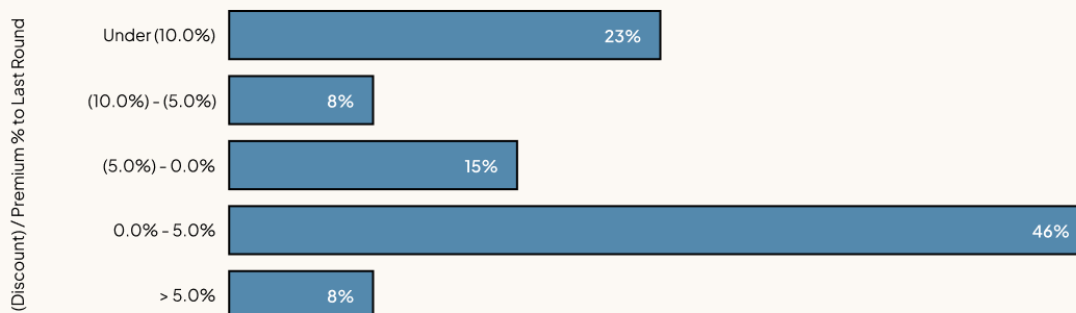
Liquidity

Secondary Liquidity Data Insights

Private market secondary liquidity activity has slowed but continues to show price stability when following primary capital raises. From the start of the market downturn in April through August 2022, almost half of all companies running secondaries with Carta saw those transactions priced (per share) equal to or at a slight premium to the last primary round. To get more data insights about secondary transactions on Carta, please reach out to partners@carta.com.

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Breakdown of Transactions by (Discount) / Premium to Last Round: April 2022 - August 2022



Disclaimer: Aggregated statistics of transactions run on Carta, Inc. and Carta Capital Markets, LLC, a member of FINRA/SIPC.

Public Markets Services latest release

Participant Trade Readiness feature: Allow your client's employees to get trade ready ahead of going public through a simple 3-step process, avoiding trading delays after a lockup period ends.

[Learn more](#)

Events and Webinars

Register now for Carta Equity Summit

Registration is now open for Carta Equity Summit on December 7. During this event, we'll release our annual report detailing trends in equity ownership across race, ethnicity, and gender. Past speakers have included Alexa Von Tobel (Inspired Capital), Aditi Maliwal (Upfront Ventures), and Serena Williams! Join to hear from the brightest minds in venture and tech—details to come! [Sign up](#)

Answering equity and tax questions from employees

Employees look to their startup leaders for help with understanding equity compensation. However, execs are often given little guidance on how to provide appropriate and accurate responses to equity questions, creating risks and potentially leading to frustrated employees. Join us on **September 27, 2022 at 10am PT** to learn how startup execs can strategically handle frequently asked questions from employees about equity. [Register](#)

Setting up LATAM companies to scale

When establishing and growing a business in Latin America, founders are faced with critical choices from the beginning that will have a huge impact later in their company's journey. Join us on **October**

5th at 10am PT to hear from Dan Green, Reed McBride, Brian Requarth and others on demystifying incorporations and the development of the “Cayman Sandwich,” equity best practices, how to hire and retain key hires, and more. [Register](#)

Webinar Recording: State of Private Markets – Recession Preparedness

Economic conditions have shifted in the last six months and the VC ecosystem is watching closely. Time between venture rounds is widening and the percentage of capital going to companies at Series E and beyond has shrunk significantly. Carta is in the unique position to share trends that come from an unmatched amount of data about the private market. [Watch the recording](#) to learn more.

Other News from Carta

Check out the latest Carta Policy Brief

Sign up for the [Carta policy brief](#) to stay up to date with the latest developments from the capitol. Highlights from this week include:

- SEC sues SPAC adviser, alleging conflicts of interest
- Biden Administration may take executive action to screen outbound investments into foreign rivals that may involve sensitive technology
- FedNow, the Fed’s real-time payment system, set to go live in mid-2023
- Pelosi opposes federal privacy bill as insufficient compared to California law, halting its path forward

Brand Refresh

You may have noticed that Carta has a brand new look and feel. This change represents the next evolution of Carta. In the ten years since we launched, we’ve grown to over 35,000 customers in nearly 150 countries. Our customers trust us with equity management, valuations, venture capital solutions, compensation management, tax advisory services, liquidity, equity education, and more.

From idea to IPO and from fund formation to distributions, Carta supports innovators at every stage and in every role. Thank you for your trust in Carta. [Learn more](#)

International Acquisitions for Equity Management

To cement Carta’s position as the leader in cap table management, we have completed acquisitions of India based [ZenEquity](#) and UK based [Capdesk](#). Together, our mission is to simplify equity for founders all over the world.

Vauban Acquisition/Expanded Serviceability

VAUBAN from Carta offers a fully automated platform that makes it possible for more people in more places to invest in startups. They will allow us to build a better future for the venture ecosystem—making it easier for investors to back entrepreneurs globally.

Syndicate leads and fund managers can now launch funds from the U.S., U.K., British Virgin Islands, and soon, from Luxembourg. More importantly, they can accept LP capital from anywhere in the world. [Read more](#)

Private Equity and LLC Product Updates

Streamline 409A valuations and audits. Request and gain visibility into all 409A valuations completed by Carta or record any investor or board determined valuations in the new 409A dashboard and valuation ledger. [Learn more](#)

Easily transfer interests between interest holders. You can now complete interest transfers, automatically update the cap table, and maintain a record of the transfer in Interest History. [Learn more](#)

Model future scenarios with ease. When running a waterfall, Rights and Preferences now include option grants and you can also customize the vesting treatment and variable exit date. [Learn more](#)