

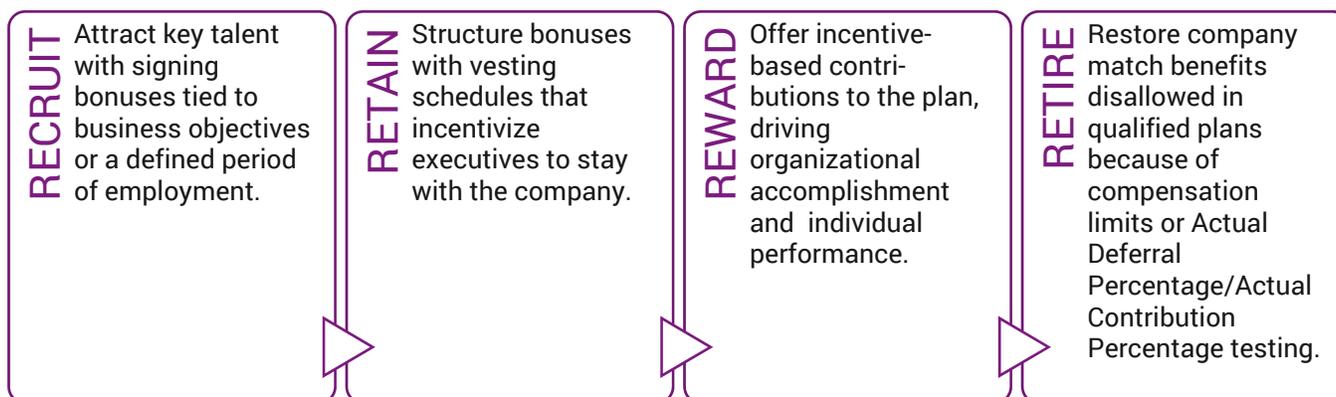
Recruit. Retain. Reward ... Retire.

HOW NONQUALIFIED DEFERRED COMPENSATION PLANS SERVE ORGANIZATIONS

NQDC plans can provide employers critical leverage for recruiting, retaining, and rewarding through to retirement, the key talent that enables the organization to achieve its goals, maintain stability, and satisfy board members and stakeholders.

- Inspire/influence the behavior of key performers by customizing contribution and vesting schedules to use as performance rewards for executives.
- A company's NQDC plans can be customized to serve many types of organization goals. Discretionary employer contributions can help fulfil the unique needs of an organization.

Definition: **Golden handcuffs** – financial incentives designed to motivate key talent to remain with a company.



Plan for your company's future, using NQDC to create phantom shares and provide an ownership experience or to create opportunities for key executives to be potential future owners.

OWNERSHIP EXPERIENCE: Employers can customize contribution and vesting schedules measured by phantom stock values, making it possible for the executive to share both in increases and decreases in the valuation of the company, creating an ownership experience without any actual dilution of equity rights.

INSIDER TRANSITION: A closely held corporation might fund an NQDC plan account for current executives who are considered to be possible future owners, setting an account to vest and distribute on a "change in control" of the company. This type of structure incentivizes and rewards key executives, while retaining options for the current owner.



Ask Fulcrum Partners how NQDC can help your company attract and retain top talent. Contact Fulcrum Partners.
www.fulcrumpartnersllc.com/team/

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