

Dear All,

Spring is here and we are well into proxy season, hard to believe Q1 of 2021 is behind us. We hope you all continue to stay safe and have regained some form of normalcy as we start to see the light at the end of the tunnel in regards to the pandemic. We have some great pieces to share with you that we hope you find interesting and insightful.

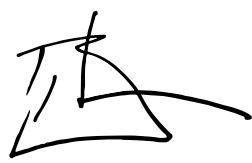
Michel Legrand once said: *"The more I live, the more I learn. The more I learn the more I realize the less I know."*

Learning is essential in today's world. It's what leadership is all about. Leadership and learning – tied to the hip. That's one of the reasons I created the concept of "Did You Know" that started in last month's L-Blast on Rabbi Trusts. This month, we explore the beginnings of Golden Parachutes and change-in-control (CIC). This is important, as my profession is smarter than ever before, but most have no idea where and why the programs they discuss and put into companies, exist.

When working with a company and its leaders, I enjoy being asked about the history of something and can place it into context with where we are today. Research is second nature to me, and I believe the compensation profession needs more of it; rather than less. Years ago, while competing for new client work, one of my competitors told the company "Longnecker loves to educate and teach his clients." I think he thought that would scare the prospect away, but it didn't. The company wanted that, and today's Human Resource departments deserve a "Transfer of Knowledge" from the advisors they work with! No more black boxes—there is enough for all—so sharing is key. I hope you all enjoy this piece. The response on the Rabbi Trust last month was humbling. The articles that follow the "Did You Know" piece provide more insight and information on pros and cons as well as the tax side of Golden Parachutes.

Lastly, our midstream and upstream surveys are launching April 1st. Don't miss out on the latest trends in these markets, contact us to participate! Stay safe, and as always, let us know if there is a particular subject you'd like to learn more about or if you have any questions about the topics covered in this L-Blast.

Sincerely,



Brent Longnecker and the L&A Team
Chairman and CEO
Longnecker & Associates

Did you know?

Exploring the origins and controversy around these pay packages

THE CONTROVERSIAL GOLDEN PARACHUTE

If there was ever a compensation area of more polarization and notoriety, I don't know of it. Golden Parachutes, also known as Change-In-Control (CIC) payments, have more critics and naysayers than any compensation program I have ever dealt with over my 36 years of consulting... and that's saying something!

[READ MORE](#)

Golden Parachutes in Executive Compensation Packages

The Pros and Cons of These Severance Agreements

A golden parachute in business is the name given to the clause in a top executive's employment agreement that defines the payout the individual will receive should they be terminated or forced out of an organization before the end of their contract. For many top executives at larger firms, the potential payout can be substantial.

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Golden Parachutes & Golden Parachute Tax

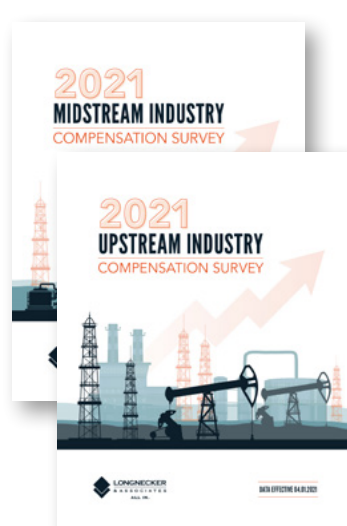
Golden parachutes are a form of compensation paid to key executives in the event that a public company is sold and the key executives lose their jobs or have their responsibilities sharply curtailed. These are created to protect executives, but they need to be constructed carefully so that the executive doesn't face high taxation. Typically, a golden parachute is set up at a time when a merger or acquisition deal is not about to occur.

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L&A's 2021 Midstream & Upstream Surveys Launch April 1st

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Restructuring Services



Get to Know Us

Connie Simmons
OPERATIONS COORDINATOR

What is the best advice you've been given?
Let your actions speak louder than words.

What are you passionate about? Staying busy with knitting, crocheting, quilting and baking. Idol hands and minds do no good.

Do you have an ideal super power? Being a mom.

What is the best vacation you've ever had?
Is always the one that I am visiting family.

Favorite Book: *Where the Crawdads Sing*