

MERGERS & ACQUISITIONS

Compensation Consulting Services for Mergers & Acquisitions

Experienced and knowledgeable advice you can trust—it's essential when it comes to compensation issues that arise from M&A activity. Pearl Meyer & Partners (PM&P) works with clients on all sides of the negotiating table in a variety of engagements. Our goal is simple—to provide an unparalleled level of compensation expertise and experience that helps you meet your business objectives.

■ ■ OUR SERVICES

Change-in-Control (CIC) Planning

Planning for an M&A event is critical in today's environment. Our CIC planning services include:

- Designing and implementing CIC plans and programs.
- Evaluating the competitiveness of the programs in the marketplace.
- Understanding the unique tax, accounting and SEC disclosure issues that accompany these programs.
- Assisting with proxy disclosure, including quantifying payouts upon a CIC and estimating golden parachute excise tax liabilities.

Pre-Merger Planning

As a transaction approaches, we work with clients by:

- Performing due diligence reviews including:
 - Identifying and quantifying deal related executive compensation liabilities and payouts.
 - Preparing IRC §280G golden parachute analyses, planning, costing, and communication materials.
 - Performing IRC §280G “reasonable compensation” analyses.
- Designing and costing severance and retention plans.
- Designing and evaluating key employee transaction bonuses.
- Developing proposed replacement compensation structures.
- Structuring and drafting new employment contracts for management.

Post-Merger Integration

Once the transaction is complete, we work with clients to develop integrated, competitive compensation programs that meet strategic goals by:

- Comparing Target and Buyer compensation philosophies.
- Assisting compensation committees in determining a new compensation philosophy (if necessary).
- Evaluating the competitiveness of existing programs.
- Designing and developing new compensation structures for base salary, long and short-term incentive programs.
- Revising or implementing new severance and CIC plans.

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OUR APPROACH

Our M&A specialists have extensive experience assisting clients through the maze of compensation issues in all phases of transactions—from CIC planning through post-merger integration.

Our consulting advice is designed around each client's specific needs. We have worked with numerous entities in a variety of industries on these issues, from the smallest transactions to larger transactions of up to \$40 billion in deal value. Together, we create custom compensation programs, practices and strategies that work to help you achieve your goals and maximize shareholder value.

OUR COMMITMENT

Our commitment to you begins from our first meeting. Each assignment is staffed by senior professionals who bring a wealth of knowledge and expertise. PM&P is dedicated to providing the best compensation advice in the industry. Throughout our firm's history, we have achieved this by developing innovative compensation designs and practices that are now commonplace and by advancing the relevance of our compensation surveys and custom market research.

Our firm is actively involved with local entrepreneurial communities as well as national organizations, such as the National Association of Corporate Directors, to promote good compensation practices and governance. Our consultants frequently speak on a variety of compensation and governance topics with these organizations as well as virtually through our firm's website www.pearlmeyer.com.

ABOUT PEARL MEYER & PARTNERS

For more than twenty years, PM&P (www.pearlmeyer.com) has served as a trusted independent advisor to Boards and their senior management in the areas of compensation governance, strategy and program design. The firm provides comprehensive solutions to complex compensation challenges through the development of programs that align rewards with business goals to create long-term value for all stakeholders: shareholders, executives and employees. The firm maintains offices in New York, Atlanta, Boston, Charlotte, Chicago, Houston, Los Angeles, San Francisco and San Jose.

For more information on how PM&P can help you create comprehensive compensation solutions, please visit our website www.pearlmeyer.com or contact the PM&P office nearest you.