

# Executive Compensation

## Executive Compensation

Executive Compensation is certainly a topic for hot and rather emotional discussion as well as news headlines. While many people believe that shareholders' interests suffer greatly because of the unreasonably high salaries of top managers, others stick to the point that chief executives are really earning their pay. Still others think the controversy itself often goes beyond the interests of the shareholders. What is executive compensation?

Executive compensation (also referred to as director or executive remuneration) is a payment method applied to chief executive officers and top managers of big companies and corporations. The basic salary, long-term and short-term incentives such as company shares and bonuses, and other types of benefits comprise executive remuneration. Executive remuneration has seen a dramatic increase recently far beyond the average growth rates of workers' wages.

Many people see the major reason for the rapid rise of CEO's pay in the fact that basically it is the board of directors who establish their own salary. Being the controlling body of the company, the board of directors manages all the resources and spending including the employees' pay. Types of executive compensation

Typically chief executives are paid a base salary complemented by short-term and/or long-term incentives. This type of executive remuneration is called Total Cash Compensation (TCC).

Bonuses and short term incentives are generally performance driven and are calculated according to some formula. For instance, the revenue growth can be taken as a basic factor that determines the amount of short-term incentives for a Sales Director. CEOs can also be offered company shares as part of their remuneration, which is considered to be a long-term incentive in case the vesting period in question is more than one year. That means that the executive won't be able to sell or transfer the shares before the vesting period expires. Executive remuneration may also include other types of benefits such as health insurance, extremely favorable loan terms, a personal car or jet, retirement plan, etc. Legal issues

According to federal law public companies are required to provide a transparent and clear disclosure about the remuneration paid to chief executive, financial and other high-ranking officers. The information on executive remuneration methods and policies of a company can be found in a number of documents that it files with the U.S. Securities and Exchange Commission, including the annual proxy statement or securities registration statement. However, the amount of compensation paid to the chief executives is a purely business decision taken by the company which is beyond the Commission's jurisdiction. The purpose of the disclosure is to inform the shareholders on the investment and other financial decisions taken by the company. The part of executive compensation paid in cash is taxable at an individual rate, and long-term incentives may be subject to a more favorable tax treatment.

```
.style1 {
  FONT-SIZE: 12px; FONT-FAMILY: Arial, Helvetica, sans-serif
}
.style2 {
  FONT-SIZE: 16px
}
```

## Best New York Executive Compensation Lawyers

NY Long Island Executive Compensation Lawyers are experts in cases relating to executive compensation, and you can make certain that your executive compensation is properly negotiated and paid. Look to Employment Lawyer New York for a NYC Executive Compensation Lawyer or a New York Executive Compensation Lawyer as soon as possible. Don't wait to seek legal aid!

If you are an executive director or a chief executive officer (most commonly known as a CEO), you are entitled to executive compensation, including, but not limited to, salary, an incentive or incentives, and other forms of compensation. If you believe your executive compensation is being denied you, you should seek legal action from Employment Lawyer New York. Employment Lawyer New York's New York executive compensation attorneys are fully committed to your case, and are specialists in this area. Our New York executive compensation lawyers always work hard to protect the rights of executive directors and chief executive officers.

### Executive Director and CEO Salary and Incentive Packages

When you established yourself as an executive director or a chief executive officer of your company, you proved that you could handle a management role and that you were worth a lot to your company. You deserve a hefty executive compensation package, and our New York executive compensation lawyers will help you secure it.

Employment Lawyer New York understands how valuable your executive compensation is to you, and has legal representatives in all of the largest regions of New York, including Manhattan, New York City, Nassau County NY, Suffolk County NY, Carle Place NY, Brooklyn, the Bronx, Queens, and Staten Island. Enlist the help of a highly skilled and highly trained NYC executive compensation lawyer or a New York executive compensation lawyer today; your salary, shares,

bonuses, incentive package, and other benefits will never be compromised again once our NY Long Island executive compensation lawyers take your case!