

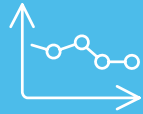
Do You Understand Your Equity Award?

Different Risks, Vesting Rules and Tax Consequences



UNDERSTANDING YOUR BENEFITS

The various types of equity awards have different rules and implications. Your Financial Advisor can help you understand them and help optimize their benefits



Nonqualified stock options (NQSO)

- Allow employees to buy company stock at a predetermined price, usually lower than future market prices, within a set timeframe



Qualified incentive stock options (ISO)

- Allow employees to buy company stock at a predetermined price, usually lower than future market prices, within a set time frame
- Potentially more favorable tax treatment than NQSOs
- Other limits apply



Restricted stock units (RSU) and awards (RSA)

- Give employees a direct interest as soon as they are vested, without them needing to exercise options
- Vesting requirements met by passage of time or by performance, with no purchase or exercise cost