

*It isn't only listed companies that can benefit from employee share plans, read on to find out more.*

## **"How is this possible?" I hear you ask.**

Even though a company is not listed on the London Stock Exchange and is privately owned they can have an employee share plan. This is achieved by creating an internal market for the shares and getting them valued every six months. It is possible to offer a Sharesave, SIP and/or a DSP to private company employees.

## **How do I set up a Private Share Plan?**

- ✓ You will need a Lawyer to draft your rules
- ✓ You will need a Trust to advise and set up an internal market for you
- ✓ You will need an Administrator to run the Plan(s) for you.

## **Why offer an employee share plan?**

- ➔ Rewards, retains, attracts, motivates and incentivises employees
- ➔ Encourages employees across various operating divisions to identify more closely with the overall performance of the Group
- ➔ Provides employees with an opportunity to take a stake in their employing company to help promote a culture of shared ownership, generate greater loyalty, and improved performance.

## **What are my options?**

### **Sharesave**

- ➔ Provides ALL employees the opportunity to share in any success of the company
- ➔ Enables Reward Teams to deliver a benefit which is affordable to all and available to eligible employees on the same terms
- ➔ To provide a convenient savings vehicle for employees (that helps instill good savings habits) with an option to buy shares in the longer term

### **SIP (Share Incentive Plan)**

- ➔ Provides ALL employees the opportunity to share in any success of the company
- ➔ Allows your employees to become shareholders from their first purchase
- ➔ As a company you are entitled to statutory corporation tax relief for:
  - The employee's salary used to buy partnership shares
  - Any additional costs incurred in providing partnership shares
  - The market value of matching shares and free shares when they are acquired by the trust
  - The set up and running costs of the SIP

### **DSP (Discretionary Share Plan)**

- ➔ To have the discretion to give any employees the opportunity to share in any success of the company, but typically used to attract and retain senior managers, directors, and executives.
- ➔ LTIP, Deferred Bonus, & Options (please refer to our DSP Factsheet for more details)
- ➔ Provides equity awards for senior employees to save on cash

## YBS Share Plans Services

- ✓ Act as both Administrator and Deposit Taker
- ✓ Dedicated account manager (single point of contact)
- ✓ Project planning and management
- ✓ Communication and engagement campaign management
- ✓ Online presentations and virtual workshops
- ✓ Application and maturity instruction processing
- ✓ Employee helpline
- ✓ Employee portal for inquiries and transacting
- ✓ Receipt and allocation of employee contributions to individual accounts
- ✓ Payroll training and admin support
- ✓ Leaver administration
- ✓ Payment maintenance and closure reports
- ✓ Assistance with annual HMRC returns
- ✓ Option register and FRS20 / IFRS2 reporting
- ✓ Access to online self-serve reporting suite
- ✓ Annual statements
- ✓ Corporate Action management
- ✓ Financial education and wellbeing services
- ✓ Continual service enhancement through proactive use of client and customer feedback

## WANT MORE INFORMATION?

If you want to learn more about YBS Share Plans and the types of share plans we administer you can contact us:-

 [ybsshareplans.co.uk](https://ybsshareplans.co.uk)

 [business\\_development@ybs.co.uk](mailto:business_development@ybs.co.uk)

Watch our product videos to find out more information

 Michelle Merola 07734 459980

 Greta Rondinelli 07474 809483

Follow us



### Restrictions on Use/Disclosure Information and Data

This document is the property of Yorkshire Building Society ("YBS"). All information herein is confidential to YBS and must not be copied or disclosed to any third party without the prior written consent of YBS. The information contained herein may be used for evaluation purposes only

### Disclaimers of Liability

Whilst every effort has been made to ensure the accuracy of all information and statements contained in this document, such information may be subject to change. None of the statements in this factsheet constitutes a representation for which YBS can accept any liability.

Copyright© Yorkshire Building Society 2020.

### YBS Share Plans is part of Yorkshire Building Society.

YBS Share Plans, Yorkshire House, Yorkshire Drive, Bradford, BD5 8LJ [ybsshareplans.co.uk](https://ybsshareplans.co.uk)

Yorkshire Building Society provides share plan trustee and administration services, including deposit taking, all of which are subject to English law, with deposit taking being regulated by the Financial Conduct Authority. The provision of share plan trustee and administration services is not regulated by the Financial Conduct Authority. We are not responsible for share plan deposits held by local savings carriers outside the UK.

Yorkshire Building Society is a member of the Building Societies Association and is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Yorkshire Building Society is entered in the Financial Services Register and its registration number is 106085. Head Office: Yorkshire House, Yorkshire Drive, Bradford, BD5 8LJ.

All communications with us may be monitored/recorded to improve the quality of our service and for your protection and security.

