Next Era LEGAL

CASE STUDY · CORPORATE & BUSINESS · A FAST-SCALING TECHNOLOGY DEVELOPMENT FIRM

Growth Without Dilution.

The company was adding headcount rapidly. The founder wanted to incentivize and retain top talent, but without diluting ownership or altering company control.

INDUSTRY	STAGE	FOUNDER'S GOAL	WHAT WE BUILT
Technology development	Fast-scaling, adding headcount	Retain 100% ownership	A phantom stock plan

01 THE SITUATION

Pressure to share equity, *and a founder who wanted to keep it.*

As the employee count grew, so did pressure to offer equity or stock options to key contributors. The company needed a way to share upside without surrendering equity.

01

A founder keeping control

The founder wanted to retain 100% ownership.

02

Equity's complexity

Equity distribution created complexity and risk.

03

No incentive plan

There was no existing incentive plan to align employee success with company performance.

02 OUR APPROACH

Synthetic equity, *paid in cash.*

> ***We worked closely with the founder to understand the legal, financial and cultural dimensions of the problem, then introduced a more strategic option.***

1 **Understood the problem**

We worked closely with the founder to understand the legal, financial and cultural dimensions of the problem.

2 **Designed a phantom stock plan**

A synthetic equity model that rewards employees through cash bonuses tied to company valuation.

3 **Tied it to retention**

Structured to align with long-term performance and retention, with no dilution and no change in the equity structure.

4 **Drafted and rolled it out**

Plan documents drafted, and the structure integrated into the company's internal communications.

03 WHAT HAPPENED

Owners in spirit, *not on paper.*

The company expanded to over 20 employees with high morale. Retention and performance rose without requiring equity grants, and a culture of ownership emerged, driven by strategic legal structuring.

The founder kept full control and flexibility.

THE TAKEAWAY

You don't have to give away equity to reward team members: the plan made employees feel like owners without being owners on paper, and without complicating future capital events.

04 WHO HANDLED IT

Talk to the attorneys *who handled it.*



FOUNDING PARTNER

Eric Proos

Los Angeles · Beverly Hills office

(310) 734-4791



FOUNDING PARTNER

Jeff Monahan

Miami office

(305) 686-4866

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05 OTHER ENGAGEMENTS

JOINT VENTURE

Unlocking growth without capital

A joint venture in place of a raise a new project seemed to need.

CROSS-BORDER INVESTMENT

Cross-border growth, protected status

A refinancing that had to leave international investors' immigration status intact.

REGULATED TECHNOLOGY

Built to scale, compliant from day one

Formation, regulation and investment for a technology platform.

EIGHT LOCATIONS, ONE TEAM

Los Angeles
(310) 734-4791

Orange County
(949) 209-4184

San Diego
(619) 323-3445

San Francisco
(650) 374-1337

Houston
(713) 255-2098

Metro Detroit
(313) 887-4788

Washington, DC
Phone coming soon

Miami
(305) 686-4866

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