

# COWEN

**2021** ANNUAL MEETING OF  
STOCKHOLDERS

PROXY STATEMENT

# COWEN

May 21, 2021

Dear Fellow Stockholder:

You are cordially invited to attend the 2021 Annual Meeting of Stockholders of Cowen Inc. to be held on June 24, 2021, at 10:00 a.m. Eastern Daylight Time. The Annual Meeting will be conducted online only, via live webcast.

The information regarding matters to be voted upon at the Annual Meeting is set out in the attached Notice of Annual Meeting of Stockholders and Proxy Statement.

It is important that your shares be represented at the Annual Meeting, regardless of the number of shares you hold or whether you plan to attend the virtual meeting. I urge you to read the accompanying proxy statement and vote your shares as soon as possible. The proxy card contains instructions on how to cast your vote.

## 2020 IN REVIEW

Much has been written about 2020 and its painful experiences. Perhaps the most enduring lesson of the year for Cowen as a whole is this: 2020 demonstrated that we thrive as an organization by helping others to fulfill their strategic goals and financial objectives. To put it simply: we only win when we help others win. We are mindful of the fact that our success is dependent on the success of all our stakeholders and we realize that when we do well at Cowen, it enables us to do more good for others. That is a big part of what motivates us every day.

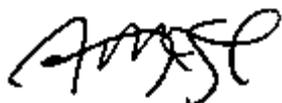
Despite the myriad challenges in 2020, the Cowen team rose to the occasion, delivering our best operating and financial results on record. We generated revenues of more than \$1.5 billion and the highest ever economic operating income of over \$330 million. We handled record trading volumes, executed multiple complex transactions and advisory assignments and raised meaningful assets under management, all while more than 90% of our team was working remotely. Our growth was strong in all of our operating segments, with full-year revenues up 108% in investment banking and 41% in markets, while investment management fees rose 40% and incentive income climbed 87% versus full-year 2019. Even with the remote operating environment we remained highly engaged with our clients. Our total conference attendance actually rose 25% in 2020 despite the shift to virtual events.

Total annual shareholder return was almost 67% in 2020, and 2021 is off to an even stronger start. Cowen's Board implemented a quarterly cash dividend in February 2020 and has increased the size of the dividend twice since then. Long-term shareholders have also been rewarded for placing their trust in Cowen: Annualized three-year return through the end of 2020 was over 24%, while annualized 5-year total shareholder return was more than 11%.

Now, as we look forward to the balance of 2021, we are excited about what the future holds. We are committed to living our core values of Vision, Empathy, Sustainability and Tenacious Teamwork, which have served us well over the past year and act as our enduring guideposts as we help our clients to reach their goals.

We are grateful for the trust and confidence you place in us as shareholders, and we thank you for your continuing support.

Sincerely,



**JEFFREY M. SOLOMON**  
Chair and Chief Executive Officer



## OUR CORE VALUES

			
VISION	EMPATHY	SUSTAINABILITY	TENACIOUS TEAMWORK

## 2020 PERFORMANCE HIGHLIGHTS

In the face of adversity and disruption, the Cowen team delivered record operating and financial results in 2020. This performance is the direct result of years of careful strategic planning and targeted investments in our team and capabilities as well as fostering a culture of collaboration. Cowen's culture is key to the outcomes we deliver to clients and driving long-term value for stakeholders.

# \$1.6 BILLION

+66% VS. 2019

FIRST TIME ECONOMIC INCOME REVENUE EXCEEDED \$1 BILLION MARK

## \$336 M

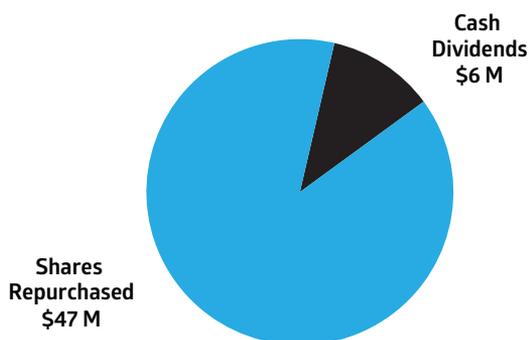
+424% VS. 2019

ECONOMIC OPERATING INCOME

## \$32.34

+31% VS. DEC. 31, 2019

BOOK VALUE PER SHARE



## \$53 M

CAPITAL RETURNED TO SHAREHOLDERS

## 43%

RETURN ON AVERAGE COMMON EQUITY

## 67%

TOTAL SHAREHOLDER RETURN

## 24%

ANNUALIZED 3-YEAR RETURN

## 11%

ANNUALIZED 5-YEAR RETURN

# COWEN

## NOTICE OF 2021 ANNUAL MEETING OF STOCKHOLDERS

*In light of the coronavirus, or COVID-19, outbreak, for the safety of all of our stockholders, members of our Board of Directors and management, our Board of Directors has determined that the 2021 Annual Meeting will be held in a virtual meeting format only, via the Internet, with no physical in-person meeting. If you plan to participate in the 2021 Annual Meeting, please see "Questions and Answers About the Annual Meeting and Voting" in the attached proxy statement.*

### PURPOSE

- To elect eight members to the Board of Directors of Cowen Inc., each for a one-year term.
- To conduct an advisory vote to approve the compensation of the named executive officers disclosed in the attached proxy statement ("say-on-pay" vote).
- To ratify the appointment of KPMG LLP as the independent registered public accounting firm for Cowen Inc. for the fiscal year ending December 31, 2021.
- To approve an increase in the shares available for issuance under the 2020 Equity Incentive Plan.
- To consider one stockholder proposal, if properly presented at the meeting (the "Stockholder Proposal").
- To transact such other business as may properly come before the meeting or any adjournments or postponements thereof.

### DATE

Thursday, June 24, 2021

### TIME

10:00 AM ET

### ACCESS

Our 2021 Annual Meeting of Stockholders can be accessed virtually at <http://www.meetingcenter.io/206079842>

### RECORD DATE

May 14, 2021

You are eligible to vote if you were a stockholder of record on this date.

### INSPECTION OF LIST OF STOCKHOLDERS OF RECORD

A list of the stockholders of record as of May 14, 2021 will be available via a secure link that will be provided during the 2021 Annual Meeting. The link will provide a protected PDF version of the list of stockholders of record as of May 14, 2021.

By Order of the Board of Directors



**OWEN S. LITTMAN**

Secretary

May 21, 2021

**Important Notice Regarding the Availability of Proxy Materials for the 2021 Annual Meeting of Stockholders to Be Held on June 24, 2021.** The Proxy Statement and Annual Report to stockholders are also available at [www.cowen.com/annualreports.html](http://www.cowen.com/annualreports.html)

## **YOUR VOTE IS IMPORTANT!**

Whether or not you plan to attend the meeting, please submit your proxy card or voting instructions promptly so that we can be assured of having a quorum present at the meeting and so that your shares may be voted in accordance with your wishes. Most stockholders have a choice of voting over the Internet, by telephone or by using a traditional proxy card. Please refer to the attached proxy materials or the information forwarded by your bank, broker or other holder of record to see which voting methods are available to you.

## TABLE OF CONTENTS

	<b>Page</b>		<b>Page</b>
<b>PROPOSAL 1 – ELECTION OF DIRECTORS</b>	<b>2</b>		
DIRECTOR NOMINEES	2	Narrative Disclosure Relating to Summary Compensation Table and Grants of Plan-Based Awards Table	40
KEY FACTS ABOUT OUR BOARD	2	Outstanding Equity Awards at 2020 Fiscal Year End	43
INFORMATION REGARDING THE BOARD OF DIRECTORS AND CORPORATE GOVERNANCE	13	Option Exercises and Stock Vested	44
Corporate Governance Guidelines	13	Potential Payments Upon Termination or Change in Control	45
Director Independence	13	Pay Ratio	46
Board Leadership Structure	14	Security Ownership	47
Director Stock Ownership Guidelines	14	Section 16(a) Beneficial Ownership Reporting Compliance	48
The Board’s Role in Risk Oversight	14	Certain Relationships and Related Transactions	49
Board and Committee Oversight of Certain Key Risks	15	Transactions in which Related Persons have a Material Interest	49
Risk Assessment of Compensation Policies and Practices	16	Review and Approval of Transactions with Related Persons	49
Environmental, Social and Governance (ESG) Practices	16	Audit Committee Report and Payment of Fees to our Independent Registered Accounting Firm	50
Board Meetings and Attendance	17	Audit Committee Report	50
Director Attendance at Annual Meeting of Stockholders	17	Independent Registered Public Accounting Firm Fees and Other Matters	51
Committees of the Board	17	Auditor Services Pre-Approval Policy	51
Executive and Director Compensation Processes	20	<b>PROPOSAL 3 – RATIFICATION OF SELECTION OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM</b>	<b>53</b>
Director Nomination Process	20	<b>PROPOSAL 4 – APPROVAL OF AN INCREASE IN THE SHARES AVAILABLE FOR ISSUANCE UNDER THE 2020 EQUITY INCENTIVE PLAN</b>	<b>54</b>
Procedures for Contacting the Board of Directors	21	Purpose	55
Code of Business Conduct and Ethics	21	Administration	55
Narrative Disclosure Relating to Director Compensation Table	22	Shares Subject to the 2020 Plan	56
EXECUTIVE OFFICERS OF THE COMPANY	23	Eligibility	56
<b>PROPOSAL 2 – ADVISORY VOTE ON NAMED EXECUTIVE OFFICER COMPENSATION</b>	<b>24</b>	Grants of Awards	56
COMPENSATION DISCUSSION AND ANALYSIS	24	Changes in Capital Structure	58
Advisory Vote on Executive Compensation and Stockholder Engagement	25	Corporate Events	58
2020 Performance Overview	27	Non-Transferability of Awards	59
Key Features of Our Executive Compensation Program	28	Termination and Amendment	59
Compensation Philosophy and Objectives	28	Certain U.S. Federal Income Tax Consequences	59
2020 Compensation Determinations	30	New Plan Benefits	60
Compensation Program and Payments	33	<b>PROPOSAL 5 – STOCKHOLDER PROPOSAL- RIGHT TO ACT BY WRITTEN CONSENT</b>	<b>61</b>
Frequency of Say-on-Pay Vote	36	Stockholder Proposals for the 2022 Annual Meeting	61
Relationship of Compensation Policies and Practices to Risk Management	37	Annual Report to Stockholders and Form 10-K	65
Clawback Policy	37	Householding	65
Executive Officer Stock Ownership Guidelines	38	Other Matters	66
Anti-Hedging Policy	38	<b>QUESTIONS AND ANSWERS ABOUT THE ANNUAL MEETING AND VOTING</b>	<b>66</b>
Perquisites	38	Appendix A – Cowen Inc. 2020 Equity Incentive Plan (as amended and restated)	A-1
Employment Agreements	38		
Tax and Accounting Impact and Policy	38		
Compensation Committee Report	39		
Grants of Plan Based Awards	40		

**PROXY STATEMENT**  
**2021 ANNUAL MEETING OF STOCKHOLDERS**  
**TO BE HELD JUNE 24, 2021**

The Board of Directors, or the Board, of Cowen Inc., Cowen or the Company, is soliciting proxies for use at the annual meeting of stockholders to be held on June 24, 2021, or the annual meeting, to be conducted online only, via live webcast. There will be no physical location for stockholders to attend in person. Stockholders may attend the annual meeting by logging in at [www.meetingcenter.io/206079842](http://www.meetingcenter.io/206079842). The password for the annual meeting is COWN2021. This proxy statement and the enclosed proxy card are first being mailed or given to stockholders on or about May 21, 2021.

## PROPOSAL 1

### ELECTION OF DIRECTORS

- The Board recommends a vote **“FOR”** the election of the director nominees

Jeffrey M. Solomon, Brett H. Barth, Katherine E. Dietze, Gregg A. Gonsalves, Steven Kotler, Lawrence E. Leibowitz, Margaret L. Poster and Douglas A. Rediker have been nominated for re-election to the Board to serve until our 2022 annual meeting of stockholders or until their successors are elected and qualified. Each of the nominees has agreed to serve as a director if elected. If, for any reason, any nominee becomes unable to serve before the annual meeting occurs, the persons named as proxies may vote your shares for a substitute nominee selected by our Board. If all director nominees are elected at our Annual Meeting, the Board will consist of eight directors.

### KEY FACTS ABOUT OUR DIRECTOR NOMINEES

Cowen is committed to ensuring that is comprised of individuals that bring diverse backgrounds, experiences and perspectives.

5

DIRECTORS WHO ARE CURRENT  
OR FORMER CHAIR AND CEOs

3

DIRECTORS WHO ARE CURRENT  
OR FORMER COOs

61

AVERAGE AGE

50%

NEW NOMINEES IN LAST 5 YEARS

2

WOMEN DIRECTORS

1

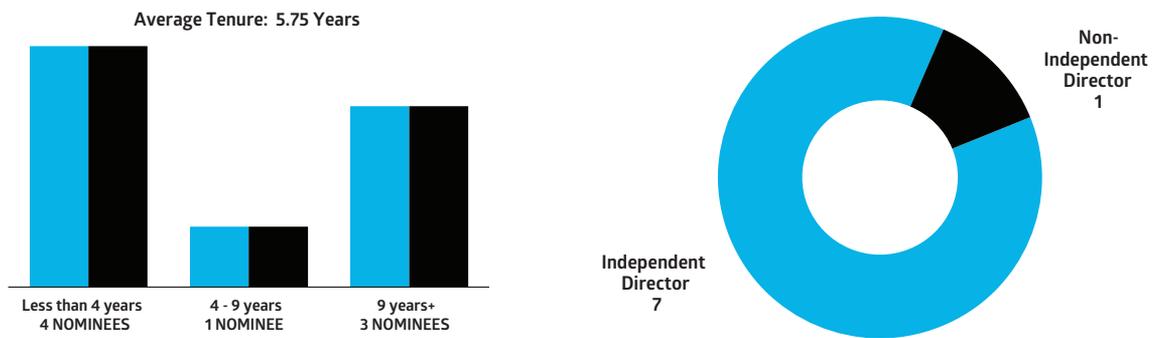
RACIALLY DIVERSE DIRECTOR

2 of 2

# OF DIRECTORS ADDED IN PAST 2 YEARS  
WHO ARE GENDER OR ETHNICALLY  
DIVERSE

38%

% OF BOARD GENDER  
OR RACIALLY DIVERSE



Each nominee to our Board brings valuable capabilities to the Board. The Board believes that the nominees as a group have the experience and skills in areas such as business management, strategic development, corporate governance, leadership development, investment management, investment banking, finance and risk management and other relevant experience required to build a Board that is effective and responsive to the needs of the Company. In addition, the Board believes that each of our eight director nominees possesses sound judgment, integrity, high standards of ethics and a commitment to representing the long-term interests of our stockholders.

Set forth below is biographical information for each of the members of our Board of Directors. All ages are as of May 14, 2021.



## **JEFFREY M. SOLOMON, 55**

### **CHAIR AND CEO**

**Director Since:** 2011

### **Other US-Listed Company Directorships**

- Current: None
- Former (Past 5 Years): None

### **RELEVANT SKILLS**

- Executive Leadership and Management
- Risk Oversight
- Corporate Strategy and Business Development
- Social Responsibility Oversight

As Chair and CEO, Mr. Solomon provides the Board with institutional knowledge of all aspects of the Cowen's businesses, in-depth knowledge of its business and affairs, management's perspective on those matters and an avenue of communication between the Board and senior management.

### **CAREER HIGHLIGHTS**

- Cowen Inc. (merged with Ramius in 2009)
  - Chair (2019 – Present) and CEO (2017 – Present)
  - Prior to his appointment as CEO, Mr. Solomon held the following positions at the Company:
    - President
    - CEO of Cowen and Company
    - Chief Operating Officer
    - Head of Investment Banking
    - Co-Portfolio Manager, Ramius

### **OTHER EXPERIENCE AND COMMUNITY INVOLVEMENT**

- Vice Chair and an inaugural member, Securities and Exchange Commission's Small Business Capital Formation Advisory Committee which provides advice and recommendations on Commission rules, regulations and policy matters related to small businesses, including smaller public companies.
- Member, American Securities Association
- Member, Executive Committee, Partnership for NYC
- UJA Federation of New York
  - Director
  - Co-Chair, King David Society
- Director, Foundation for Jewish Camp
- Past Member, Committee on Capital Markets Regulation, an independent and nonpartisan 501(c)(3) research organization dedicated to improving the regulation of U.S. capital markets

### **EDUCATION**

- Graduate of University of Pennsylvania



## **BRETT BARTH, 49**

### **INDEPENDENT LEAD DIRECTOR**

**Director Since:** 2018

#### **Cowen Committees**

- Compensation (Chair)
- Nominating & Corporate Governance

#### **Other US-Listed Company**

##### **Directorships**

- Golden Arrow Merger Corp.
- Former (Past 5 Years): None

#### **RELEVANT SKILLS**

- Financial Services
- Executive Leadership and Management
- Corporate Governance
- Investment Management

Mr. Barth has extensive experience vetting investment opportunities across the asset class spectrum and through a range of market environments, working with both traditional and alternative investment managers. At BBR, Mr. Barth co-manages the firm and oversees the company's investment approach and implementation. His professional background has provided him with extensive expertise in investment and wealth management.

#### **CAREER HIGHLIGHTS**

- BBR Partners, private wealth management advisory firm (2000 – present)
  - Co-Founder and Co-CEO
  - Member, Executive Committee
  - Member, Investment Committee
- Prior to BBR, Mr. Barth was a member of Goldman Sachs Equity Capital Markets Group in New York and Hong Kong

#### **OTHER EXPERIENCE AND COMMUNITY INVOLVEMENT**

- University of Pennsylvania
  - Trustee
  - Member, Board of Overseers of the Graduate School of Education
  - Past Chair, Penn Fund, undergraduate annual giving program
  - Past Inaugural Chair, Undergraduate Financial Aid Leadership Council
- UJA-Federation of New York
  - Member, Board and Executive Committee
  - Co-chair, Annual Campaign
  - Member, endowment's Investment Committee
  - Past recipient, Alan C. Greenberg Young Leadership Award

#### **EDUCATION**

- Graduate of University of Pennsylvania



**KATHERINE E. DIETZE, 63**

**INDEPENDENT DIRECTOR**

**Director Since:** 2011

**Cowen Committees**

- Audit (Chair)

**Other US-Listed Company Directorships**

- Current: Matthews International
- Former (Past 5 Years): Liberty Property Trust

**RELEVANT SKILLS**

- Audit and Financial Expertise
- Financial Services
- Risk Oversight
- Corporate Governance

Through her leadership roles at Credit Suisse First Boston as well as public company boards, Ms. Dietze gained significant experience and perspective in investment banking management and corporate governance. Ms. Dietze spent over 20 years in the financial services industry prior to her retirement in 2005.

**CAREER HIGHLIGHTS**

- Credit Suisse First Boston
  - Global Chief Operating Officer, Investment Banking Division (2003 – 2005)
  - Managing Director, Telecommunications Group (1996 – 2003)
- Ms. Dietze formerly held the following positions:
  - Co-Head, Telecommunications, Investment Banking, Solomon Brothers
  - Director and Audit Chair, LaBranche (acquired by Cowen in 2011)

**EDUCATION**

- Graduate of Brown University
- MBA, Columbia Graduate School of Business



## **GREGG A. GONSALVES, 53**

### **INDEPENDENT DIRECTOR**

**Director Since:** 2020

#### **Cowen Committees**

- Audit
- Nominating & Corporate Governance

#### **Other US-Listed Company Directorships**

- Current: Cedar Realty Trust (Chair)
- Former (Past 5 Years): None

#### **RELEVANT SKILLS**

- Audit and Financial Expertise
- Financial Services
- Social Responsibility Oversight
- Corporate Governance

Mr. Gonsalves' professional background has provided him with extensive experience in investment banking and real estate. His service on the board of directors of other public companies and not-for-profit entities, including his role as Chair of The Jackie Robinson Foundation, has provided him expertise and insight into matters such as corporate governance, social responsibility oversight and strategy.

#### **CAREER HIGHLIGHTS**

- Advisory Partner, Integrated Capital, a leading, hotel-focused, private real estate advisory and investment firm (2013 – present)
- Mr. Gonsalves formerly held the following positions at Goldman Sachs:
  - Partner, Real Estate Mergers & Acquisitions
  - Partner, Industrial Group
  - Various positions within investment banking, mergers and acquisitions

#### **OTHER EXPERIENCE AND COMMUNITY INVOLVEMENT**

- Chairman, The Jackie Robinson Foundation
- Chairman, Cedar Realty Trust, a publicly traded retail REIT
- Director, RREEF America REIT II, a private, open-end core real estate fund
- Director, POP Tracker LLC, a private company focused on providing proof of performance to the out-of-home advertising industry

#### **EDUCATION**

- Graduate of Columbia University
- MBA, Harvard Business School



**STEVEN KOTLER, 74**  
**INDEPENDENT DIRECTOR**

**Director Since:** 2010\*

**Cowen Committees**

- Audit
- Nominating & Corporate Governance (Chair)

**Other US-Listed Company Directorships**

- Current: None
- Former (Past 5 Years): None

**RELEVANT SKILLS**

- Audit and Financial Expertise
- Corporate Governance
- Financial Services
- Executive Leadership and Management

Through his leadership positions at Gilbert Global, Mr. Kotler gained extensive experience in leading an international financial institution and expertise in private equity.

**CAREER HIGHLIGHTS**

- Vice Chair, Gilbert Global Equity Partners, a private equity firm (2000 – present)
- Mr. Kotler formerly held the following positions at Schroder & Co. (predecessor firm, Wertheim & Co.)
  - President & Chief Executive Officer
- Group Managing Director
  - Global Head of Investment and Merchant Banking

**OTHER EXPERIENCE AND COMMUNITY INVOLVEMENT**

- Director, CPM Holdings, international agricultural process equipment company (private)
- Co-Chair, Birch Grove Capital, an asset management firm
- Member, Council on Foreign Relations
- Former Council President, The Woodrow Wilson International Center for Scholars (1999 – 2002)
- Former Governor, American Stock Exchange
- Former Member, The New York City Partnership
- Former Member, Infrastructure and Housing Task Force, Chamber of Commerce
- Former Board of Trustee, Columbia Preparatory School
- Former Board of Overseers, California Institute of the Arts.

**EDUCATION**

- Graduate of City College of New York

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\* Previously served as a director of Cowen Holdings from September 2006 until June 2007



## LAWRENCE E. LEIBOWITZ, 61

### INDEPENDENT DIRECTOR

**Director Since:** 2018

#### Cowen Committees

- Compensation

#### Other US-Listed Company Directorships

- Current: None
- Former (Past 5 Years): None

#### RELEVANT SKILLS

- Financial Services
- Private Equity
- Technology
- Executive Leadership and Management

Mr. Leibowitz is an experienced finance and technology entrepreneur who specializes in business transformation and capital markets. Combined with his past service on the board of directors of other public companies and current service on the board of directors of private companies, Mr. Leibowitz provides extensive capital markets knowledge, including trading microstructure, regulation, asset management and quantitative methods.

#### CAREER HIGHLIGHTS

- NYSE Euronext
  - Former Member of the Board of Directors and Chief Operating Officer (2010 – 2013)
  - Head of Global Equities Markets
  - Mr. Leibowitz formerly held the following positions
    - Chief Operating Officer, Americas Equities, UBS
    - Co-head, Schwab Soundview Capital Markets
    - CEO, Redibook
    - Founding Partner, Bunker Capital
    - Managing Director and Head of Quantitative Trading and Equities Technology, CS First Boston

#### OTHER EXPERIENCE AND COMMUNITY INVOLVEMENT

- Vice Chairman, XCHG Xpansiv, an intelligent commodities exchange focusing on renewable energy products (private)
- Director, NYDIG Trust and NYDIG Execution Services, a custodian and broker for digital currencies that is regulated by the NY Department of Finance (private)
- Director, various other private companies in the data management and digital law businesses
- Director, Giving Compass, a non-profit technology platform which helps charitable givers and philanthropists find resources and information to guide their efforts

#### EDUCATION

- Graduate of Princeton University



**MARGARET L. POSTER, 69**

**INDEPENDENT DIRECTOR**

**Director Since:** 2019

**Cowen Committees**

- Audit
- Compensation
- Nominating & Corporate Governance

**Other US-Listed Company Directorships**

- Current: None
- Former (Past 5 Years): None

**RELEVANT SKILLS**

- Audit Committee Financial Expert
- Risk Oversight
- Corporate Strategy
- Corporate Governance

Ms. Poster’s professional background, including her leadership role at Willkie Farr & Gallagher LLP, has provided her with significant experience and insight in risk management, strategic planning and operations, human capital and talent development and financial reporting.

**CAREER HIGHLIGHTS**

- Chief Operating Officer, Willkie Farr & Gallagher LLP (1991 – 2018)
- Prior to Willkie, Farr & Gallagher LLP, Ms. Poster held the following positions
  - President of Workbench, Inc
  - Chief Financial Officer, Barnes & Noble Bookstores Inc.
  - Chief Financial Officer, Jewelry & Sporting Good Division at W.R. Grace & Co.

**OTHER EXPERIENCE AND COMMUNITY INVOLVEMENT**

- Executive Managing Director, co-Lead Legal Sector Advisory Group, Cushman & Wakefield
- Former Director, Generation Citizen
- Former Trustee, Blythdale Childrens’ Hospital

**EDUCATION**

- Graduate of University of Vermont
- MBA, Harvard Business School
- Certified Public Accountant



**DOUGLAS A. REDIKER, 61**  
**INDEPENDENT DIRECTOR**

**Director Since:** 2015

**Cowen Committees**

- Compensation

**Other US-Listed Company Directorships**

- Current: None
- Former (Past 5 Years): None

**RELEVANT SKILLS**

- Global Business and Operations
- Financial Markets
- Corporate Governance
- Executive Leadership and Management

Mr. Rediker has extensive experience on global macro matters such as global finance, sovereign wealth funds and other issues surrounding the relationship between international economic policy, financial markets, global capital flows and foreign policy. His professional background has provided him with extensive expertise and insight in capital markets, the economy and global governance.

**CAREER HIGHLIGHTS**

- Founder and Executive Chairman, International Capital Strategies, LLC, a policy and markets advisory boutique (2012 – present)
- Mr. Rediker formerly held the following positions:
  - Member of the Executive Board of the International Monetary Fund, representing the United States
  - Senior investment banker and private equity investor at Salomon Brothers, Merrill Lynch and Lehman Brothers
  - Attorney with Skadden Arps in New York and Washington, D.C.

**OTHER EXPERIENCE AND COMMUNITY INVOLVEMENT**

- Non-Resident Senior Fellow, The Brookings Institution
- Member, World Economic Forum (WEF) Global Future Council on Geopolitics
- Member, US Council on Foreign Relations
- Former Member, Executive Board, International Monetary Fund
- Former Visiting Fellow, Peterson Institute for International Economics
- Former Senior Fellow and Director, global Strategic Finance Initiative, New America Foundation

**EDUCATION**

- Graduate of Vassar College
- JD, Fordham University School of Law
- Harvard Kennedy School

JEFFREY M.  
**SOLOMON**

BRETT H.  
**BARTH**

KATHERINE E.  
**DIETZE**

GREGG A.  
**GONSALVES**

STEVEN  
**KOTLER**

LAWRENCE E.  
**LEIBOWITZ**

MARGARET L.  
**POSTER**

DOUGLAS A.  
**REDIKER**

## KEY SKILLS

Audit & Financial Expertise			•	•	•		•	
Corporate Strategy & Business Development	•	•		•	•	•	•	
Corporate Governance / Ethics	•	•	•	•	•	•	•	•
Executive Leadership & Management	•	•		•	•	•	•	•
Financial Services	•	•	•	•	•	•	•	
Global Business & Operations	•	•	•		•	•	•	•
Investment Banking	•	•	•	•	•	•	•	
Investment Management	•	•			•			
Talent Development / Compensation	•	•	•	•	•	•	•	•
Institutional Markets	•	•			•	•		
Risk Oversight	•		•	•	•	•	•	
Social Responsibility	•	•		•	•	•	•	
Sustainability	•	•		•	•		•	
Technology						•		

## KEY EXPERIENCES

CEO, President or COO	•	•	•		•	•	•	•
CFO or Other Financial Expert			•	•	•		•	
Private Company Management & Governance	•	•			•	•	•	•
Public Company Management & Governance	•	•				•		
Non-Profit	•	•		•	•			

## DEMOGRAPHICS

<b>Gender</b>								
Male	•	•		•	•	•		•
Female			•				•	
<b>Race / Ethnicity</b>								
African American / Black				•				
Asian / Pacific Islander								
Hispanic / LatinX								
Native American								
White / Caucasian	•	•	•		•	•	•	•
Other								
<b>Age</b>								
At May 14, 2021	55	49	63	53	74	61	69	61

## BOARD TENURE

Years on Board	10	3	10	1	11	3	2	6
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## OTHER PUBLIC COMPANY BOARDS

Number of Public Boards	0	1	1	1	0	0	0	0
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## **INFORMATION REGARDING THE BOARD OF DIRECTORS AND CORPORATE GOVERNANCE**

Our Board believes that good corporate governance is important to ensure that Cowen Inc. is managed for the long-term benefit of its stockholders. This section describes key corporate governance guidelines and practices that our Board has adopted. Complete copies of our Corporate Governance Guidelines, the charters of our Audit, Compensation, Nominating and Corporate Governance Committees and our Code of Ethics and Business Conduct are available on the investor relations section of our website, [www.cowen.com](http://www.cowen.com). Alternatively, you can request a copy of these documents by writing to Cowen Inc., Attn: Secretary, 599 Lexington Avenue, New York, NY, 10022.

### **CORPORATE GOVERNANCE GUIDELINES**

Our Board has adopted corporate governance guidelines to assist in the exercise of its duties and responsibilities and to serve the best interests of the Company and our stockholders. These guidelines, which provide a framework for the conduct of the Board's business, provide that:

- the Board's goal is to oversee and direct management in building long-term value for the Company's stockholders;
- a majority of the members of the Board shall be independent directors;
- the independent directors shall meet regularly in executive session;
- directors have access to management and, as appropriate, to the Company's outside advisors;
- our Chief Financial Officer, our Chief Operating Officer and our General Counsel attend all scheduled Board meetings as do the heads of the Company's business lines, which is critical to the Company's succession planning;
- the Board regularly reviews with management the Company's financial performance, strategy and business plans;
- both our directors and our executive officers are required to own a minimum amount of Company common stock;
- new directors participate in an orientation program and all directors are expected to participate in continuing director education on an ongoing basis; and
- at least annually, the Board and its committees conduct self-evaluations to determine whether it and they are functioning effectively.

### **DIRECTOR INDEPENDENCE**

Our Corporate Governance Guidelines require that a majority of the Board be composed of directors who meet the independence criteria established by NASDAQ Stock Market, Inc. Marketplace Rules. Under applicable NASDAQ Stock Market rules, a director will only qualify as an "independent director" if, in the opinion of our Board, that person does not have a relationship which would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. In making its determination, the Board considers all relevant facts and circumstances, both with respect to the director and with respect to any persons or organizations with which the director has an affiliation, including immediate family members.

Our Board has determined that neither Ms. Dietze nor Ms. Poster, nor Messrs. Barth, Gonsalves, Kotler, Leibowitz or Rediker currently has a relationship that would interfere with the exercise of independent judgment

in carrying out the responsibilities of a director and that each of these directors is an “independent director” as defined under Rule 4200(a)(15) of the NASDAQ Stock Market, Inc. Marketplace Rules.

Mr. Solomon cannot be considered an independent director under NASDAQ Stock Market rules because Mr. Solomon serves as our Chief Executive Officer. Therefore, the Board has determined that seven of our eight director nominees are independent.

## **BOARD LEADERSHIP STRUCTURE**

Mr. Solomon serves in the combined roles of Chair and Chief Executive Officer. We believe that Mr. Solomon’s combined service as Chair and Chief Executive Officer provides the Company with (i) a unified strategic and operating focus, (ii) the benefit of clarity in the management structure of the organization, and (iii) consistency of communications to stockholders, customers, regulators and other constituencies. This structure also best assures that the leader of the organization is closely connected with both the Company’s senior level managers and the Board and is therefore better able to appreciate and balance the perspectives of both groups. To establish a liaison between the non-management directors and the Chair and Chief Executive Officer and thus facilitate effective communication between them, as well as to facilitate the deliberations of the non-management directors in executive session, the Board also appoints a lead director who is independent. This position is currently held by Mr. Barth. As lead director, Mr. Barth:

- presides over all meetings of the Board at which the Chair is not present;
- provides oversight and advice to the Chief Executive Officer regarding corporate strategy;
- conducts performance appraisals of the Chief Executive Officer (together with the Compensation Committee);
- reviews Board meeting schedules and agendas to ensure that appropriate matters are covered and that there is sufficient time for discussion of all agenda items;
- presides at executive sessions of the Board;
- serves as a liaison between the Chair and the independent directors;
- recommends to the Chief Executive Officer the retention of consultants who report directly to the Board;
- approves information sent to the Board and requests additional information, as required; and
- is primarily responsible, subject to advice and assistance from the General Counsel, for monitoring communications from stockholders and other interested parties and providing copies or summaries of such communications to the other directors as he deems appropriate.

## **DIRECTOR STOCK OWNERSHIP GUIDELINES**

The Company adopted stock ownership guidelines in 2013 that require directors to hold Company stock or restricted stock units, or RSUs, that have a value equal to at least three times the amount of annual fees paid to non-employee directors (excluding committee chair fees) within the later of the adoption of the policy or five years of being appointed to the Board. All of our directors are in compliance with these ownership guidelines. Ms. Poster, who was appointed to the Board in 2019 and Mr. Gonsalves, who was appointed to the Board in 2020 have three years and four years, respectively, in which to acquire Company stock or RSUs to meet the ownership requirements.

## **THE BOARD’S ROLE IN RISK OVERSIGHT**

It is management’s responsibility to manage risk and bring to the Board’s attention the most material risks to the Company. The Board has oversight responsibility of the processes established to report and monitor systems

for material risks applicable to the Company and reviews the Company's enterprise risk management. Our Board's oversight of our risk management processes is effected primarily through our Audit Committee. Our Audit Committee periodically meets with senior executives responsible for risk oversight to review and discuss the material risks facing the Company, including operational, market, credit, liquidity, legal and regulatory risks, and to assess whether management has reasonable controls in place to address these risks. The Audit Committee is also responsible for ensuring that management has established processes and an enterprise risk management framework and governance structures designed to identify, bring to the Board's and/or the Audit Committee's attention, and appropriately manage, monitor, control and report exposures to the major risks affecting Cowen. In addition to the Audit Committee, the Compensation Committee separately reviews and discusses with management whether our compensation arrangements are consistent with effective controls and sound risk management. The Board evaluates the Company's risk profile on a quarterly basis.

## **BOARD AND COMMITTEE OVERSIGHT OF CERTAIN KEY RISKS**

### **TECHNOLOGY AND CYBER-RISK OVERSIGHT**

Our Board is briefed on firm-wide technology and cybersecurity risk management and the overall technology and cybersecurity environment by management and through updates from the Audit Committee on their in-depth Committee-level reviews on a quarterly basis.

The Board coordinates with the Audit Committee to ensure active Board- and Committee-level oversight of the Company's technology and cyber risk profile, technology and cyber strategies, and information security initiatives. The Audit Committee reviews technology and cyber risks, as well as the Company's risk mitigation processes and internal control procedures to protect sensitive business information, and receives regular reports from the Head of Risk, Chief Financial Officer and the Chief Operating Officer on the Company's technology and cybersecurity programs.

### **COVID-19 OVERSIGHT**

During 2020, the Board and the Audit Committee dedicated significant time and attention to overseeing the Company's management of key risks related to the COVID-19 pandemic, receiving frequent updates at both the Board and Committee level from the CEO and other senior leaders on the Company's pandemic response and framework for the management and mitigation of related key risks across the business.

The CEO, Chief Operating Officer, Chief Financial Officer, Head of Internal Audit and General Counsel, as well as other members of the Company's Management Committee, presented regular and in-depth reviews of the Company's assessment of key risks and approach to pandemic risk management to the Board and Audit Committee. Through these updates, the Board and Audit Committee reviewed and discussed a broad range of topics with management, including: measures to protect the health, wellness and safety of the Company's employees and return to office planning; the impact of the transition to a work-from-home model on technology, cybersecurity, operations, regulatory compliance and business continuity planning; strategies to ensure continued delivery of products and services and execution of the Company's long-term strategy; and financial scenario planning for managing the Company's balance sheet and liquidity.

By exercising ongoing oversight and providing advice on the Company's pandemic response and business continuity planning, the Board and the Audit Committee helped support management's development of a strategy to mitigate the immediate and potential long-term impacts of COVID-19, protect the health, wellness and safety of the Company's employees and continue to execute on strategic initiatives to deliver value to stockholders.

## **ESG OVERSIGHT**

The Board views oversight and effective management of environmental, social and governance, or ESG, related risks and opportunities as essential to the Company's ability to execute its strategy and achieve long-term sustainable growth. As such, the Nominating and Corporate Governance Committee receives quarterly updates on a variety of ESG topics, including sustainability and governance-related matters. The Board also receives quarterly updates on the Company's ESG products and offerings.

In addition to oversight by the Board, the Board coordinates with each Board Committee to ensure active and ongoing Committee-level oversight of the Company's management of ESG related risks and opportunities.

## **HUMAN CAPITAL MANAGEMENT OVERSIGHT**

The Board views effective human capital management as critical to the Company's ability to execute its strategy.

As a result, the Board is updated by the CEO, Head of Human Resources, Head of Inclusion and Diversity and other members of senior leadership on a broad range of human capital management topics, including culture, talent and performance management, diversity and inclusion, compensation and benefits, workplace health and safety, and employee engagement and retention.

At the management level, our Head of Human Resources, who is a member of the Company's Management Committee, is responsible for leading the development and execution of the Company's human capital management strategy, working together with other senior leaders across the Company. Among other things, this includes promoting an inclusive and performance-driven workplace culture; managing the Company's initiatives to attract, recruit, develop and retain the high-quality talent needed to ensure the Company is equipped with the right skill sets and intellectual capital to deliver on current and future business needs; and overseeing the design of the Company's compensation, benefits and wellness programs. In connection with these responsibilities, the Head of Human Resources also partners with our Diversity and Inclusion team on the development and execution of the Company's diversity, equity and inclusion roadmap and works closely with the CEO on the development of the talent succession pipeline for the Company's senior officers.

## **RISK ASSESSMENT OF COMPENSATION POLICIES AND PRACTICES**

At least annually, the Compensation Committee oversees a risk review of the various components of our compensation program. In 2020, the Committee determined that the Company's compensation plans, programs and policies do not encourage excessive risk taking and are not reasonably likely to have a material adverse effect on the Company.

## **ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) PRACTICES**

The Company views ESG practices as essential components of Company performance and the successful implementation of our Outperform strategy. As a result, ESG considerations inform our governance mechanisms for effective Board oversight and impact how we manage our businesses on a day to day basis and over the longer term.

## **COMPANY ESG LEADERSHIP**

Our ESG leadership structure at the Board and management levels reflects our focus on ESG issues and commitment to provide value to our stockholders. Our diversity and inclusion functions are managed by our Head of Inclusion and Diversity and her team. The Head of Inclusion and Diversity updates the Board regarding the Company's diversity and inclusion efforts and activities on a quarterly basis. The Company's Chief of

Staff, and members of the Management Committee, manage the Company's ESG reporting and regularly update the Board and Audit Committee on our strategy, activities and progress.

## **SUSTAINABILITY**

Sustainability is a core value of the Company. Our investment banking team has executed among the most prominent sustainability transactions in 2020. The Company's investment banking business announced a new joint advisory effort with Intrepid Partners focused on Energy Innovation and Transition in December 2020. Through Cowen Sustainable Investments, the Company has partnered with a team with decades of experience in cross-asset sustainability-focused investments. Cowen has added ESG-focused research products and events to the Company's research platform and recently initiated ESG ratings for the companies covered by our research analysts. In addition, Cowen Investment Management now requires that all Cowen-branded investment strategies integrate ESG factors into their individual investment process.

## **DIVERSITY AND INCLUSION**

At Cowen, inclusion and diversity are catalysts for success and innovation in everything we do. The Board seeks diversity in viewpoint and experiences in its membership. Since 2019, the two new members added to our Board of eight are diversity candidates. At the management level, our ability to attract and retain a diverse and inclusive workforce is critical to our long-term strategy, driving business growth and innovation and empowering our people to achieve their full potential. The Company established a business team dedicated to inclusion and diversity in 2020. The Head of Inclusion and Diversity regularly updates the Board regarding the Company's diversity initiatives. The Company regularly conducts Leadership Roundtables, which are open to all employees, led by Mr. Solomon, our CEO, designed to advance important conversations related to diversity and inclusion. This reinforces our internal diversity, equity and inclusion.

## **BOARD MEETINGS AND ATTENDANCE**

Our Board met six times from January 1, 2020 through December 31, 2020. Each director attended at least 85% of the aggregate number of Board meetings and the number of meetings held by all committees on which he or she then served.

## **DIRECTOR ATTENDANCE AT ANNUAL MEETING OF STOCKHOLDERS**

Our Corporate Governance Guidelines provide that directors are invited and encouraged to attend the annual meeting of stockholders. Two of our directors attended the 2020 virtual annual meeting of stockholders.

## **COMMITTEES OF THE BOARD**

Our Board has established three standing committees — Audit, Compensation, and Nominating and Corporate Governance — each of which operates under a charter that has been approved by our Board. Current copies of each committee's charter are posted on the investor relations section of our website, [www.cowen.com](http://www.cowen.com). Alternatively, you can request a copy of these documents by writing to Cowen Inc., Attn: Secretary, 599 Lexington Avenue, New York, NY, 10022.

## COWEN BOARD COMMITTEES MEMBERSHIP

NAME	Audit	Nominating and Corporate Governance	Compensation
<b>BRETT H. BARTH</b> INDEPENDENT LEAD DIRECTOR		•	•
<b>KATHERINE E. DIETZE</b> INDEPENDENT	•		
<b>GREGG GONSALVES</b> INDEPENDENT	•	•	
<b>STEVEN KOTLER</b> INDEPENDENT	•	•	
<b>LAWRENCE E. LEIBOWITZ</b> INDEPENDENT			•
<b>MARGARET POSTER</b> INDEPENDENT FINANCIAL EXPERT	•	•	•
<b>DOUG REDIKER</b> INDEPENDENT			•

- Committee member
- Committee chair

### **Audit Committee**

The Audit Committee's responsibilities include:

- being directly responsible for the appointment, compensation, retention and oversight of the work of our independent registered public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company;
- reviewing the performance of the independent registered public accounting firm and making the decision to replace or terminate the independent registered public accounting firm or the lead partner;
- evaluating the independence of the registered public accounting firm;
- reviewing and discussing with management and the independent registered public accounting firm and the head of the Company's internal audit department all critical accounting policies and practices;
- reviewing the adequacy and effectiveness of the Company's accounting and internal control policies and procedures;
- discussing our risk management policies;
- reviewing and discussing with the independent registered public accounting firm the results of the year-end audit of the Company;
- establishing and implementing policies and procedures for the Audit Committee's review and approval or disapproval of proposed related party transactions; and
- preparing the audit committee report required by SEC rules, which is included on page 50 of this proxy statement.

Our Audit Committee met six times from January 1, 2020 through December 31, 2020. Our Board has determined that Ms. Poster is an "audit committee financial expert" as defined by applicable SEC rules.

## ***Compensation Committee***

The Compensation Committee's responsibilities include:

- annually reviewing the goals and objectives of the Company's executive compensation plans;
- annually reviewing the Company's executive compensation plans in light of the Company's goals and objectives;
- annually evaluating the Chief Executive Officer's and other executive officers' performance and determining and approving the Chief Executive Officer's and other executive officers' compensation levels based on such evaluation;
- overseeing and administering our equity and incentive compensation plans, with the oversight of the full Board;
- reviewing executive and employee compensation plans from a risk perspective to help ensure that compensation arrangements do not encourage excessive risk taking;
- annually reviewing the compensation process of the Company's equity research personnel to ensure compliance with applicable laws, rules and regulations;
- reviewing and discussing annually with management our "Compensation Discussion and Analysis," which begins on page 24 of this proxy statement; and
- preparing the Compensation Committee report required by SEC rules, which begins on page 39 of this proxy statement.

The processes and procedures followed by our Compensation Committee in considering and determining executive compensation are described below in the "Compensation Discussion and Analysis" section beginning on page 24 of this proxy statement.

Our Compensation Committee met six times from January 1, 2020 through December 31, 2020.

## ***Nominating and Corporate Governance Committee***

The Nominating and Corporate Governance Committee's responsibilities include:

- assisting in identifying, recruiting and interviewing director candidates, including persons suggested by stockholders;
- reviewing the background and qualifications of individuals being considered as director candidates;
- recommending to the Board the director nominees for election;
- annually reviewing with the Board the composition of the Board as a whole;
- recommending to the Board the size and composition of each standing committee of the Board;
- annually reviewing committee assignments and the policy with respect to the rotation of committee memberships and/or chairpersonships;
- making recommendations on the frequency and structure of Board meetings;
- monitoring the functioning of the committees of the Board;
- approving annual Board compensation;
- annually reviewing the Corporate Governance Guidelines and recommending any changes to the Board; and

- overseeing the self-evaluation of the Board as a whole and the self-evaluation of each Board committee.

The processes and procedures followed by the Nominating and Corporate Governance Committee in identifying and evaluating director candidates are described below under the heading “Director Nomination Process” on page 20 of this proxy statement.

Our Nominating and Corporate Governance Committee met four times from January 1, 2020 through December 31, 2020.

Our Board has determined that all of the members of the Audit Committee, Compensation Committee and Nominating and Corporate Governance Committee are independent as defined under the rules of the NASDAQ Stock Market, and the independence requirements contemplated by Rule 10A-3 under the Securities Exchange Act of 1934, or the Exchange Act, as applicable.

## **EXECUTIVE AND DIRECTOR COMPENSATION PROCESSES**

For a discussion of our process relating to named executive officer compensation, please see “Compensation Discussion and Analysis” included elsewhere in this proxy statement.

The Nominating and Corporate Governance Committee is responsible for periodically reviewing the level and form of compensation of our non-employee directors, including how such compensation compares to director compensation of companies of comparable size, industry and complexity, and for making recommendations to the Board with respect to such compensation. For a description of the annual compensation paid to each non-employee director, please see “Compensation Program for Non-Employee Directors” below.

The Board has delegated to a New Hire Retention Award Committee limited authority to grant equity awards under our existing equity compensation plans. Mr. Solomon was the sole member of the New Hire Retention Award Committee in 2020. The New Hire Retention Award Committee may only grant equity awards in connection with the hiring of new employees, the retention of existing employees and in connection with significant promotions. The New Hire Retention Award Committee may not grant or modify awards to named executive officers or certain other senior employees. Subject to aggregate and individual share limitations established by the Board, the New Hire Retention Award Committee has the authority to determine the recipient of the award as well as the type and amount of the award.

## **DIRECTOR NOMINATION PROCESS**

The process to be followed by our Nominating and Corporate Governance Committee to identify and evaluate director candidates includes requests to Board members and others for recommendations, meetings from time to time to evaluate biographical information and background material relating to potential candidates and interviews of selected candidates by members of the Nominating and Corporate Governance Committee and the Board. In addition, our bylaws contain provisions for stockholders to recommend persons for nomination as a director and, subject to certain conditions, to nominate director candidates for inclusion in our proxy statement, as set forth in this proxy statement under “Stockholder Proposals for the 2022 Annual Meeting.”

In considering whether to recommend any particular candidate for inclusion in the Board’s slate of recommended director nominees, our Nominating and Corporate Governance Committee will apply the criteria set forth in the Nominating and Corporate Governance Committee’s charter and in our Corporate Governance Guidelines. These criteria include the candidate’s experience, knowledge or skills useful to the oversight of the Company’s business, and the nominee’s reputation for honesty and ethical conduct in his or her personal and professional activities, including specific business and financial expertise currently desired on the Board, experience as a director of a public company, geography, age, gender and ethnic diversity. Additional factors which the Committee may consider include time availability in light of other commitments, potential conflicts of interest, material

relationships with the Company and independence from management and the Company. The Nominating and Corporate Governance Committee will not assign specific weights to particular criteria and no particular criterion is a prerequisite for each prospective nominee. Our Board believes that the backgrounds and qualifications of its Directors, considered as a group, should provide a composite mix of experience, knowledge and abilities that will allow it to fulfill its responsibilities. Our Corporate Governance Guidelines require that if there is a significant change in a Director's primary job responsibilities, that director must notify the Board and the Nominating and Corporate Governance Committee. The Nominating and Corporate Governance Committee may recommend to the Board that the director tender his or her resignation. In addition, our Corporate Governance Guidelines require that upon attaining the age of 80 years, and annually thereafter, a director is required to notify the Nominating and Corporate Governance Committee that he or she is willing to not stand for re-election at the immediately succeeding Annual Meeting of Stockholders. The Nominating and Corporate Governance Committee will review the director's continuation on the Board, in light of all the circumstances, and, at its meeting to determine nominees for election to the Board, the Nominating and Corporate Governance Committee will determine whether such director should be nominated to stand for re-election at the Company's immediately succeeding Annual Meeting.

## **PROCEDURES FOR CONTACTING THE BOARD OF DIRECTORS**

Our Board will give appropriate attention to written communications that are submitted by stockholders, and will respond if and as appropriate. Our Lead Director, with the assistance of our General Counsel, is primarily responsible for monitoring communications from stockholders and for providing copies or summaries to the other directors as he considers appropriate.

Communications are forwarded to all directors if they relate to important substantive matters and include suggestions or comments that the General Counsel considers to be important for the directors to know. In general, communications relating to corporate governance and corporate strategy are more likely to be forwarded than communications relating to ordinary business affairs, personal grievances and matters as to which we receive repetitive or duplicative communications.

Stockholders who wish to send communications on any topic to our Board should address such communications to the Board of Directors, c/o Secretary, Cowen Inc., 599 Lexington Avenue, New York, NY, 10022.

## **CODE OF BUSINESS CONDUCT AND ETHICS**

We have adopted a written code of business conduct and ethics that applies to our directors, officers and employees, including our principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions. We have posted a current copy of the code on our website, [www.cowen.com](http://www.cowen.com). In addition, we intend to post on our website all disclosures that are required by law or NASDAQ Stock Market listing standards concerning any amendments to, or waivers from, any provision of the code. You may also request a copy of the code by writing to Cowen Inc., Attn: Secretary, 599 Lexington Avenue, New York, NY 10022.

## DIRECTOR COMPENSATION TABLE

The following table sets forth compensation information for our non-employee directors for the year ended December 31, 2020.

Director	Fees Earned Paid in Cash (\$)	Stock Awards (\$) <sup>(1)</sup>	All Other Compensation (\$) <sup>(2)</sup>	Total
Brett H. Barth <sup>(3)</sup>	—	270,000	1,098	271,098
Katherine E. Dietze	115,000	115,000	—	230,000
Gregg A. Gonsalves <sup>(4)</sup>	133,334	100,000	—	233,334
Steven Kotler	105,000	105,000	—	210,000
Lawrence E. Leibowitz	50,000	150,000	—	200,000
Margaret L. Poster	100,000	100,000	499	200,499
Douglas A. Rediker <sup>(3)</sup>	—	200,000	—	200,000

(1) Represents the aggregate grant date fair value calculated in accordance with generally accepted accounting principles, disregarding for this purpose the estimate of forfeitures related to service-based vesting conditions. For information on the valuation assumptions with respect to awards made, refer to the Company's Share-Based Compensation and Employee Ownership Plans Note in its financial statements included in its Form 10-K for the year ended December 31, 2020, as filed with the SEC on March 3, 2021. As of December 31, 2021, all outstanding stock awards held by our directors are fully vested.

(2) Represents dividend equivalents paid on delivered RSUs.

(3) In 2020, Messrs. Barth and Rediker elected to receive 100% of their director compensation in RSUs. Please see "Narrative Disclosure Relating to Director Compensation Table" below for additional information regarding non-employee director compensation in 2020.

(4) Mr. Gonsalves received \$33,334 for his Board service from April 2020 through June 2020.

## NARRATIVE DISCLOSURE RELATING TO DIRECTOR COMPENSATION TABLE

In 2020, each of our non-employee directors received annual compensation of \$200,000. Mr. Barth, the Company's Lead Director, received additional compensation of \$50,000. Ms. Dietze, the Chair of the Audit Committee received additional compensation of \$30,000 per annum. Mr. Barth, the Chair of the Compensation Committee, received additional compensation of \$20,000 per annum, and Mr. Kotler, the Chair of the Nominating and Corporate Governance Committee received additional compensation of \$10,000 per annum. For 2020, a minimum of 50% of a director's compensation was paid in the form of RSUs. In addition, each director was entitled to elect to receive any amount in excess of 50% of 2020 compensation in the form of RSUs. The RSUs were valued using the volume-weighted average price for the 30-day period prior to our 2020 annual meeting of stockholders. RSUs are vested and not subject to forfeiture; however, except in the event of death, the underlying shares of Class A common stock will not be delivered to the holder for at least one year from the date of grant. Dividend equivalent cash payments are made to our Directors upon the delivery of the underlying shares of Class A common stock. These equity awards are intended to further align the interests of our directors with those of our stockholders. Directors who also are employed as executive officers of the Company receive no additional compensation for their service as a director.

In 2021, each of our independent directors will receive annual compensation of \$250,000. The compensation increase reflects the more active role the Board continues to take in Company affairs coupled with the added complexity of the Company's business and is an effective recruiting tool for new directors. The Lead Director will continue to receive additional compensation of \$50,000. The Chair of the Audit Committee will receive additional compensation of \$35,000 per annum. The Chair of the Compensation Committee will receive additional compensation of \$25,000 per annum and the Chair of the Nominating and Corporate Governance Committee will receive additional compensation of \$20,000 per annum. A minimum of 50% of each director's compensation

will continue to be paid in the form of RSUs. In addition, each director will be entitled to elect to receive any amount in excess of 50% of 2021 compensation in the form of RSUs.

## EXECUTIVE OFFICERS OF THE COMPANY

Biographies of the current executive officers of the Company are set forth below, excluding Mr. Solomon's biography, which is included under "Directors of the Company" above. Each executive officer serves at the discretion of the Board.

**JOHN HOLMES.** Age 57. Mr. Holmes serves as Chief Operating Officer and serves as a member of the Management Committee of Cowen. Mr. Holmes previously served as the Company's Chief Administrative Officer and was appointed an executive officer in May 2013. Mr. Holmes was the Head of Technology and Operations at Cowen following the merger between Cowen and Company and Cowen Investment Management (formerly Ramius). Mr. Holmes joined Cowen Investment Management in June 2006 as Global Head of Operations. Prior to joining Cowen Investment Management, Mr. Holmes was Global Head of the Equity Product Team at Bank of America Securities. Mr. Holmes has also held senior operations management positions at Deutsche Bank, Credit Lyonnais and Kidder Peabody. His experience includes treasury, foreign exchange, equity, fixed income & derivative operations. Mr. Holmes is NASD licensed as a General Securities Representative, General Securities Principal and a Financial & Operations Principal.

**STEPHEN A. LASOTA.** Age 58. Mr. Lasota serves as Chief Financial Officer of Cowen and serves as a member of the Management Committee of Cowen. Mr. Lasota was appointed Chief Financial Officer in November 2009. Prior to the consummation of the business combination of Cowen Holdings and Cowen Investment Management (formerly Ramius) in November 2009, Mr. Lasota was the Chief Financial Officer of Cowen Investment Management and a Managing Director of the company. Mr. Lasota began working at Cowen Investment Management in November 2004 as the Director of Tax and was appointed Chief Financial Officer in May 2007. Prior to joining Cowen Investment Management, Mr. Lasota was a Senior Manager at PricewaterhouseCoopers LLP.

**OWEN S. LITTMAN.** Age 48. Mr. Littman serves as General Counsel and Secretary of Cowen and serves as a member of the Management Committee of Cowen. Mr. Littman was appointed General Counsel and Secretary in July 2010. Following the consummation of the business combination of Cowen Holdings and Cowen Investment Management (formerly Ramius) in November 2009, Mr. Littman was appointed Deputy General Counsel, Assistant Secretary and Managing Director of Cowen and General Counsel and Secretary of Cowen Investment Management. Mr. Littman began working at Cowen Investment Management in October 2005 as its senior transactional attorney and was appointed General Counsel in February 2009. Prior to joining Cowen Investment Management, Mr. Littman was an associate in the Business and Finance Department of Morgan, Lewis & Bockius LLP.

## PROPOSAL 2

### ADVISORY VOTE ON NAMED EXECUTIVE OFFICER COMPENSATION

- The Board recommends a vote **“FOR”** the approval, on an advisory (non-binding) basis, of the compensation paid to our named executive officers

We provide our stockholders with the annual opportunity to vote to approve, on an advisory (non-binding) basis, the compensation of our named executive officers. Accordingly, the Company is seeking your vote to approve, on an advisory (non-binding) basis, the compensation of our named executive officers as disclosed in this proxy statement. This vote is not intended to address any specific item of compensation, but rather the overall compensation of our named executive officers and the philosophy, policies and practices described in this proxy statement. Please note that your vote is advisory and therefore will not be binding on the Board, the Compensation Committee or the Company. However, we intend to take the voting results into consideration when making future decisions regarding executive compensation.

As discussed in the Company’s “Compensation Discussion and Analysis,” we seek to closely align the interests of named executive officers with those of the Company’s stockholders. In addition, a substantial portion of the total compensation for each named executive officer is delivered on a pay-for-performance basis and is determined in light of general economic and specific company, industry and competitive conditions. As such, we believe our compensation program provides the right balance of competitive pay and meaningful incentives to align our executives’ interests with the interests of our stockholders and enable us to retain talented executives to support our business objectives.

The Board unanimously supports the Company’s executive compensation program and recommends that stockholders vote in favor of the following resolution:

“RESOLVED, that the compensation paid to the Company’s named executive officers, as disclosed in the Company’s proxy statement for the 2021 Annual Meeting of Stockholders pursuant to the compensation disclosure rules of the Securities and Exchange Commission, including the Compensation Discussion and Analysis, the Summary Compensation Table and the other related tables and disclosure, is hereby APPROVED.”

The Board unanimously recommends a vote “FOR” the approval, on an advisory (non-binding) basis, of the compensation paid to our named executive officers, as disclosed in this proxy statement.

### COMPENSATION DISCUSSION AND ANALYSIS

In addition to performing the roles and responsibilities described under “Committees of the Board – Compensation Committee” above, our Compensation Committee, which is composed entirely of independent directors, determined the 2020 compensation of our named executive officers:

- Jeffrey M. Solomon, Chief Executive Officer;
- Stephen A. Lasota, Chief Financial Officer;
- John Holmes, Chief Operating Officer; and
- Owen S. Littman, General Counsel and Secretary.

The above named executive officers represented all of our executive officers as of December 31, 2020.

To assist stockholders in finding important information within this Compensation Discussion and Analysis, we call your attention to the following sections:

<b>Advisory Vote on Executive Compensation and Stockholder Engagement</b>	<b>25</b>
<b>2020 Performance Overview</b>	<b>27</b>
<b>Key Features of Our Compensation Program</b>	<b>28</b>
<b>Compensation Philosophy and Objectives</b>	<b>28</b>
<b>Compensation Determinations for 2020</b>	<b>30</b>
<b>Compensation Program and Payments</b>	<b>33</b>
<b>Setting Compensation</b>	<b>36</b>
<b>Relationship of Compensation Policies and Practices to Risk Management</b>	<b>37</b>
<b>Clawback Policy</b>	<b>37</b>
<b>Executive Officer Stock Ownership Guidelines</b>	<b>38</b>
<b>Anti-Hedging Policy</b>	<b>38</b>
<b>Tax and Accounting Impact and Policy</b>	<b>38</b>

## **ADVISORY VOTE ON EXECUTIVE COMPENSATION AND STOCKHOLDER ENGAGEMENT**

### ***2020 Stockholder Outreach***

While the Company received stockholder approval for both the Advisory Say on Pay vote and the 2020 Equity Plan vote in 2020, in both cases the vote resulted in a narrow majority (55.7% and 51.2%, respectively). In light of these results, we undertook a robust outreach campaign to solicit stockholder feedback on our compensation policies and our equity plans in the fall of 2020. We contacted our top 30 stockholders, who hold an estimated 75% of our outstanding Class A common stock, which represents in excess of 85% of our outside stockholder base.

We received requests for engagement from 7 of the 30 stockholders, representing approximately 45% of our outside stockholder base.

Our outreach team, comprised of our Chief Financial Officer, our General Counsel, and our Head of Investor Relations, held virtual meetings with all of the stockholders who requested engagement.

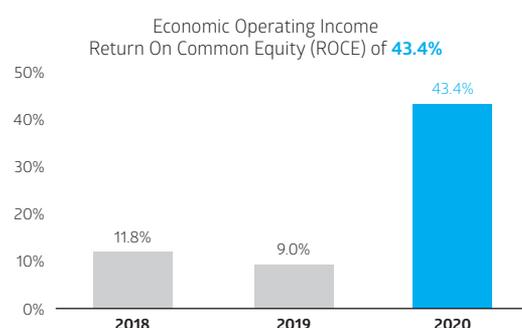
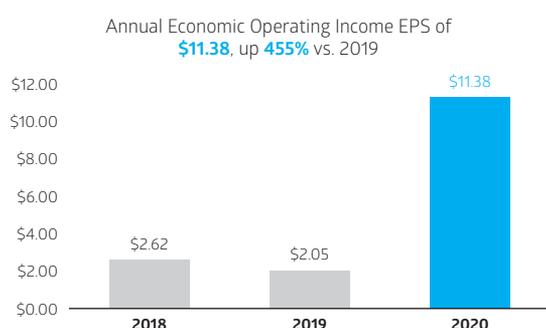
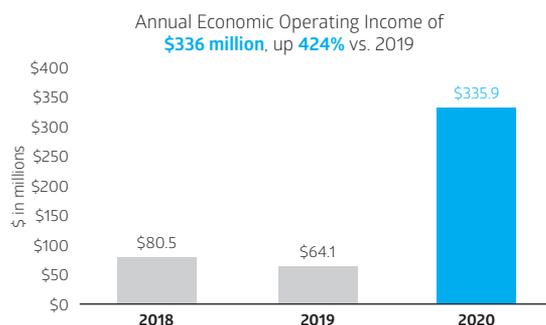
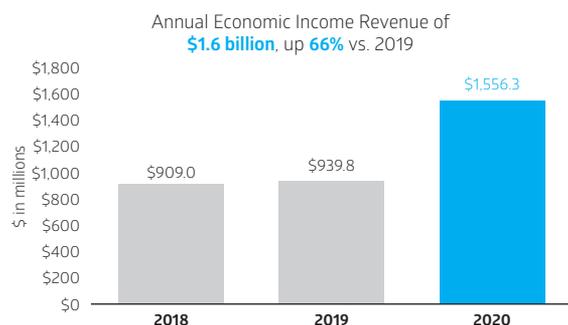
### **Compensation Practice Changes in Response to Stockholder Feedback**

Following our stockholder outreach initiative, the outreach team discussed the feedback received from our stockholders with the Compensation Committee. Additionally, the Compensation Committee obtained feedback, advice and recommendations on improvements to our compensation program from its independent compensation consultant, Pay Governance LLC. The Compensation Committee also reviewed the Company's performance, the compensation practices of its peers and other materials regarding executive compensation. The Compensation Committee has introduced the following changes to our executive compensation program, partly in response to feedback received from our stockholders:

<b>What We Heard from Stockholders</b>	<b>Action Taken by Company Management and the Compensation Committee</b>
While stockholders did not express any specific concerns with the levels of compensation paid to our named executive officers, stockholders noted that more details on Cowen's compensation process and how the pool of compensation for management is determined would be helpful in demonstrating to stockholders that the compensation process is tied to performance and not entirely discretionary.	We have enhanced the description in the "Compensation and Philosophy and Objectives" section below to provide a more robust and detailed discussion related to the Compensation Committee's determinations related to firmwide compensation as well as the compensation of our named executive officers.
Stockholders agree that Return on Common Equity, or ROCE, is an appropriate criterion for performance-based compensation but some stockholders indicated that they would like to see some form of total shareholder return, or TSR, as an additional measure used in the determination of performance-based compensation.	The Company added a TSR modifier as a component of Performance Shares awarded in 2020.
Stockholders also expressed a preference for our named executive officers to receive a greater amount of their compensation in the form of performance-based awards.	As part of 2020 compensation, we increased substantially the dollar value of Performance Shares issued to our Chief Executive Officer relative to 2019 award values. In addition, we increased the grant date value of Performance Share awards issued to each of our named executive officers relative to 2019 award values.
Stockholders were supportive of the removal of the evergreen provision from the 2010 Equity and Incentive Plan in the 2020 Equity Incentive Plan approved at the 2020 Annual Meeting of Stockholders.	The Company plans to present an amended and restated equity and incentive plan for stockholder approval at its 2021 Annual Meeting of Stockholders. The amended and restated equity and incentive plan will not include an evergreen provision.

## 2020 PERFORMANCE OVERVIEW

The following 2020 financial performance highlights were considered by our Compensation Committee when determining named executive officer compensation for 2020:



- Record 2020 investment banking Economic Proceeds of \$729.2 million were up 108% due to higher underwriting and strategic advisory activity.
- 2020 brokerage revenues increased 42%, due to an increase in Institutional Brokerage, primarily Special Situation and electronic trading commission revenue and an increase in Institutional Services, primarily Prime Brokerage.
- 2020 management fees of \$58.2 million increased 44%, primarily due to the healthcare royalty business and our healthcare investment business.
- Incentive income rose 87% to \$83.4 million in 2020. This increase was primarily related to an increase in performance fees from our healthcare investments business and our activist strategy.
- 2020 compensation and benefits costs were \$860.8 million compared to \$532.4 million in 2019. The increase was due to higher 2020 revenues offset only partially by a lower economic compensation-to-proceeds ratio. The economic compensation-to-proceeds ratio was 55.6%, a decrease from 57% in the prior year period.
- As of December 31, 2020, the Company had assets under management of \$12.5 billion, an increase of \$1.1 billion from December 31, 2019.
- As of December 31, 2020, the Company had book value of \$30.34 per common share, up from book value of \$24.77 per common share at December 31, 2019.
- During 2020, the Company repurchased 3,139,751 shares for \$47.3 million, or an average price of \$15.07 per share under the Company's existing share repurchase program. In addition, the Company acquired approximately \$15.1 million of shares as a result of net share settlements relating to the vesting of equity awards or 866,784 shares at an average price of \$17.48 per share.

- The Company established a quarterly dividend payment on its Class A common stock in February of 2020 with a dividend payment of \$0.04 per share. The Company increased the quarterly dividend payment to \$0.08 per share in October 2020.

Please refer to the Company's Segment Reporting Note in its financial statements included on pages F-70 to F-71 of its Form 10-K for the year ended December 31, 2020, as filed with the SEC, for reconciliations of the non-GAAP financial measures above to their most directly comparable GAAP measures.

## **KEY FEATURES OF OUR EXECUTIVE COMPENSATION PROGRAM**

### ***What We Do***

- We pay for performance through a careful quarterly and year-end review of the Company's financial results, stockholder return and individual performance.
- We consider peer groups in establishing compensation.
- The Compensation Committee considers firm-wide initiatives related to the Company's culture, including those related to diversity and inclusion, in its compensation determinations.
- We granted performance share awards, or PSAs, to named executive officers in February 2021. The PSAs are earned based on forward-looking performance metrics that consider long-term performance from 2021 through 2023. We introduced a TSR modifier to the PSAs awarded in February 2021 in response to the stockholder feedback received in 2020.
- We have implemented stock ownership guidelines for our directors and executive officers.
- We have double-trigger equity vesting in the event of a change in control.
- We require our named executive officers to comply with reasonable restrictive covenants.
- We subject our deferred bonus awards to named executive officers to a clawback policy.
- We seek to maintain a conservative compensation risk profile.
- The Compensation Committee retains an independent compensation consultant.
- We have an anti-hedging policy, and, during 2020, all executive officers were in compliance with this policy.

### ***What We Don't Do***

- We do not pay dividend equivalents on unvested RSUs or PSAs.
- We do not pay tax gross-ups on our limited perquisites.
- We do not provide "single-trigger" equity vesting in the event of a change in control.
- We do not provide golden parachute excise tax gross-ups.
- We do not provide minimum guaranteed bonuses to our named executive officers.

## **COMPENSATION PHILOSOPHY AND OBJECTIVES**

We are focused on building long-term value for the Company. Our named executive officers, who collectively own approximately 3.9% of our outstanding shares, are financially, strategically and philosophically aligned with our stockholders. Our intention is to base the compensation of our named executive officers on the performance of the Company, with total compensation of our named executive officers increasing or decreasing along with the performance of the Company.

To this end, when Mr. Solomon became our Chief Executive Officer at the beginning of 2018, he emphasized the objective of the Company generating a mid-teens pre-tax Return on Common Equity, or ROCE, by the end of 2020. The Company not only achieved, but far exceeded this goal for the year ended December 31, 2020. Our plan is to compensate our named executive officers in a manner that will incent them to meet or exceed pre-tax ROCE in the mid-teens on a consistent basis, which we believe will create long-term value for our stockholders.

Accordingly, as we think about compensation for our named executive officers, our approach aims to treat our named executive officers fairly when taking into account the Company's performance while also ensuring their retention given other opportunities that might be available to them.

Specifically, our compensation programs, including compensation of our named executive officers, are designed to achieve the following objectives:

- **Pay for Performance.** A significant portion of the total compensation paid to each named executive officer is variable and is directly tied to the Company's Economic Operating Income. The amount of compensation available to be paid to our named executive officers is determined based on: (i) determination of the management committee compensation pool based on the Company's performance as described in more detail below; (ii) the performance of the Company on an absolute basis and through a comparison of our results to competitor firms; (iii) an evaluation of each named executive officer's contribution to the Company, including contributions related to the revenue and profitability of the Company as well as teamwork and leadership; and (iv) specific performance against individual qualitative goals.
- **Align Named Executive Officers' Interests with Stockholders' Interests.** Our Compensation Committee reviews each named executive officer's performance as well as the Company's financial results in the context of the market environment when determining year-end, performance-related compensation allotted from the management committee compensation pool. In addition, our Compensation Committee evaluated the Company's performance compared to the performance of its peers and also considered an analysis of competitive compensation levels of named executive officers at the Company's peer firms that was conducted by Pay Governance LLC, the independent compensation consultant to the Compensation Committee. Our Compensation Committee believes year-end, performance-related compensation should be delivered in a combination of short-term and long-term instruments. We believe that deferred cash, equity and equity-related instruments align the interests of our named executive officers with those of our stockholders, help retain key talent, and ensure that our named executive officers are focused on the long-term performance of the Company. In connection with fiscal 2020 bonus payments, Messrs. Lasota, Holmes and Littman received a portion of their bonus in cash and a portion in PSAs. Mr. Solomon received a portion of his bonus in cash, RSUs, PSAs and deferred cash. The Compensation Committee believes that the payment of a significant portion of an employee's compensation in the form of performance-based awards properly aligns the employee's interests with those of the Company's stockholders and effectively mitigates any risks associated with the Company's compensation practices.
- **Recruiting and Retention.** We operate in an intensely competitive industry, and we believe that our success is closely related to our recruiting and retention of highly talented employees and a strong management team. We try to keep our compensation program generally competitive with industry practices so that we can continue to recruit and retain talented executive officers and employees.

The chart below illustrates the factors considered by the Compensation Committee in its compensation determinations



## 2020 COMPENSATION DETERMINATIONS

As noted above, compensation for our named executive officers is made from our management committee compensation pool. The following is a summary of the process for determining the 2020 management committee compensation pool:

### *Actions Taken at the Beginning of 2020*

- In consultation with the Compensation Committee, at the beginning of 2020, the Company established a targeted Economic Income compensation-to-revenue ratio for the year of between 56% and 57%.
- The Company has set a goal of achieving mid-teens pre-tax ROCE on a consistent basis and this objective was reviewed with the Compensation Committee at the beginning of 2020. ROCE is calculated by taking the sum of the Company's Adjusted Economic Operating Income divided by the average Common Equity of the Company during the fiscal year (with the average Common Equity for the fiscal year calculated by adding the Common Equity at the beginning of the fiscal year and the Common Equity at the end of the fiscal year and dividing by two).
- Also at the beginning of the year, we established compensation guidelines for revenues generated by each of the Company's businesses. With respect to areas of the firm that do not generate revenue, such as research and business operations, the Company set a targeted budget for compensation in these areas based on expected revenues for the year.

### *Actions Taken During the Course of 2020*

- During the year, the Compensation Committee met on a quarterly basis to review, among other things, the Company's performance relative to the targeted Economic Income compensation-to-revenue ratio for the year.
- Quarterly meetings with the Compensation Committee also provided an opportunity to discuss any changing dynamics in the markets that may affect positively or negatively the Company's expected revenues and related compensation accruals.

### **Actions Taken at the End of 2020 to Determine Compensation**

- At the end of 2020, compensation pools for investment banking, markets and investment management were finalized based on the revenue guidelines established at the beginning of the year, with some modifications made based on the Company's overall strong performance for the year in each of these areas. The compensation pool for research was finalized by making adjustments to the budget established at the beginning of the year to account for higher revenues than were expected at the beginning of the year. The compensation pool for business operations was also increased from its budgeted amount to account for the Company's overall strong performance.
- Once the compensation pools were finalized, the Compensation Committee considered the amount of compensation to be included in the pool for the members of the Company's management committee, which includes the Company's named executive officers. This pool was determined with reference to (i) the Economic Income compensation-to-revenue ratio and (ii) the overall Economic Operating Income to Stockholders.
  - The Compensation Committee approved an Economic Income compensation-to-revenue ratio for 2020 of 55.6%, which was below the range established by the Compensation Committee at the beginning of 2020.
  - Management and the Compensation Committee believe that the compensation pool for members of the Company's management committee, which includes the Company's named executive officers, should be directly tied to the Company's operating performance. Accordingly, the Compensation Committee has determined guidelines that the management committee's participation in the Company's Economic Operating Income should be a percentage of the total amount of Economic Operating Income, with the management committee's incremental participation decreasing as Economic Operating Income increases.
- The Company's ROCE for the 2020 fiscal year was approximately 42.6%, well in excess of the mid-teens ROCE that the Company targeted at the beginning of the year.
- As discussed further below, final compensation decisions for the Company's named executive officers are made at the discretion of the Compensation Committee out of the available management committee compensation pool. We believe this discretionary approach to compensation is consistent with common market practice in the financial services sector, but as noted above, the pool from which discretionary compensation is determined is tied directly to the Company's operating performance for the year. Further, although the size of incentive compensation awards is based on current fiscal year results, a portion of it is delivered in the form of equity awards that vest over time to encourage retention and further link executive pay with longer-term stock performance. In addition, a portion of incentive compensation is also delivered in the form of performance-based awards whose future value is uncertain, ultimately depending on the performance of the Company over the relevant measurement period.

### **The Compensation Committee considered the following collective and individual factors in the determinations made for each named executive officer in 2020:**

- **Benefits of the Long-term Partnership Among the Named Executive Officers.** One of the key factors to the Company's resilience during difficult times and the positioning of the Company for success over the long term has been the partnership among the Company's named executive officers. Messrs. Solomon, Holmes, Lasota and Littman have worked together as a team for almost 15 years. During that time, they have faced significant challenges together such as the financial crisis of 2008. They helped navigate Cowen Investment Management (formerly Ramius LLC) through the financial crisis which then led to the negotiation and execution of the business combination with the Company in 2009.

Messrs. Solomon, Holmes, Lasota and Littman have been instrumental in the transformation of the Company's business. They have worked collaboratively on the recruitment and retention of key employees and managers across the platform and oversaw the acquisition and integration of 13 businesses. These efforts helped position the Company for its strong performance in 2020 and the expectation of achieving long-term value for its stockholders in the future.

The Covid-19 pandemic presented significant challenges in 2020 with extreme market volatility in March 2020 and the need to move quickly to a fully remote working environment. Messrs. Solomon, Holmes, Lasota and Littman's collective efforts and leadership contributed significantly to the Company's ability to manage the difficulties presented by the pandemic and achieve strong operating performance in 2020.

The Compensation Committee recognizes the importance of having and retaining an experienced management team like the one the Company has and, in 2020, this took on even more significance with the Covid-19 pandemic.

- **Revenue Generation and Drivers of Profitability.** As noted below, each of our named executive officers plays an important role in revenue generation and driving profitability. While this may not always be the case with a company's named executive officers, it is the case with ours. Our named executive officers are not compensated directly based on the revenue they generate or, with respect to Messrs. Holmes, Lasota and Littman, the profitability directly attributable to their teams in business operations, but the Compensation Committee does take this into account when determining compensation for the named executive officers. The Compensation Committee also considered the following individual factors in the determinations made for each named executive officer in 2020:
  - **Jeffrey Solomon.** Mr. Solomon's compensation reflected his significant contributions regarding the Company's record revenue and profitability. Mr. Solomon's compensation also reflected the enhancements to the Company's culture and diversity and inclusion initiatives, even in a year impacted by the Covid-19 pandemic. The Committee recognized Mr. Solomon's leadership in the Company's successful navigation through the market volatility in early 2020 and throughout the balance of 2020 where the Company's businesses performed well with virtually all employees working remotely as a result of the Covid-19 pandemic. Mr. Solomon helped to bring numerous clients into the Company by providing investment banking advice. Mr. Solomon also worked closely with clients in the Company's markets division, research division and investment management division. Mr. Solomon also played a key role in capitalizing on the Company's long-term strategy to scale businesses that will drive margin and greater operating consistency.
  - **John Holmes.** Mr. Holmes's compensation reflected significant contributions related to the fast and effective operational response as the Covid-19 pandemic unfolded and his efforts throughout the year to ensure that employees were able to work productively while working remotely. During the periods of high market volatility in early 2020, Mr. Holmes played a leading role in managing the Company's prime broker relationships which allowed the Company to mitigate potential losses. In addition, Mr. Holmes oversaw the introduction of multiple new revenue-generating products across the Company, established new custodial relationships and leveraged and expanded clearing and settlement capabilities to enhance product offerings. Mr. Holmes also oversaw implementation of the Company's strategy to transition its correspondent clearing business off of the Company's platform.
  - **Stephen Lasota.** Mr. Lasota's compensation reflected significant contributions related to the continued enhancement of the Company's financial reporting, despite the challenges of employees working remotely as a result of the Covid-19 pandemic. Mr. Lasota played a leading role in managing the Company's financing sources during the periods of high market volatility in early 2020, which allowed the Company to mitigate potential losses. Mr. Lasota also plays a significant role in the Company's

revenue-generating captive reinsurance business. Mr. Lasota oversaw the completion of the merger of the Company's two largest broker-dealers, substantially increasing net capital.

- **Owen Littman.** Mr. Littman's compensation reflected significant contributions related his efforts to ensure that the Company was complying with its legal, regulatory and corporate governance obligations as the Covid-19 pandemic unfolded. Mr. Littman's contributions also reflected the continued enhancement of the Company's compliance structure, including technology used to increase efficiency, and management of the Company's outstanding litigation and regulatory matters. Mr. Littman has played and continues to play a critical role in assessing the areas where the Company can legally work with clients in the cannabis sector and those efforts have led to significant revenue-opportunities for the Company. Mr. Littman also plays a significant role in the Company's revenue generating captive reinsurance business. Mr. Littman played a leading role in the Company's acquisition of the investment banking business of MHT Partners. Mr. Littman also oversaw the Legal and Compliance strategic hiring process to support the Company's growing business lines in the international markets.

At meetings held on December 17, 2020, January 7, 2021 and February 4, 2021 and numerous executive sessions following these meetings, the Compensation Committee considered and discussed management's compensation recommendations for our named executive officers other than the Chief Executive Officer. After the Compensation Committee determined the management compensation pool for 2020 as described above, the Compensation Committee then considered the named executive officers' collective and individual contributions to the Company's strategic initiatives and leadership in 2020; historical compensation information for each named executive officer; the Company's desire to retain and incentivize its named executive officers; the recommendations of Mr. Solomon, our Chief Executive Officer, regarding total compensation of our named executive officers (other than himself); the financial performance of the Company during 2020 compared to comparable public companies and other companies in the securities industry; a review of public filings and other market data regarding total compensation paid by certain peer investment banks and asset management companies; and base salary, cash bonus, equity awards and all other compensation paid by the compensation peer group. Upon consideration of these factors the Compensation Committee approved the Chief Executive Officer's recommendations for the named executive officers and determined the total pay for our Chief Executive Officer, Mr. Solomon.

## **COMPENSATION PROGRAM AND PAYMENTS**

### ***Base Salary***

The purpose of base salary is to provide a set amount of cash compensation for each named executive officer that is not variable in nature and is generally competitive with market practices. We seek to limit the base salaries of our named executive officers such that a significant amount of their total compensation is contingent upon the performance of the Company and the named executive officer during the fiscal year. This was consistent with standard practice within the securities and asset management industries and we believe this allowed us to reward performance.

In 2020 Mr. Solomon received a base salary of \$1,000,000 and each of Messrs. Lasota, Holmes and Littman received a base salary of \$700,000.

### ***Annual Cash Bonus***

The Compensation Committee approved annual cash bonus amounts for each of our named executive officers after review and consideration of the above factors and within the scope and confines of the established management committee compensation pool.

Annual cash bonuses are determined based on an informed judgment with final amounts determined at the discretion of the Committee within the confines of the established management committee compensation pool. This is consistent with our view that a significant portion of compensation paid is to be based on the performance of the Company and of each named executive officer.

In 2020, Mr. Solomon received a cash bonus of \$13,000,000, Mr. Lasota received a cash bonus of \$4,847,295, Mr. Holmes received a cash bonus of \$5,347,295 and Mr. Littman received a cash bonus of \$4,847,295.

### ***Deferred Compensation***

The annual bonus is typically paid partially in cash, partially in deferred cash and partially in equity. The deferred cash and equity components of the annual bonus are paid in lieu of, not in addition to, a cash payment and are subject to service-based vesting conditions. The Compensation Committee believes that the practice of paying a portion of each named executive officer's annual bonus in the form of deferred cash and equity awards is consistent with compensation practices at our peer companies and is a useful tool to continue aligning the long-term interests of our named executive officers with the interests of our stockholders.

After determining the aggregate cash values of annual bonuses payable to each of our named executive officers in respect of fiscal 2020, the Compensation Committee considered the percentage of the annual bonus compensation that each of our named executive officers would receive in the form of deferred awards. Jeffrey Solomon, our Chief Executive Officer, developed a proposal for the allocation of annual bonus compensation among the cash and PSAs awarded to Messrs. Holmes, Lasota and Littman. The Compensation Committee discussed and ultimately approved the proposal and established an allocation of deferred cash, PSA and RSU awards for Mr. Solomon. The Compensation Committee awarded Mr. Solomon RSUs and deferred cash in addition to the PSAs awarded to the other named executive officers because (i) his compensation was significantly higher than that of the other named executive officers and (ii) in general, the Company deferred less in 2020 as a result of the Company's strong performance.

### ***Deferred Cash Awards***

Deferred cash awards relating to fiscal 2020 annual bonuses were awarded to our named executive officers in February 2021. Only Mr. Solomon received a deferred cash award in the amount of \$ 4,624,860. Mr. Solomon's deferred cash award will vest with respect to 25% on November 15, 2021, 25% on November 15, 2022, 25% on November 15, 2023 and 25% on November 15, 2024.

### ***Restricted Stock Units ("RSUs")***

RSUs relating to fiscal 2020 annual bonuses were awarded to our named executive officers in February 2021. RSUs will vest with respect to 25% on December 1, 2021, 25% on December 1, 2022, 25% on December 1, 2023 and 25% on December 1, 2024. To eliminate the impact that a short-term significant price change in the market value of our Class A common stock may have on the number of RSUs that are intended to be delivered to an employee, the Compensation Committee approved valuing the RSU grants using the volume-weighted average price for the 30 trading days ended January 13, 2021, which was the day prior to the date that compensation was first communicated to the Company's employees. The grant date value of the RSUs equaled \$26.32 per share. In 2020, Mr. Solomon received an award of 175,717 RSUs. Messrs. Holmes, Lasota and Littman received 100% of their deferred compensation in the form of PSAs.

### ***Performance Share Awards ("PSAs")***

In 2020, the Compensation Committee determined that the relative mix of performance share awards, or PSAs, to other compensation granted to the named executive officers should be higher than in 2019, and each named executive officer should receive a higher dollar amount of PSAs compared to what they received in

2019. In February 2021, the Company entered into a performance shares award agreement, or PSA Agreement, with each of our named executive officers. Under the terms of the PSA Agreement, each named executive officer was awarded PSAs, based on the attainment of certain performance metrics. Mr. Solomon received 66,500 PSAs, and each of Messrs. Lasota, Holmes and Littman received 17,200 PSAs. The grant date value of the PSA awards represents 175% of Mr. Solomon's base salary and approximately 65% of each of Messrs. Lasota, Holmes and Littman's base salary. The Compensation Committee approved valuing the PSA grants using the same grant date value as the RSUs, or \$26.32 per share. The PSAs awarded are subject to a three-year performance period and are scheduled to vest on December 31, 2023. At the end of the performance period, the PSAs will be multiplied by an applicable percentage (set forth below) based on the Company's AROCE. If the Company's performance is below the specified threshold, no shares will be delivered to the named executive officers. The resulting number of attained RSUs will then be subject to a multiplier based on the Company's total shareholder return, or TSR, relative to other companies in the S&P SmallCap 600 Financial Sector Index, or the Index.

AROCE will be calculated by (i) taking the sum of the Company's Adjusted Economic Operating Income during each of the fiscal years during the Performance Period divided by the average Common Equity of the Company during each such fiscal year (with the average Common Equity for each fiscal year calculated by adding the Common Equity at the beginning of such fiscal year and the Common Equity at the end of such fiscal year and dividing by two) and (ii) dividing such sum by three.

At the end of the performance period, the PSAs will be multiplied by the percentages set forth below based on the Company's AROCE with respect to such performance period:

#### AROCE Performance Scale

Performance Level*	3-Year AROCE**	Payout Rate***
<b>Below Threshold</b>	Below 8%	0% Payout
<b>Threshold</b>	8%	50% Payout
<b>Target</b>	10%	100% Payout
<b>Above Target</b>	12%	150% Payout
<b>Maximum (capped)</b>	Greater than 15%	200% Payout

\* Payout for performance between the Threshold and the Maximum will be interpolated.

\*\* While the Company's ROCE in 2020 was substantially above the Target rate, the Compensation Committee sets the AROCE Performance Scale based on the objective of achieving consistent pre-tax mid-teen ROCE returns over the three year performance period covered by the PSAs. Accordingly, there may be outliers in performance, both positive and negative, during the three year performance period, but the PSAs are structured to reward the Company's executive officers for meeting the pre-tax mid-teen ROCE return over the long-term, which we believe leads to long-term shareholder value creation.

\*\*\* Payout in excess of 120% for the 2020 PSAs will be settled in cash.

The number of PSAs that become vested and settled at the end of the performance period will equal the product of the preliminary PSAs and the applicable total shareholder return (TSR) modifier, as set forth below, determined based on the Company's TSR during the performance period versus the TSR of the companies comprising the Index (adjusted as set forth in the award agreement), as of the first day of each performance period for the same period.

#### 3-Year TSR Modifier

Relative TSR Position	Modifier*
<b>25th percentile and below</b>	0.9
<b>50th percentile</b>	1.0
<b>75th percentile and above</b>	1.1

- \* The relative TSR and resulting modifier will be interpolated between the 25th percentile and below and the 75th percentile. The relative TSR position will be calculated using the following formula where N is the total number of companies in the Index including the Company and R is the Company's ranking compared to the Index:  $N-R/N-1$ .

## **FREQUENCY OF SAY-ON-PAY VOTE**

Consistent with the preference expressed by our stockholders at our 2017 Annual Meeting of Stockholders, the Board decided that the Company will include an advisory vote to approve the compensation of our named executive officers in our proxy materials every year until the next required advisory vote to approve the frequency of an advisory vote on executive compensation, which will occur no later than our 2023 annual meeting.

## **SETTING COMPENSATION**

The Compensation Committee is responsible for approving the compensation paid to our named executive officers as well as certain other highly compensated employees. In making compensation determinations, the Compensation Committee reviews information presented to them by the Company's management, compensation peer group information and the recommendations of an independent compensation consultant engaged by the Compensation Committee. The Compensation Committee also reviews our compensation-to-revenue ratio on a quarterly basis and may adjust the targeted compensation-to-revenue ratio in order to maintain the Company's compensation philosophy of aligning the interests of our named executive officers and our stockholders.

### ***Involvement of Executive Officers***

Mr. Solomon, our Chief Executive Officer, in consultation with our Chief Financial Officer, our General Counsel, our Chief Operating Officer and employees in our Human Resources department, assists the Compensation Committee in making compensation determinations. These individuals prepare information that is provided to, and reviewed by, the Compensation Committee and the Chief Executive Officer makes recommendations to the Compensation Committee for their consideration. Such information and recommendations include, among other things, recommendations for the percentage of the Company's Economic Operating Income that should be allocated to the management committee compensation pool, the compensation that should be received by the named executive officers (other than himself) and certain other highly compensated employees; financial information regarding the Company that should be reviewed in connection with compensation decisions; the firms to be included in a compensation peer group; and the evaluation and compensation process to be followed by the Compensation Committee. Our Chief Executive Officer is often invited to participate in Compensation Committee meetings; however, he recuses himself from all discussions regarding his own compensation.

### ***Compensation Consultant***

The Compensation Committee exercised its sole authority pursuant to its charter to directly engage Pay Governance LLC. Pay Governance LLC was retained by the Compensation Committee to provide advice, analysis, and assessment of alternatives related to the amount and form of executive compensation. Pay Governance LLC prepared certain Compensation Committee presentation materials (including the peer group data described below) during November and December 2020 and early 2021 at the request of the Compensation Committee. The Compensation Committee meets with Pay Governance LLC from time to time without management present.

The Compensation Committee has assessed the independence of Pay Governance LLC pursuant to SEC and NASDAQ rules and concluded that no conflict of interest exists that would prevent Pay Governance LLC from independently representing the Compensation Committee. The Compensation Committee reviewed and was satisfied with Pay Governance LLC's policies and procedures to prevent or mitigate conflicts of interest and that

there were no business or personal relationships between members of the Compensation Committee and the individuals at Pay Governance LLC supporting the Compensation Committee.

### **Compensation Peer Group**

The Compensation Committee, with the assistance of its independent compensation consultant, annually identifies a compensation peer group of firms with which we compete for executive talent. Our peer group includes investment banks with revenues and market capitalizations similar to ours as well as companies with significant asset management operations. In making compensation decisions for 2020, our Compensation Committee reviewed compensation information for similarly titled individuals at comparable companies gathered from public filings made in 2020 related to 2019 annual compensation and from subscriptions for other market data. At the request of the Compensation Committee, Pay Governance LLC provides the Compensation Committee with compensation data from other firms of similar size. For 2020, Pay Governance provided the Compensation Committee with peer group compensation data of B. Riley Financial, Evercore Partners Inc., Greenhill & Co., Inc., Houlihan Lokey, Inc., Jefferies Group, JMP Group, Lazard Ltd., Moelis & Company, Oppenheimer & Co. Inc., Piper Sandler Companies, PJT Partners, Raymond James Financial, and Stifel Financial Corp. The Compensation Committee believes that information regarding pay practices at comparable companies is useful in two respects. First, as discussed above, we recognize that our pay practices must be competitive in our marketplace. By understanding the compensation practices and levels of the Company's peer group, we enhance our ability to attract and retain highly skilled and motivated executives, which is fundamental to the Company's success. Second, this data is one of the many factors the Compensation Committee considers in assessing the reasonableness of compensation. Accordingly, the Compensation Committee reviewed trends among these peer firms and considered this data when determining our named executive officers' 2020 annual bonuses and other compensation, but did not utilize the peer firm compensation as a sole benchmark for determining executive compensation.

## **RELATIONSHIP OF COMPENSATION POLICIES AND PRACTICES TO RISK MANAGEMENT**

The Board has discussed whether our compensation policies are reasonably likely to have a material adverse effect on our results. The Board noted that, consistent with our performance-based model, many of our employees receive a significant portion of their compensation through discretionary compensation tied to their individual or business unit performance, or a combination thereof. The Board noted that a lower portion of the Company's revenues are derived from proprietary trading businesses and that a significant portion of many employees' compensation is provided in the form of deferred compensation that vests over time, which has the effect of tying the individual employee's long-term financial interest to the firm's overall success. The Board believes that this helps mitigate the risks inherent in our business.

The Board noted that our risk management team continuously monitors our various business groups, the level of risk they are taking and the efficacy of potential risk mitigation strategies. Senior management also monitors risk and the Board is provided with data relating to risk at each of its regularly scheduled meetings. The Head of Risk meets regularly with the Board to present his views and to respond to questions. For these reasons, the Board believes that our overall compensation policies and practices are not likely to have a material adverse effect on us.

## **CLAWBACK POLICY**

In March 2015, the Company adopted a clawback policy that allows the Company to recover incentive compensation from any executive officer if that executive officer engages in intentional misconduct that caused or contributed to a restatement of the Company's financial results. In the event of a restatement, a committee consisting of the non-management members of the Board (the "Independent Director Committee") will review the

performance-based compensation and annual bonus compensation paid in the form of both cash and equity under the Company's equity and incentive plans to any such executive (the "Awarded Compensation"). If the Independent Director Committee determines, in good faith, that the amount of such performance-based compensation or annual bonus actually paid or awarded to any such executive officer would have been a lower amount had it been calculated based on such restated financial statements (the "Actual Compensation") then the Independent Director Committee shall, subject to certain exceptions, seek to recover for the benefit of the Company the after-tax portion of the difference between the Awarded Compensation and the Actual Compensation.

## **EXECUTIVE OFFICER STOCK OWNERSHIP GUIDELINES**

The Company adopted stock ownership guidelines on March 18, 2015 that require the Company's executive officers to hold Company stock or RSUs within the later of the adoption of the policy or five years of being designated as an executive officer. All named executive officers are in compliance with the stock ownership guidelines, which are set forth below.

Chief Executive Officer	8× Base Salary	\$8,000,000
Other Executive Officers	3× Base Salary	\$2,100,000

## **ANTI-HEDGING POLICY**

In order to support alignment between the interests of stockholders and employees, the Company maintains an anti-hedging policy that prohibits the "short sale" of Company securities. The policy prohibits employees from trading in options, warrants, puts and calls or similar instruments on Company securities. We allow directors and executive officers to hold up to 50% of their Company stock in a margin account. During 2020, all named executive officers were in compliance with this policy.

## **PERQUISITES**

The Company provides certain perquisites, including reimbursement of group term life and long-term disability insurance and tax and financial planning expenses to certain members of senior management, including Messrs. Solomon, Lasota and Holmes.

## **EMPLOYMENT AGREEMENTS**

Each of our named executive officers is party to an employment agreement with the Company. The Compensation Committee views the employment agreements as an important tool in achieving our compensation objective of recruiting and retaining talented employees and a strong management team. The severance and change-in-control arrangements provided by the employment agreements are intended to retain our named executive officers and to provide consideration for certain restrictive covenants that apply following a termination of employment. None of our named executive officers have minimum guaranteed bonuses in their employment agreements.

## **TAX AND ACCOUNTING IMPACT AND POLICY**

The financial and income tax consequences to the Company of individual executive compensation elements are important considerations for the Compensation Committee when analyzing the overall design and mix of compensation. The Compensation Committee seeks to balance an effective compensation package for our named executive officers with an appropriate impact on reported earnings and other financial measures.

In designing our compensation and benefit programs, we review and consider the accounting implications of our decisions, including the accounting treatment of amounts awarded or paid to our executives.

In general, Section 162(m) of the Code generally denies a publicly held corporation a deduction for federal income purposes for compensation in excess of \$1 million per year paid to certain “covered employees.” As in prior years, the Compensation Committee will continue to take into account the tax and accounting implications (including with respect to the expected lack of deductibility under the revised Section 162(m)) when making compensation decisions, but reserves its right to make compensation decisions based on other factors as well if the Compensation Committee determines it is in its best interests to do so. The Compensation Committee may, from time to time, design programs that are intended to further our success, including by enabling us to continue to attract, retain, reward and motivate highly-qualified executives that may not be deductible as a result of the limitations on deductibility under Section 162(m).

## COMPENSATION COMMITTEE REPORT

The Compensation Committee has reviewed and discussed the Compensation Discussion and Analysis with management and has recommended to the Board the inclusion of the Compensation Discussion and Analysis in the Form 10-K and in the definitive proxy statement for our 2021 Annual Meeting of Stockholders.

### Compensation Committee of the Board of Directors of Cowen Inc.

Brett H. Barth, Chair  
 Lawrence E. Leibowitz  
 Margaret L. Poster  
 Douglas A. Rediker

### Summary Compensation Table

The following table sets forth compensation information for our named executive officers in 2020.

Name & Principal Position	Year	Salary (\$)	Bonus (\$) <sup>(1)</sup>	Stock Awards (\$) <sup>(2)</sup>	All Other Compensation (\$)	Total (\$)
<b>Jeffrey M. Solomon</b> <i>Chief Executive Officer</i>	2020	1,000,000	13,000,000	3,157,115	1,833,388 <sup>(3)</sup>	18,990,503
	2019	950,000	1,300,000	3,588,250	1,640,563	7,478,814
	2018	950,000	1,875,000	1,053,481	1,210,376	5,088,857
<b>Stephen A. Lasota</b> <i>Chief Financial Officer</i>	2020	700,000	4,847,295	899,110	373,870 <sup>(3)</sup>	6,820,275
	2019	700,000	1,212,500	854,236	353,358	3,120,094
	2018	500,000	1,625,000	396,485	311,652	2,833,137
<b>John Holmes</b> <i>Chief Operating Officer</i>	2020	700,000	5,347,295	927,220	386,842 <sup>(3)</sup>	7,361,357
	2019	700,000	927,220	926,630	361,137	3,235,267
	2018	500,000	1,675,000	515,193	311,652	3,001,845
<b>Owen S. Littman</b> <i>General Counsel and Secretary</i>	2020	700,000	4,847,295	899,110	366,686 <sup>(3)</sup>	6,818,910
	2019	700,000	1,212,500	890,424	351,955	3,154,879
	2018	500,000	1,650,000	396,485	311,652	2,858,137

(1) The amounts in this column reflect cash bonuses paid to the named executive officers in 2021 from the bonus pool established in respect of performance during the 2020 year.

(2) The entries in the stock awards column reflect the aggregate grant date value of the RSU and PSA awards granted in 2020 in connection with 2019 performance in accordance with FASB ASC 718, disregarding for this purpose the estimate of forfeitures related to service-based vesting conditions. The value of the PSA awards reflects the grant date value of the awards based on the target level of performance, which is less than the maximum possible value. The grant date value of the PSA awards assuming that the highest level of the applicable performance conditions will be achieved is \$1,774,440 for Mr. Solomon and \$1,117,240 for Messrs. Lasota, Holmes and Littman, respectively. For information on the valuation assumptions with respect to awards made, refer to the Company’s Share-Based Compensation and Employee Ownership Plans Note in its financial statements included in its Form 10-K for the year ended December 31, 2020, as filed with the SEC.

(3) Other compensation includes:

Other Compensation (\$)	Jeffrey M. Solomon	Stephen A. Lasota	John Holmes	Owen S. Littman
Vested Deferred Cash Awards	1,773,575	363,983	380,698	369,802
Dividend Equivalents	10,572	2,692	2,753	2,703
Tax and Financial Planning	49,241	7,195	3,391	—

## GRANTS OF PLAN BASED AWARDS

The following table provides information regarding grants of compensation-related, plan based awards made to the named executive officers during fiscal year 2020. These awards are also included in the Summary Compensation Table above.

	Corporate Action Date	Threshold (#)	Target (#)	Maximum (#)	Estimated Future Payouts Under Equity Incentive Plan Awards <sup>(1)</sup>	All Other Stock Awards: Number of Shares of Stock or Units (#) <sup>(2)</sup>	Grant Date Fair Value of Stock Awards (\$) <sup>(3)</sup>
Jeffrey M. Solomon	2/19/2020	1/16/2020	—	—	—	129,931	2,269,895
	7/1/2020	2/10/2020	27,000	54,000	108,000	—	887,220
Stephen A. Lasota	2/19/2020	1/16/2020	—	—	—	19,490	340,490
	7/1/2020	2/10/2020	17,000	34,000	68,000	—	558,620
John Holmes	2/19/2020	1/16/2020	—	—	—	21,099	368,600
	7/1/2020	2/10/2020	17,000	34,000	68,000	—	558,620
Owen S. Littman	2/19/2020	1/16/2020	—	—	—	19,490	340,490
	7/1/2020	2/10/2020	17,000	34,000	68,000	—	558,620

- (1) The amounts reported in these columns represent Performance RSUs that are scheduled to vest on December 31, 2022 based on the attainment of AROE targets, subject to the named executive officer's continued employment through the applicable vesting date. These columns represent the number of Performance RSUs that vest at threshold achievement, target achievement and maximum achievement of the performance metrics applicable to such awards. At or below the threshold performance level, no shares will be paid out. At the maximum performance level, payout in excess of 120% will be settled in cash.
- (2) RSUs will vest with respect to 12.5% on December 1, 2020, 12.5% on September 1, 2021, 25% on September 1, 2022, 25% on September 1, 2023 and 25% on September 1, 2024.
- (3) The entries in the "Grant Date Fair Value of Stock Awards" column reflect the aggregate grant date fair value of the awards granted in 2020 computed in accordance with FASB ASC 718, disregarding for this purpose the estimate of forfeitures related to service based vesting conditions. The value of the PSA awards reflects the grant date value of the awards based on the target level of performance, which is less than the maximum possible value. The grant date value of the PSA awards assuming that the highest level of the applicable performance conditions will be achieved is \$1,774,440 for Mr. Solomon and \$1,117,240 for Messrs. Lasota, Holmes and Littman, respectively. For information on the valuation assumptions with respect to awards made, refer to the Company's Share-Based Compensation and Employee Ownership Plans Note in its financial statements included in its Form 10-K for the year ended December 31, 2020, as filed with the SEC.

## NARRATIVE DISCLOSURE RELATING TO SUMMARY COMPENSATION TABLE AND GRANTS OF PLAN-BASED AWARDS TABLE

### Employment Agreements

In January 2020, the Company entered into amended and restated employment agreements with Messrs. Solomon, Holmes, Lasota and Littman (the "Employment Agreements"). The Employment Agreements provide for the following material terms:

- An initial term that expired December 31, 2020. Following the expiration of the initial term, the terms of the agreements automatically extend for successive one-year terms, unless either party elects not to extend the term.
- A minimum annual base salary of \$1,000,000 for Mr. Solomon and \$700,000 for Messrs. Holmes, Lasota, and Littman. Each named executive officer is also eligible to receive an annual performance-based bonus as determined by the Compensation Committee. The Employment Agreements provide that the Company may pay all or a portion of any annual bonus in the form of restricted securities, other stock or security-based awards, deferred cash, or other deferred compensation. The Employment Agreements do not provide for a minimum annual bonus.
- Pursuant to Mr. Solomon's Employment Agreement, if Mr. Solomon's employment is terminated by the Company without Cause or Mr. Solomon resigns for Good Reason (as such terms are defined in the Solomon Agreement) prior to, in connection with or following a Change in Control (as described in the Solomon Agreement), then subject to Mr. Solomon executing and not revoking a release of claims, he will be entitled to a lump sum severance payment equal to two and one-half times the sum of (x) Mr. Solomon's base salary on the date of termination plus (y) the average of the highest annual bonuses paid to Mr. Solomon in two of the three calendar years preceding his date of termination, except that the foregoing severance amount will not be less than \$3,250,000 or greater than \$5,000,000 if Mr. Solomon's termination occurs prior to a Change in Control (such payments will continue to be subject to the existing Internal Revenue Code Section 280G "modified cutback" provisions).
- If Mr. Solomon elects to transition to Senior Advisor status upon reaching age 55, the terms of Mr. Solomon's service as a Senior Advisor will be governed by the Senior Advisor Agreement. In particular, Mr. Solomon's service as a Senior Advisor will continue until the earliest of (i) 15 days following Mr. Solomon's written notice that he is terminating as a Senior Advisor, (ii) the second anniversary of the date he commences Senior Advisor status, (iii) the date of Mr. Solomon's death or disability and (iv) the date Mr. Solomon is terminated by the Company for Cause. In consideration for providing Senior Advisor services, Mr. Solomon will receive a base salary at an annualized rate of \$150,000 and will be entitled to secretarial and administrative support. Mr. Solomon will also be entitled to receive certain additional benefits while a Senior Advisor, including office space (or, at the Company's election, payment of up to \$60,000 per year for office space), financial planning services at the Company's expense and continued payment by the Company of life insurance premiums.
- Pursuant to the Executive Agreements with Messrs. Holmes, Lasota and Littman (collectively, the "Executive Agreements"), if the executive's employment is terminated by the Company without Cause or the executive resigns for Good Reason (each as described in the Executive Agreements) prior to a Change in Control (as described in the Executive Agreements), the executive will receive a lump sum cash payment equal to one and one-half times the sum of (x) the executive's base salary in effect at the end of the calendar year immediately preceding termination plus (y) the average of the highest annual bonuses paid to the executive in two of the three calendar years preceding his date of termination (such sum, the "Severance Amount"), except that the foregoing severance amount will not be greater than \$1,500,000. Pursuant to the Executive Agreements, if the executive's employment is terminated by the Company without Cause or the executive resigns for Good Reason in connection with or following a Change in Control, the executive will receive a lump sum cash payment equal to two and one-half times the Severance Amount, which lump sum will not be subject to a cap. The Executive Agreements require the executives to execute and not revoke a release of claims as a condition to receiving severance payments (such payments will continue to be subject to the existing Internal Revenue Code Section 280G "modified cutback" provisions).
- In the event that the executive retires after attaining age 57.5 (or age 55, in the case of Mr. Solomon) and provides the Company with at least 90 days' advance notice, all outstanding equity awards and unvested

deferred compensation then held by the executive will continue to vest in accordance with their terms as if the executive had continued to be an active employee of the Company, provided he does not engage in competitive activity at any time prior to the applicable vesting date and refrains from interfering with the Company's employees and customers for 12 months following his retirement.

- Customary confidentiality and invention assignment covenants, as well as an indefinite mutual non-disparagement covenant. In addition, these executives have agreed not to compete with, or solicit customers or employees of, the Company during the term of the employment agreement and for a period of 180 days for Mr. Solomon and 120 days for Messrs. Holmes, Lasota and Littman.

### **2020 Equity Incentive Plan**

Effective as of June 22, 2020, the Company adopted the 2020 Equity Incentive Plan (the "2020 Plan").

The 2020 Plan reserved 3,000,000 shares of Class A common stock for delivery to participants and their beneficiaries under the 2020 Plan, subject to adjustment in the event of any stock split, reverse stock split, stock dividend, recapitalization, combination of shares, reclassification of shares, spin-off, or other similar change in capitalization or event. Shares delivered under the 2020 Plan may be either treasury shares or newly issued shares. For purposes of determining the remaining ordinary shares available for grant under the 2020 Plan, if any shares subject to an award are forfeited, cancelled, exchanged, or surrendered, or if an award terminates or expires without a distribution of shares, those shares will again be available for issuance under the 2020 Plan. However, shares of stock that are exchanged by a grantee or withheld by us as full or partial payment in connection with any award under the 2020 Plan, as well as any shares of stock exchanged by a grantee or withheld by us to satisfy the tax withholding obligations related to any award under the 2020 Plan, will not be available for subsequent awards under the 2020 Plan.

The 2020 Plan provides that generally, unless otherwise determined by the Compensation Committee or as set forth in an award or employment agreement, in the event of a change in control (as defined in the 2020 Plan), all outstanding awards shall become fully vested and exercisable and all restrictions, forfeiture conditions or deferral periods on any outstanding awards shall immediately lapse, and payment under any awards shall become due. The Compensation Committee has determined that all awards to our named executive officers under the 2020 Plan will vest on a double-trigger basis in the event of a change in control.

## OUTSTANDING EQUITY AWARDS AT 2020 FISCAL YEAR END

The following table contains certain information regarding equity awards held by the named executive officers as of December 31, 2020.

	Stock Awards			
	Number of Shares that Have Not Vested (#)	Market Value of Shares that Have Not Vested (\$) <sup>(1)</sup>	Equity Incentive Plan Awards: Number of Unearned Units That Have Not Vested (#)	Equity Incentive Plan Awards: Market Value of Unearned Units That Have Not Vested (\$) <sup>(1)</sup>
<b>Jeffrey M. Solomon</b>				
2016 PSA Award <sup>(2)</sup>	—	—	29,166	758,024
2017 RSU Award <sup>(3)</sup>	22,083	573,937	—	—
2017 Incentive Award <sup>(4)</sup>	8,953	232,688	—	—
2018 RSU Award <sup>(5)</sup>	18,419	478,710	—	—
2019 RSU Award <sup>(6)</sup>	120,651	3,135,719	—	—
2019 PSA Award <sup>(7)</sup>	—	—	28,000	727,720
2020 RSU Award <sup>(8)</sup>	113,690	2,954,803	—	—
2020 PSA Award <sup>(9)</sup>	—	—	27,000	701,730
<b>Stephen A. Lasota</b>				
2016 PSA Award <sup>(2)</sup>	—	—	25,000	649,750
2017 RSU Award <sup>(3)</sup>	3,825	99,412	—	—
2017 Incentive Award <sup>(4)</sup>	13,100	340,469	—	—
2018 RSU Award <sup>(5)</sup>	4,857	126,233	—	—
2018 Incentive Award <sup>(10)</sup>	8,993	233,728	—	—
2019 RSU Award <sup>(6)</sup>	14,118	366,927	—	—
2019 PSA Award <sup>(7)</sup>	—	—	17,500	454,825
2020 RSU Award <sup>(8)</sup>	17,054	443,233	—	—
2020 PSA Award <sup>(9)</sup>	—	—	17,000	441,830
<b>John Holmes</b>				
2016 PSA Award <sup>(2)</sup>	—	—	25,000	649,750
2017 RSU Award <sup>(3)</sup>	3,825	99,412	—	—
2017 Incentive Award <sup>(4)</sup>	13,100	340,469	—	—
2018 RSU Award <sup>(5)</sup>	4,857	126,233	—	—
2018 Incentive Award <sup>(10)</sup>	17,986	467,456	—	—
2019 RSU Award <sup>(6)</sup>	17,313	449,965	—	—
2019 PSA Award <sup>(7)</sup>	—	—	17,500	454,825
2020 RSU Award <sup>(8)</sup>	18,462	479,827	—	—
2020 PSA Award <sup>(9)</sup>	—	—	17,000	441,830
<b>Owen S. Littman</b>				
2016 PSA Award <sup>(2)</sup>	—	—	25,000	649,750
2017 RSU Award <sup>(3)</sup>	3,825	99,412	—	—
2017 Incentive Award <sup>(4)</sup>	13,100	340,469	—	—
2018 RSU Award <sup>(5)</sup>	4,857	126,233	—	—
2018 Incentive Award <sup>(10)</sup>	8,993	233,728	—	—
2019 RSU Award <sup>(6)</sup>	15,714	408,407	—	—
2019 PSA Award <sup>(7)</sup>	—	—	17,500	454,825
2020 RSU Award <sup>(8)</sup>	17,054	443,233	—	—
2020 PSA Award <sup>(9)</sup>	—	—	17,000	441,830

(1) The values in the column are based on the \$25.99 closing price of our Class A common stock on the NASDAQ Global Select Market on December 31, 2020.

(2) PSAs awarded on March 15, 2016 will, to the extent earned, vest with respect to 33<sup>1</sup>/<sub>3</sub>% on March 8, 2019, 33<sup>1</sup>/<sub>3</sub>% on March 10, 2020 and 33<sup>1</sup>/<sub>3</sub>% on December 31, 2020. These PSAs are scheduled to vest in three tranches based on the attainment of AROE and relative TSR targets for the applicable performance period, subject to the named executive officer's continued employment through the applicable vesting date. In accordance with SEC rules, the number of unearned PSAs is reported in the "Equity Incentive Plan Awards: Market Value of Unearned Units That Have Not Vested" column based on achieving threshold performance goals (i.e., 40% of target).

- (3) RSUs awarded on February 27, 2017 vest with respect to 15% on June 1, 2017, 10% on June 1, 2018, 25% on June 1, 2019, 25% on June 1, 2020 and 25% on June 1, 2021.
- (4) RSUs awarded on February 27, 2017 will vest on March 10, 2021.
- (5) RSUs awarded on February 21, 2018 will vest with respect to 25% on December 1, 2018, 25% on December 1, 2019, 25% on December 1, 2020 and 25% on December 1, 2021.
- (6) RSUs awarded on February 20, 2019 will vest with respect to 12.5% on September 1, 2019, 12.5% on May 15, 2020, 25% in May 15, 2021, 25% on May 15, 2022 and 25% on May 15, 2023.
- (7) PSAs awarded on April 1, 2019 will, to the extent earned, vest on December 31, 2021. These PSAs are scheduled to vest based on the attainment of AROCE target for the applicable performance period, subject to the named executive officer's continued employment through the applicable vesting date. In accordance with SEC rules, the number of unearned PSAs is reported in the "Equity Incentive Plan Awards: Market Value of Unearned Units That Have Not Vested" column based on achieving threshold performance goals (i.e., 50% of target).
- (8) RSUs awarded on February 19, 2020 vest with respect to RSUs will vest with respect to 12.5% on December 1, 2020, 12.5% on September 1, 2021, 25% on September 1, 2022, 25% on September 1, 2023 and 25% on September 1, 2024.
- (9) PSAs awarded on July 1, 2020 will, to the extent earned, vest on December 31, 2022. These PSAs are scheduled to vest based on the attainment of AROCE target for the applicable performance period, subject to the named executive officer's continued employment through the applicable vesting date. In accordance with SEC rules, the number of unearned PSAs is reported in the "Equity Incentive Plan Awards: Market Value of Unearned Units That Have Not Vested" column based on achieving threshold performance goals (i.e., 50% of target).
- (10) RSUs awarded on March 29, 2018 will vest on March 10, 2022.

## OPTION EXERCISES AND STOCK VESTED

The following table sets forth certain information concerning stock vested during the year ended December 31, 2020. No stock options were exercised by any of the named executive officers in 2020.

Name	Number of Shares Acquired on Vesting	Value Realized on Vesting (\$) <sup>(1)</sup>
Jeffrey M. Solomon	116,712	1,850,854
Stephen A. Lasota	34,305	510,619
John Holmes	35,039	521,833
Owen S. Littman	34,572	513,762

- (1) The value realized upon vesting of the stock awards is based on the \$12.18 closing sale price of our Class A common stock on March 10, 2020, the \$11.77 closing sale price of our Class A common stock on May 15, 2020, the \$13.05 closing sale price of our Class A common stock on June 1, 2020 and the \$24.58 closing sale price of our Class A common stock on December 1, 2020, the applicable vesting dates of the awards.

## POTENTIAL PAYMENTS UPON TERMINATION OR CHANGE IN CONTROL

Pursuant to the employment agreements with our named executive officers, upon certain terminations of employment or a change in control of the Company, our named executive officers are entitled to certain payments of compensation and benefits as described above under “Narrative Disclosure Relating to Summary Compensation Table and Grants of Plan-Based Awards Table – Employment Agreements.” The table below reflects the amount of compensation and benefits that would have been payable to each named executive officer in the event that the named executive officer had experienced the following events as of December 31, 2020: (i) a termination for cause or resignation, or voluntary termination, (ii) involuntary termination, (iii) an involuntary termination that occurs in connection with a change in control, (iv) termination by reason of an executive’s death, or (v) termination by reason of an executive’s disability.

Name	Type of Payment	Voluntary Termination (\$)	Triggering Events			
			Involuntary Termination (\$)	Involuntary Termination in Connection with a Change in Control <sup>(4)(5)</sup> (\$)	Death (\$)	Disability (\$)
Jeffrey M. Solomon	Cash Severance <sup>(1)</sup>	—	18,285,858	22,835,858	9,755,659	9,755,659
	Equity Acceleration <sup>(2)</sup>	—	9,563,332	9,563,332	9,563,332	9,563,332
	<b>Total</b>	<b>—</b>	<b>27,849,190</b>	<b>32,399,190</b>	<b>19,318,991</b>	<b>19,318,991</b>
Stephen A. Lasota	Cash Severance <sup>(3)</sup>	—	4,696,473	7,146,473	3,196,473	3,196,473
	Equity Acceleration <sup>(2)</sup>	—	3,156,407	3,156,407	3,156,407	3,156,407
	<b>Total</b>	<b>—</b>	<b>7,852,880</b>	<b>10,302,880</b>	<b>6,352,880</b>	<b>6,352,880</b>
John Holmes	Cash Severance <sup>(3)</sup>	—	4,964,042	7,564,042	3,464,042	3,464,042
	Equity Acceleration <sup>(2)</sup>	—	3,509,768	3,509,768	3,509,768	3,509,768
	<b>Total</b>	<b>—</b>	<b>8,473,810</b>	<b>11,073,810</b>	<b>6,973,810</b>	<b>6,973,810</b>
Owen S. Littman	Cash Severance <sup>(3)</sup>	—	4,798,773	7,298,773	3,298,773	3,298,773
	Equity Acceleration <sup>(2)</sup>	—	3,197,888	3,197,888	3,197,888	3,197,888
	<b>Total</b>	<b>—</b>	<b>7,996,661</b>	<b>10,496,661</b>	<b>6,496,661</b>	<b>6,496,661</b>

- (1) Includes the value of a cash payment equal to the sum of (i) the average of Mr. Solomon’s 2018 and 2019 annual bonuses (the highest annual bonuses paid to Mr. Solomon in two of the three calendar years), comprised of cash bonus, deferred cash and deferred equity (\$7,175,000), (ii) two and one-half times the sum of Mr. Solomon’s 2018 base salary (\$950,000) and the average of Mr. Solomon’s 2018 and 2019 annual bonuses (subject to a \$3.25 million minimum and a \$5 million limit), (iii) a cash payment equal to 24 months of COBRA premiums, and (iv) the value of acceleration of unvested deferred cash compensation (\$2,496,926, including interest accrued through December 31, 2020), which is payable to Mr. Solomon pursuant to the terms of his employment agreement. In connection with an involuntary termination following a change in control, the \$5 million cash limit would not apply to the Cash Severance payment. Had Mr. Solomon experienced a termination by reason of death or disability, he would have been entitled to a cash payment equal to the sum of the amounts described under clauses (i), (iii), and (iv) above.
- (2) Includes the value of acceleration of all unvested shares of restricted stock and all performance share and PSA awards, based on a price of \$25.99 per share, which was the closing price of our Class A common stock on the NASDAQ Global Select Market on December 31, 2020. Pursuant to their employment agreements and the applicable award agreements, the executives are entitled to immediate vesting of outstanding equity awards upon an involuntary termination or a termination by reason of death or disability, except for the PSAs granted in April 2019 and June 2020, which will, upon an involuntary termination, remain outstanding until the completion of the applicable performance period without regard to the continued service requirement and will vest based on the actual level of the attainment of the applicable performance goals. For reporting purposes, target level performance was assumed. In addition, pursuant to the terms of the applicable award agreements, unvested equity awards will vest in the event that a change in control occurs and, following such change in control, the executive’s compensation or job responsibilities are reduced materially or the equity securities of the Company cease to trade on a national securities exchange, except for the PSAs granted in April 2019 and June 2020, which will vest based on the target level of the applicable performance goals, subject to the named executive officer’s continued employment through the applicable vesting date.

- (3) Includes the value of a cash payment equal to the sum of (i) the average of the 2018 and 2019 annual bonus comprised of cash bonus, deferred cash and deferred equity (\$2,200,000, \$2,350,000 and \$2,250,000 ) for Messrs. Lasota, Holmes and Littman, respectively, (ii) one and one-half times the 2019 base salary and the average of the 2018 and 2019 annual bonuses for Messrs. Lasota, Holmes and Littman, respectively (subject to a \$1.5 million limit), (iii) a cash payment equal to 24 months of COBRA premiums (\$38,660 for Mr. Lasota, \$54,604 for Mr. Holmes and \$51,210 for Mr. Littman), and (iv) the value of acceleration of unvested deferred cash compensation (\$957,813, \$1,059,438 and \$991,563) for each of Mr. Lasota, Mr. Holmes and Mr. Littman, respectively, including interest accrued through December 31, 2020), which is payable to Messrs. Lasota, Holmes and Littman pursuant to the terms of their employment agreements. Had Mr. Lasota, Mr. Holmes or Mr. Littman experienced a termination by reason of death or disability, each executive would have been entitled to a cash payment equal to the sum of the amounts described under clauses (i), (iii), and (iv) above.
- (4) Includes the value of the same cash severance payments that would have been payable to Messrs. Lasota, Holmes and Littman in connection with an involuntary termination of employment (as described above), except that the applicable multiplier for the 2019 base salary and the average of the 2018 and 2019 annual bonuses for Messrs. Lasota, Holmes and Littman, respectively will be two and one-half times instead of one and one-half times and will not be subject to the \$1.5 million limit. Pursuant to their employment agreements, Messrs. Lasota, Holmes and Littman will be entitled to receive this enhanced cash severance payment in the event of an involuntary termination of employment in connection with or following a change in control. In addition, pursuant to the terms of the applicable award agreements, each executive's unvested deferred cash compensation will vest in the event that a change in control occurs and, following such change in control, the executive's compensation or job responsibilities are reduced materially or the equity securities of the Company cease to trade on a national securities exchange.
- (5) Under the employment agreements with Messrs. Solomon, Lasota, Holmes and Littman, severance payable following a change in control would have been subject to a so-called "modified golden parachute cutback" provision pursuant to which "excess parachute payments" would be reduced to the extent such reduction would result in greater after-tax benefits. The amounts disclosed above represent the full amounts payable, without application of any cutback.

## **PAY RATIO**

Pursuant to Item 402(u) of Regulation S-K, presented below is the ratio of annual total compensation of Mr. Solomon, our Chief Executive Officer as of December 31, 2020, to the median annual total compensation of all our employees (excluding our Chief Executive Officer).

To determine the median annual total compensation of all our employees (excluding our Chief Executive Officer), a median employee was identified from the population of our 1,374 employees as of December 31, 2020. We did not include independent contractors in our determination.

In order to identify our median employee, we ranked each of our employees (other than our Chief Executive Officer) based on 2020 awarded compensation. For this purpose, 2020 awarded compensation was composed of each employee's (i) salary earned during 2020, (ii) annual cash bonus paid in respect of 2020 performance, (iii) deferred cash awards granted in respect of 2020 performance and (iv) and RSUs granted in respect of 2020 performance. In determining 2020 awarded compensation, we did not apply any cost-of-living adjustments or annualize any partial-year compensation.

Once we identified the median employee, we determined that individual's annual total compensation in accordance with the requirements for determining total compensation in the Summary Compensation Table.

The 2020 annual total compensation for Mr. Solomon, our Chief Executive Officer, as reported in the Summary Compensation Table in this proxy statement, was \$18,990,503. The 2020 annual total compensation for our median employee, determined in accordance with the requirements for determining total compensation in the Summary Compensation Table, was \$205,000. The ratio of our Chief Executive Officer's annual total compensation to the annual total compensation of our median employee for 2020 is 93 to 1. We believe that this ratio represents a reasonable estimate calculated in a manner consistent with Item 402(u).

The information disclosed in this section was developed and is provided solely to comply with specific, new legal requirements. We do not use this information in managing our Company. We do not believe this information provides stockholders with a useful mechanism for evaluating our management's effectiveness, operating results, or business prospects, nor for comparing our company with any other company in any meaningful respect.

## SECURITY OWNERSHIP

### *Beneficial Ownership of Directors, Nominees and Executive Officers*

The following table shows how many shares of our Class A common stock were beneficially owned as of May 14, 2021, by each of our directors and named executive officers and by all of our directors and named executive officers as a group. Unless otherwise noted, the stockholders listed in the table have sole voting and investment power with respect to the shares owned by them.

<b>Beneficial Owner</b>	<b>Amount and Nature of Beneficial Ownership</b>	<b>Percent of Class</b>
Brett H. Barth	66,052 <sup>(1)</sup>	*
Katherine E. Dietze	12,007 <sup>(2)</sup>	*
Gregg A. Gonsalves	— <sup>(3)</sup>	*
Steven Kotler	2,500 <sup>(4)</sup>	*
Lawrence E. Leibowitz	8,000 <sup>(5)</sup>	*
Margaret L. Poster	— <sup>(6)</sup>	*
Douglas A. Rediker	— <sup>(7)</sup>	*
Jeffrey M. Solomon	526,750	2.0%
John Holmes	157,387	*
Stephen A. Lasota	201,083	*
Owen S. Littman	152,124 <sup>(8)</sup>	*
All directors and executive officers as a group (11 persons)	1,125,903	4.2%

\* corresponds to less than 1% of Cowen Inc. Class A common stock.

- (1) The amount presented does not include 19,737 fully-vested RSUs that will be delivered to Mr. Barth upon the one-year anniversary of the grant date.
- (2) The amount presented does not include 63,989 fully-vested RSUs that will be delivered to Ms. Dietze upon her retirement from the Board.
- (3) The amount presented does not include 7,310 fully-vested RSUs that will be delivered to Mr. Gonsalves upon the three-year anniversary of the grant date.
- (4) The amount presented does not include 61,326 fully-vested RSUs that will be delivered to Mr. Kotler upon his retirement from the Board.
- (5) The amount presented does not include the 29,569 fully-vested RSUs that will be delivered to Mr. Leibowitz upon his retirement from the Board.
- (6) The amount presented does not include 13,547 fully-vested RSUs that will be delivered to Ms. Poster upon the one-year anniversary of the grant date.
- (7) The amount presented does not include 55,667 fully-vested RSUs that will be delivered to Mr. Rediker upon his retirement from the Board.
- (8) Includes 275 shares held in custodial accounts on behalf of Mr. Littman's children.

## Beneficial Owners of More than Five Percent of Our Class A Common Stock

Based on filings made under Section 13(d) and Section 13(g) of the Securities Exchange Act of 1934, as of May 14, 2021, the persons known by us to be beneficial owners of more than 5% of our Class A common stock were as follows:

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class
<b>FMR LLC<sup>(1)</sup></b> 245 Summer Street Boston, MA 02210	2,994,518	11.15%
<b>BlackRock, Inc.<sup>(2)</sup></b> 55 East 52nd Street New York, NY 10055	2,680,545	9.98%
<b>The Vanguard Group<sup>(3)</sup></b> 100 Vanguard Boulevard Malvern, PA 19355	1,671,090	6.22%
<b>Arbiter Partners Capital Management LLC<sup>(4)</sup></b> 530 Fifth Avenue, 20th Floor New York, NY 10036	1,456,873	5.42%
<b>Dimensional Fund Advisors LP<sup>(5)</sup></b> 6300 Bee Cave Road, Building One Austin, TX 78746	1,364,007	5.08%

(1) This information is based on a Schedule 13G filed with the SEC on February 8, 2021 by FMR LLC. FMR reported that it has sole voting power as to 1,218,214 shares and sole dispositive power as to 2,994,518 shares.

(2) This information is based on a Schedule 13G filed with SEC on April 12, 2021 by BlackRock, Inc. BlackRock reported that it has sole voting power as to 2,520,113 and sole dispositive power as to 2,680,545 shares. The beneficial ownership indicated above represents the aggregate beneficial ownership of BlackRock, Inc., and its subsidiaries, BlackRock Life Limited, BlackRock (Netherlands) B.V., BlackRock Advisors, LLC, BlackRock Asset Management Canada Limited, BlackRock Asset Management Ireland Limited, BlackRock Asset Management Schweiz AG, BlackRock Financial Management, Inc., BlackRock Fund Advisors, BlackRock Fund Managers Ltd., BlackRock Institutional Trust Company, N.A., BlackRock Investment Management, LLC and BlackRock Investment Management (UK) Limited.

(3) This information is based on a Schedule 13G filed with the SEC on February 10, 2021 by The Vanguard Group. Vanguard reported that it has shared voting power as to 39,973 shares, sole dispositive power as to 1,605,510 shares and shares dispositive power of 65,580 shares.

(4) This information is based on a Schedule 13G filed with the SEC on February 16, 2021 by Arbiter Partners Capital Management LLC and Paul J. Isaac ("Arbiter"). Arbiter reported that it has shared voting and dispositive power as to 1,456,873 shares.

(5) This information is based on a Schedule 13G filed with the SEC on February 12, 2021 by Dimensional Fund Advisors LP. Dimensional reported that it has sole voting power as to 1,264,209 shares and sole dispositive power as to 1,346,007 shares.

## SECTION 16(A) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Securities Exchange Act of 1934 requires our executive officers and directors to file initial reports of ownership of our securities and reports of changes in ownership of our securities with the Securities and Exchange Commission.

Based on a review of copies of such reports and on written representations from our executive officers and directors, we believe that all Section 16(a) filing and disclosure requirements applicable to our executive officers and directors for 2020 have been satisfied except for one late report by each of Messrs. Lasota, Littman and Solomon related to a net share settlement of 1,152, 1,283 and 9,847 shares, respectively, on May 15, 2020 which were reported on June 2, 2020 due to a clerical error.

## **CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS**

### **Compensation Committee Interlocks and Insider Participation**

The Compensation Committee is comprised entirely of non-employee directors, none of whom has ever been an officer or employee of the Company and none of whom had any related person transaction involving the Company. None of our executive officers (1) served as a member of the board of directors or Compensation Committee of any other entity that had one or more of its executive officers serving as a member of our Compensation Committee or (2) served as a member of the Compensation Committee of any other entity that had one or more of its executive officers serving as a member of our Board during 2020.

## **TRANSACTIONS IN WHICH RELATED PERSONS HAVE A MATERIAL INTEREST**

### ***Side-by-Side Investments***

To the extent permissible by applicable law, our executive officers, directors and certain eligible employees, as well as such individuals' immediate family members and other investors they refer to us, have historically been permitted to invest their own capital either directly in, or in side-by-side investments or managed accounts with, our alternative investment management funds and certain proprietary investment vehicles established by our broker-dealer segment. Side-by-side investments are investments in assets substantially similar to the investments of the applicable fund and the managed accounts are accounts that invest in the asset classes covered by our alternative investment business. Direct investment in managed accounts or side-by-side investments with, our funds by such individuals are generally made on the same terms and conditions as the investments made by other third party investors in the funds, except that such investments are subject to discounted management and performance fees.

### ***Employment Arrangements***

Kyle Solomon, the brother of Jeffrey M. Solomon, is a Managing Director of Cowen and Company and earned approximately \$2,161,210 in 2020, which amount includes Kyle Solomon's base salary, cash bonus paid in 2020 relating to 2019 and 2020 performance and approximately \$202,689 of deferred cash awards and RSUs granted in prior years that vested during 2020.

## **REVIEW AND APPROVAL OF TRANSACTIONS WITH RELATED PERSONS**

To minimize actual and perceived conflicts of interests, the Board has adopted a written policy governing transactions in which the Company is a participant, the aggregate amount involved is reasonably expected to exceed \$120,000, and any of the following persons has or may have a direct or indirect material interest in the transaction: (a) our executive officers, directors (including nominees) and certain other highly compensated employees, (b) stockholders who own more than 5% of our Class A common stock, and (c) any child, stepchild, parent, stepparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law or person (other than a tenant or employee) sharing the same household of any person described in (a) or (b) above. These transactions will be considered "related person transactions."

Unless exempted from such policy as described below, the policy requires that related person transactions must be reported to our General Counsel or Chief Compliance Officer who will then submit the related person transaction for review by our Audit Committee. The Audit Committee will review all relevant information available to it and will approve or ratify only those related person transactions that it determines are not inconsistent with the best interests of the Company. If our General Counsel or Chief Compliance Officer determines that advance approval of a related person transaction is not practicable under the circumstances, the Audit Committee will review, and, in its discretion, may ratify the related person transaction at its next meeting, or at the next

meeting following the date that the related person transaction comes to the attention of our General Counsel or Chief Compliance Officer. However, the General Counsel or Chief Compliance Officer may present a related person transaction that arises between Audit Committee meetings to the Chair of the Audit Committee, who will review and may approve the related person transaction, subject to the Audit Committee's ratification at its next meeting.

It is anticipated that any related person transaction previously approved by the Audit Committee or otherwise already existing that is ongoing will be reviewed annually by the Audit Committee to ensure that such transaction has been conducted in accordance with the previous approval granted by the Audit Committee, if any, and that all required disclosures regarding the related person transaction are made.

In addition to the transactions that are excluded by the instructions to the SEC's related person transaction disclosure rule, the board anticipates it will determine that the following transactions do not create a material direct or indirect interest on behalf of related persons and, therefore, are not related person transactions for purposes of the policy:

- interests arising solely from the related person's position as an executive officer of another entity (whether or not the person is also a director of such entity), that is a participant in the transaction, where (a) the related person and all other related persons own in the aggregate less than a 10% equity interest in such entity, (b) the related person and his or her immediate family members are not involved in the negotiation of the terms of the transaction and do not receive any special benefits as a result of the transaction, (c) the amount involved in the transaction equals less than the greater of \$200,000 or 5% of the annual gross revenues of the company receiving payment under the transaction;
- a transaction with a significant stockholder, or such stockholder's immediate family members, who has a current Schedule 13G filed with the SEC with respect to such stockholder's ownership of our securities; and
- a transaction that is specifically contemplated by provisions of our charter or bylaws.

The policy provides that transactions involving compensation of executive officers shall be reviewed and approved by the Compensation Committee in the manner specified in its charter.

## **AUDIT COMMITTEE REPORT AND PAYMENT OF FEES TO OUR INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

### **AUDIT COMMITTEE REPORT**

The primary function of our Audit Committee is oversight of our financial reporting process, publicly filed financial reports, internal accounting and financial and operational controls, and the independent audit of the consolidated financial statements. The consolidated financial statements of Cowen Inc. for the year ended December 31, 2020, were audited by KPMG LLP, independent registered public accounting firm for the Company.

As part of its activities, the Audit Committee has:

1. Reviewed and discussed with management and the independent registered public accounting firm the company's audited financial statements;
2. Discussed with the independent registered public accounting firm the matters required to be communicated under *Auditing Standard No. 1301 (Communications with Audit Committees)*;
3. Received the written disclosures and letter from the independent registered public accounting firm required by the *Public Company Accounting Oversight Board Ethics and Independence Rule 3526*

(Communications with Audit Committees Concerning Independence) regarding their communications with the Audit Committee concerning independence and discussed and confirmed with KPMG, the firm's independence from the Company and management; and

4. Discussed with KPMG LLP their independence.

Management is responsible for the Company's system of internal controls and the financial reporting process. KPMG LLP is responsible for performing an independent audit of the consolidated financial statements in accordance with the standards of the Public Company Accounting Oversight Board and issuing a report thereon. Our Committee's responsibility is to monitor and oversee these processes.

Based on the foregoing review and discussions and a review of the report of KPMG LLP with respect to the consolidated financial statements, we have recommended to the Board of Directors of Cowen Inc. the inclusion of the audited consolidated financial statements in Cowen Inc.'s Annual Report on Form 10-K for the year ended December 31, 2020, for filing with the SEC.

### **AUDIT COMMITTEE OF THE BOARD OF DIRECTORS OF COWEN INC.**

Katherine E. Dietze, *Chair*  
 Gregg A. Gonsalves  
 Steven Kotler  
 Margaret L. Poster

### **INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FEES AND OTHER MATTERS**

The following table presents the aggregate fees billed for services rendered by KPMG LLP, our independent registered public accounting firm for the fiscal years ended December 31, 2020 and December 31, 2019.

	2020	2019
<b>Audit Fees<sup>(1)</sup></b>	\$5,653,283	\$5,222,917
<b>Audit-Related Fees<sup>(2)</sup></b>	47,274	44,038
<b>Tax Fees<sup>(3)</sup></b>	1,143,687	1,270,915
<b>All Other Fees<sup>(4)</sup></b>	86,100	—
<b>Total</b>	<b>6,930,345</b>	<b>\$6,537,870</b>

- (1) Audit fees reflect audit fees incurred for the Cowen Inc. integrated audit and quarterly reviews as well as the financial statement audits of its consolidated subsidiaries.
- (2) Audit-Related Fees reflect fees for attestation procedures required by local regulations for consolidated subsidiaries.
- (3) Tax fees reflect tax compliance and tax advisory services.
- (4) All Other Fees relate to non-tax advisory and consulting services.

KPMG LLP also provided services to entities affiliated with Cowen Inc. that were billed directly to those entities and, accordingly, were not included in the amounts disclosed above. These amounts included \$1,317,500 and \$975,213 for the audits of private equity funds, hedge funds and other fund structures within the Cowen Investment Management business for the years ended December 31, 2020 and December 31, 2019, respectively.

### **AUDITOR SERVICES PRE-APPROVAL POLICY**

The Audit Committee has adopted an Audit Committee Policy Regarding Outside Auditor Services which includes a pre-approval policy that applies to services performed for the Company by our independent registered

public accounting firm. In accordance with this policy, we may not engage our independent registered public accounting firm to render any audit or non-audit service unless the service was approved in advance by the Audit Committee or the engagement is entered into pursuant to the pre-approval policies and procedures described below.

The pre-approval policy delegates to the Chair of the Audit Committee the authority to pre-approve any audit or non-audit services, provided that any approval by the Chair is reported to the Audit Committee at the Audit Committee's next regularly scheduled meeting. The Audit Committee may also pre-approve services that are expected to be provided to the Company by the independent registered public accounting firm during the next 12 months and at each regularly scheduled meeting of the Audit Committee, management or the independent registered public accounting firm must report to the Audit Committee each service actually provided to the Company pursuant to the pre-approval.

Our Audit Committee has determined that the provision of the non-audit services described in the table above was compatible with maintaining the independence of our independent registered public accounting firm. The Audit Committee reviews each non-audit service to be provided and assesses the impact of the service on the registered public accounting firm's independence.

## PROPOSAL 3

### RATIFICATION OF THE SELECTION OF OUR INDEPENDENT PUBLIC ACCOUNTANT

- The Board recommends a vote **“FOR”** ratification of the selection of KPMG LLP as our independent registered public accounting firm for 2021

The Audit Committee of the Board has selected KPMG LLP to serve as our independent registered public accounting firm for the year ending December 31, 2021. While it is not required to do so, our Board is submitting the selection of KPMG LLP for ratification in order to ascertain the views of our stockholders with respect to the choice of audit firm. If the selection is not ratified, the Audit Committee will reconsider its selection. Representatives of KPMG LLP are expected to be online at the annual meeting, will be available to answer stockholder questions and will have the opportunity to make a statement if they desire to do so. KPMG LLP served as our independent registered public accounting firm for the year ended December 31, 2020.

The Board recommends that you vote “FOR” ratification of the selection of KPMG LLP as the independent registered public accounting firm of Cowen Inc. and our subsidiaries for the year ending December 31, 2021. The affirmative vote of the holders of a majority of our outstanding shares of Class A common stock voting on the proposal is required to ratify this selection. Proxies will be voted “FOR” ratification of this selection unless otherwise specified.

## PROPOSAL 4

### APPROVAL OF AN INCREASE IN THE SHARES AVAILABLE FOR ISSUANCE UNDER THE 2020 EQUITY INCENTIVE PLAN

- The Board recommends a vote **“FOR”** approval of the increase in shares available for issuance under the 2020 Equity Incentive Plan.

We are asking our stockholders to approve an amendment and restatement of the Cowen Inc. 2020 Equity Incentive Plan (the “2020 Plan”) to increase the number of shares of our Class A common stock for issuance under the 2020 Plan by 2,000,000 shares (the “2020 Plan Amendment”). The 2020 Plan Amendment has been approved by our Board of Directors, upon the recommendation of the Compensation Committee of the Board. Under Nasdaq Stock Exchange rules, the increase in shares available for issuance under the 2020 Plan will not be effective if our stockholders do not approve it.

As of April 30, 2021, there were 2,049,273 shares underlying outstanding awards under the 2020 Plan (with the number of shares underlying outstanding unearned performance based-awards calculated based on maximum performance) and 802,173 shares remaining available for issuance under the 2020 Plan.

Our Board believes that the increase in shares available under the 2020 Plan is in the best interests of our stockholders and supports this proposal for the following reasons, as discussed more fully below:

- Equity compensation supports our pay-for-performance culture and aligns management and stockholder interests.
- The number of additional shares to be authorized under the 2020 Plan is reasonable.
- Based on our historical grant practices and certain other assumptions, including the price of our common stock, the additional shares being requested, together with the remaining shares available for issuance under the 2020 Plan, are expected to provide the Company with the ability to grant awards under the 2020 Plan for approximately two years, following which stockholders would be able to reevaluate any additional share authorization request.
- Consistent with public statements we have made to our stockholders, we have over the past few years targeted repurchases of shares of our common stock in amounts that, at a minimum, are sufficient to offset the number of shares issued to our employees upon vesting of previously awarded RSUs. This has the effect of reducing the number of the Company’s outstanding shares of common stock which, in turn, makes future issuances of RSUs appear to be more dilutive than they otherwise would have been had the number of our outstanding shares increased to account for the vesting of previously awarded RSUs. We believe the effects of our share repurchase program should be taken into consideration when evaluating the dilutive impact of the RSU awards made to our employees.
- Approval of the increase to the shares available for issuance under the 2020 Plan is critical to Cowen’s future compensation practices and ability to align pay and performance going forward.
  - If the share increase under the 2020 Plan is not approved by stockholders, we expect there will be an insufficient number of shares available to make equity-based compensation awards going forward, which would negatively impact our ability to deliver competitive levels of compensation and effectively align employee and stockholder interests;
  - The inability to grant meaningful equity-based compensation would limit our ability to attract and retain critical talent which has been integral to our past success and remains vital to future performance; and

- Equity-based compensation is an essential element of our pay-for-performance compensation philosophy, which is designed to drive stockholder value creation
- The 2020 Plan contains provisions that are consistent with best practices
  - Limitation on Awards to Non-Employee Directors
  - No Discounted Options or Stock Appreciation Rights
  - No Repricing or Cash Buyout or Exchange of Underwater Options or Stock Appreciation Rights Without Stockholder Approval
  - No Transferability
  - No Evergreen (Automatic Replenishment) Provision
  - No Automatic Grants
  - No Reload Options
  - No Dividends or Dividend Equivalents on Options and Stock Appreciation Rights
  - No Dividends Paid Currently on Unvested or Unearned Awards of Restricted Stock or Restricted Stock Units
  - No “Liberal” Change in Control Definition or Single-Trigger Equity Vesting upon a Change of Control
  - No Tax Gross-Ups

**The Board of Directors recommends that you vote FOR approval of the Increase in Shares Available For Issuance Under the 2020 Equity Incentive Plan. The affirmative vote of the holders of a majority of the outstanding shares of Class A common stock present online or represented by proxy and voting affirmatively or negatively on the proposal is required to approve the 2020 Plan Amendment. Proxies will be voted FOR approval of the share increase unless otherwise specified.**

The following paragraphs provide the material details of the 2020 Plan. The following description is qualified in its entirety by reference to the full text of the 2020 Plan, as amended and restated to reflect the 2020 Plan Amendment, which is attached as Appendix A to this proxy statement.

## **PURPOSE**

The 2020 Plan is designed to aid in the Company’s ability to attract and retain critical talent which has been integral to our past success and remains vital to future performance. Equity-based compensation is an essential element of our pay-for-performance compensation philosophy, which is designed to drive stockholder value creation. The 2020 Plan is critical to Cowen’s future compensation practices and ability to align pay and performance going forward and supports our pay-for-performance culture and aligns management and stockholder interests. Accordingly, the Board of Directors has adopted the 2020 Plan and the 2020 Plan Amendment as a part its broader compensation strategy, which has been and will continue to have a material portion of compensation in the form of long-term incentive opportunities.

## **ADMINISTRATION**

The 2020 Plan is administered by the Compensation Committee. The Compensation Committee will have the authority to, among other things, designate participants, grant awards, determine the number of shares of Class A common stock to be covered by awards and determine the terms and conditions of any awards, and construe and interpret the 2020 Plan and related award agreements. The Compensation Committee is also permitted to delegate its authority under the 2020 Plan to officers or employees of the Company, although any award

granted to any person who is not an employee of the Company or who is subject to Section 16 of the Exchange Act must be expressly approved by the Compensation Committee.

## **SHARES SUBJECT TO THE 2020 PLAN**

The Company authorized 3,000,000 shares of Class A common stock, or common stock, for issuance pursuant to awards under the 2020 Plan, of which 802,173 shares remained available for issuance as of April 30, 2021. If the stockholders approve the 2020 Plan Amendment, an additional 2,000,000 shares of common stock will be authorized and available for issuance under the 2020 Plan, which, as of May 14, 2021, had a fair market value of \$41.27 per share as reported on the NASDAQ Global Select Market. Awards and the shares authorized under the 2020 Plan are subject to adjustment as described below under “Changes in Capital Structure.” To the extent that all or any portion of an Award is settleable solely in cash, no shares of common stock will be deemed to have been issued pursuant to the 2020 Plan with respect to such Award (or such portion of such Award) nor will any such shares count against the aggregate number of shares of common stock reserved and available for issuance pursuant to the 2020 Plan. Stock-based awards assumed or substituted by the Company or its affiliates as part of a corporate transaction (including from an entity that the Company merges with or into, acquires, or engages with in a similar corporate transaction) will not count against the number of shares of common stock reserved and available for issuance pursuant to the 2020 Plan except as may be required by Section 422 of the Internal Revenue Code. If any award granted under the 2020 Plan (or any portion thereof) expires or is canceled, forfeited, settled in cash or otherwise terminated without delivery of shares to a participant, the undelivered shares will again become available for awards under the 2020 Plan.

The maximum value of any awards granted to any non-employee director in any one calendar year, taken together with any cash fees paid to such non-employee director during such calendar year, may not exceed \$500,000.

## **ELIGIBILITY**

The following individuals are eligible to participate in the 2020 Plan: (i) each employee and officer of the Company or its affiliates, of which there are currently approximately 1,402, (ii) each non-employee director of the Company or its affiliates, of which there are currently eight, (iii) individuals who are not employees or directors of the Company or its affiliates but nonetheless provide services to the Company or its affiliates, and who are designated as eligible by the Compensation Committee, and (iv) prospective employees of the Company or its affiliates, although such individuals may not receive any payment or exercise any rights relating to awards until they have actually commenced employment.

## **GRANTS OF AWARDS**

The Compensation Committee may grant awards of non-qualified stock options, incentive stock options, stock appreciation rights, restricted stock awards, restricted stock unit awards, and other stock-based awards. Awards will vest in accordance with the terms of the applicable award agreement. In addition, no dividends or dividend equivalents will be paid on unvested awards, stock options or stock appreciation rights, or on vested restricted stock units prior to the actual delivery of shares of common stock.

**Stock Options.** The 2020 Plan provides for the grant of non-qualified stock options. A stock option granted under the 2020 Plan provides a participant with the right to purchase, within a specified period of time, a stated number of shares of common stock at the price specified in the applicable award agreement. The exercise price applicable to a stock option will be set by the Compensation Committee at the time of grant, and to the extent intended to (i) avoid treatment as a “stock right” that does not provide for a “deferral of compensation” within the meaning of Section 409A of the Internal Revenue Code or (ii) be an incentive stock option, will not be less than the fair market value of a share of common stock on the date of grant. In the case of a stock option

that is a “substitute award” (as such term is defined in the 2020 Plan), the exercise price for such stock option may be less than the fair market value of a share of common stock on the date of grant provided that such exercise price is determined in a manner consistent with the provisions of Section 409A of the Internal Revenue Code and, if applicable, Section 424(a) of the Internal Revenue Code. Further, stock options may not be repriced without stockholder approval. The maximum term of an option granted under the 2020 Plan is ten years from the date of grant (or five years in the case of an incentive stock option granted to a 10% stockholder). Payment of the exercise price of an option may be made in cash, common stock, pursuant to a broker-assisted cashless exercise in accordance with procedures approved by the Compensation Committee, pursuant to a delivery of a notice of “net exercise,” or in any other form of consideration approved by the Compensation Committee. The 2020 Plan provides that participants terminated for “cause” (as such term is defined in the 2020 Plan) will forfeit all of their stock options, whether or not vested. Participants terminated for any other reason will forfeit their unvested options, retain their vested options, and will have one year (in the case of a termination by reason of death or disability) or 90 days (in all other cases) following their termination date to exercise their vested options. The 2020 Plan authorizes the Compensation Committee to provide for different treatment of stock options upon termination than that described above, as determined in its discretion.

No incentive stock options may be granted under the 2020 Plan following the tenth anniversary of the earlier of (i) the date the 2020 Plan was adopted by the Board of Directors and (ii) the date the stockholders of the Company originally approved the 2020 Plan.

**Stock Appreciation Rights.** A stock appreciation right is a conditional right to receive an amount equal to the value of the appreciation in the common stock over a specified period. The base price applicable to a stock appreciation right will be set by the Compensation Committee at the time of grant, and to the extent intended to avoid treatment as a “stock right” that does not provide for a “deferral of compensation” within the meaning of Section 409A of the Internal Revenue Code, will not be less than the fair market value of a share of common stock on the date of grant. In the case of a stock appreciation right that is a “substitute award” (as such term is defined in the 2020 Plan), the base price for such stock appreciation right may be less than the fair market value of a share of common stock on the date of grant provided that such base price is determined in a manner consistent with the provisions of Section 409A of the Internal Revenue Code. The maximum term of a stock appreciation right granted under the 2020 Plan is ten years from the date of grant. Upon exercise of a stock appreciation right, payment in respect of such stock appreciation right may be made in cash, common stock, or other property as specified in the applicable award agreement or as determined by the Compensation Committee, in each case having a value in respect of each share of common stock underlying the portion of the stock appreciation right so exercised, equal to the difference between the base price of such stock appreciation right and the fair market value of one share of common stock on the exercise date. The 2020 Plan provides that participants terminated for “cause” (as such term is defined in the 2020 Plan) will forfeit all of their stock appreciation rights, whether or not vested. Participants terminated for any other reason will forfeit their unvested stock appreciation rights, retain their vested stock appreciation rights, and will have one year (in the case of a termination by reason of death or disability) or 90 days (in all other cases) following their termination date to exercise their vested stock appreciation rights. The 2020 Plan authorizes the Compensation Committee to provide for different treatment of stock appreciation rights upon termination than that described above, as determined in its discretion.

**Restricted Stock.** An award of restricted stock is a grant of shares of common stock which are subject to limitations on transfer during a restricted period established in the applicable award agreement. Generally speaking, holders of restricted stock will generally have the rights and privileges of a stockholder with respect to their restricted stock. Except as otherwise provided by the Compensation Committee, in the event a participant is terminated for any reason, the vesting with respect to the participant’s restricted stock will cease, and as soon as practicable following the termination, the Company will repurchase all of such participant’s unvested

shares of restricted stock at a purchase price equal to the original purchase price paid for the restricted stock, or if the original purchase price is equal to \$0, the unvested shares of restricted stock will be forfeited by the participant to the Company for no consideration.

**Restricted Stock Units.** The Compensation Committee may award restricted stock units under the 2020 Plan, which are notional units representing the right to receive one share of common stock (or the cash value of one share of common stock) on a specified settlement date. When a participant satisfies the conditions of the restricted stock unit award, which the Compensation Committee will establish in the applicable award agreement, the Company may settle the award in shares, cash or property, as determined by the Compensation Committee in its discretion. Except as otherwise provided by the Compensation Committee, in the event a participant is terminated for any reason, the vesting with respect to the participant's restricted stock units will cease, each of the participant's outstanding unvested restricted stock units will be forfeited for no consideration as of the date of such termination, and any shares remaining undelivered with respect to the participant's vested restricted stock units will be delivered on the delivery date specified in the applicable award agreement.

**Other Stock- or Cash-Based Awards.** The 2020 Plan authorizes the Compensation Committee to grant other awards that may be denominated in, payable in, valued in, or otherwise related to shares of common stock or in cash. Such awards and the terms applicable to such awards will be set forth in award agreements.

**General.** All awards granted under the 2020 Plan are subject to incentive compensation clawback and recoupment policies implemented by the Board of Directors from time to time. In addition, the Compensation Committee may adopt such procedures and sub-plans as are necessary or appropriate to permit participation in the 2020 Plan by individuals who are non-United States nationals or are primarily employed or providing services outside the United States, and may modify the terms of any awards granted to such participants in a manner deemed by the Compensation Committee to be necessary or appropriate in order that such awards conform with the laws of the country or countries where such participants are located.

**No Repricing of Awards.** No awards may be repriced without stockholder approval. For purposes of the 2020 Plan, "repricing" means any of the following: (i) changing the terms of the award to lower its exercise price or base price (other than on account of capital adjustments as described below under "Changes in Capital Structure"), (ii) any other action that is treated as a repricing under "generally accepted accounting principles," and (iii) repurchasing for cash or canceling an award in exchange for another award at a time when its exercise price or base price is greater than the fair market value of the underlying common stock.

## **CHANGES IN CAPITAL STRUCTURE**

In the event of any change in the outstanding common stock or the capital structure of the Company, the declaration of any extraordinary dividend, or any change in applicable laws or circumstances which results or could result in the substantial dilution or enlargement of participants' rights under the 2020 Plan, the Compensation Committee shall adjust the aggregate number of shares of common stock which may be granted pursuant to awards, the number of shares of common stock covered by outstanding awards under the 2020 Plan, and the per-share price of outstanding awards under the 2020 Plan. The Compensation Committee may, in its discretion, provide that an adjustment take the form of a cash payment to the holder of an outstanding award with respect to all or part of an outstanding award, which payment will be subject to such terms and conditions (including timing of payment(s), vesting and forfeiture conditions) as the Compensation Committee may determine in its sole discretion.

## **CORPORATE EVENTS**

Under the 2020 Plan, unless otherwise provided in an award agreement, in the event of a "corporate event" (as defined in the 2020 Plan), the Compensation Committee may, in its discretion, provide for any one or more of

the following: (i) require that outstanding awards be assumed or substituted in connection with such event, (ii) accelerate the vesting of any outstanding awards upon the consummation of such event, (iii) cancel outstanding awards upon the consummation of such event and provide award holders with the per-share consideration being received by the Company's stockholders in connection with such event in exchange for their awards, (iv) cancel all outstanding stock options, stock appreciation rights and other awards subject to exercise, whether vested or unvested, not assumed or substituted in connection with such event as of the consummation of such event, and provide award holders at least 10 days to exercise each such stock option, stock appreciation right or other such exercisable award, as applicable, or (v) replace outstanding awards with a cash incentive program that preserves the value of the replaced awards and contains identical vesting conditions. Pursuant to the 2020 Plan, no award agreement will provide that the vesting of any award that is assumed or substituted in connection with a "change in control" will be accelerated solely by reason of the "change in control," but rather will accelerate only if the participant experiences an "involuntary termination" of employment within two years of the "change in control."

## **NON-TRANSFERABILITY OF AWARDS**

Except as otherwise provided by the Compensation Committee, the 2020 Plan provides that awards are generally nontransferable, including, without limitation, transfers to third party financial institutions, other than by will or the laws of descent and distribution, and that restricted stock is generally nontransferable.

## **TERMINATION AND AMENDMENT**

The Board of Directors or the Compensation Committee may amend or terminate the 2020 Plan at any time, except that no amendment may, without stockholder approval, violate the stockholder approval requirements of the national securities exchange on which the common stock is principally listed. Unless sooner terminated, the 2020 Plan will terminate on the date before the tenth anniversary of the date the 2020 Plan was originally approved by the Company's stockholders.

## **CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES**

The following is a brief discussion of the U.S. federal income tax consequences for awards granted under the 2020 Plan. The 2020 Plan is not subject to the requirements of the Employee Retirement Income Security Act of 1974, as amended, and it is not, nor is it intended to be, qualified under Section 401(a) of the Internal Revenue Code. This discussion is not intended to be exhaustive and, among other things, does not describe state local or foreign taxes consequences, which may be substantially different. Holders of awards under the 2020 Plan should consult with their own tax advisors.

***Non-Qualified Stock Options and Stock Appreciation Rights.*** Except as noted below for corporate "insiders," with respect to nonqualified stock options and stock appreciation rights, (i) no income is realized by a participant at the time the award is granted; (ii) generally, at exercise, ordinary income is realized by the participant in an amount equal to the difference between the exercise or base price paid for the shares and the fair market value of the shares on the date of exercise, and the participant's employer is generally entitled to a tax deduction in the same amount subject to applicable tax withholding requirements; and (iii) upon a subsequent sale of the stock received on exercise, appreciation (or depreciation) after the date of exercise is treated as either short-term or long-term capital gain (or loss) depending on how long the shares have been held, and no deduction will be allowed to such participant's employer.

***Incentive Stock Options.*** No income is realized by a participant upon the grant or exercise of an incentive stock option, however, such participant will generally be required to include the excess of the fair market value of the shares at exercise over the exercise price in his or her alternative minimum taxable income. If shares are issued to a participant pursuant to the exercise of an incentive stock option, and if no disqualifying disposition of

such shares is made by such participant within two years after the date of grant or within one year after the transfer of such shares to such participant, then (i) upon sale of such shares, any amount realized in excess of the exercise price will be taxed to such participant as a long-term capital gain, and any loss sustained will be a long-term capital loss, and (ii) no deduction will be allowed to the participant's employer for federal income tax purposes.

Except as noted below for corporate "insiders," if shares acquired upon the exercise of an incentive stock option are disposed of prior to the expiration of either holding period described above, generally (i) the participant will realize ordinary income in the year of disposition in an amount equal to the excess (if any) of the fair market value of such shares at exercise (or, if less, the amount realized on the disposition of such shares) over the exercise price paid for such shares and (ii) the participant's employer will generally be entitled to deduct such amount for federal income tax purposes. Any further gain (or loss) realized by the participant will be taxed as short-term or long-term capital gain (or loss), as the case may be, and will not result in any deduction by the employer.

Subject to certain exceptions for disability or death, if an incentive stock option is exercised more than three months following termination of employment, the exercise of the option will generally be taxed as the exercise of a nonqualified stock option.

**Other Stock- or Cash-Based Awards.** The tax effects related to other stock- or cash-based awards under the 2020 Plan are dependent upon the structure of the particular award.

**Withholding.** At the time a participant is required to recognize ordinary compensation income resulting from an award, as described above, such income will be subject to federal and applicable state and local income tax and applicable tax withholding requirements. The Company will deduct or withhold, or require the participant to remit to his or her employer, an amount sufficient to satisfy the minimum federal, state and local and foreign taxes required by law or regulation to be withheld with respect to any taxable event as a result of the 2020 Plan.

**Section 409A.** Certain awards under the 2020 Plan may be subject to Section 409A of the Internal Revenue Code, which regulates "nonqualified deferred compensation" (as defined in Section 409A). If an award under the 2020 Plan (or any other Company plan) that is subject to Section 409A is not administered in compliance with Section 409A, then all compensation under the 2020 Plan that is considered "nonqualified deferred compensation" (and awards under any other Company plan that are required pursuant to Section 409A to be aggregated with the award under the 2020 Plan) will be taxable to the participant as ordinary income in the year of the violation, or if later, the year in which the compensation subject to the award is no longer subject to a substantial risk of forfeiture. In addition, the participant will be subject to an additional tax equal to 20% of the compensation that is required to be included in income as a result of the violation, plus interest from the date that the compensation subject to the award was required to be included in taxable income.

**Certain Rules Applicable to "Insiders."** As a result of the rules under Section 16(b) of the Exchange Act, depending upon the particular exemption from the provisions of Section 16(b) utilized, "insiders" (as defined in Section 16(b)) may not receive the same tax treatment as set forth above with respect to the grant and/or exercise or settlement of awards. Generally, insiders will not be subject to taxation until the expiration of any period during which they are subject to the liability provisions of Section 16(b) with respect to any particular award. Insiders should check with their own tax advisers to ascertain the appropriate tax treatment for any particular award.

## **NEW PLAN BENEFITS**

Because awards to be granted in the future under the 2020 Plan are at the discretion of the Compensation Committee, it is not possible to determine the benefits or the amounts received or that will be received under the 2020 Plan by eligible participants.

## PROPOSAL 5

### THE STOCKHOLDER PROPOSAL

The Board recommends a vote **“AGAINST”** the stockholder proposal

#### STOCKHOLDER PROPOSAL – RIGHT TO ACT BY WRITTEN CONSENT

Mr. Kenneth Steiner, 14 Stoner Ave., 2M, Great Neck, NY 11021, the beneficial owner of not less than 500 shares of Class A Common stock, has advised the Company that he intends to propose a resolution at the Annual Meeting. The text of the stockholder proposal and supporting statement set forth below appear in the form as received by the Company except as indicated in brackets below. All statements contained in the stockholder proposal and supporting statement are the sole responsibility of the proponent.

Shareholders request that our board of directors take such steps as may be necessary to permit written consent by the shareholders entitled to cast the minimum number of votes that would be necessary to authorize an action at a meeting at which all shareholders entitled to vote thereon were present and voting. This includes shareholder ability to initiate any appropriate topic for written consent.

Taking action by written consent in place of a meeting is a means shareholders can use to raise important matters outside the normal annual meeting cycle like the election of a new director. Cowen management pay was rejected by 44% of votes in 2020 when a 10% rejection is the norm. Thus Cowen may need a new chair of the management pay committed to replace Mr. Brett Barth.

This proposal topic won 95%-support at Dover Corporation and 88%-support at AT&T.

The Bank of New York Mellon Corporation (BK) said it adopted written consent in 2019 after 45%-support for a written consent shareholder proposal. This is close to the 40% Cowen shareholder vote in 2018. And this BK action was a year before the pandemic put an end to in-person shareholder meetings – perhaps forever. An end to in-person shareholder meetings makes a right to act by a written consent more valuable.

A shareholder right to act by written consent still affords COWN management strong protection for a management holdout mentality for the status quo during the current rapidly changing business environment. Any action taken by written consent would still need 59% supermajority approval from the shares that normally cast ballots at the COWN annual meeting to equal the required majority vote from all COWN shares outstanding.

With the avalanche of bare bones online shareholder meetings in 2020 shareholder engagement and management transparency have taken a big hit. Shareholders are so restricted in online meetings that management will never want a return to the much more transparent in-person shareholder meeting format. This is all the more reason to support this corporate governance enhancement.

Shareholders are restricted in making their views known at online shareholder meetings because all constructive questions and comments can be screened out by management. For instance the Goodyear shareholder meeting was spoiled by a trigger-happy management mute button for shareholders. And AT&T would not even allow shareholders to speak.

The sole content of an online special shareholder meeting can be a few stilted formalities and the announcement of the vote with an almost total absence of communication, outreach or engagement with shareholders.

Now more than ever shareholders need to have the option to take action outside of a shareholder meeting and send a wake-up call to management, if need be, since tightly controlled online shareholder meetings are the Death Valley of shareholder engagement and management transparency.

Please vote yes:

**Shareholder Right to Act by Written Consent – Proposal [5]**

## **BOARD OF DIRECTORS' STATEMENT IN OPPOSITION**

The Board is committed to maintaining strong corporate governance practices that serve the best interests of all stockholders. Following careful review and consideration, the Board recommends a vote AGAINST this proposal for the following reasons:

- Without proper procedural protections, stockholder action by written consent (as described in the proposal) can deprive stockholders of information, procedural safeguards and the opportunity to even vote on the matter approved in the written consent and can also lead to abusive practices that may be detrimental to stockholders' interests; and
- The Company's existing corporate governance policies and practices provide stockholders with meaningful access to the Board and significant rights and protections that enhance Board accountability and enfranchise stockholders.
- In February 2020, the Company amended its Bylaws to add a proxy access provision for eligible stockholders. Under the Second Amended and Restated Bylaws, a stockholder, or a group of up to twenty stockholders, owning at least three percent of the outstanding shares of the Company's Class A common stock continuously for at least three years, may nominate and include in the Company's annual meeting proxy materials director nominees constituting up to the greater of (a) two directors or (b) twenty percent of the Board, subject to certain limitations and provided that the stockholder(s) and nominee(s) satisfy the requirements specified in the Second Amended and Restated Bylaws.

### **WRITTEN CONSENT LACKS PROCEDURAL PROTECTIONS THAT PREVENT ABUSE OF THE DEMOCRATIC PROCESS**

The Board has considered the proposal and believes that it is not in the best interests of our stockholders or the Company. The Company's stockholders currently have the right to raise matters at the annual meeting, where items can be fully considered by the stockholders, management and the Board. The Board believes that the annual meeting, at which all stockholders are provided with adequate notice and afforded the opportunity to consider the proposed actions, is the most appropriate forum for stockholders to raise their concerns. Neither Mr. Steiner nor Mr. Chevedden, who Mr. Steiner appointed as his designee to act on his behalf in matters relating to the proposed resolution, have ever personally attended the Company's annual meeting.

In contrast, stockholder action by written consent as described in the proposal could prevent stockholders from having an opportunity to voice their views and vote on an action or even receiving information regarding the matter approved by written consent until after the action has been taken. The proposal provides no procedural protections and suggests specific language for written consent rights that fails to provide safeguards for minority stockholders. Stockholder action by written consent could be exploited by a small group of stockholders (including short-term holders who accumulate their position through the borrowing of shares) to further their own narrow self-interests, which may be in conflict with the best interests of all stockholders.

Furthermore, stockholder action by written consent may result in substantial disruption and confusion for stockholders and the Company, as multiple groups of stockholders may pursue contradictory actions simultaneously.

### **THE ANNUAL STOCKHOLDER MEETING BETTER PROTECTS RIGHTS OF ALL STOCKHOLDERS**

The Board believes that a more open, transparent, and democratic way for stockholders to exercise their rights regarding important issues affecting the Company is through the annual stockholder meeting, so that all

stockholders have the ability to voice their concerns, the issues can be fully discussed and all stockholders can vote on the issues on an informed basis.

In addition, the annual meeting takes place in a transparent manner, at a date and time that are publicly announced well in advance, giving stockholders ample time to consider their views and the opportunity to discuss the merits of the proposed action in a public forum. At the Company's 2020 Annual Meeting, which was held virtually as a result of the Covid-19 pandemic, stockholders were provided with the same opportunity to address the meeting and ask questions as at an in-person meeting. The Company plans to resume holding in-person annual meetings as soon as it is considered safe to do so. Annual meetings are also governed by SEC rules that require full and fair disclosure to stockholders through a publicly filed proxy statement and other public releases of solicitation material.

Stockholders have the right to bring business before the stockholders at the annual meeting, as evidenced by this proposal included in this proxy statement.

### **STOCKHOLDERS HAVE RIGHTS AND PROTECTIONS THAT REDUCE THE NEED FOR WRITTEN CONSENT RIGHTS**

- The Company believes that its stockholders have significant access to the Board and rights and protections that reduce the need to be able to act by written consent. For example:
- Stockholders elect **ALL** directors annually by majority vote, and stockholders may remove directors with or without cause.
- The Company has adopted a similar majority voting standard for the election of directors in uncontested elections.
- As stated above, stockholders may submit proposals for presentation at an annual meeting (including nominations of director candidates) and have access to the Company's proxy statement for purposes of nominating directors.
- The Company does not have super-majority requirements for stockholder action.
- The Company does not maintain a stockholder rights plan or "poison pill."
- Stockholders may contact and communicate directly with our Board where appropriate, as described in Procedures for Contacting the Board in this proxy statement.
- The Board and Management regularly engage with stockholders on important issues such as executive compensation and other corporate governance topics.

The Company's stockholders are protected by a robust corporate governance model based on best practices. In that regard, the Board continually reassesses the Company's corporate governance practices to ensure that they remain consistent with highest standards and that we identify additional measures to further benefit our stockholders.

The Board believes that the adoption of this proposal is unwarranted because of the Company's commitment to corporate governance. The Company's corporate governance practices are fully described beginning on page 13 of this proxy statement, under the heading "Information Regarding the Board of Directors and Corporate Governance," above. The Company's current corporate governance structure is a sound one that is reviewed regularly to consider governance developments and best practices and that empowers our stockholders to express their concerns on important corporate matters.

In addition, over 59% of votes present or represented by proxy at our 2018 Annual Meeting voted against a similar proposal at that meeting. For the reasons stated above, the Board believes that the proposal is unnecessary and not in the best interests of Cowen or its stockholders.

**The Board recommends a vote AGAINST this proposal.**

### ***Vote Required***

The affirmative vote of a majority of the votes duly cast by the holders of Class A common stock is required to adopt this non-binding proposal.

## **STOCKHOLDER PROPOSALS FOR THE 2022 ANNUAL MEETING**

In order for a stockholder proposal to be considered for inclusion in our proxy statement for the 2022 annual meeting of stockholders pursuant to Rule 14a-8 of the SEC, the written proposal must be received at our principal executive offices on or before January 21, 2022. However, in the event that the next annual meeting of stockholders is called for a date that is not within 30 days before or after the first anniversary of the date of this year's annual meeting, the proposal must be received no later than a reasonable time before the Company begins to print and mail its proxy materials. The proposal should be addressed to Cowen Inc., Attention: Secretary, 599 Lexington Avenue, New York, New York, 10022. The proposal must comply with SEC regulations regarding the inclusion of stockholder proposals in company-sponsored proxy materials.

In accordance with our bylaws, a stockholder who wishes to present a proposal for consideration at the 2022 annual meeting, including stockholder nominations for candidates for election as directors that are not proxy access nominations, must deliver a notice of the matter the stockholder wishes to present to our principal executive offices in New York, New York, at the address identified in the preceding paragraph, not less than 90 nor more than 120 days prior to the first anniversary of the date of this year's annual meeting. Accordingly, any notice given by or on behalf of a stockholder pursuant to these provisions of our bylaws (and not pursuant to Rule 14a-8 of the SEC) must be received no earlier than February 24, 2022, and no later than March 26, 2022. However, in the event that the next annual meeting of stockholders is called for a date that is not within 30 days before or after the first anniversary of the date of this year's annual meeting, the notice must be received no later than the close of business on the tenth day following the day on which notice of the 2022 annual meeting was mailed or public disclosure of the date of the 2022 annual meeting was made, whichever occurs first.

To recommend a prospective nominee for the Nominating and Corporate Governance Committee's consideration, stockholders must comply with the procedures set forth in Article III, Section 3 of Cowen's bylaws. In order to nominate a candidate for service as a director, the nominating stockholder must be a stockholder at the time such nominating stockholder gives the Board notice of its nomination and such nominating stockholder must be entitled to vote for the election of directors at the meeting at which such nominating stockholder's nominee will be considered. Among other things, a stockholder's nomination notice must set forth (i) the name, age, business address and residence address of the nominee, (ii) the principal occupation or employment of the nominee, (iii) the class or series and number of shares of capital stock of Cowen owned beneficially or of record by the nominee or any affiliates or associates of such nominee, (iv) the name of each nominee holder of shares of all stock of Cowen owned beneficially but not of record by such nominee or any affiliates or associates of such nominee, and the number of shares of stock of Cowen held by each such nominee holder, (v) a description of any agreement, arrangement or understanding (including any derivative or short positions, profit interests, swaps, options, warrants, stock appreciation or similar rights, hedging transactions, and borrowed or loaned shares) that has been entered into as of the date of such nominating stockholder's notice by, or on behalf of, such nominee or any affiliates or associates of such nominee, the effect or intent of which is to mitigate loss, manage risk or benefit from share price change for, or maintain, increase or decrease the voting power or pecuniary or economic interest of, such nominee or such affiliates or associates of such nominee with respect to shares of stock of Cowen, (vi) any other information relating to the nominee that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitation of proxies for election of directors pursuant to

Section 14 of the Exchange Act, and the rules and regulations promulgated thereunder, as well as other information, in each case, as set forth in a completed and signed written questionnaire completed and signed by the nominee, which questionnaire shall be provided to the nominee by Cowen's Secretary upon written request to Cowen's Secretary, and (vii) any additional information as necessary to permit the Board to determine if such nominee is independent under applicable NASDAQ Stock Market rules, SEC rules and any publicly disclosed standards used by the Board in determining and disclosing the independence of Cowen's directors.

Cowen has adopted a proxy access right to permit a stockholder, or a group of up to twenty stockholders, owning at least three percent of Cowen's outstanding shares of Cowen's Class A common stock continuously for at least three years, to nominate and include in Cowen's annual meeting proxy materials director nominees constituting up to the greater of (i) two directors or (ii) twenty percent of the Board, subject to certain limitations and provided that the stockholder(s) and nominee(s) satisfy the requirements specified in Cowen's bylaws. Under Cowen's bylaws, compliant notice of proxy access director nominations for the 2022 annual meeting must be submitted to Cowen's principal executive offices in New York, New York, at the address provided in the first paragraph of this section, not less than 120 nor more than 150 days prior to the first anniversary of the date Cowen issued this year's proxy statement. Accordingly, any notice given by or on behalf of a stockholder pursuant to these provisions of our bylaws (and not pursuant to Rule 14a-8 of the SEC) must be received no earlier than December 22, 2021, and no later than January 21, 2022. However, in the event that the next annual meeting of stockholders is called for a date that is not within 30 days before or after the first anniversary of the date of this year's annual meeting, the notice must be received no later than the close of business on the tenth day following the day on which notice of the 2022 annual meeting was mailed or public disclosure of the date of the 2022 annual meeting was made, whichever occurs first.

Cowen's bylaws (and, with respect to Rule 14a-8 proposals, Rule 14a-8 of the SEC) set forth the calculation of applicable deadlines (and certain other requirements) by which compliant notice of stockholders proposals and director nominations (including proxy access nominations) must be submitted in order to be timely. The summaries set forth above are qualified by Cowen's bylaws and Rule 14a-8 of the SEC.

## **ANNUAL REPORT TO STOCKHOLDERS AND FORM 10-K**

Our 2020 Annual Report to Stockholders, including financial statements for the year ended December 31, 2020, accompanies this proxy statement. **Stockholders may obtain an additional electronic copy of our Annual Report and/or an electronic copy of our Form 10-K filed with the SEC for the year ended December 31, 2020, without charge by viewing these documents on our website at [www.cowen.com](http://www.cowen.com) or by writing to Cowen Inc., Attention: Investor Relations, 599 Lexington Avenue, New York, New York, 10022.**

## **HOUSEHOLDING**

The SEC has adopted rules that permit companies and intermediaries such as brokers to satisfy delivery requirements for proxy statements and annual reports with respect to two or more stockholders sharing the same address by delivering a single proxy statement or annual report, as applicable, addressed to those stockholders. This process, which is commonly referred to as "householding," aims to provide extra convenience for stockholders and cost savings for companies. Currently, only brokers household our proxy materials and annual reports, delivering a single proxy statement and annual report to multiple stockholders sharing an address, unless contrary instructions have been received from the affected stockholders.

If, at any time, you no longer wish to participate in householding and would prefer to receive a separate proxy statement or annual report, or if you are receiving multiple copies of either document and wish to receive only one, please contact your broker. Any householded stockholder may request a copy of the proxy statement and/or annual report by contacting us in writing or by telephone at Cowen Inc., Attention: General Counsel,

599 Lexington Avenue, New York, New York, 10022, (212) 201-4841. Promptly upon written or oral request, we will deliver a separate copy of our annual report and/or proxy statement to a stockholder at a shared address to which a single copy of either document was delivered.

## **OTHER MATTERS**

We do not know of any other matters that may be presented for consideration at the annual meeting. If any other business does properly come before the meeting, the persons named as proxies on the enclosed proxy card will vote as they deem in the best interests of Cowen Inc.

## **QUESTIONS AND ANSWERS ABOUT THE ANNUAL MEETING AND VOTING**

### *What is the purpose of the meeting?*

At our annual meeting, stockholders will act upon the matters outlined in the Notice of Annual Meeting of Stockholders. These include the election of directors, an advisory vote to approve the compensation of our named executive officers, the ratification of the selection of our independent registered public accounting firm for 2021, the approval of a 2,000,000 increase in the shares available for issuance under the 2020 Equity Incentive Plan and to vote on the Stockholder Proposal, if properly presented at the meeting. Also, management will report on matters of current interest to our stockholders and respond to questions from our stockholders.

### *Who is entitled to vote at the meeting?*

The Board has set May 14, 2021 as the record date for the annual meeting. If you were a stockholder of record at the close of business on May 14, 2021, you are entitled to vote at the meeting. As of the record date 26,867,378 shares of Class A common stock, representing all of our voting stock, were issued and outstanding and, therefore, eligible to vote at the meeting.

### *What are my voting rights?*

Holders of our Class A common stock are entitled to one vote per share. There are currently no shares of our non-voting Class B common stock outstanding. Therefore, a total of 26,867,378 votes are entitled to be cast at the meeting. There is no cumulative voting.

### *How many shares must be present to hold the meeting?*

In accordance with our bylaws, shares equal to a majority of our capital stock issued and outstanding and entitled to vote as of the record date must be present at the annual meeting in order to hold the meeting and conduct business. This is called a quorum. Shares are counted as present at the meeting if:

- you are present online and vote at the meeting; or
- you have properly and timely submitted your proxy as described below under "How do I submit my proxy?"

### *What is a proxy?*

A proxy is your designation of another person to vote stock you own. That other person is called a proxy. If you designate someone as your proxy in a written document, that document is also called a proxy or a proxy card. When you designate a proxy, you also may direct the proxy how to vote your shares. We refer to this as your "proxy vote." Two of our officers, Jeffrey M. Solomon, our Chief Executive Officer, and Owen S. Littman, our General Counsel and Secretary, have been designated as proxies for our 2021 annual meeting of stockholders.

### *What is a proxy statement?*

A proxy statement is a document that we are required to give you, in accordance with regulations promulgated by the Securities and Exchange Commission, or the SEC, when we ask you to designate proxies to vote your shares of Cowen Inc. Class A common stock at a meeting of our stockholders. The proxy statement includes information regarding the matters to be acted upon at the meeting and certain other information required by regulations promulgated by the SEC and rules of the NASDAQ Stock Market.

### *What is the difference between a stockholder of record and a “street name” holder?*

If your shares are registered directly in your name, you are considered the stockholder of record with respect to those shares. If your shares are held in a stock brokerage account or by a bank, trust or other custodian, then the broker, bank, trust or other custodian is considered to be the stockholder of record with respect to those shares, while you are considered to be the beneficial owner of those shares. In the latter case, your shares are said to be held in “street name.” Street name holders generally cannot vote their shares directly and must instead instruct the broker, bank, trust or other custodian how to vote their shares using the method described below under “How do I submit my proxy?”

### *How do I submit my proxy?*

If you are a stockholder of record, you can submit a proxy to be voted at the meeting in any of the following ways:

- electronically, using the Internet
- over the telephone by calling a toll-free number; or
- by completing, signing and mailing the enclosed proxy card.

If you hold your shares in street name, you can vote your shares in the manner prescribed by your broker, bank, trust or other custodian. Your broker, bank, trust company or other custodian has enclosed or otherwise provided a voting instruction card for you to use in directing the broker, bank, trust company or other custodian how to vote your shares.

### *What does it mean if I receive more than one set of proxy materials?*

If you receive more than one set of proxy materials or multiple control numbers for use in submitting your proxy, it means that you hold shares registered in more than one account. To ensure that all of your shares are voted, sign and return each proxy card or voting instruction card you receive or, if you submit your proxy by Internet or telephone, vote once for each card or control number you receive.

### *How does the Board recommend that I vote?*

The Board recommends a vote:

- **FOR** all of the nominees for director;
- **FOR** the approval on an advisory basis of the compensation of our named executive officers as disclosed in this proxy statement;
- **FOR** the ratification of the selection of KPMG LLP as the independent registered public accounting firm of Cowen Inc. for the year ending December 31, 2021;
- **FOR** the approval of the increase in the shares available for issuance under the 2020 Equity Incentive Plan; and

- **AGAINST** the Stockholder Proposal.

### *What if I do not specify how I want my shares voted?*

If you are a stockholder of record and you submit a signed proxy card or submit your proxy by Internet or telephone but do not specify how you want to vote your shares on a particular manner, we will vote your shares:

- **FOR** all of the nominees for director;
- **FOR** the approval on an advisory basis of the compensation of our named executive officers as disclosed in this proxy statement;
- **FOR** the ratification of the selection of KPMG LLP as the independent registered public accounting firm of Cowen for the year ending December 31, 2021;
- **FOR** the approval of increase in the shares available for issuance under the 2020 Equity Incentive Plan; and
- **AGAINST** the Stockholder Proposal.

**Your vote is important. We urge you to vote, or to instruct your broker, bank, trust or other custodian how to vote, on all matters before the annual meeting.** If you are a street name holder and fail to instruct the stockholder of record how you want to vote your shares on a particular matter, those shares are considered to be “uninstructed.” New York Stock Exchange rules determine the circumstances under which member brokers of the New York Stock Exchange may exercise discretion to vote “uninstructed” shares held by them on behalf of their clients who are street name holders. These rules generally permit member brokers to exercise voting discretion with respect to uninstructed shares only on certain routine matters, including the ratification of the selection of a company’s independent registered public accounting firm, however, changes in regulation were made to take away the ability of your bank, broker or other record holder to vote your uninstructed shares in the election of directors on a discretionary basis. The rules do not permit member brokers to exercise voting discretion with respect to the election of directors, the advisory vote to approve the compensation of our named executive officers, the approval of the increase in the shares available for issuance under the 2020 Equity Incentive Plan or the Stockholder Proposal. Therefore, member brokers may not vote uninstructed shares on the election of directors, the advisory vote to approve the compensation of our named executive officers or the approval of the increase in the shares available for issuance under the 2020 Equity Incentive Plan or the Stockholder Proposal. An uninstructed share that is not voted by a broker, bank or other custodian is sometimes referred to as a “broker non-vote.” A broker non-vote will not have any effect on the approval or rejection of the proposal. For more information regarding the effect of broker non-votes on the outcome of the vote, see below under “How are votes counted?”

### *Can I change or revoke my vote after submitting my proxy?*

Yes. If you are a record holder, you may revoke your proxy and change your vote at any time before your proxy is voted at the annual meeting, in any of the following ways:

- by submitting a later-dated proxy by Internet or telephone before the deadline stated on the enclosed proxy card;
- by submitting a later-dated proxy to the Secretary of the Company, which must be received by us before the time of the annual meeting;
- by sending a written notice of revocation to the Secretary of the Company, which must be received by us before the time of the annual meeting; or
- by voting at the meeting.

If you are a street name holder, please refer to the voting instructions provided to you by your broker, bank, trust or other custodian.

<b>WHAT VOTE IS REQUIRED AND HOW WILL MY VOTES BE COUNTED?</b>			
	<b>Board's Recommendation</b>	<b>Vote Required to Adopt Proposal</b>	<b>Effect if I do not specify how I want my shares voted*</b>
<b>PROPOSAL 1:</b> <b>Election of Directors</b>	<b>FOR</b>	The eight nominees for director will be elected by an affirmative vote of a majority of the votes cast by holders of our Class A common stock present online or by proxy and entitled to vote on the proposal at the Annual Meeting.	<b>FOR</b>
<b>PROPOSAL 2:</b> <b>Advisory Vote on Named Executive Officer Compensation</b>	<b>FOR</b>	If the advisory vote on the compensation of our named executive officers included in this proxy statement receives more votes "for" than "against," then it will be deemed to be approved.	<b>FOR</b>
<b>PROPOSAL 3:</b> <b>Ratification of the Selection of Our Independent Public Accountant</b>	<b>FOR</b>	To be approved by our stockholders, this proposal requires the affirmative vote of a majority of the votes cast by holders of our Class A common stock present online or by proxy and entitled to vote on the proposal at the Annual Meeting.	<b>FOR</b>
<b>PROPOSAL 4:</b> <b>Approval of the Increase in the Shares Available for Issuance Under the 2020 Equity Incentive Plan</b>	<b>FOR</b>	To be approved by our stockholders, this proposal requires the affirmative vote of a majority of the votes cast by holders of our Class A common stock present online or by proxy and entitled to vote on the proposal at the Annual Meeting.	<b>FOR</b>
<b>PROPOSAL 5:</b> <b>The Stockholder Proposal</b>	<b>AGAINST</b>	To be approved by our stockholders, this non-binding proposal requires the affirmative vote of a majority of the votes cast by holders of our Class A common stock present online or by proxy and entitled to vote on the proposal at the Annual Meeting.	<b>AGAINST</b>

\* If you are a stockholder of record and you submit a signed proxy card or submit your proxy by Internet or telephone but do not specify how you want to vote your shares on a particular manner, we will vote your shares

The advisory vote on the compensation of our named executive officers is not binding on the Company, the Board, or the Compensation Committee, but we intend to consider the results of the vote when establishing the compensation of our named executive officers in future years.

The Stockholder Proposal is not binding on the Company. The Board will consider the results of the Stockholder Proposal when evaluating the Company's corporate governance policies and procedures.

### ***How are votes counted?***

You may either vote “FOR” or “WITHHOLD” authority to vote for each director nominee. You may vote “FOR,” “AGAINST” or “ABSTAIN” on the advisory vote on the compensation of our named executive officers, the ratification of the selection of KPMG LLP as our independent auditor for the year ending December 31, 2021, the approval of the increase in the shares available under the 2020 Equity Incentive Plan and the Stockholder Proposal. If you properly submit your proxy but withhold authority to vote for one or more director nominees or abstain from voting on the other proposals, your shares will be counted for purposes of determining both (i) the presence or absence of a quorum for the transaction of business and (ii) the total number of shares present online or by proxy at the Annual Meeting with respect to a proposal, and, therefore, will have the effect of votes against the proposal. If you do not submit your proxy or voting instructions and also do not vote by online ballot at the Annual Meeting, your shares will not be counted as present at the meeting for the purpose of determining either (i) the presence or absence of a quorum for the transaction of business and (ii) the total number of shares present online or by proxy at the Annual Meeting with respect to a proposal unless you hold your shares in street name and the broker, bank, trust or other custodian has discretion to vote your shares and does so. For the avoidance of doubt, broker non-votes will be counted for purposes of determining the presence or absence of a quorum for the transaction of business at the Annual Meeting but will have no effect on the outcome of the vote for any proposal. For more information regarding discretionary voting, see the information above under “What if I do not specify how I want my shares voted?”

### ***What constitutes a quorum for the meeting?***

Under Delaware law and the Company’s by-laws, the presence of a quorum is required to transact business at the Annual Meeting. A quorum is defined as any number of stockholders, together holding at least a majority of the capital stock of the Company issued and outstanding and entitled to vote, who shall be present online or represented by proxy at the Annual Meeting.

### ***Will my vote be kept confidential?***

Yes. We have procedures to ensure that, regardless of whether you vote by Internet, telephone, mail or online at the virtual meeting:

- all proxies, ballots and voting tabulations that identify stockholders are kept permanently confidential, except as disclosure may be required by federal or state law or expressly permitted by a stockholder; and
- voting tabulations are performed by an independent third party.

### ***Why did the Board decide to adopt a virtual format for the Annual Meeting?***

The Company and the Board of Directors have been actively monitoring the public health and travel safety concerns relating to the COVID-19 pandemic and the advisories or mandates that federal, state, and local governments, and related agencies, have issued. In light of the foregoing, the Board of Directors has determined it would not be advisable to hold our annual meeting in person as we have historically done. The Board of Directors believes the virtual format is the right choice for Cowen at this time as it provides a productive opportunity for stockholders to communicate with the Company’s management team regardless of size, resources, or physical location while safeguarding the health of our stockholders, Board of Directors and management.

### ***Instructions for Participation in the Annual Meeting***

The Annual Meeting will be a completely virtual meeting of stockholders and will be conducted exclusively by webcast. No physical meeting will be held. You will be able to attend the Annual Meeting online, and, subject to the eligibility requirements below, you will be able to participate by voting and submitting questions, by visiting [www.meetingcenter.io/206079842](http://www.meetingcenter.io/206079842). The password for the meeting is COWN2021.

To participate in the Annual Meeting, you must have been a stockholder of the Company as of the close of business on the record date, or you must hold a valid proxy for the Annual Meeting. If you are a stockholder of record, you will need to review the information included on your proxy card, including the 15-digit control number provided in the shaded bar.

If you hold your shares through an intermediary, such as a bank or broker, you must register to attend the Annual Meeting in advance.

To register, you must submit proof of your proxy power (legal proxy) reflecting your Cowen holdings along with your name and email address to Computershare. Requests for registration must be labeled as "Legal Proxy" and be received no later than 5:00 p.m., Eastern Daylight Time, on June 21, 2021. You will receive a confirmation of your registration by email after Computershare receives your registration materials.

Requests for registration should be sent to Computershare using one of the following methods:

By email: Forward the email from your broker, or attach an image of your legal proxy, to [legalproxy@computershare.com](mailto:legalproxy@computershare.com)

By mail:

Computershare  
Cowen Inc. Legal Proxy  
P.O. Box 43001  
Providence, RI 02940-3001

The virtual meeting will begin promptly at 10:00 a.m., Eastern Daylight Time, on June 24, 2021. We encourage you to access the meeting prior to the start time to leave ample time for check-in and to ensure that you can hear streaming audio. The virtual meeting will be accessible on desktop and laptop computers, as well as tablets and smartphones.

### ***What happens of the Annual Meeting is postponed or adjourned?***

Your proxy remains valid and may be voted at the postponed or adjourned meeting. You will be able to change or revoke your proxy until it is voted.

### ***Who pays for the cost of proxy preparation and solicitation?***

Cowen pays for the cost of proxy preparation and solicitation, including the reasonable charges and expenses of brokers, banks, trusts or other custodians for forwarding proxy materials to street name holders. We have retained Alliance Advisors to assist in the solicitation of proxies for the annual meeting for a fee of approximately \$10,000, plus reimbursement of out-of-pocket expenses. We are soliciting proxies primarily by mail. In addition, our directors, officers and regular employees may solicit proxies by telephone or facsimile or personally. Our directors, officers and regular employees will receive no additional compensation for their services other than their regular compensation.

COWEN INC.  
2020 EQUITY INCENTIVE PLAN  
(AS AMENDED AND RESTATED EFFECTIVE MAY 19, 2021)

1. **Purpose.**

The purpose of the Plan is to assist the Company in attracting, retaining, motivating, and rewarding certain employees, officers, directors, and consultants of the Company and its Affiliates and promoting the creation of long-term value for stockholders of the Company by closely aligning the interests of such individuals with those of such stockholders. The Plan authorizes the award of Stock-based and cash-based incentives to Eligible Persons to encourage such Eligible Persons to expend maximum effort in the creation of stockholder value. The Plan was originally adopted effective June 22, 2020, and amended and restated in its present form effective May 19, 2021.

2. **Definitions.**

For purposes of the Plan, the following terms shall be defined as set forth below:

(a) “Affiliate” means, with respect to a Person, any other Person that, directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, such Person.

(b) “Award” means any Option, award of Restricted Stock, Restricted Stock Unit, Stock Appreciation Right, or other Stock-based award granted under the Plan.

(c) “Award Agreement” means an Option Agreement, a Restricted Stock Agreement, an RSU Agreement, a SAR Agreement, or an agreement governing the grant of any Other Cash-Based Award or Other Stock-Based Award granted under the Plan.

(d) “Board” means the Board of Directors of the Company.

(e) “Cause” means, with respect to a Participant and in the absence of an Award Agreement or Participant Agreement otherwise defining Cause, (i) the Participant’s breach of any material provision of the Plan, any Award Agreement, any Participant Agreement, or any deferred compensation award agreement; (ii) the Participant’s indictment for, conviction of, plea of guilty or *nolo contendere* to, or commission of any felony, or conviction of or plea of guilty or *nolo contendere* to any other crime (whether or not related to the Participant’s duties for the Service Recipient or any Affiliate) with the exception of minor traffic offenses; (iii) the Participant’s commission of any act of fraud, dishonesty, gross negligence, or substantial misconduct in his or her performance of his or her duties or responsibilities; (iv) the Participant’s violation of or failure to comply with the internal policies of the Service Recipient or any Affiliate, including its policies against discrimination, harassment or retaliation, or the rules and regulations of any regulatory or self-regulatory organization with jurisdiction over the Service Recipient or any Affiliate; (v) the Participant’s failure to perform a material duty of the Participant’s position including, by way of example and not of limitation, the Participant’s insubordination, or failure or refusal to follow any instruction reasonably given by the Participant’s superiors in the course of employment; or (vi) the Participant’s commission of any act which results in negative publicity to the Company, regardless of whether such act occurred within the performance of his or her duties or responsibilities. If, subsequent to the Termination of a Participant for any reason other than by the Service Recipient for Cause, it is discovered that the Participant’s employment or service could have been terminated for Cause, such Participant’s employment or service shall, at the discretion of the Committee, be deemed to have been terminated by the Service Recipient for Cause for all purposes under the Plan, and the Participant shall be required to repay or return to the Company all amounts and benefits received by him or her in respect of any Award following such Termination that would have been forfeited under the Plan had such Termination been by the Service Recipient for Cause. In the event that there is an Award Agreement or Participant Agreement defining Cause, “Cause” shall have the meaning provided in such agreement, and a Termination by the Service Recipient for Cause hereunder shall not be deemed to have occurred unless all applicable notice and cure periods in such Award Agreement or Participant Agreement are complied with.

(f) A “Change in Control” shall be deemed to have occurred if the event set forth in any one of the following paragraphs shall have occurred in one or a series of related transactions:

(1) any Person is or becomes the Beneficial Owner (within the meaning of Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company (not including in the securities beneficially owned by

such Person any securities acquired directly from the Company or its Affiliates) representing more than forty percent (40%) of the combined voting power of the Company's then outstanding voting securities;

(2) the following individuals cease for any reason to constitute a majority of the number of directors then serving: individuals who as of May 15, 2020 (the "Approval Date") constituted the Board and any new director (other than a director whose initial assumption of office is in connection with an actual or threatened election contest, including, but not limited to, a consent solicitation, relating to the election of directors of the Company, but excluding any director whose assumption of office has been approved by the Continuing Directors (as defined below) in the manner referenced below) whose appointment or election by the Board or nomination for election by the Company's stockholders was approved or recommended by a vote of at least two-thirds (2/3) of the directors then still in office who either were directors on the Approval Date or whose appointment, election or nomination for election was previously so approved or recommended by such directors (such directors, the "Continuing Directors");

(3) there is consummated a reorganization, merger or consolidation of the Company or any direct or indirect subsidiary of the Company with any other corporation or other entity, other than (A) a reorganization, merger or consolidation which results in the voting securities of the Company outstanding immediately prior to such reorganization, merger or consolidation continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or any parent thereof) more than fifty percent (50%) of the combined voting power of the voting securities of the Company or such surviving entity or any parent thereof outstanding immediately after such reorganization, merger or consolidation in substantially the same proportions as immediately prior to such reorganization, merger or consolidation, or (B) a reorganization, merger or consolidation effected to implement a recapitalization of the Company (or similar transaction) in which no Person is or becomes the Beneficial Owner, directly or indirectly, of securities of the Company (not including in the securities Beneficially Owned by such Person any securities acquired directly from the Company or its Affiliates) representing more than forty percent (40%) of the combined voting power of the Company's then outstanding securities; or

(4) the stockholders of the Company approve a plan of liquidation or dissolution of the Company or there is consummated an agreement for the sale or other disposition, directly or indirectly, by the Company of all or substantially all of the Company's assets, other than such sale or other disposition by the Company of all or substantially all of the Company's assets to an entity, more than fifty percent (50%) of the combined voting power of the voting securities of which is owned by stockholders of the Company in substantially the same proportions as their ownership of the Company immediately prior to such sale.

Notwithstanding the foregoing, with respect to the payment of any amount that constitutes a deferral of compensation subject to Section 409A of the Code payable upon a Change in Control, a Change in Control shall not be deemed to have occurred, unless the Change in Control constitutes a change in the ownership or effective control of the Company or in the ownership of a substantial portion of the assets of the Company under Section 409A(a)(2)(A)(v) of the Code.

(g) "Code" means the U.S. Internal Revenue Code of 1986, as amended from time to time, including the rules and regulations thereunder and any successor provisions, rules and regulations thereto.

(h) "Committee" means the Board, the Compensation Committee of the Board or such other committee consisting of two or more individuals appointed by the Board to administer the Plan and each other individual or committee of individuals designated to exercise authority under the Plan.

(i) "Company" means Cowen Inc., a Delaware corporation.

(j) "Corporate Event" has the meaning set forth in Section 10(b) hereof.

(k) "Data" has the meaning set forth in Section 20(f) hereof.

(l) "Disability" means, with respect to a Participant and in the absence of an Award Agreement or Participant Agreement otherwise defining Disability, the permanent and total disability of the Participant such that he or she is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous

period of not less than twelve (12) months. In the event that there is an Award Agreement or Participant Agreement defining Disability, “Disability” shall have the meaning provided in such Award Agreement or Participant Agreement.

(m) “Disqualifying Disposition” means any disposition (including any sale) of Stock acquired upon the exercise of an Incentive Stock Option made within the period that ends either (1) two years after the date on which the Participant was granted the Incentive Stock Option or (2) one year after the date upon which the Participant acquired the Stock.

(n) “Effective Date” means May 21, 2020, which is the date on which the Plan was originally approved by the Board.

(o) “Eligible Person” means (1) each employee and officer of the Company or any of its Affiliates, (2) each non-employee director of the Company or any of its Affiliates; (3) each other natural Person who provides services to the Company or any of its Affiliates as a consultant or advisor (or a wholly owned alter ego entity of the natural Person providing such services of which such Person is an employee, stockholder or partner) and who is designated as eligible by the Committee, and (4) each natural Person who has been offered employment by the Company or any of its Affiliates; *provided* that such prospective employee may not receive any payment or exercise any right relating to an Award until such Person has commenced employment or service with the Company or its Affiliates; *provided further, however*, that, (i) with respect to any Award that is intended to qualify as a “stock right” that does not provide for a “deferral of compensation” within the meaning of Section 409A of the Code, the term “Affiliate” as used in this Section 2(o) shall include only those corporations or other entities in the unbroken chain of corporations or other entities beginning with the Company where each of the corporations or other entities in the unbroken chain other than the last corporation or other entity owns stock possessing at least fifty percent (50%) or more of the total combined voting power of all classes of stock in one of the other corporations or other entities in the chain, and (ii) with respect to any Award that is intended to be an Incentive Stock Option, the term “Affiliate” as used in this Section 2(o) shall include only those entities that qualify as a “subsidiary corporation” with respect to the Company within the meaning of Section 424(f) of the Code. An employee on an approved leave of absence may be considered as still in the employ of the Company or any of its Affiliates for purposes of eligibility for participation in the Plan.

(p) “Exchange Act” means the U.S. Securities Exchange Act of 1934, as amended from time to time, including the rules and regulations thereunder and any successor provisions, rules and regulations thereto.

(q) “Expiration Date” means, with respect to an Option or Stock Appreciation Right, the date on which the term of such Option or Stock Appreciation Right expires, as determined under Section 5(b) or 8(b) hereof, as applicable.

(r) “Fair Market Value” means, as of any date when the Stock is listed on one or more national securities exchanges, the closing price reported on the principal national securities exchange on which such Stock is listed and traded on the date of determination or, if the closing price is not reported on such date of determination, the closing price reported on the most recent date prior to the date of determination. If the Stock is not listed on a national securities exchange, “Fair Market Value” shall mean the amount determined by the Board in good faith, and in a manner consistent with Section 409A of the Code, to be the fair market value per share of Stock.

(s) “GAAP” means the U.S. Generally Accepted Accounting Principles, as in effect from time to time.

(t) “Incentive Stock Option” means an Option intended to qualify as an “incentive stock option” within the meaning of Section 422 of the Code.

(u) “Nonqualified Stock Option” means an Option not intended to be an Incentive Stock Option.

(v) “Option” means a conditional right, granted to a Participant under Section 5 hereof, to purchase Stock at a specified price during a specified time period.

(w) “Option Agreement” means a written agreement between the Company and a Participant evidencing the terms and conditions of an individual Award of Options.

(x) “Other Cash-Based Award” means an Award granted to a Participant under Section 9 hereof, denominated and payable in cash, including cash awarded as a bonus or upon the attainment of performance goals or criteria, a period of continued employment or other terms and conditions as permitted under the Plan.

(y) “Other Stock-Based Award” means an Award granted to a Participant pursuant to Section 9 hereof, that may be denominated or payable in, valued in whole or in part by reference to, or otherwise based on, or related to, Stock including but not limited to performance units or dividend equivalents, each of which may be subject to the attainment of performance goals or criteria, a period of continued employment or other terms and conditions as permitted under the Plan.

(z) “Participant” means an Eligible Person who has been granted an Award under the Plan or, if applicable, such other Person who holds an Award.

(aa) “Participant Agreement” means an employment or other services agreement between a Participant and the Service Recipient that describes the terms and conditions of such Participant’s employment or service with the Service Recipient and is effective as of the date of determination.

(bb) “Person” means any individual, corporation, partnership, firm, joint venture, association, joint-stock company, trust, unincorporated organization, or other entity.

(cc) “Plan” means this Cowen Inc. 2020 Equity Incentive Plan, as amended from time to time.

(dd) “Qualified Member” means a member of the Committee who is a “Non-Employee Director” within the meaning of Rule 16b-3 under the Exchange Act and an “independent director” as defined under, as applicable, the NASDAQ Listing Rules, the NYSE Listed Company Manual or other applicable stock exchange rules.

(ee) “Qualifying Committee” has the meaning set forth in Section 3(b) hereof.

(ff) “Restricted Stock” means Stock granted to a Participant under Section 6 hereof that is subject to certain restrictions and to a risk of forfeiture.

(gg) “Restricted Stock Agreement” means a written agreement between the Company and a Participant evidencing the terms and conditions of an individual Award of Restricted Stock.

(hh) “Restricted Stock Unit” means a notional unit representing the right to receive one share of Stock (or the cash value of one share of Stock, if so determined by the Committee) on a specified settlement date.

(ii) “RSU Agreement” means a written agreement between the Company and a Participant evidencing the terms and conditions of an individual Award of Restricted Stock Units.

(jj) “SAR Agreement” means a written agreement between the Company and a Participant evidencing the terms and conditions of an individual Award of Stock Appreciation Rights.

(kk) “Securities Act” means the U.S. Securities Act of 1933, as amended from time to time, including the rules and regulations thereunder and any successor provisions, rules and regulations thereto.

(ll) “Service Recipient” means, with respect to a Participant holding an Award, either the Company or an Affiliate of the Company by which the original recipient of such Award is, or following a Termination was most recently, principally employed or to which such original recipient provides, or following a Termination was most recently providing, services, as applicable.

(mm) “Stock” means the Class A common stock, par value \$0.01 per share, of the Company, and such other securities as may be substituted for such stock pursuant to Section 10 hereof.

(nn) “Stock Appreciation Right” means a conditional right to receive an amount equal to the value of the appreciation in the Stock over a specified period. Except in the event of extraordinary circumstances, as determined in the sole discretion of the Committee, or pursuant to Section 10(b) hereof, Stock Appreciation Rights shall be settled in Stock.

(oo) “Substitute Award” has the meaning set forth in Section 4(a) hereof.

(pp) “Termination” means the termination of a Participant’s employment or service, as applicable, with the Service Recipient; *provided, however*, that, if so determined by the Committee at the time of any change in status in relation to the Service Recipient (*e.g.*, a Participant ceases to be an employee and begins providing services as a consultant, or vice versa), such change in status will not be deemed a Termination hereunder. Unless otherwise determined by the Committee, in the event that the Service Recipient ceases to be an Affiliate of the Company (by

reason of sale, divestiture, spin-off, or other similar transaction), unless a Participant's employment or service is transferred to another entity that would constitute the Service Recipient immediately following such transaction, such Participant shall be deemed to have suffered a Termination hereunder as of the date of the consummation of such transaction. Notwithstanding anything herein to the contrary, a Participant's change in status in relation to the Service Recipient (for example, a change from employee to consultant) shall not be deemed a Termination hereunder with respect to any Awards constituting "nonqualified deferred compensation" subject to Section 409A of the Code that are payable upon a Termination unless such change in status constitutes a "separation from service" within the meaning of Section 409A of the Code. Any payments in respect of an Award constituting nonqualified deferred compensation subject to Section 409A of the Code that are payable upon a Termination shall be delayed for such period as may be necessary to meet the requirements of Section 409A(a)(2)(B)(i) of the Code. Within ten (10) business days following the expiration of such period, the Participant shall be paid, in a single lump sum without interest, an amount equal to the aggregate amount of all payments delayed pursuant to the preceding sentence, and any remaining payments not so delayed shall continue to be paid pursuant to the payment schedule applicable to such Award.

### 3. Administration.

(a) Authority of the Committee. Except as otherwise provided below, the Plan shall be administered by the Committee. The Committee shall have full and final authority, in each case subject to and consistent with the provisions of the Plan, to (1) select Eligible Persons to become Participants, (2) grant Awards, (3) determine the type, number and type of shares of Stock subject to, other terms and conditions of, and all other matters relating to, Awards, (4) prescribe Award Agreements (which need not be identical for each Participant) and rules and regulations for the administration of the Plan, (5) construe and interpret the Plan and Award Agreements and correct defects, supply omissions, and reconcile inconsistencies therein, (6) suspend the right to exercise Awards during any period that the Committee deems appropriate to comply with applicable securities laws, and thereafter extend the exercise period of an Award by an equivalent period of time or such shorter period required by, or necessary to comply with, applicable law, and (7) make all other decisions and determinations as the Committee may deem necessary or advisable for the administration of the Plan. Any action of the Committee shall be final, conclusive, and binding on all Persons, including, without limitation, the Company, its stockholders and Affiliates, Eligible Persons, Participants, and beneficiaries of Participants. Notwithstanding anything in the Plan to the contrary, the Committee shall have the ability to accelerate the vesting of any outstanding Award at any time and for any reason, including upon a Corporate Event, subject to Section 10(d), or in the event of a Participant's Termination by the Service Recipient other than for Cause, or due to the Participant's death, Disability or retirement (as such term may be defined in an applicable Award Agreement or Participant Agreement, or, if no such definition exists, in accordance with the Company's then-current employment policies and guidelines). For the avoidance of doubt, the Board shall have the authority to take all actions under the Plan that the Committee is permitted to take.

(b) Manner of Exercise of Committee Authority. At any time that a member of the Committee is not a Qualified Member, any action of the Committee relating to an Award granted or to be granted to a Participant who is then subject to Section 16 of the Exchange Act in respect of the Company, must be taken by the remaining members of the Committee or a subcommittee, designated by the Committee or the Board, composed solely of two or more Qualified Members (a "Qualifying Committee"). Any action authorized by such a Qualifying Committee shall be deemed the action of the Committee for purposes of the Plan. The express grant of any specific power to a Qualifying Committee, and the taking of any action by such a Qualifying Committee, shall not be construed as limiting any power or authority of the Committee.

(c) Delegation. To the extent permitted by applicable law, the Committee may delegate to officers or employees of the Company or any of its Affiliates, or committees thereof, the authority, subject to such terms as the Committee shall determine, to perform such functions under the Plan, including, but not limited to, administrative functions, as the Committee may determine appropriate. The Committee may appoint agents to assist it in administering the Plan. Any actions taken by an officer or employee delegated authority pursuant to this Section 3(c) within the scope of such delegation shall, for all purposes under the Plan, be deemed to be an action taken by the Committee. Notwithstanding the foregoing or any other provision of the Plan to the contrary, any Award granted under the Plan to any Eligible Person who is not an employee of the Company or any of its Affiliates (including any non-employee director of the Company or any Affiliate) or to any Eligible Person who is subject to Section 16 of the Exchange Act must be expressly approved by the Committee or Qualifying Committee in accordance with Section 3(b) above.

(d) Sections 409A and 457A. The Committee shall take into account compliance with Sections 409A and 457A of the Code in connection with any grant of an Award under the Plan, to the extent applicable. While the Awards granted hereunder are intended to be structured in a manner to avoid the imposition of any penalty taxes under Sections 409A and 457A of the Code, in no event whatsoever shall the Company or any of its Affiliates be liable for any additional tax, interest, or penalties that may be imposed on a Participant as a result of Section 409A or Section 457A of the Code or any damages for failing to comply with Section 409A or Section 457A of the Code or any similar state or local laws (other than for withholding obligations or other obligations applicable to employers, if any, under Section 409A or Section 457A of the Code).

#### 4. Shares Available Under the Plan; Other Limitations.

(a) Number of Shares Available for Delivery. Subject to adjustment as provided in Section 10 hereof, the total number of shares of Stock originally reserved and available for delivery in connection with Awards under the Plan was equal 3,000,000. Subject to approval by the Company's stockholders at the Company's annual meeting to be held on June 24, 2021, pursuant to an amendment and restatement of the Plan, effective May 19, 2021, an additional 2,000,000 shares of Stock were authorized for issuance under the Plan. Shares of Stock delivered under the Plan shall consist of authorized and unissued shares or previously issued shares of Stock reacquired by the Company on the open market or by private purchase. Notwithstanding the foregoing, (i) except as may be required by reason of Section 422 of the Code, the number of shares of Stock available for issuance hereunder shall not be reduced by shares issued pursuant to Awards issued or assumed in connection with a merger or acquisition as contemplated by, as applicable, NYSE Listed Company Manual Section 303A.08, NASDAQ Listing Rule 5635(c) and IM-5635-1, AMEX Company Guide Section 711, or other applicable stock exchange rules, and their respective successor rules and listing exchange promulgations (each such Award, a "Substitute Award"); and (ii) shares of Stock shall not be deemed to have been issued pursuant to the Plan with respect to any portion of an Award that is settled in cash.

(b) Share Counting Rules. The Committee may adopt reasonable counting procedures to ensure appropriate counting, avoid double-counting (as, for example, in the case of tandem awards or Substitute Awards) and make adjustments if the number of shares of Stock actually delivered differs from the number of shares previously counted in connection with an Award. To the extent that an Award is settleable solely in cash, no shares of Stock shall be deemed to have been issued pursuant to the Plan with respect to such Award nor shall any such shares count against the aggregate number of shares of Stock that may be delivered in connection with Awards (as set forth in Section 4(a) hereof). To the extent that an Award is settleable partially in cash and partially in shares of Stock, no shares of Stock shall be deemed to have been issued pursuant to the Plan with respect to the portion of such Award that is settled in cash nor shall any such shares count against the aggregate number of shares of Stock that may be delivered in connection with Awards (as set forth in Section 4(a) hereof). Other than with respect to a Substitute Award, to the extent that an Award expires or is canceled, forfeited, settled in cash, or otherwise terminated without delivery to the Participant of the full number of shares of Stock to which the Award related, the undelivered shares of Stock will again be available for grant. Shares of Stock withheld in payment of the exercise price or taxes relating to an Award and shares of Stock equal to the number surrendered in payment of any exercise price or taxes relating to an Award shall not be deemed to constitute shares delivered to the Participant and shall be deemed to again be available for delivery under the Plan.

(c) Incentive Stock Options. No more than 5,000,000 shares of Stock (subject to adjustment as provided in Section 10 hereof) reserved for issuance hereunder may be issued or transferred upon exercise or settlement of Incentive Stock Options.

(d) Shares Available Under Acquired Plans. To the extent permitted by NYSE Listed Company Manual Section 303A.08, NASDAQ Listing Rule 5635(c) or other applicable stock exchange rules, subject to applicable law, in the event that a company acquired by the Company or with which the Company combines has shares available under a pre-existing plan approved by stockholders and not adopted in contemplation of such acquisition or combination, the shares available for grant pursuant to the terms of such pre-existing plan (as adjusted, to the extent appropriate, using the exchange ratio or other adjustment or valuation ratio of formula used in such acquisition or combination to determine the consideration payable to the holders of common stock of the entities party to such acquisition or combination) may be used for Awards under the Plan and shall not reduce the number of shares of Stock reserved and available for delivery in connection with Awards under the Plan; *provided* that Awards using such available shares shall not be made after the date awards could have been made under the terms of

such pre-existing plan, absent the acquisition or combination, and shall only be made to individuals who were not employed by the Company or any subsidiary of the Company immediately prior to such acquisition or combination.

(e) Limitation on Awards to Non-Employee Directors. Notwithstanding anything herein to the contrary, the maximum value of any Awards granted to a non-employee director of the Company in any one calendar year, taken together with any cash fees paid to such non-employee director during such calendar year, shall not exceed \$500,000 (calculating the value of any such Awards based on the grant date fair value of such Awards for financial reporting purposes and excluding, for this purpose, the value of any dividend equivalent payments paid pursuant to any Award granted in a previous year).

## 5. Options.

(a) General. Certain Options granted under the Plan may be intended to be Incentive Stock Options; however, no Incentive Stock Options may be granted hereunder following the tenth (10th) anniversary of the earlier of (i) the date the Plan is adopted by the Board and (ii) the date the stockholders of the Company approve the Plan. Options may be granted to Eligible Persons in such form and having such terms and conditions as the Committee shall deem appropriate; *provided, however*, that Incentive Stock Options may be granted only to Eligible Persons who are employees of the Company or an Affiliate (as such definition is limited pursuant to Section 2(o) hereof) of the Company. The provisions of separate Options shall be set forth in separate Option Agreements, which agreements need not be identical. No dividends or dividend equivalents shall be paid on Options.

(b) Term. The term of each Option shall be set by the Committee at the time of grant; *provided, however*, that no Option granted hereunder shall be exercisable after, and each Option shall expire, ten (10) years from the date it was granted.

(c) Exercise Price. The exercise price per share of Stock for each Option shall be set by the Committee at the time of grant and shall not be less than the Fair Market Value on the date of grant, subject to Section 5(g) hereof in the case of any Incentive Stock Option. Notwithstanding the foregoing, in the case of an Option that is a Substitute Award, the exercise price per share of Stock for such Option may be less than the Fair Market Value on the date of grant; *provided*, that such exercise price is determined in a manner consistent with the provisions of Section 409A of the Code and, if applicable, Section 424(a) of the Code.

(d) Payment for Stock. Payment for shares of Stock acquired pursuant to an Option granted hereunder shall be made in full upon exercise of the Option in a manner approved by the Committee, which may include any of the following payment methods: (1) in immediately available funds in U.S. dollars, or by certified or bank cashier's check, (2) by delivery of shares of Stock having a value equal to the exercise price, (3) by a broker-assisted cashless exercise in accordance with procedures approved by the Committee, whereby payment of the Option exercise price or tax withholding obligations may be satisfied, in whole or in part, with shares of Stock subject to the Option by delivery of an irrevocable direction to a securities broker (on a form prescribed by the Committee) to sell shares of Stock and to deliver all or part of the sale proceeds to the Company in payment of the aggregate exercise price and, if applicable, the amount necessary to satisfy the Company's withholding obligations, or (4) by any other means approved by the Committee (including, by delivery of a notice of "net exercise" to the Company, pursuant to which the Participant shall receive the number of shares of Stock underlying the Option so exercised reduced by the number of shares of Stock equal to the aggregate exercise price of the Option divided by the Fair Market Value on the date of exercise). Notwithstanding anything herein to the contrary, if the Committee determines that any form of payment available hereunder would be in violation of Section 402 of the Sarbanes-Oxley Act of 2002, such form of payment shall not be available.

(e) Vesting. Options shall vest and become exercisable in such manner, on such date or dates, or upon the achievement of performance or other conditions, in each case as may be determined by the Committee and set forth in an Option Agreement; *provided, however*, that, notwithstanding any such vesting dates, the Committee may in its sole discretion accelerate the vesting of any Option at any time and for any reason. Unless otherwise specifically determined by the Committee, the vesting of an Option shall occur only while the Participant is employed by or rendering services to the Service Recipient, and all vesting shall cease upon a Participant's Termination for any reason.

(f) Termination of Employment or Service. Except as provided by the Committee in an Option Agreement, Participant Agreement or otherwise:

(1) In the event of a Participant's Termination prior to the applicable Expiration Date for any reason other than (i) by the Service Recipient for Cause, or (ii) by reason of the Participant's death or Disability, (A) all

vesting with respect to such Participant's Options outstanding shall cease, (B) all of such Participant's unvested Options outstanding shall terminate and be forfeited for no consideration as of the date of such Termination, and (C) all of such Participant's vested Options outstanding shall terminate and be forfeited for no consideration on the earlier of (x) the applicable Expiration Date and (y) the date that is ninety (90) days after the date of such Termination.

(2) In the event of a Participant's Termination prior to the applicable Expiration Date by reason of such Participant's death or Disability, (i) all vesting with respect to such Participant's Options outstanding shall cease, (ii) all of such Participant's unvested Options outstanding shall terminate and be forfeited for no consideration as of the date of such Termination, and (iii) all of such Participant's vested Options outstanding shall terminate and be forfeited for no consideration on the earlier of (x) the applicable Expiration Date and (y) the date that is twelve (12) months after the date of such Termination. In the event of a Participant's death, such Participant's Options shall remain exercisable by the Person or Persons to whom such Participant's rights under the Options pass by will or by the applicable laws of descent and distribution until the applicable Expiration Date, but only to the extent that the Options were vested at the time of such Termination.

(3) In the event of a Participant's Termination prior to the applicable Expiration Date by the Service Recipient for Cause, all of such Participant's Options outstanding (whether or not vested) shall immediately terminate and be forfeited for no consideration as of the date of such Termination.

(g) Special Provisions Applicable to Incentive Stock Options.

(1) No Incentive Stock Option may be granted to any Eligible Person who, at the time the Option is granted, owns directly, or indirectly within the meaning of Section 424(d) of the Code, stock possessing more than ten percent (10%) of the total combined voting power of all classes of stock of the Company or of any parent or subsidiary thereof, unless such Incentive Stock Option (i) has an exercise price of at least one hundred ten percent (110%) of the Fair Market Value on the date of the grant of such Option and (ii) cannot be exercised more than five (5) years after the date it is granted.

(2) To the extent that the aggregate Fair Market Value (determined as of the date of grant) of Stock for which Incentive Stock Options are exercisable for the first time by any Participant during any calendar year (under all plans of the Company and its Affiliates) exceeds \$100,000, such excess Incentive Stock Options shall be treated as Nonqualified Stock Options.

(3) Each Participant who receives an Incentive Stock Option must agree to notify the Company in writing immediately after the Participant makes a Disqualifying Disposition of any Stock acquired pursuant to the exercise of an Incentive Stock Option.

**6. Restricted Stock.**

(a) General. Restricted Stock may be granted to Eligible Persons in such form and having such terms and conditions as the Committee shall deem appropriate. The provisions of separate Awards of Restricted Stock shall be set forth in separate Restricted Stock Agreements, which agreements need not be identical. Subject to the restrictions set forth in Section 6(b) hereof, and except as otherwise set forth in the applicable Restricted Stock Agreement, the Participant shall generally have the rights and privileges of a stockholder as to such Restricted Stock, including the right to vote such Restricted Stock. Unless otherwise set forth in a Participant's Restricted Stock Agreement, cash dividends and stock dividends, if any, with respect to the Restricted Stock shall be withheld by the Company for the Participant's account, and shall be subject to forfeiture to the same degree as the shares of Restricted Stock to which such dividends relate. Except as otherwise determined by the Committee, no interest will accrue or be paid on the amount of any cash dividends withheld.

(b) Vesting and Restrictions on Transfer. Restricted Stock shall vest in such manner, on such date or dates, or upon the achievement of performance or other conditions, in each case as may be determined by the Committee and set forth in a Restricted Stock Agreement; *provided, however*, that, notwithstanding any such vesting dates, the Committee may in its sole discretion accelerate the vesting of any Award of Restricted Stock at any time and for any reason. Unless otherwise specifically determined by the Committee, the vesting of an Award of Restricted Stock shall occur only while the Participant is employed by or rendering services to the Service Recipient, and all vesting shall cease upon a Participant's Termination for any reason. To the extent permitted by applicable law and unless otherwise determined by the Committee, vesting shall be suspended during the period of any approved unpaid leave

of absence by a Participant following which the Participant has a right to reinstatement and shall resume upon such Participant's return to active employment. In addition to any other restrictions set forth in a Participant's Restricted Stock Agreement, the Participant shall not be permitted to sell, transfer, pledge, or otherwise encumber the Restricted Stock prior to the time the Restricted Stock has vested pursuant to the terms of the Restricted Stock Agreement.

(c) Termination of Employment or Service. Except as provided by the Committee in a Restricted Stock Agreement, Participant Agreement or otherwise, in the event of a Participant's Termination for any reason prior to the time that such Participant's Restricted Stock has vested, (1) all vesting with respect to such Participant's Restricted Stock outstanding shall cease, and (2) as soon as practicable following such Termination, the Company shall repurchase from the Participant, and the Participant shall sell, all of such Participant's unvested shares of Restricted Stock at a purchase price equal to the lesser of (A) the original purchase price paid for the Restricted Stock (as adjusted for any subsequent changes in the outstanding Stock or in the capital structure of the Company) less any dividends or other distributions or bonus received (or to be received) by the Participant (or any transferee) in respect of such Restricted Stock prior to the date of repurchase and (B) the Fair Market Value of the Stock on the date of such repurchase; provided that, if the original purchase price paid for the Restricted Stock is equal to zero dollars (\$0), such unvested shares of Restricted Stock shall be forfeited to the Company by the Participant for no consideration as of the date of such Termination.

## 7. **Restricted Stock Units.**

(a) General. Restricted Stock Units may be granted to Eligible Persons in such form and having such terms and conditions as the Committee shall deem appropriate. The provisions of separate Restricted Stock Units shall be set forth in separate RSU Agreements, which agreements need not be identical.

(b) Vesting. Restricted Stock Units shall vest in such manner, on such date or dates, or upon the achievement of performance or other conditions, in each case as may be determined by the Committee and set forth in an RSU Agreement; *provided, however*, that, notwithstanding any such vesting dates, the Committee may in its sole discretion accelerate the vesting of any Restricted Stock Unit at any time and for any reason. Unless otherwise specifically determined by the Committee, the vesting of a Restricted Stock Unit shall occur only while the Participant is employed by or rendering services to the Service Recipient, and all vesting shall cease upon a Participant's Termination for any reason. To the extent permitted by applicable law and unless otherwise determined by the Committee, vesting shall be suspended during the period of any approved unpaid leave of absence by a Participant following which the Participant has a right to reinstatement and shall resume upon such Participant's return to active employment.

(c) Settlement. Restricted Stock Units shall be settled in Stock, cash, or property, as determined by the Committee, in its sole discretion, on the date or dates determined by the Committee and set forth in an RSU Agreement. Unless otherwise set forth in a Participant's RSU Agreement, a Participant shall not be entitled to dividends, if any, or dividend equivalents with respect to Restricted Stock Units prior to settlement.

(d) Termination of Employment or Service. Except as provided by the Committee in an RSU Agreement, Participant Agreement or otherwise, in the event of a Participant's Termination for any reason prior to the time that such Participant's Restricted Stock Units have been settled, (1) all vesting with respect to such Participant's Restricted Stock Units outstanding shall cease, (2) all of such Participant's unvested Restricted Stock Units outstanding shall be forfeited for no consideration as of the date of such Termination, and (3) any shares remaining undelivered with respect to vested Restricted Stock Units then held by such Participant shall be delivered on the delivery date or dates specified in the RSU Agreement.

## 8. **Stock Appreciation Rights.**

(a) General. Stock Appreciation Rights may be granted to Eligible Persons in such form and having such terms and conditions as the Committee shall deem appropriate. The provisions of separate Stock Appreciation Rights shall be set forth in separate SAR Agreements, which agreements need not be identical. No dividends or dividend equivalents shall be paid on Stock Appreciation Rights.

(b) Term. The term of each Stock Appreciation Right shall be set by the Committee at the time of grant; *provided, however*, that no Stock Appreciation Right granted hereunder shall be exercisable after, and each Stock Appreciation Right shall expire, ten (10) years from the date it was granted.

(c) Base Price. The base price per share of Stock for each Stock Appreciation Right shall be set by the Committee at the time of grant and shall not be less than the Fair Market Value on the date of grant. Notwithstanding the foregoing, in the case of a Stock Appreciation Right that is a Substitute Award, the base price per share of Stock for such Stock Appreciation Right may be less than the Fair Market Value on the date of grant; *provided*, that such base price is determined in a manner consistent with the provisions of Section 409A of the Code.

(d) Vesting. Stock Appreciation Rights shall vest and become exercisable in such manner, on such date or dates, or upon the achievement of performance or other conditions, in each case as may be determined by the Committee and set forth in a SAR Agreement; *provided, however*, that, notwithstanding any such vesting dates, the Committee may in its sole discretion accelerate the vesting of any Stock Appreciation Right at any time and for any reason. Unless otherwise specifically determined by the Committee, the vesting of a Stock Appreciation Right shall occur only while the Participant is employed by or rendering services to the Service Recipient, and all vesting shall cease upon a Participant's Termination for any reason. To the extent permitted by applicable law and unless otherwise determined by the Committee, vesting shall be suspended during the period of any approved unpaid leave of absence by a Participant following which the Participant has a right to reinstatement and shall resume upon such Participant's return to active employment. If a Stock Appreciation Right is exercisable in installments, such installments or portions thereof that become exercisable shall remain exercisable until the Stock Appreciation Right expires, is canceled or otherwise terminates.

(e) Payment upon Exercise. Payment upon exercise of a Stock Appreciation Right may be made in cash, Stock, or property as specified in the SAR Agreement or determined by the Committee, in each case having a value in respect of each share of Stock underlying the portion of the Stock Appreciation Right so exercised, equal to the difference between the base price of such Stock Appreciation Right and the Fair Market Value of one (1) share of Stock on the exercise date. For purposes of clarity, each share of Stock to be issued in settlement of a Stock Appreciation Right is deemed to have a value equal to the Fair Market Value of one (1) share of Stock on the exercise date. In no event shall fractional shares be issuable upon the exercise of a Stock Appreciation Right, and in the event that fractional shares would otherwise be issuable, the number of shares issuable will be rounded down to the next lower whole number of shares, and the Participant will be entitled to receive a cash payment equal to the value of such fractional share.

(f) Termination of Employment or Service. Except as provided by the Committee in a SAR Agreement, Participant Agreement or otherwise:

(1) In the event of a Participant's Termination prior to the applicable Expiration Date for any reason other than (i) by the Service Recipient for Cause, or (ii) by reason of the Participant's death or Disability, (A) all vesting with respect to such Participant's Stock Appreciation Rights outstanding shall cease, (B) all of such Participant's unvested Stock Appreciation Rights outstanding shall terminate and be forfeited for no consideration as of the date of such Termination, and (C) all of such Participant's vested Stock Appreciation Rights outstanding shall terminate and be forfeited for no consideration on the earlier of (x) the applicable Expiration Date and (y) the date that is ninety (90) days after the date of such Termination.

(2) In the event of a Participant's Termination prior to the applicable Expiration Date by reason of such Participant's death or Disability, (i) all vesting with respect to such Participant's Stock Appreciation Rights outstanding shall cease, (ii) all of such Participant's unvested Stock Appreciation Rights outstanding shall terminate and be forfeited for no consideration as of the date of such Termination, and (iii) all of such Participant's vested Stock Appreciation Rights outstanding shall terminate and be forfeited for no consideration on the earlier of (x) the applicable Expiration Date and (y) the date that is twelve (12) months after the date of such Termination. In the event of a Participant's death, such Participant's Stock Appreciation Rights shall remain exercisable by the Person or Persons to whom such Participant's rights under the Stock Appreciation Rights pass by will or by the applicable laws of descent and distribution until the applicable Expiration Date, but only to the extent that the Stock Appreciation Rights were vested at the time of such Termination.

(3) In the event of a Participant's Termination prior to the applicable Expiration Date by the Service Recipient for Cause, all of such Participant's Stock Appreciation Rights outstanding (whether or not vested) shall immediately terminate and be forfeited for no consideration as of the date of such Termination.

## 9. Other Stock- or Cash-Based Awards.

The Committee is authorized, subject to limitations under applicable law, to grant to Participants such Other Stock-Based Awards and Other Cash-Based Awards, as deemed by the Committee to be consistent with the purposes of the Plan. The Committee may also grant Stock as a bonus (whether or not subject to any vesting requirements or other restrictions on transfer), and may grant other Awards in lieu of obligations of the Company or an Affiliate to pay cash or deliver other property under the Plan or under other plans or compensatory arrangements, subject to such terms as shall be determined by the Committee. The terms and conditions applicable to such Awards shall be determined by the Committee and evidenced by Award Agreements, which agreements need not be identical.

## 10. Adjustment for Recapitalization, Merger, etc.

(a) Capitalization Adjustments. The aggregate number of shares of Stock that may be delivered in connection with Awards (as set forth in Section 4 hereof), the numerical share limits in Section 4(a) hereof, the number of shares of Stock covered by each outstanding Award, and the price per share of Stock underlying each such Award shall be equitably and proportionally adjusted or substituted, as determined by the Committee, in its sole discretion, as to the number, price, or kind of a share of Stock or other consideration subject to such Awards (1) in the event of changes in the outstanding Stock or in the capital structure of the Company by reason of stock dividends, extraordinary cash dividends, stock splits, reverse stock splits, recapitalizations, reorganizations, mergers, amalgamations, consolidations, combinations, exchanges, or other relevant changes in capitalization occurring after the date of grant of any such Award (including any Corporate Event); (2) in connection with any extraordinary dividend declared and paid in respect of shares of Stock, whether payable in the form of cash, stock, or any other form of consideration; or (3) in the event of any change in applicable laws or circumstances that results in or could result in, in either case, as determined by the Committee in its sole discretion, any substantial dilution or enlargement of the rights intended to be granted to, or available for, Participants in the Plan.

(b) Corporate Events. Notwithstanding the foregoing, except as provided by the Committee in an Award Agreement, Participant Agreement or otherwise, in connection with (i) a merger, amalgamation, or consolidation involving the Company in which the Company is not the surviving corporation, (ii) a merger, amalgamation, or consolidation involving the Company in which the Company is the surviving corporation but the holders of shares of Stock receive securities of another corporation or other property or cash, (iii) a Change in Control, or (iv) the reorganization, dissolution or liquidation of the Company (each, a "Corporate Event"), the Committee may provide for any one or more of the following:

(1) The assumption or substitution of any or all Awards in connection with such Corporate Event, in which case the Awards shall be subject to the adjustment set forth in Section 10(a) above;

(2) The acceleration of vesting of any or all Awards not assumed or substituted in connection with such Corporate Event, subject to the consummation of such Corporate Event;

(3) The cancellation of any or all Awards not assumed or substituted in connection with such Corporate Event (whether vested or unvested) as of the consummation of such Corporate Event, together with the payment to the Participants holding vested Awards (including any Awards that would vest upon the Corporate Event but for such cancellation) so canceled of an amount in respect of cancellation equal to the amount payable pursuant to any Other Cash-Based Award or, with respect to other Awards, an amount based upon the per-share consideration being paid for the Stock in connection with such Corporate Event, less, in the case of Options, Stock Appreciation Rights, and other Awards subject to exercise, the applicable exercise or base price; *provided, however*, that holders of Options, Stock Appreciation Rights, and other Awards subject to exercise shall be entitled to consideration in respect of cancellation of such Awards only if the per-share consideration less the applicable exercise or base price is greater than zero dollars (\$0), and to the extent that the per-share consideration is less than or equal to the applicable exercise or base price, such Awards shall be canceled for no consideration;

(4) The cancellation of any or all Options, Stock Appreciation Rights and other Awards subject to exercise not assumed or substituted in connection with such Corporate Event (whether vested or unvested) as of the consummation of such Corporate Event; *provided* that all Options, Stock Appreciation Rights and other Awards to be so canceled pursuant to this paragraph (4) shall first become exercisable for a period of at least ten (10) days prior to such Corporate Event, with any exercise during such period of any unvested Options,

Stock Appreciation Rights or other Awards to be (A) contingent upon and subject to the occurrence of the Corporate Event, and (B) effectuated by such means as are approved by the Committee; and

(5) The replacement of any or all Awards (other than Awards that are intended to qualify as “stock rights” that do not provide for a “deferral of compensation” within the meaning of Section 409A of the Code) with a cash incentive program that preserves the value of the Awards so replaced (determined as of the consummation of the Corporate Event), with subsequent payment of cash incentives subject to the same vesting conditions as applicable to the Awards so replaced and payment to be made within thirty (30) days of the applicable vesting date.

Payments to holders pursuant to paragraph (3) above shall be made in cash or, in the sole discretion of the Committee, and to the extent applicable, in the form of such other consideration necessary for a Participant to receive property, cash, or securities (or a combination thereof) as such Participant would have been entitled to receive upon the occurrence of the transaction if the Participant had been, immediately prior to such transaction, the holder of the number of shares of Stock covered by the Award at such time (less any applicable exercise or base price). In addition, in connection with any Corporate Event, prior to any payment or adjustment contemplated under this Section 10(b), the Committee may require a Participant to (A) represent and warrant as to the unencumbered title to his or her Awards, (B) bear such Participant’s pro-rata share of any post-closing indemnity obligations, and be subject to the same post-closing purchase price adjustments, escrow terms, offset rights, holdback terms, and similar conditions as the other holders of Stock, and (C) deliver customary transfer documentation as reasonably determined by the Committee. The Committee need not take the same action or actions with respect to all Awards or portions thereof or with respect to all Participants. The Committee may take different actions with respect to the vested and unvested portions of an Award.

(c) Fractional Shares. Any adjustment provided under this Section 10 may, in the Committee’s discretion, provide for the elimination of any fractional share that might otherwise become subject to an Award. No cash settlements shall be made with respect to fractional shares so eliminated.

(d) Double-Trigger Vesting. Notwithstanding any other provisions of the Plan, an Award Agreement or Participant Agreement to the contrary, with respect to any Award that is assumed or substituted in connection with a Change in Control, the vesting, payment, purchase or distribution of such Award may not be accelerated by reason of the Change in Control for any Participant unless the Participant (a) experiences an involuntary Termination as a result of the Change in Control, and (b) executes, returns and does not revoke (if permitted by law) a full release of claims in favor of the Company and its predecessors in the Change of Control, to the extent not already required by the governing Award Agreement. Unless otherwise provided for in an Award Agreement or Participant Agreement, any Award held by a Participant who experiences an involuntary Termination as a result of a Change in Control shall immediately vest as of the date of such Termination. For purposes of this Section 10(d), a Participant will be deemed to experience an involuntary Termination as a result of a Change in Control if the Participant (i) experiences a Termination by the Service Recipient other than for Cause, (ii) experiences a Termination by reason of the Participant’s resignation for “good reason” (or similar term) as defined in the applicable Award Agreement, Participant Agreement, or in a written change in control, retention, severance or similar agreement between the Company and a Participant, or in a change in control, retention, severance or similar plan maintained by the Company in which the Participant participates), (iii) otherwise experiences a Termination under circumstances which entitle the Participant to mandatory severance payment(s) pursuant to applicable law, or (iv) in the case of a non-employee director of the Company, if the non-employee director’s service on the Board terminates in connection with or as a result of a Change in Control, in each case, at any time beginning on the date of the Change in Control up to and including the second (2<sup>nd</sup>) anniversary of the Change in Control.

#### **11. Use of Proceeds.**

The proceeds received from the sale of Stock pursuant to the Plan shall be used for general corporate purposes.

#### **12. Rights and Privileges as a Stockholder.**

Except as otherwise specifically provided in the Plan, no Person shall be entitled to the rights and privileges of Stock ownership in respect of shares of Stock that are subject to Awards hereunder until such shares have been issued to that Person.

### 13. **Transferability of Awards.**

Awards may not be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated, other than by will or by the applicable laws of descent and distribution, and to the extent subject to exercise, Awards may not be exercised during the lifetime of the grantee other than by the grantee. Notwithstanding the foregoing, except with respect to Incentive Stock Options, Awards and a Participant's rights under the Plan shall be transferable for no value to the extent provided in an Award Agreement or otherwise determined at any time by the Committee.

### 14. **Employment or Service Rights.**

No individual shall have any claim or right to be granted an Award under the Plan or, having been selected for the grant of an Award, to be selected for the grant of any other Award. Neither the Plan nor any action taken hereunder shall be construed as giving any individual any right to be retained in the employ or service of the Company or an Affiliate of the Company.

### 15. **Compliance with Laws.**

The obligation of the Company to deliver Stock upon issuance, vesting, exercise, or settlement of any Award shall be subject to all applicable laws, rules, and regulations, and to such approvals by governmental agencies as may be required. Notwithstanding any terms or conditions of any Award to the contrary, the Company shall be under no obligation to offer to sell or to sell, and shall be prohibited from offering to sell or selling, any shares of Stock pursuant to an Award unless such shares have been properly registered for sale with the U.S. Securities and Exchange Commission pursuant to the Securities Act (or with a similar non-U.S. regulatory agency pursuant to a similar law or regulation) or unless the Company has received an opinion of counsel, satisfactory to the Company, that such shares may be offered or sold without such registration pursuant to an available exemption therefrom and the terms and conditions of such exemption have been fully complied with. The Company shall be under no obligation to register for sale or resale under the Securities Act any of the shares of Stock to be offered or sold under the Plan or any shares of Stock to be issued upon exercise or settlement of Awards. If the shares of Stock offered for sale or sold under the Plan are offered or sold pursuant to an exemption from registration under the Securities Act, the Company may restrict the transfer of such shares and may legend the Stock certificates representing such shares in such manner as it deems advisable to ensure the availability of any such exemption.

### 16. **Withholding Obligations.**

As a condition to the issuance, vesting, exercise, or settlement of any Award (or upon the making of an election under Section 83(b) of the Code), the Committee may require that a Participant satisfy, through deduction or withholding from any payment of any kind otherwise due to the Participant, or through such other arrangements as are satisfactory to the Committee, the amount of all federal, state, and local income and other taxes and withholdings of any kind required or permitted to be withheld in connection with such issuance, vesting, exercise, or settlement (or election). The Committee, in its discretion, may permit shares of Stock to be used to satisfy tax withholding requirements, and such shares shall be valued at their Fair Market Value as of the issuance, vesting, exercise, or settlement date of the Award, as applicable. Depending on the withholding method, the Company may withhold by considering the applicable minimum statutorily required withholding rates or other applicable withholding rates in the applicable Participant's jurisdiction, including maximum applicable rates that may be utilized without creating adverse accounting treatment under Financial Accounting Standards Board Accounting Standards Codification Topic 718 (or any successor pronouncement thereto).

### 17. **Amendment of the Plan or Awards.**

(a) Amendment of Plan. The Board or the Committee may amend the Plan at any time and from time to time.

(b) Amendment of Awards. The Board or the Committee may amend the terms of any one or more Awards at any time and from time to time.

(c) Stockholder Approval; No Material Impairment. Notwithstanding anything herein to the contrary, no amendment to the Plan or any Award shall be effective without stockholder approval to the extent that such approval is required pursuant to applicable law or the applicable rules of each national securities exchange on which the Stock is listed. Additionally, no amendment to the Plan or any Award shall materially impair a Participant's rights

under any Award unless the Participant consents in writing (it being understood that no action taken by the Board or the Committee that is expressly permitted under the Plan, including, without limitation, any actions described in Section 10 hereof, shall constitute an amendment to the Plan or an Award for such purpose). Notwithstanding the foregoing, subject to the limitations of applicable law, if any, and without an affected Participant's consent, the Board or the Committee may amend the terms of the Plan or any one or more Awards from time to time as necessary to bring such Awards into compliance with applicable law, including, without limitation, Section 409A of the Code.

(d) No Repricing of Awards Without Stockholder Approval. Notwithstanding Sections 17(a) or 17(b) above, or any other provision of the Plan, the repricing of Awards shall not be permitted without stockholder approval. For this purpose, a “repricing” means any of the following (or any other action that has the same effect as any of the following): (1) changing the terms of an Award to lower its exercise or base price (other than on account of capital adjustments resulting from share splits, etc., as described in Section 10(a) hereof), (2) any other action that is treated as a repricing under GAAP, and (3) repurchasing for cash or canceling an Award in exchange for another Award at a time when its exercise or base price is greater than the Fair Market Value of the underlying Stock, unless the cancellation and exchange occurs in connection with an event set forth in Section 10(b) hereof.

#### **18. Termination or Suspension of the Plan.**

The Board or the Committee may suspend or terminate the Plan at any time. Unless sooner terminated, the Plan shall terminate on the day before the tenth (10<sup>th</sup>) anniversary of the date the stockholders of the Company approve the Plan. No Awards may be granted under the Plan while the Plan is suspended or after it is terminated; *provided, however*, that following any suspension or termination of the Plan, the Plan shall remain in effect for the purpose of governing all Awards then outstanding hereunder until such time as all Awards under the Plan have been terminated, forfeited, or otherwise canceled, or earned, exercised, settled, or otherwise paid out, in accordance with their terms.

#### **19. Effective Date of the Plan.**

The Plan is effective as of the Effective Date, subject to stockholder approval.

#### **20. Miscellaneous.**

(a) Certificates. Stock acquired pursuant to Awards granted under the Plan may be evidenced in such a manner as the Committee shall determine. If certificates representing Stock are registered in the name of the Participant, the Committee may require that (1) such certificates bear an appropriate legend referring to the terms, conditions, and restrictions applicable to such Stock, (2) the Company retain physical possession of the certificates, and (3) the Participant deliver a stock power to the Company, endorsed in blank, relating to the Stock. Notwithstanding the foregoing, the Committee may determine, in its sole discretion, that the Stock shall be held in book-entry form rather than delivered to the Participant pending the release of any applicable restrictions.

(b) Other Benefits. No Award granted or paid out under the Plan shall be deemed compensation for purposes of computing benefits under any retirement plan of the Company or its Affiliates nor affect any benefits under any other benefit plan now or subsequently in effect under which the availability or amount of benefits is related to the level of compensation.

(c) Corporate Action Constituting Grant of Awards. Corporate action constituting a grant by the Company of an Award to any Participant will be deemed completed as of the date of such corporate action, unless otherwise determined by the Committee, regardless of when the instrument, certificate, or letter evidencing the Award is communicated to, or actually received or accepted by, the Participant. In the event that the corporate records (*e.g.*, Committee consents, resolutions or minutes) documenting the corporate action constituting the grant contain terms (*e.g.*, exercise price, vesting schedule or number of shares of Stock) that are inconsistent with those in the Award Agreement as a result of a clerical error in connection with the preparation of the Award Agreement, the corporate records will control and the Participant will have no legally binding right to the incorrect term in the Award Agreement.

(d) Clawback/Recoupment Policy. Notwithstanding anything contained herein to the contrary, all Awards granted under the Plan shall be and remain subject to any incentive compensation clawback or recoupment policy currently in effect or as may be adopted by the Board (or a committee or subcommittee of the Board) and, in each case, as may be amended from time to time. No such policy adoption or amendment shall in any event require the

prior consent of any Participant. No recovery of compensation under such a clawback policy will be an event giving rise to a right to resign for “good reason” or “constructive termination” (or similar term) under any agreement with the Company or any of its Affiliates. In the event that an Award is subject to more than one such policy, the policy with the most restrictive clawback or recoupment provisions shall govern such Award, subject to applicable law.

(e) Non-Exempt Employees. If an Option is granted to an employee of the Company or any of its Affiliates in the United States who is a non-exempt employee for purposes of the Fair Labor Standards Act of 1938, as amended, the Option will not be first exercisable for any shares of Stock until at least six (6) months following the date of grant of the Option (although the Option may vest prior to such date). Consistent with the provisions of the Worker Economic Opportunity Act, (1) if such employee dies or suffers a Disability, (2) upon a Corporate Event in which such Option is not assumed, continued, or substituted, (3) upon a Change in Control, or (4) upon the Participant’s retirement (as such term may be defined in the applicable Award Agreement or a Participant Agreement, or, if no such definition exists, in accordance with the Company’s then current employment policies and guidelines), the vested portion of any Options held by such employee may be exercised earlier than six (6) months following the date of grant. The foregoing provision is intended to operate so that any income derived by a non-exempt employee in connection with the exercise or vesting of an Option will be exempt from his or her regular rate of pay. To the extent permitted and/or required for compliance with the Worker Economic Opportunity Act to ensure that any income derived by a non-exempt employee in connection with the exercise, vesting or issuance of any shares under any other Award will be exempt from such employee’s regular rate of pay, the provisions of this Section 20(e) will apply to all Awards.

(f) Data Privacy. As a condition of receipt of any Award, each Participant explicitly and unambiguously consents to the collection, use, and transfer, in electronic or other form, of personal data as described in this Section 20(e) by and among, as applicable, the Company and its Affiliates for the exclusive purpose of implementing, administering, and managing the Plan and Awards and the Participant’s participation in the Plan. In furtherance of such implementation, administration, and management, the Company and its Affiliates may hold certain personal information about a Participant, including, but not limited to, the Participant’s name, home address, telephone number, date of birth, social security or insurance number or other identification number, salary, nationality, job title(s), information regarding any securities of the Company or any of its Affiliates, and details of all Awards (the “Data”). In addition to transferring the Data amongst themselves as necessary for the purpose of implementation, administration, and management of the Plan and Awards and the Participant’s participation in the Plan, the Company and its Affiliates may each transfer the Data to any third parties assisting the Company in the implementation, administration, and management of the Plan and Awards and the Participant’s participation in the Plan. Recipients of the Data may be located in the Participant’s country or elsewhere, and the Participant’s country and any given recipient’s country may have different data privacy laws and protections. By accepting an Award, each Participant authorizes such recipients to receive, possess, use, retain, and transfer the Data, in electronic or other form, for the purposes of assisting the Company in the implementation, administration, and management of the Plan and Awards and the Participant’s participation in the Plan, including any requisite transfer of such Data as may be required to a broker or other third party with whom the Company or the Participant may elect to deposit any shares of Stock. The Data related to a Participant will be held only as long as is necessary to implement, administer, and manage the Plan and Awards and the Participant’s participation in the Plan. A Participant may, at any time, view the Data held by the Company with respect to such Participant, request additional information about the storage and processing of the Data with respect to such Participant, recommend any necessary corrections to the Data with respect to the Participant, or refuse or withdraw the consents herein in writing, in any case without cost, by contacting his or her local human resources representative. The Company may cancel the Participant’s eligibility to participate in the Plan, and in the Committee’s discretion, the Participant may forfeit any outstanding Awards if the Participant refuses or withdraws the consents described herein. For more information on the consequences of refusal to consent or withdrawal of consent, Participants may contact their local human resources representative.

(g) Participants Outside of the United States. The Committee may modify the terms of any Award under the Plan made to or held by a Participant who is then a resident, or is primarily employed or providing services, outside of the United States in any manner deemed by the Committee to be necessary or appropriate in order that such Award shall conform to laws, regulations, and customs of the country in which the Participant is then a resident or primarily employed or providing services, or so that the value and other benefits of the Award to the Participant, as affected by non — U.S. tax laws and other restrictions applicable as a result of the Participant’s residence, employment, or providing services abroad, shall be comparable to the value of such Award to a Participant who is

a resident, or is primarily employed or providing services, in the United States. An Award may be modified under this Section 20(g) in a manner that is inconsistent with the express terms of the Plan, so long as such modifications will not contravene any applicable law or regulation or result in actual liability under Section 16(b) of the Exchange Act for the Participant whose Award is modified. Additionally, the Committee may adopt such procedures and sub-plans as are necessary or appropriate to permit participation in the Plan by Eligible Persons who are non — U.S. nationals or are primarily employed or providing services outside the United States.

(h) Change in Time Commitment. In the event a Participant's regular level of time commitment in the performance of his or her services for the Company or any of its Affiliates is reduced (for example, and without limitation, if the Participant is an employee of the Company and the employee has a change in status from a full-time employee to a part-time employee) after the date of grant of any Award to the Participant, the Committee has the right in its sole discretion to (i) make a corresponding reduction in the number of shares of Stock subject to any portion of such Award that is scheduled to vest or become payable after the date of such change in time commitment, and (ii) in lieu of or in combination with such a reduction, extend the vesting or payment schedule applicable to such Award. In the event of any such reduction, the Participant will have no right with respect to any portion of the Award that is so reduced or extended.

(i) No Liability of Committee Members. Neither any member of the Committee nor any of the Committee's permitted delegates shall be liable personally by reason of any contract or other instrument executed by such member or on his or her behalf in his or her capacity as a member of the Committee or for any mistake of judgment made in good faith, and the Company shall indemnify and hold harmless each member of the Committee and each other employee, officer, or director of the Company to whom any duty or power relating to the administration or interpretation of the Plan may be allocated or delegated, against all costs and expenses (including counsel fees) and liabilities (including sums paid in settlement of a claim) arising out of any act or omission to act in connection with the Plan, unless arising out of such Person's own fraud or willful misconduct; *provided, however*, that approval of the Board shall be required for the payment of any amount in settlement of a claim against any such Person. The foregoing right of indemnification shall not be exclusive of any other rights of indemnification to which such Persons may be entitled under the Company's certificate or articles of incorporation or by-laws, each as may be amended from time to time, as a matter of law, or otherwise, or any power that the Company may have to indemnify them or hold them harmless.

(j) Payments Following Accidents or Illness. If the Committee shall find that any Person to whom any amount is payable under the Plan is unable to care for his or her affairs because of illness or accident, or is a minor, or has died, then any payment due to such Person or his or her estate (unless a prior claim therefor has been made by a duly appointed legal representative) may, if the Committee so directs the Company, be paid to his or her spouse, child, relative, an institution maintaining or having custody of such Person, or any other Person deemed by the Committee to be a proper recipient on behalf of such Person otherwise entitled to payment. Any such payment shall be a complete discharge of the liability of the Committee and the Company therefor.

(k) Governing Law. The Plan shall be governed by and construed in accordance with the laws of State of Delaware without reference to the principles of conflicts of laws thereof.

(l) Electronic Delivery. Any reference herein to a "written" agreement or document or "writing" will include any agreement or document delivered electronically or posted on the Company's intranet (or other shared electronic medium controlled or authorized by the Company to which the Participant has access) to the extent permitted by applicable law.

(m) Statute of Limitations. A Participant or any other person filing a claim for benefits under the Plan must file the claim within one (1) year of the date the Participant or other person knew or should have known of the facts giving rise to the claim. This one-year statute of limitations will apply in any forum where a Participant or any other person may file a claim and, unless the Company waives the time limits set forth above in its sole discretion, any claim not brought within the time periods specified shall be waived and forever barred.

(n) Funding. No provision of the Plan shall require the Company, for the purpose of satisfying any obligations under the Plan, to purchase assets or place any assets in a trust or other entity to which contributions are made or otherwise to segregate any assets, nor shall the Company be required to maintain separate bank accounts, books, records, or other evidence of the existence of a segregated or separately maintained or administered fund for such purposes. Participants shall have no rights under the Plan other than as unsecured general creditors of the

Company, except that insofar as they may have become entitled to payment of additional compensation by performance of services, they shall have the same rights as other employees and service providers under general law.

(o) Reliance on Reports. Each member of the Committee and each member of the Board shall be fully justified in relying, acting, or failing to act, and shall not be liable for having so relied, acted, or failed to act in good faith, upon any report made by the independent public accountant of the Company and its Affiliates and upon any other information furnished in connection with the Plan by any Person or Persons other than such member.

(p) Titles and Headings. The titles and headings of the sections in the Plan are for convenience of reference only, and in the event of any conflict, the text of the Plan, rather than such titles or headings, shall control.

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ADOPTED BY THE BOARD OF DIRECTORS: MAY 19, 2021

APPROVED BY THE STOCKHOLDERS:

TERMINATION DATE: JUNE 21, 2030