

9.2 Bitcoin as an Investment Option in NQDC

As far as competitive fund offerings go, it's hard to think of a more competitive offering to employees than bitcoin. Bitcoin is the greatest returning asset of its time, and the only peers on a 5-year basis are companies like Apple and Nvidia. Although it's not difficult to offer Apple stock through an NQDC program (a TRS can easily be entered, albeit at a higher cost than what we showed for the S&P 500 — it is quite a hedgeable return), it doesn't make sense that any company other than Apple would offer that individual stock exposure as compensation. For the purposes of this discussion, let's consider the idea of offering an individual stock a non-starter. In this case, bitcoin is far and away a superior returning asset and likely a significant differentiator in terms of value to the employee. An executive with their deferred compensation in bitcoin might stay at the company longer because leaving will remove their access to the extremely powerful tax-deferred gains on the asset class. An executive who can't access bitcoin in their 401(k) or their NQDC plan might find it desirable to work for an employer who can facilitate that access. This might sound trivial to normal people, but those who have been around bitcoin a long time tend to measure everything, including their annual compensation, in bitcoin terms.