Non-Qualified Deferred Compensation Plans

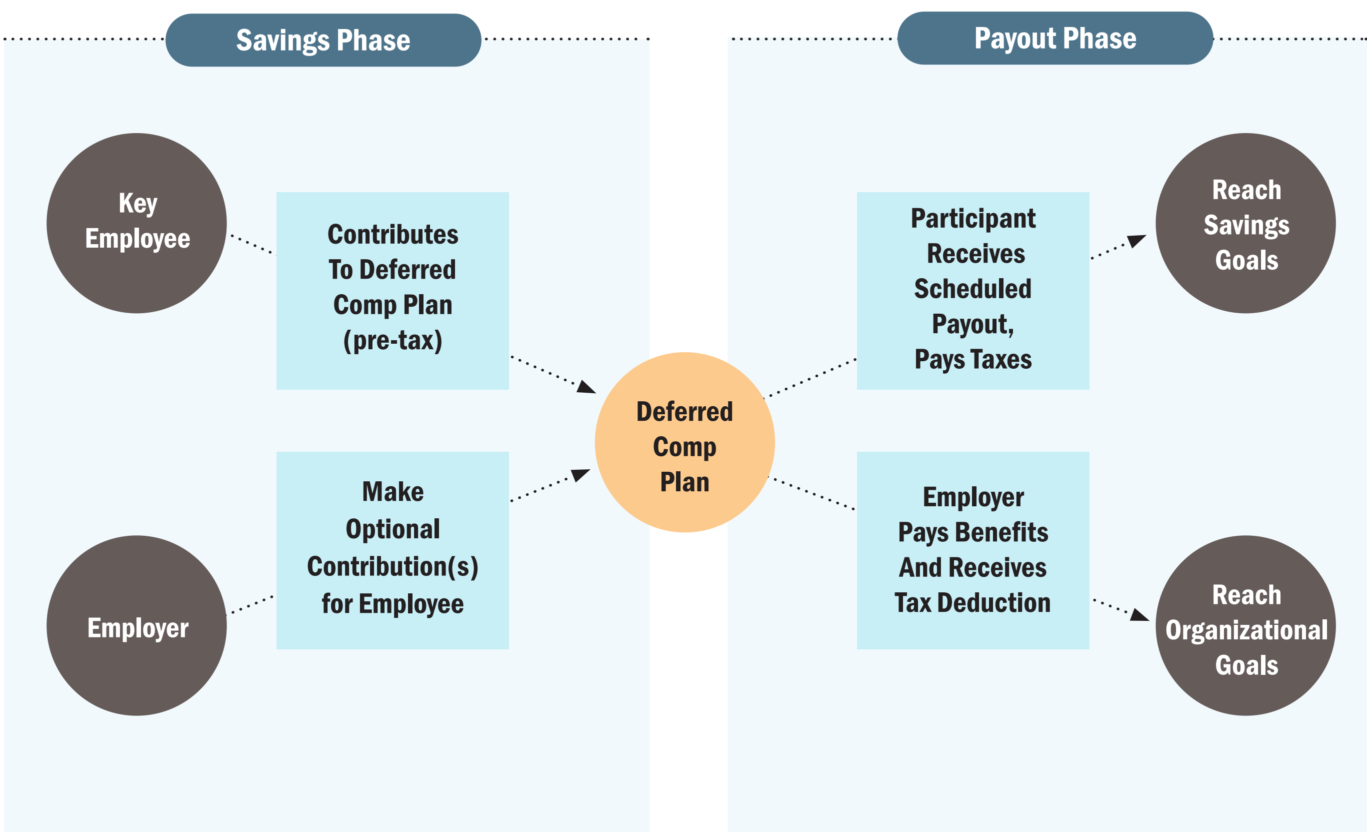
Protect Your Company By Looking Out For Your Key Employees. Benefits Designed For Them Also Provide Advantages For You.

Your key employees help lead your company and keep it on the right path. So, finding and keeping them is a priority. Key employees also want to work for a company that values their hard work – and offers them additional ways to save for the future.

A nonqualified deferred compensation plan is a smart solution for you and your key employees. It's designed to help your top talent save beyond 401(K) plan limitations for retirement and other saving goals, while helping you recruit, retain, and reward them.

Here's How It Works

A deferred comp plan is a type of savings vehicle you provide to the key employees you select. Participants can defer a portion of their annual compensation or bonuses into the plan before taxes. And you promise to pay that money, plus any earnings or additional contributions you may offer, to them at a future date. How you informally finance your plan can help you do just that- whether with corporate-owned life insurance or taxable investments, or company cash flow.



Non-Qualified Deferred Compensation Plans

You

Increase Morale
Top employees value this benefit, and it helps them remain loyal and motivated.

Leverage Incentives
Make optional employer contributions to retain or reward select key employees.

Receive Tax Deduction
The money that accumulates to finance the plan remains an asset on the balance sheet until benefits are paid, and the company receives a tax deduction.[1]

Pay Service Fees/Charge
There are fees for plan administrative services, and there could be a charge to earnings on assets purchased to finance the plan.

Key Employee

Save More
Take advantage of pre-tax deferrals (up to 100% [2]), tax-deferred growth, and compounded earnings.[3] Decide how and when. Decide how much to defer the year prior to earning the income, then enjoy the flexibility to choose how and when benefits are paid.

Design An Investment Strategy
Tailor the plan with a variety of investment options.

Limited Protection
This plan is unfunded and doesn't provide the same protection as a 401(k) plan.

Potential Penalties
If the company doesn't comply with IRS rules, participants could face taxes and penalties.

[1]For taxable corporations.

[2]Employees can defer up to 100% of compensation, but plan sponsors typically permit deferrals of less than 100% due to other payroll deductions, such as FICA taxes and health insurance.

[3]Contributions to the plan are subject to FICA when benefits vest. Plan participant deferrals may not be deductible in all states. Distributions are taxable to participants upon receipt.