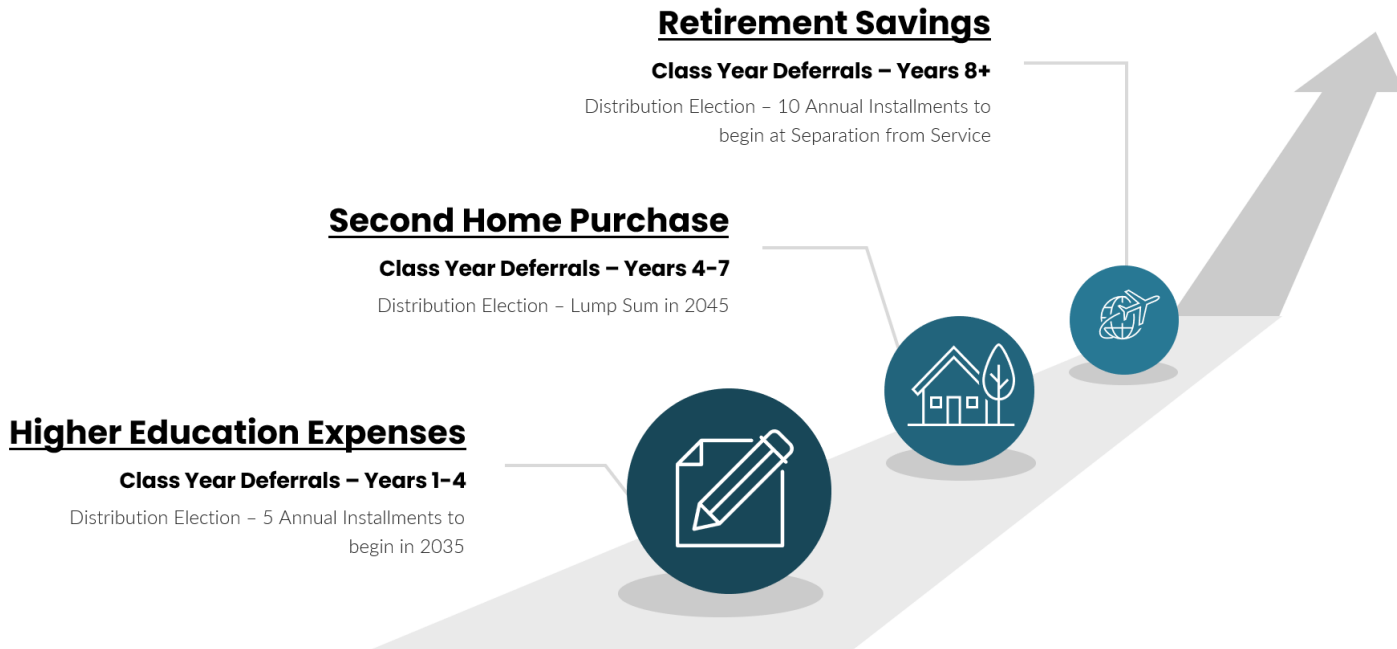


NQDC: A Powerful Financial Planning Tool

Nonqualified Deferred Compensation (NQDC) plans are offered in addition to traditional qualified retirement plans (e.g. 401(k)) and supplement the overall benefit package offered to executives. NQDC plans are also far more flexible than a 401(k) and, when properly designed, can be a powerful financial planning tool that provides a tax-deferred savings opportunity. Penalty free in-service distributions, participant directed investments, discretionary company contributions (with or without a vesting schedule), and annual distribution payment options are all hallmarks of a well-designed NQDC plan.

How can a participant leverage this flexibility?

With a class year account structure, the participant makes elections each plan year that apply to that class year account only. This allows for deferral, distribution, and investment elections to be made independent of other class year accounts and allows the participant to plan, save for and receive penalty free distributions for multiple future financial events.



If you have questions regarding nonqualified deferred compensation plans, please reach out to Michael Nolan, NolanM@nolanfinancial.com, or Kenton Quick, QuickK@nolanfinancial.com, or by phone at (888) 886-9128.