What Are the Right Benefits for Organizations and Employees?

A Fact-Finder for a New Plan
Key Employee Benefits

A Fact-Finder for a New Plan

A nonqualified plan that provides benefits for key employees could be just what an organization is seeking. Nonqualified plans are designed to help employees save more for retirement than a 401(k) or 403(b) plan allows. In the process, a nonqualified plan gives organizations a leg up in recruiting, rewarding, and retaining top talent and key employees.

“The secret of my success is that we have gone to exceptional lengths to hire the best people in the world.”
—Steve Jobs

“If we weren’t still hiring great people and pushing ahead at full speed, it would be easy to fall behind and become a mediocre company.”
—Bill Gates
The following questions will help an organization determine if a nonqualified plan is right for the company and its key employees.

<table>
<thead>
<tr>
<th>Question</th>
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<tr>
<td>Are your key employees concerned about having enough savings from a 401(k) or 403(b) plan and Social Security benefits to retire comfortably?</td>
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<td>Are contributions by you or your key employees limited in a 401(k) or 403(b) plan?</td>
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<td>Do you have qualified retirement plans where you or any key employees receive less?</td>
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<td>Are you concerned about recruiting, retaining and rewarding high-performing key employees?</td>
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<td>Are you interested in developing special incentives to tie your key employees to the organization for the long term?</td>
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<td>Would you or your key employees like to save more money on a tax-advantaged basis to help meet retirement or other savings goals?</td>
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If a company answers “yes” to any of these questions, a nonqualified plan might be a good fit for their needs.

The questionnaire on the following page can further help in determining the best solution to help an organization meet its goals and objectives.
**Business profile**

1. Organization name ____________________________

2. Type of business entity:
   - ___ Corporation taxed as:
     - ___ C corporation
     - ___ S corporation
   - ___ Limited liability corporation taxed as:
     - ___ Partnership
     - ___ C corporation
     - ___ S corporation
     - ___ Partnership
     - ___ Sole proprietorship
     - ___ Non-governmental tax-exempt organization

3. Total number of employees:
   - ___ 1-10  ___ 11-50  ___ 51-100
   - ___ 101-200  ___ 201-1,000  ___ 1,001+

4. How many years has the organization been operating?
   - ___ Fewer than 3  ___ 3-5  ___ 6-9
   - ___ 10-20  ___ 21+

5. (Not applicable to tax-exempt organizations)
   Number of business owners:
   - ___ Publicly traded  ___ 1  ___ 2  ___ 4+

6. (Not applicable to tax-exempt organizations)
   Is there a written plan to continue the organization in the event of death, disability or retirement of the owner?
   - ___ Yes  ___ No

7. (Not applicable to tax-exempt organizations)
   Business tax rate (enter owner’s tax rate if business is a pass-through tax entity like an S corporation, LLC, partnership, etc.): ___ %

**Program design information**

1. (Not applicable to tax-exempt organizations)
   Will the business owner(s) be included in the program?
   - ___ Yes  ___ No

2. Number of key employees to include in the program:
   - ___ 1-5  ___ 6-10  ___ 11-20  ___ 21+

3. How important is it to allow the organization to recover some or all of the program costs in the future?
   - ___ Very important  ___ Important
   - ___ Slightly important  ___ Not important

4. What are the main organizational goals you’d like to achieve with the nonqualified plan? Mark all that apply.
   - ___ Recruit: Attract top employees as part of a competitive benefits package.
   - ___ Retain: Encourage key employees to remain loyal to you.
   - ___ Reward: Provide performance-based contributions to help achieve organizational goals.
   - ___ Retire: Help key employees save for retirement and other goals.
   Other ________________________________
Fulcrum Partners advises you to always consult your own tax, legal, and accounting advisers.

ABOUT FULCRUM PARTNERS LLC:

Fulcrum Partners LLC (https://fulcrumpartnersllc.com) is one of the nation’s largest executive benefits consultancies. A wholly independent, member-owned firm, Fulcrum Partners is dedicated to helping organizations enhance their Total Rewards Strategy. Founded in 2007, today the company has 13 nationwide offices and more than $7B in assets under management.

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