



# Executive Retention & Retirement Solutions

**Whether you advise or lead a start-up company seeking the best and brightest, or are an established business looking to hang on to top-tier talent, strategic executive benefit programs are imperative to recruit, motivate and retain critical executive-level employees. Now more than ever, public corporations, non-profit organizations and privately-held businesses alike need to deliver personalized strategies to their C-Suite and other executive level employees in order to integrate their equity/earnings into a wealth portfolio for retirement, legacy and charitable goals – while maximizing their income, reducing taxes and mitigating downside risk.**

Drawing on over 100+ years of experience of high-level legal and corporate consulting, [Leech Tishman](#) & [MacArthur Financial](#) have teamed up to offer clients an [Executive Retention & Retirement Solutions](#) program. Through this program offering, our team works with clients to develop customized executive benefits planning solutions.

A basic salary and bonus compensation/group benefits package alone is rarely sufficient in attracting and retaining talented employees; non-profit and privately-held companies are often competing for talent with public companies that have the capacity to offer different forms or types of equity awards and greater and more creative compensation packages. Qualified retirement plans such as 401(k) and profit-sharing plans have limited value for a highly compensated employee (“HCE”) due to restrictive contribution limits and non-discrimination requirements under the Internal Revenue Code and ERISA. In addition, tax-qualified and other bonus plans do not usually provide sufficient long-term solutions to attract, retain, and incentivize executives.

Developing a customized “non-qualified” deferred compensation/retirement plan for C-suite executives, key employees or a select group of HCEs to supplement salary & bonus arrangements is essential to any organization’s executive recruitment and retention plan.

Our **Executive Retention & Retirement Solutions** team can help you structure plans including the following:

- **Deferred compensation plans**, including 457(b) and 457(f) plans for non-profits, to leverage the organization to provide substantial tax and future benefits to designated participants
- **Stock options, restricted stock plans and phantom stock plans for publicly held companies**, and to level the field for larger privately-held firms
- **Split-Dollar arrangements**, to deliver significant survivor and/or estate benefits
- **Supplemental executive insurance plans** to enhance underlying nominal group coverage
- **Individual Long Term Care policies**, paid-up during employment within 5 to 10 years (no premium payments during retirement)
- **High-limit Disability Income**, for high-income earners
- Other non-qualified deferred compensation and retirement plans

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## Split-Dollar Arrangements: A Case Study

Our **Executive Retention & Retirement Solutions** team was engaged by an organization to review a legacy Split-Dollar Life Insurance arrangement, put in place 25 years ago to provide supplemental retirement income for a highly compensated employee of the organization. The Split-Dollar policy was due to be 'rolled out' during the employee's impending retirement, however, there was concern that due to several tax law changes over the past 20 years, there could be negative tax consequences if the policy cash build-up was transferred to the employee.

After a review of the Split-Dollar plan and other Section 457 retirement plan documents, and taking into consideration the application of Section 409A, our team was able to restructure the plans without adverse consequences, and we enhanced the future payout by reducing the annual tax liability to the employee. We also provided cash flow modeling to help the organization and the employee better understand the source and distribution of funds over time, as well as the applicable taxes due. Our team provided financial planning services as well, to assist the employee with a more comprehensive retirement solution.

Supplemental insurance and customized retirement plans (e.g., 'Non-qualified' plans, Section 457 plans, and Split-Dollar Insurance) can help both non-profit and for-profit entities retain and reward their key employees. However, there are financial planning pitfalls that need to be addressed in the specific advice provided to the employee and the employer. Our team is experienced in the many planning areas important to proper and appropriate employee benefit plans, from legal and financial advice to plan design, implementation, administration, and funding.

## Executive Retention & Retirement Solutions Team



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**Read more about our team members and the Executive Retention and Retirement Solutions Program by [visiting our website.](#)**

The Executive Retention & Retirement Solutions team looks forward to working with you to customize income planning solutions to benefit you and your employees. Please contact us to set up a consultation.

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