

# Retirement Plans

Paley Rothman's retirement plans group is consistently recognized for its attorneys' technical excellence and creativity, responsiveness to clients, and cost effective counsel. Our attorneys' presence in the Federal legislative and regulatory arenas has established several members of this group as industry leaders in the fields of retirement plans and employee benefits.

As the law grows more complex each year, individualized plan design becomes increasingly important. Our attorneys create customized retirement plans to suit each client's individualized needs. We take pride in our position at the top of this field, and we rely on our own expertise and experience rather than utilizing outside consultants to perform these services.

We have prepared hundreds of individually tailored plans, many of which are structured to maximize contributions for some or all of our clients' key employees. Many of our clients have established "group-based" 401(k) profit sharing plans, which afford employers the discretion to designate different contribution amounts for different groups of employees. Every effort is made to create flexible plans that give clients complete discretion on investments so that they do not need to change plan documents when they change investment advisors or brokerage houses. We draft sophisticated cash balance plans and defined benefit plans, including those designed specifically for closely-held or family-owned companies. Working with our clients and the actuaries, we determine the plan that best meets the specific needs of the client and its most valuable employees.

The senior attorneys in Paley Rothman's retirement plans group are also senior members of the firm's estate planning group, so they are able to assist clients in optimally integrating their retirement plan benefits with their estate planning. We often prepare beneficiary designations for our clients' retirement plans and IRAs that maximize tax-deferred growth in coordination with their estate plans. We draft IRA beneficiary designations that allow plan assets to remain in IRAs (or Roth IRAs) so that benefits may be paid out over the course of the beneficiaries' lifetimes, thus deferring taxation on the funds for as long as possible. By keeping retirement plan money growing in a tax-free vehicle for the maximum amount of time allowed by law, these retirement plans often become our clients' and their families' most valuable assets.

We provide a full suite of services to our clients over the life of their retirement plans—from design and establishment through amendments, mergers and successor plans, rollovers of benefits to IRAs and/or Roth IRAs and, perhaps, ultimately termination.

As leaders in the retirement plan and employee benefits arenas, our attorneys have lectured before national, regional and local associations, as well as before continuing legal education groups including the American Bar Association, ALI CLE, MICPEL, the IRS Employee Benefits Conference, the American Society of Pension Professionals & Actuaries, the Practising Law Institute and the U.S. Chamber of Commerce. These programs augment our technical knowledge and ensure that our attorneys remain on the cutting edge of this rapidly changing field. Our attorneys have contributed to the prestigious New York University Institute on Federal Taxation, Employee Benefits and Executive Compensation volume for many years.

Paley Rothman's retirement plans practice group is very active on committee and legislative actions pending in Congress; Paula Calimafde, chair of the Paley Rothman's retirement plans practice group, often testifies before Congress on proposed retirement plan legislation. In 2002, she led a national campaign that changed federal pension law for the benefit of our clients. Since retirement plan legislation is notorious for its quick implementation, we constantly monitor Congress in order to be able to act in a timely fashion on behalf of our clients.

The following describes several of the services offered by our retirement plans practice, but they are by no means exhaustive; Paley Rothman's retirement plans practice provides full service in this area for our business, trade association and nonprofit clients.

## QUALIFIED RETIREMENT PLANS

Paley Rothman's attorneys establish tailor-made qualified retirement plans suited to the individual needs of companies of all sizes and subsequently provide ongoing legal advice to these clients. Our attorneys are experienced in every type of qualified retirement plan design, including sophisticated cross-tested plans, cash balance plans and defined benefit plans. We have written hundreds of 401(k) plans, including safe harbor 401(k) plans and other individually tailored plans unique to our clients' circumstances. Paley Rothman's retirement plans group helps nonprofit and trade associations to design plans reinforced by communications that allow their employees to enjoy and appreciate such valuable benefits. We prepare the documents necessary to ensure that our plans comply with IRS and DOL regulations. We also frequently work with CPA firms that audit plans by responding to legal questions arising during audits. In addition to this, our attorneys also assist clients in moving assets, and sometimes plan documents, from one brokerage house to another so that the move bears no unexpected or unintended consequences.

## NON-QUALIFIED DEFERRED COMPENSATION PLANS

The attorneys in Paley Rothman's retirement plans practice group also help many organizations, including nonprofits, to design and implement various types of non-qualified deferred compensation plans for key employees, including 457(b) plans, 457(f) plans, Rabbi trusts, stock appreciation rights plans, secular trusts, top-hat plans, incentive stock option plans, non-qualified stock option plans and phantom stock plans. As part of our comprehensive approach to executive compensation planning, we analyze and implement many of the recent innovative insurance products that benefit key employees as well as the institutional clients that employ them.