New Executive Retention Plan Design

Executive benefit plans should align with tenure, not outlive it.

- Acumen designs executive benefit plans that align asset duration with the executive's actual tenure - freeing up the credit union's capital for the next generation of leaders rather than tying it up for 30 or more years.

- Acumen offers a broader range of SERP options than other providers, often reducing the amount of capital required to fund any given level of executive benefit by 25% or more.

- Acumen has developed an approach that gives highly compensated employees the flexibility to defer compensation in a tax-preferred structure, with no limits on the amount deferred.

Split Dollar Strategies

- Acumen has developed a proprietary approach that allows the split-dollar loan to be repaid prior to death. This shortens duration risk and frees up capital for the institution.
- Higher returns allow for enhanced plan benefits to the participant(s).

Existing SERP Plans

Acumen provides a complimentary audit of the credit union's SERP arrangement(s), which can result in the following benefits for both parties:

Employer

- Minimize exposure to the new 21% Excise Tax on compensation over $1M (if applicable)
- Decrease public optic concerns around Form 990, Schedule J (if applicable)
- Significant Annual Cost Savings to the P&L
- Enhanced Retention of Key Staff

Participant(s)

- Can receive the same benefit (both interim and retirement supplement) on a tax-advantaged basis, rather than as a lump-sum taxable payment
- Unlimited flexibility in the timing and structure of benefit distributions
- Benefits will no longer be subject to the risk of the organization's creditors
- Ability to defer current income and realize potential tax benefits