

# IRC §409 FINAL REGULATIONS – ACTION PLAN

December 31, 2007

<b>1.</b>	<b>Identify each deferred compensation plan ("DCP")</b>	<ul style="list-style-type: none"> <li>♦ Non-qualified deferred compensation plans</li> <li>♦ Supplemental executive retirement plans</li> <li>♦ Bonus plans</li> <li>♦ Employment agreements</li> <li>♦ Severance pay arrangements</li> <li>♦ Post-termination benefits</li> <li>♦ Stock option plans</li> <li>♦ Stock rights (SARs and "phantom" stock)</li> <li>♦ Expense reimbursements, including taxable health benefits</li> <li>♦ Any other arrangement that may provide for payment of compensation after 2004, and after the year earned</li> </ul>
<b>2.</b>	<b>Identify exempt DCPs</b>	<ul style="list-style-type: none"> <li>♦ Qualified retirement plans</li> <li>♦ Restricted stock plans taxable under §83</li> <li>♦ Bona fide vacation leave plans</li> <li>♦ Disability and death benefit plans</li> <li>♦ Sick leave plans</li> <li>♦ Short term deferral exceptions</li> <li>♦ Benefits earned and fully vested before 2005, and not materially enhanced after October 3, 2004</li> </ul>
<b>3.</b>	<b>Review each non-exempt DCP for compliance with §409A</b>	<ul style="list-style-type: none"> <li>♦ Deferral fixed before year of performance</li> <li>♦ Fixed time or schedule for payment, or payment only upon death, disability, change in control ("CIC"), separation from service ("SFS") or unforeseeable emergency</li> <li>♦ No provision for acceleration of payment, except as permitted under regulations</li> <li>♦ If employer is publicly traded, delay payment to specified employees for six months after SFS</li> <li>♦ Written plan requirement</li> <li>♦ Definitions of disability, CIC and SFS compatible with definitions in §409A regulations</li> </ul>
<b>4.</b>	<b>Operate each non-exempt DCP in compliance with §409A</b>	<ul style="list-style-type: none"> <li>♦ Follow transition rules for 2005, 2006 and 2007</li> <li>♦ Follow final regulations after 2007</li> </ul>
<b>5.</b>	<b>Amend each non-exempt DCP by the end of 2007</b>	<ul style="list-style-type: none"> <li>♦ As needed to comply with §409A or use an exemption</li> </ul>
<b>6.</b>	<b>Review deferral elections in 2007</b>	<ul style="list-style-type: none"> <li>♦ Determine if timing of deferral elections complies with §409A</li> </ul>
<b>7.</b>	<b>Review payment elections in 2007</b>	<ul style="list-style-type: none"> <li>♦ Revise payment terms to comply with §409A and add flexibility</li> </ul>
<b>8.</b>	<b>Prepare and execute new elections before the end of 2007</b>	<ul style="list-style-type: none"> <li>♦ To defer compensation to be earned after 2007</li> <li>♦ To change the time and/or method for payments after 2007</li> </ul>
<b>9.</b>	<b>Develop new DCP procedures</b>	<ul style="list-style-type: none"> <li>♦ Implement new DCP administration procedures before 2008</li> </ul>

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