

# 9

## DEFERRED COMPENSATION – RIDING THE WAVE

THE lowest hanging fruit for companies to utilize bitcoin is to have a Non-Qualified Deferred Compensation (NQDC) program and offer bitcoin as an investment option. This would effectively allow senior and mid-level executives to gain bitcoin price exposure in a similar manner to what they could do with a 401(k). The employees would get to defer taxation on both the compensation, allowing for a larger initial position, as well as defer gains until withdrawal. Let's go into some detail about what this is.

### 9.1 What is NQDC?

I will build an understanding of NQDC on the foundation of qualified savings plans like 401(k) plans (“qualified” is a term that means that the plan is subject to ERISA rules). The main problem with those plans is that they are subject to restrictions that limit how much employees can participate in them. The primary restriction that NQDC plans address