

SAMPLE DESIGN STUDY (40'S)

Retirement Plan Study Plan Design Chart

	<i>Alternative #1</i>	<i>Alternative #2</i>
	<i>401(k) Profit Sharing Plan Only</i>	<i>Limit Profit Sharing; Add Maximum Cash Balance Plan</i>
<u>Owners</u>		
401(k)	Limited to \$19,500 for 2020 (\$26,000 if age 50 or older)	Limited to \$19,500 for 2020 (\$26,000 if age 50 or older)
Non Elective Safe Harbor	N/A	N/A
Profit Sharing	Allocation equal to maximum available	Limited based upon combined plan deduction limits
Cash Balance Plan	N/A	Allocation equal to maximum benefit limit based upon age
Overall Total	\$114,000	\$349,803
<u>Other Employee Totals</u>		
401(k)	Available at each employees' election; shown at 5% of comp.	Available at each employees' election; shown at 5% of comp.
Non Elective Safe Harbor	3.00% of comp.	3.00% of comp.
Profit Sharing	2.00% of comp.	3.42% of comp.
Cash Balance Plan	N/A	Amount needed to provide an increase in Accrued Benefit of 0.5% of Compensation at Normal Retirement Age using actuarial equivalence.

SAMPLE DESIGN STUDY (40'S)

Retirement Plan Study Summary

<i>Name</i>	<i>Nearest Age @ 12/31/20</i>	<i>Projected Comp. (as limited)</i>	<i>Alternative #1 401(k) Profit Sharing Plan Only</i>	<i>Alternative #2 Limit Profit Sharing; Add Maximum Cash Balance Plan</i>
Owner 1	48	285,000	57,000	191,902
Owner 2	43	285,000	57,000	157,901
<i>Owner Totals</i>		<i>570,000</i>	<i>114,000</i>	<i>349,803</i>
Employee 1	45	50,000	2,500	4,670
Employee 2	35	35,000	1,799	3,810
Employee 3	25	25,000	1,250	1,881
<i>Employee Totals</i>		<i>110,000</i>	<i>5,549</i>	<i>10,361</i>
<i>Overall Allocation Totals</i>		<i>680,000</i>	<i>119,549</i>	<i>360,164</i>

SAMPLE DESIGN STUDY (40'S)

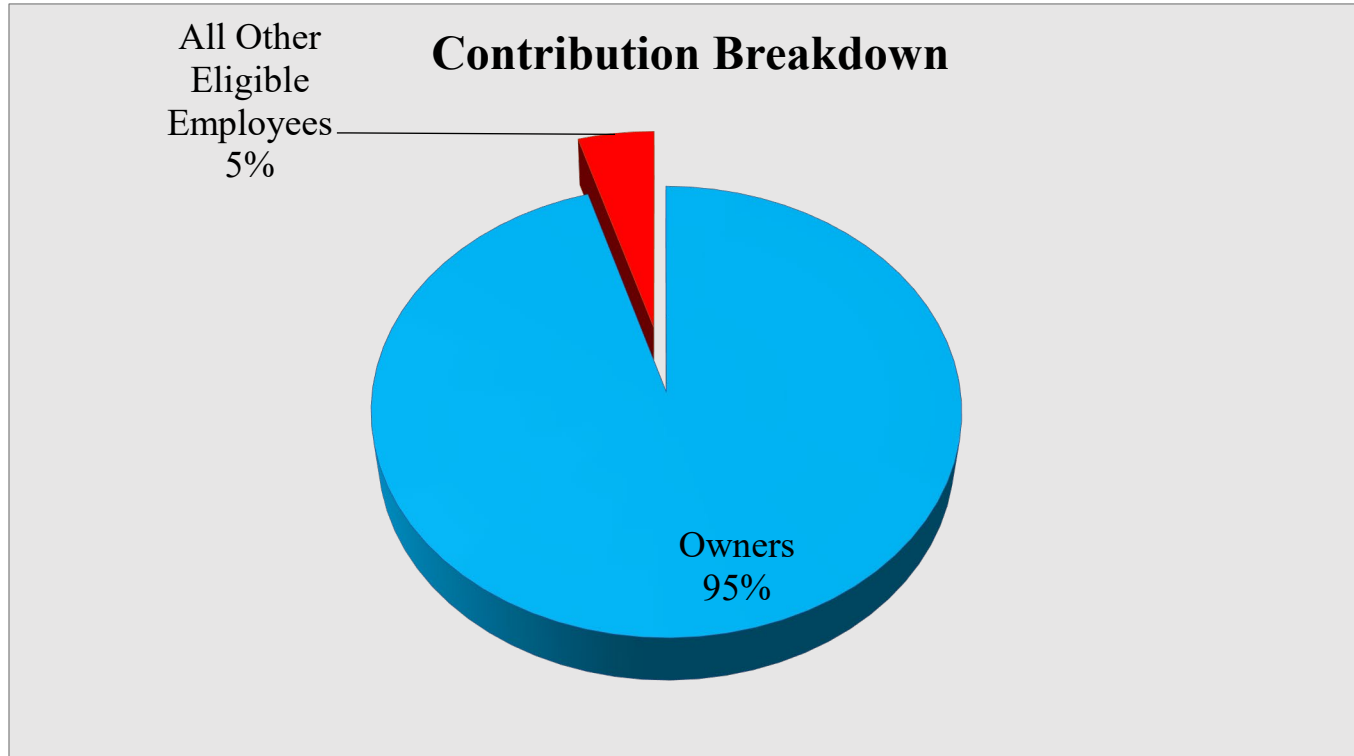
Retirement Plan Study 401(k) and Cash Balance Plans Illustration A-1 For the Plan Year Ending December 31, 2019

Name	Wages	401(k) Deferrals	Safe Harbor Non-Elective	SH % of Wages	Profit Sharing Allocation	PS % of Wages	Cash Balance Allocation	CB % of Wages	Total Employer Contribution
Owners:									
Owner 1	\$285,000.00	\$19,500.00	\$0.00	0.00%	\$37,500.00	13.16%	\$0.00	0.00%	\$57,000.00
Owner 2	\$285,000.00	\$19,500.00	\$0.00	0.00%	\$37,500.00	13.16%	\$0.00	0.00%	\$57,000.00
	\$570,000.00	\$39,000.00	\$0.00		\$75,000.00		\$0.00		\$114,000.00
	83.82%	87.64%	0.00%		97.09%		0.00%		95.36%
Non-owners:									
Employee 1	\$50,000.00	\$2,500.00	\$1,500.00	3.00%	\$1,000.00	2.00%	\$0.00	0.00%	\$2,500.00
Employee 2	\$35,000.00	\$1,750.00	\$1,050.00	3.00%	\$749.00	2.14%	\$0.00	0.00%	\$1,799.00
Employee 3	\$25,000.00	\$1,250.00	\$750.00	3.00%	\$500.00	2.00%	\$0.00	0.00%	\$1,250.00
Sub-total:	\$110,000.00	\$5,500.00	\$3,300.00		\$2,249.00		\$0.00		\$5,549.00
Total:	\$680,000.00	\$44,500.00	\$3,300.00		\$77,249.00		\$0.00		\$119,549.00

The pension contributions are based on plan funding rules and distributions are not necessarily equal to the funding amounts.

SAMPLE DESIGN STUDY (40'S)

Retirement Plan Study
401(k) and Cash Balance Plans
Illustration A-1
For the Plan Year Ending December 31, 2019



Your Plan is designed to maximize contributions for certain employees. As noted above, owners of the company received 83% of contributions to your plan and all other employees eligible for the plan received 17% of contributions. Contributions for these calculations include 401(k) and Roth for owners.

SAMPLE DESIGN STUDY (40'S)

Retirement Plan Study 401(k) and Cash Balance Plans Illustration A-2 For the Plan Year Ending December 31, 2019

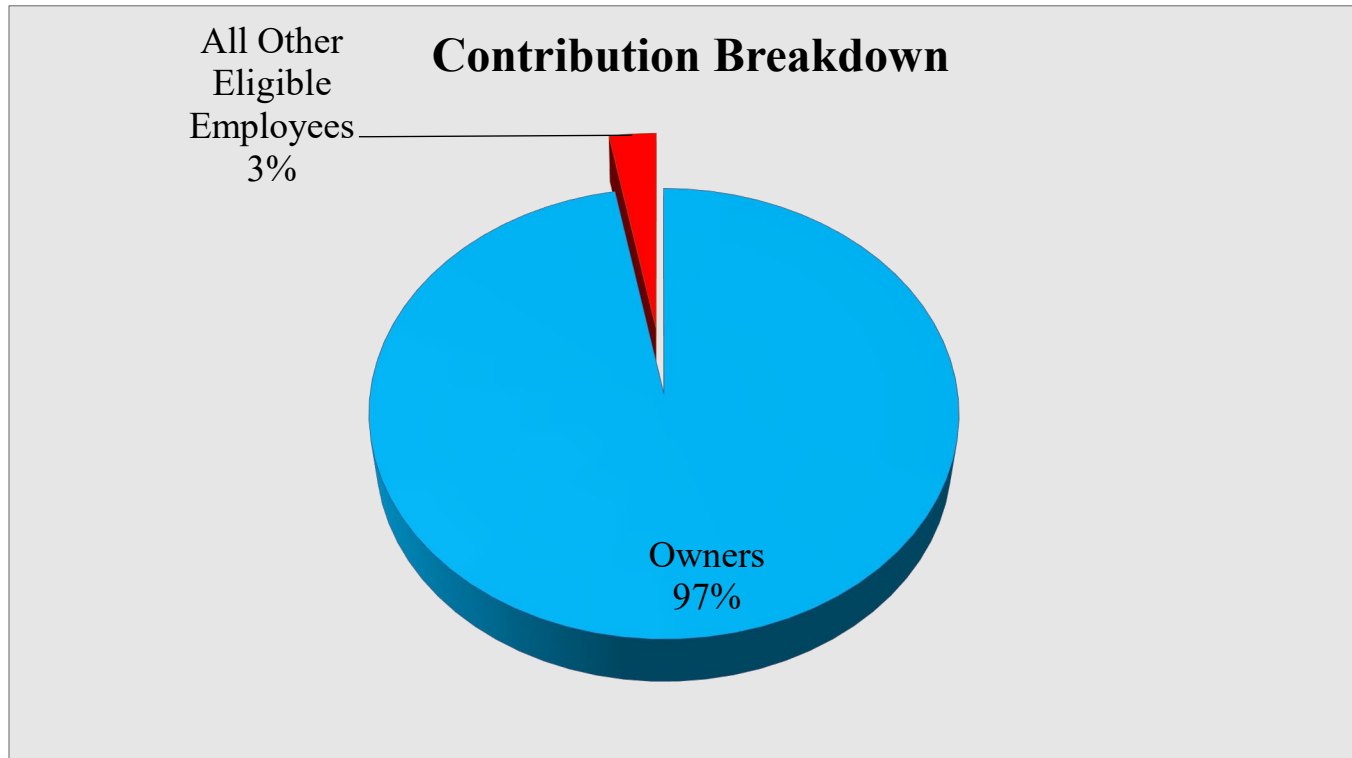
Name	Wages	401(k) Deferrals	Safe Harbor Non-Elective	SH % of Wages	Profit Sharing Allocation	PS % of Wages	Cash Balance Allocation	CB % of Wages	Total Employer Contribution
Owners:									
Owner 1	\$285,000.00	\$19,500.00	\$0.00	0.00%	\$16,401.50	5.75%	\$156,000.00	54.74%	\$191,901.50
Owner 2	\$285,000.00	\$19,500.00	\$0.00	0.00%	\$16,401.50	5.75%	\$122,000.00	42.81%	\$157,901.50
	\$570,000.00	\$39,000.00	\$0.00		\$32,803.00		\$278,000.00		\$349,803.00
	83.82%	87.64%	0.00%		87.47%		99.16%		97.12%
Non-owners:									
Employee 1	\$50,000.00	\$2,500.00	\$1,500.00	3.00%	\$1,710.00	3.42%	\$1,460.00	2.92%	\$4,670.00
Employee 2*	\$35,000.00	\$1,750.00	\$1,050.00	3.00%	\$2,132.00	6.09%	\$628.00	1.79%	\$3,810.00
Employee 3	\$25,000.00	\$1,250.00	\$750.00	3.00%	\$855.00	3.42%	\$276.00	1.10%	\$1,881.00
Sub-total:	\$110,000.00	\$5,500.00	\$3,300.00		\$4,697.00		\$2,364.00		\$10,361.00
Total:	\$680,000.00	\$44,500.00	\$3,300.00		\$37,500.00		\$280,364.00		\$360,164.00

The pension contributions are based on plan funding rules and distributions are not necessarily equal to the funding amounts.

* denotes employee received an additional profit sharing allocation in order to pass non discrimination testing.

SAMPLE DESIGN STUDY (40'S)

Retirement Plan Study
401(k) and Cash Balance Plans
Illustration A-2
For the Plan Year Ending December 31, 2019



Your Plan is designed to maximize contributions for certain employees. As noted above, owners of the company received 83% of contributions to your plan and all other employees eligible for the plan received 17% of contributions. Contributions for these calculations include 401(k) and Roth for owners.