

## SAMPLE DESIGN STUDY (60'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	\$127,000	\$652,887
<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.	3.92% 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 (60'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	68	285,000	63,500	309,444
Owner 2	63	285,000	63,500	343,443
<i>Owner Totals</i>		<i>570,000</i>	<i>127,000</i>	<i>652,887</i>
Employee 1	45	50,000	2,500	4,920
Employee 2	35	35,000	1,750	3,351
Employee 3	25	25,000	1,250	2,006
<i>Employee Totals</i>		<i>110,000</i>	<i>5,500</i>	<i>10,277</i>
<i>Overall Allocation Totals</i>		<i>680,000</i>	<i>132,500</i>	<i>663,164</i>

## SAMPLE DESIGN STUDY (60'S)

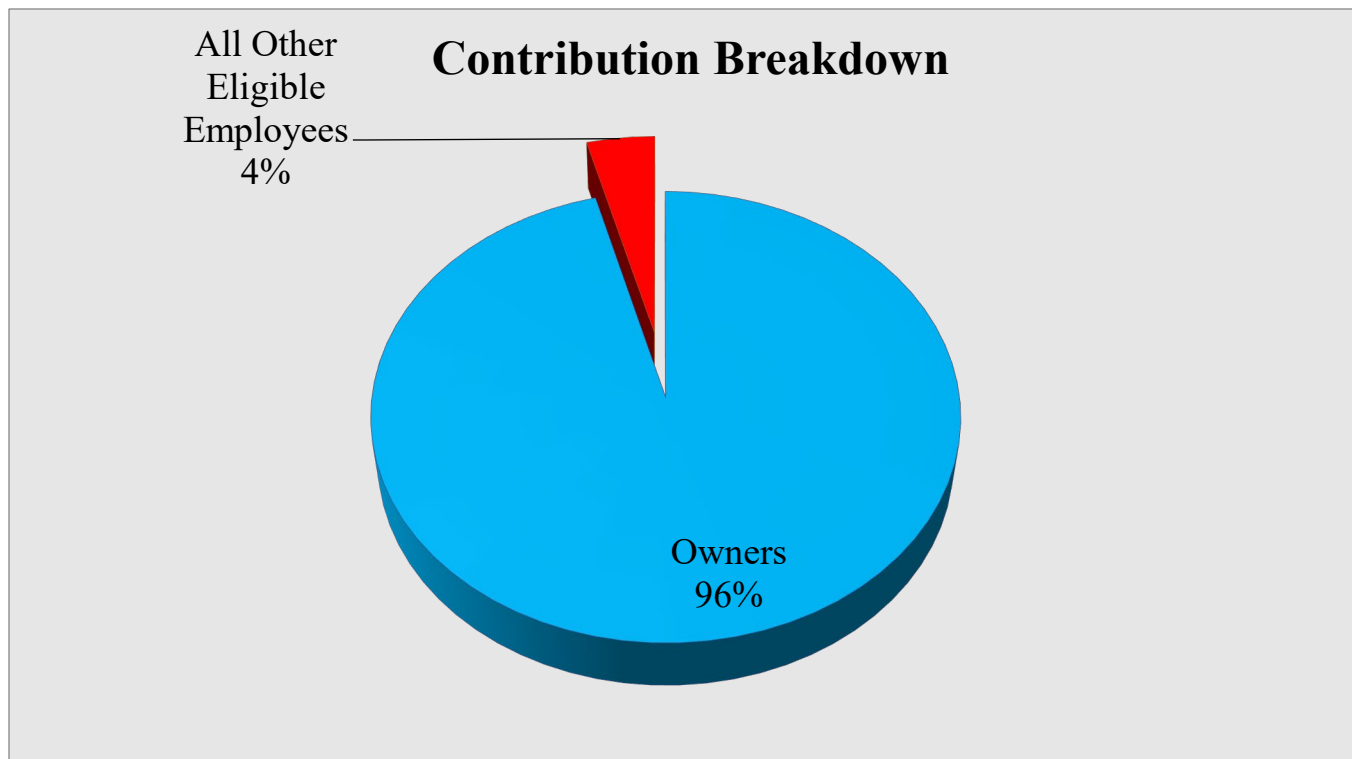
### Retirement Plan Study 401(k) and Cash Balance Plans Illustration A-1 For the Plan Year Ending December 31, 2019

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
<b>Owners:</b>									
Owner 1	\$285,000.00	\$26,000.00	\$0.00	0.00%	\$37,500.00	13.16%	\$0.00	0.00%	\$63,500.00
Owner 2	\$285,000.00	\$26,000.00	\$0.00	0.00%	\$37,500.00	13.16%	\$0.00	0.00%	\$63,500.00
	\$570,000.00	\$52,000.00	\$0.00		\$75,000.00		\$0.00		\$127,000.00
	83.82%	90.43%	0.00%		97.15%		0.00%		95.85%
<b>Non-owners:</b>									
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%	\$700.00	2.00%	\$0.00	0.00%	\$1,750.00
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		\$2,200.00		\$0.00		\$5,500.00
Total:	\$680,000.00	\$57,500.00	\$3,300.00		\$77,200.00		\$0.00		\$132,500.00

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

## SAMPLE DESIGN STUDY (60'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 (60'S)

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

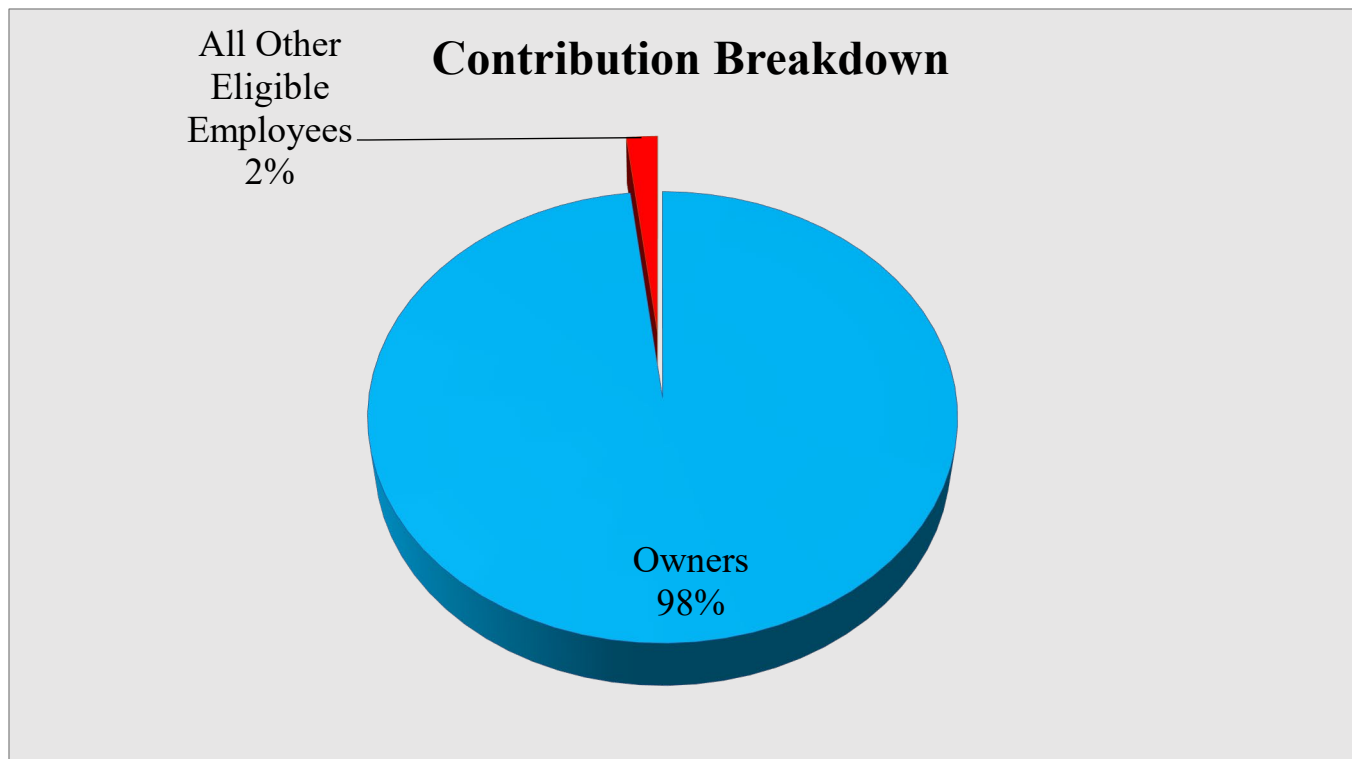
Name	Wages	401(k) Deferrals	Safe Harbor Non-Elective	SH % of Wages	Profit Sharing Allocation	PS % of Wages	Cash Balance Allocation	CB % of Wages	Total Employer Contribution
<b>Owners:</b>									
Owner 1	\$285,000.00	\$26,000.00	\$0.00	0.00%	\$16,443.50	5.77%	\$267,000.00	93.68%	\$309,443.50
Owner 2	\$285,000.00	\$26,000.00	\$0.00	0.00%	\$16,443.50	5.77%	\$301,000.00	105.61%	\$343,443.50
	\$570,000.00	\$52,000.00	\$0.00		\$32,887.00		\$568,000.00		\$652,887.00
	83.82%	90.43%	0.00%		87.70%		99.59%		98.45%
<b>Non-owners:</b>									
Employee 1	\$50,000.00	\$2,500.00	\$1,500.00	3.00%	\$1,960.00	3.92%	\$1,460.00	2.92%	\$4,920.00
Employee 2*	\$35,000.00	\$1,750.00	\$1,050.00	3.00%	\$1,673.00	4.78%	\$628.00	1.79%	\$3,351.00
Employee 3	\$25,000.00	\$1,250.00	\$750.00	3.00%	\$980.00	3.92%	\$276.00	1.10%	\$2,006.00
Sub-total:	\$110,000.00	\$5,500.00	\$3,300.00		\$4,613.00		\$2,364.00		\$10,277.00
Total:	\$680,000.00	\$57,500.00	\$3,300.00		\$37,500.00		\$570,364.00		\$663,164.00

*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 (60'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.