



# Cash Balance Plan Examples

This document shows hypothetical examples of Cash Balance Plans for different companies.

# Introduction



- This document shows hypothetical examples of Cash Balance Plans
- Actual results will vary based on company demographics
- Call JULY today and we will prepare a no-cost report to illustrate how a Cash Balance Plan will work for you

# Cash Balance Plan Example 1



## One Owner – Maximum in Both Plans

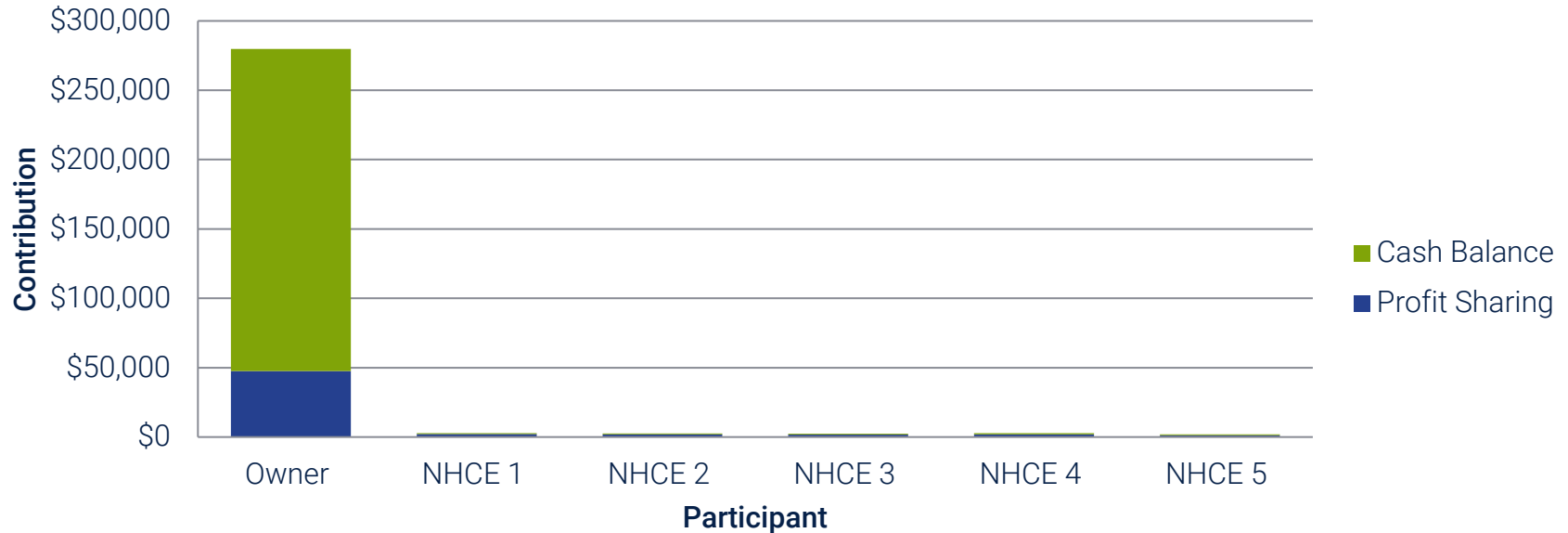
EE	Age	Plan Comp.	Deferrals	Profit Sharing	Contribution Credit	Total Contribution w/o deferrals
Owner	50	\$360,000	\$32,500	\$47,500	\$232,200	\$279,700
NHCE 1	50	\$50,000	\$2,500	\$2,075	\$800	\$2,875
NHCE 2	40	\$45,000	\$1,800	\$1,868	\$800	\$2,668
NHCE 3	35	\$40,000	\$1,600	\$1,660	\$800	\$2,460
NHCE 4	30	\$35,000	\$1,050	\$1,995	\$800	\$2,795
NHCE 5	25	\$30,000	\$900	\$1,245	\$800	\$2,045
<b>% to Owner</b>				<b>84.3%</b>	<b>98.3%</b>	<b>94.3%</b>

*This is a hypothetical example dependent on specific assumptions and used for illustrative purposes ONLY. Plan is assumed to have PBGC coverage, otherwise combined plan limits may apply. Full amounts may not be deductible in the first plan year.*

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## One Owner – Maximum in Both Plans



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# Cash Balance Plan Example 2



## Two Owners – Maximum in Both Plans

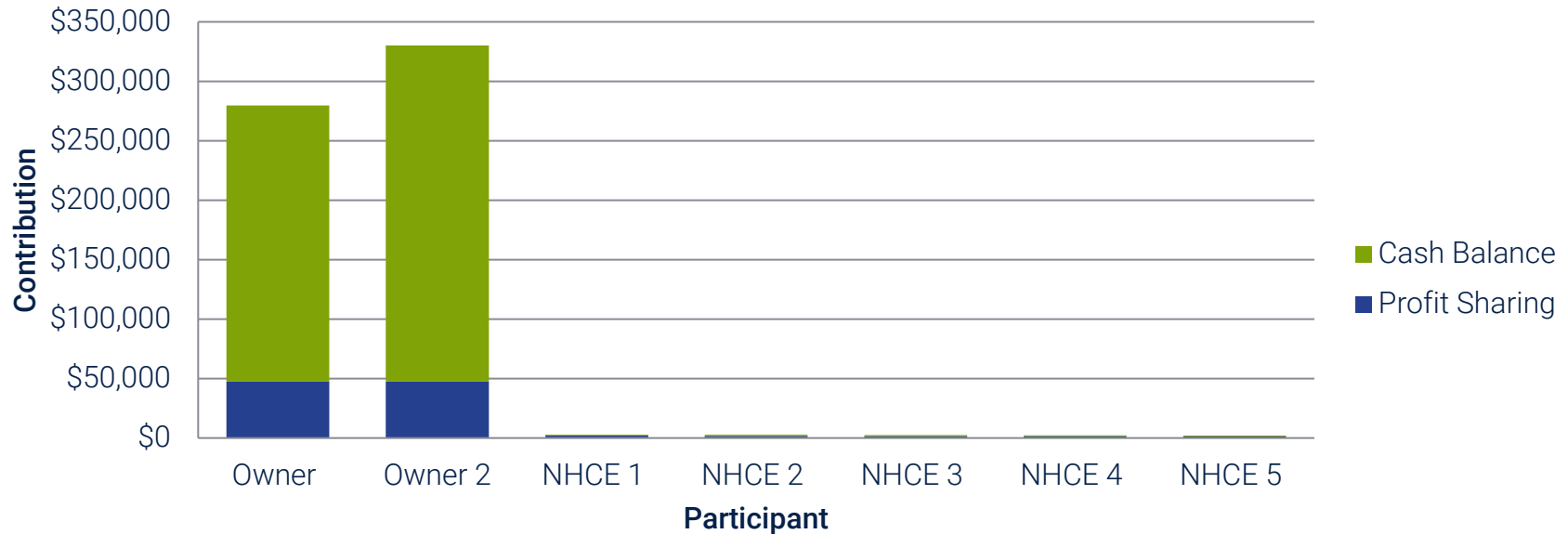
EE	Age	Plan Comp.	Deferrals	Profit Sharing	Contribution Credit	Total Contribution w/o deferrals
Owner	55	\$360,000	\$32,500	\$47,500	\$232,200	\$279,700
Owner	50	\$360,000	\$32,500	\$47,500	\$282,600	\$330,100
NHCE 1	45	\$50,000	\$2,500	\$2,050	\$800	\$2,850
NHCE 2	40	\$45,000	\$1,800	\$1,845	\$800	\$2,645
NHCE 3	35	\$40,000	\$1,600	\$1,640	\$800	\$2,440
NHCE 4	30	\$35,000	\$1,050	\$1,435	\$800	\$2,235
NHCE 5	25	\$30,000	\$900	\$1,230	\$800	\$2,030
<b>% to Owners</b>				<b>92.1%</b>	<b>99.3%</b>	<b>97.4%</b>

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# Cash Balance Plan Example 2



## Two Owners – Maximum in Both Plans



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