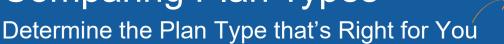
Comparing Plan Types





The chart below provides a quick comparison of different types of qualified retirement plans. For a more detailed presentation of the features and benefits of these plans, please visit our website at www.julyservices.com or let us show you how one may be best suited for your situation with a custom plan illustration.

Type of Plan	BENEFITS	LIMITATIONS	Typical Plan Sponsor
SOLO 401k Plan	 For owner-only businesses Up to \$57,000 / \$63,500 if age 50 Spouses can be included Partners in a partnership 	25% deduction limit	Owner-Only business. Incorporated or unincorporated.
Traditional 401(k) Plan	 Employee deferrals permitted Discretionary matching contributions Discretionary Profit Sharing Up to 1 year eligibility period Vesting schedules 	 ADP test may limit HCE deferrals 25% deduction limit for employer contributions (excluding deferrals) Possible required contributions 	Employers wishing to provide employees with the ability to fund their own retirement accounts.
Safe Harbor 401(k) Plan	 Same as Traditional 401(k) Plans Not subject to the ADP Test Employees can contribute \$19,500 Permit discretionary contributions 	 Required, fully-vested contributions (usually a 3% contribution for eligible employees) 25% deduction limit for employer contributions (excluding deferrals) 	Employers wishing to provide employees with the ability to fund their own retirement accounts. Also good for companies where participation is low.
Traditional Profit Sharing	 Discretionary contributions Unlimited investment choices Vesting schedules Low setup / administration costs Up to 2 year eligibility period 	 25% deduction limit High funding costs No employee deferrals Possible required contributions 	Employer needing tax deductions and wishing to provide equal contributions to all employees
New Comparability Plan	 Maximizes contributions for HCEs Up to \$57,000 contributions for HCEs Discretionary contributions Vesting schedules Up to 2 year eligibility period Can be a stand-alone Profit Sharing Plan or part of a traditional or Safe Harbor 401(k) Plan 	 25% deduction limit No employee deferrals Will not work for employers with younger Highly Compensated Employees 	Employer needing tax deductions and wishing to maximize contributions for Highly Compensated Employees and business owners
Cash Balance Plans	 Much larger contributions Annual benefit of up to \$230,000 Participants have hypothetical account unlike DB Plan Contributions can be less volatile than DB 	Higher cost of administration	Employer with high, steady income.
Defined Benefit Plan	Much larger contributionsAnnual benefit of up to \$230,000	Higher cost of administrationVolatile required contributions	Employer with high, steady income. Owners age 50 and up.