



**Picture
success.**

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

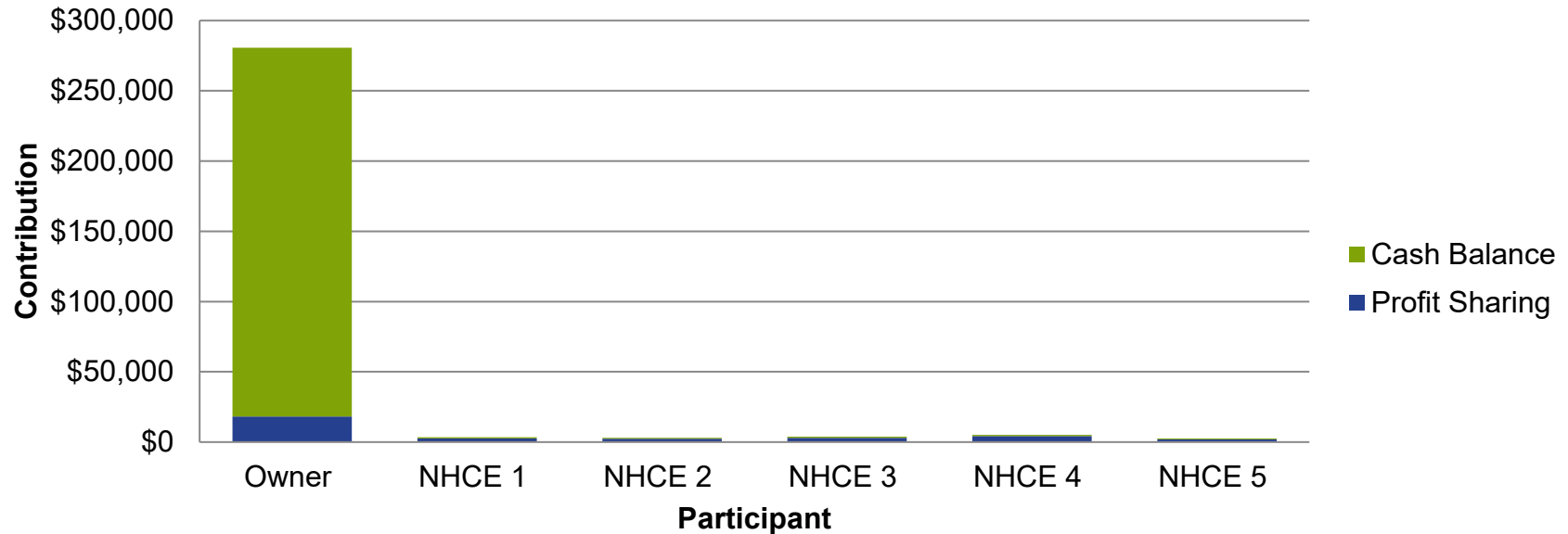
EE	Age	Plan Comp.	Deferrals	Profit Sharing	Contribution Credit	Total Contribution w/o deferrals
Owner	50	\$350,000	\$31,000	\$18,200	\$262,500	\$311,700
NHCE 1	50	\$40,000	\$2,000	\$2,620	\$800	\$3,420
NHCE 2	40	\$35,000	\$1,750	\$2,293	\$700	\$2,993
NHCE 3	35	\$45,000	\$2,250	\$2,948	\$900	\$3,848
NHCE 4	30	\$50,000	\$2,500	\$4,225	\$1,000	\$5,225
NHCE 5	25	\$30,000	\$1,500	\$1,965	\$600	\$2,565
% to Owner				56.4%	98.5%	94.5%

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.

Cash Balance Plan Example 1



One Owner – Maximum in Both Plans



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Cash Balance Plan Example 2



Two Owners – Maximum in Both Plans

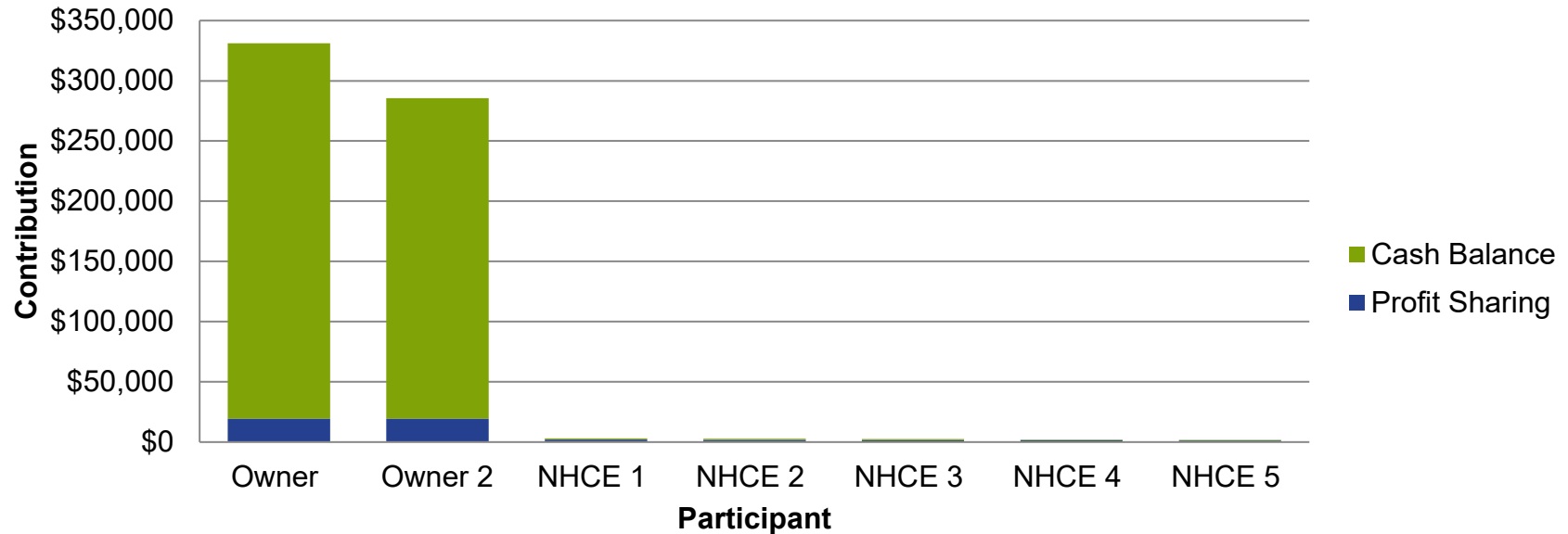
EE	Age	Plan Comp.	Deferrals	Profit Sharing	Contribution Credit	Total Contribution w/o deferrals
Owner	55	\$350,000	\$31,000	\$19,600	\$311,500	\$362,100
Owner	50	\$350,000	\$31,000	\$19,600	\$266,000	\$316,600
NHCE 1	45	\$50,000	\$5,000	\$2,065	\$1,000	\$4,565
NHCE 2	40	\$45,000	\$3,000	\$1,859	\$900	\$4,108
NHCE 3	35	\$40,000	\$1,500	\$1,652	\$800	\$3,652
NHCE 4	30	\$35,000	\$500	\$1,446	\$700	\$3,195
NHCE 5	25	\$30,000	\$0	\$1,239	\$600	\$2,739
% to Owners				82.6%	99.3%	97.4%

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Cash Balance Plan Example 2



Two Owners – Maximum in Both Plans



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