



**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

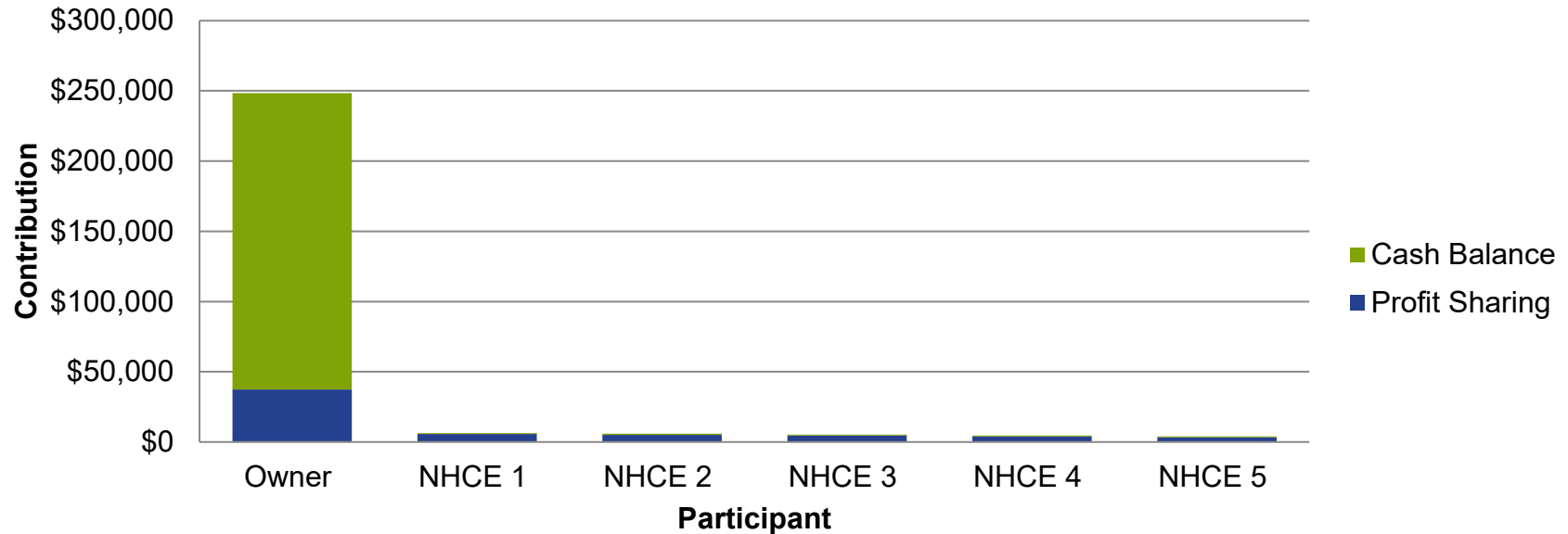
EE	Age	Plan Comp.	Deferrals	Profit Sharing	Contribution Credit	Total Contribution w/o deferrals
Owner	50	\$305,000	\$27,000	\$40,500	\$232,406	\$272,906
NHCE 1	50	\$50,000	\$5,000	\$3,550	\$800	\$4,350
NHCE 2	40	\$45,000	\$3,000	\$3,195	\$800	\$3,995
NHCE 3	35	\$40,000	\$1,500	\$2,840	\$800	\$3,640
NHCE 4	30	\$35,000	\$500	\$3,745	\$800	\$4,545
NHCE 5	25	\$30,000	\$0	\$2,130	\$800	\$2,930
% to Owner				72.4%	98.3%	93.3%

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

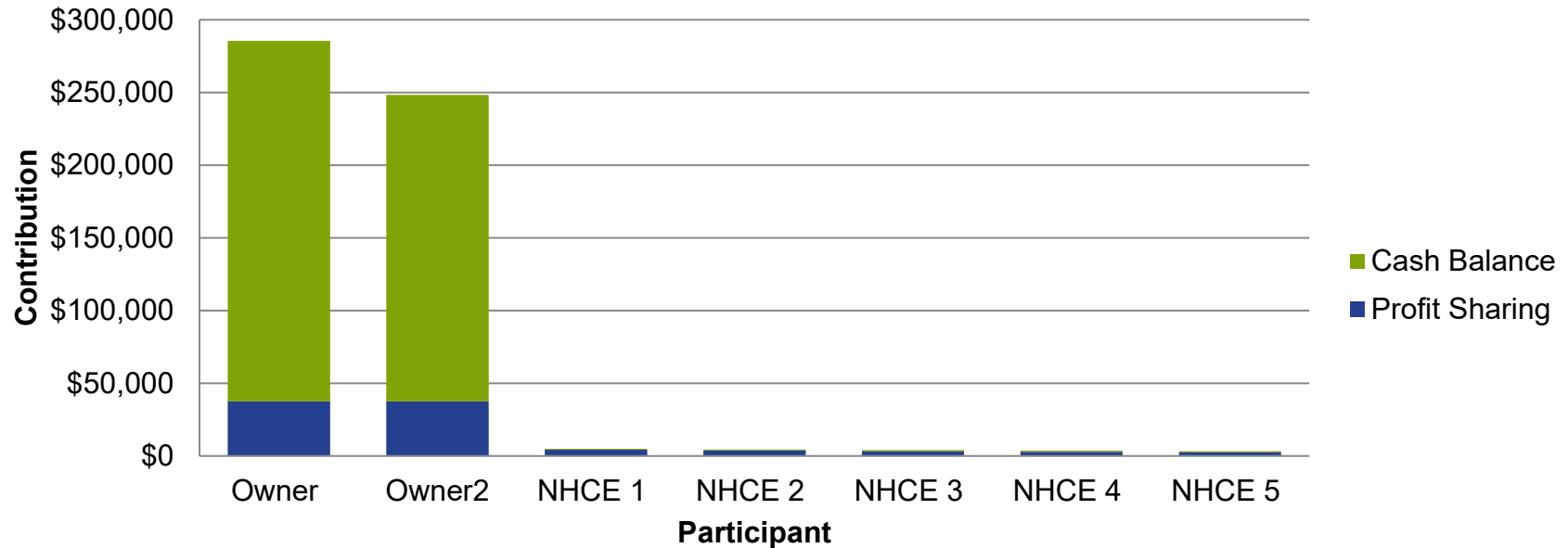
EE	Age	Plan Comp.	Deferrals	Profit Sharing	Contribution Credit	Total Contribution w/o deferrals
Owner	55	\$305,000	\$27,000	\$40,500	\$272,518	\$313,018
Owner	50	\$305,000	\$27,000	\$40,500	\$232,410	\$272,910
NHCE 1	45	\$50,000	\$5,000	\$3,550	\$800	\$4,350
NHCE 2	40	\$45,000	\$3,000	\$3,195	\$800	\$3,995
NHCE 3	35	\$40,000	\$1,500	\$2,840	\$800	\$3,640
NHCE 4	30	\$35,000	\$500	\$2,730	\$800	\$3,530
NHCE 5	25	\$30,000	\$0	\$2,130	\$800	\$2,930
% to Owners				84.9%	99.2%	96.9%

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Cash Balance Plan Example 2



Two Owners – Maximum in Both Plans



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.