MAKING IT ACTIONABLE

It's a common story: business owners put everything into their businesses for years before being in a financial position to put real money away for retirement. Once they're ready to really get going, we can suggest a number of retirement plan designs and individual plan features that can help them reach their goals.

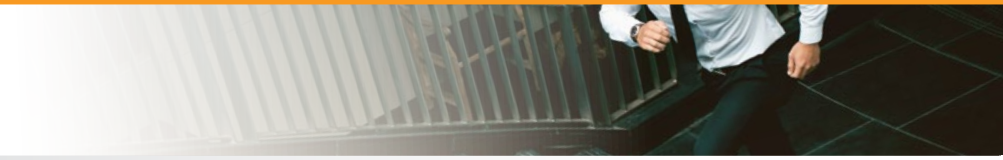
Depending on their situation, here's a quick snapshot of some of the most popular:

1 **401(k) Plan with a Safe Harbor feature**
This plan can be a great vehicle. With a Safe Harbor feature, an owner can make significant contributions because the rank and file are guaranteed a meaningful base contribution. The "safe harbor" is a free pass on the testing that is otherwise required to demonstrate adequate coverage and fairness.

2 **Age-Weighted Plan Design**
This design can be advantageous because, as its name implies, it takes the age of employees into consideration when calculating annual contributions. This can be especially helpful to business owners who are older, while their workforce tends to be younger. Contribution calculations in this plan favor those closer to retirement.

3 **Defined Benefit Plan**
A Defined Benefit plan can also work to the advantage of owners, as it is structured to guarantee a promised benefit at retirement and calculates the employer contribution to fund that liability. DB plans permit much higher annual contributions than 401(k)-type plans. However, it's important to note that annual contributions to fund a DB plan are mandatory, not discretionary.

4 **Cash Balance Plan**
These plans can be described as a "hybrid." They have the same mandatory contribution provisions as defined benefit plans, but rather than providing a promised benefit at retirement, these plans provide an accumulated balance much in the same way as defined contribution plans. Cash Balance plans allow owners to save much more than can be saved via 401(k) or Profit Sharing plans.



5 **Pairing 401(k) and Cash Balance**

This provides the opportunity for rank and file employees to participate while giving owners a more generous savings path.

6 **Catch-Up Contributions**

Don't forget, the IRS also provides all employees over the age of 50 the opportunity to make what are called "catch-up" contributions. This might be the best named featured ever, as it truly is a mechanism where you can "catch-up" for years when you were building your business or raising a family and weren't able to put away enough for retirement. Catch-up contributions raise the annual deferral limit for older savers.

ACTION TO TAKE NOW

The key to remember is that all of these are tools in our arsenal. We invite you to work with us to create custom tailored proposals that compare the features and benefits of various approaches and help clients optimize their path to long-term financial success.

Give us a call to see how we can help maximize your clients' chances for success.