



SEP vs. SIMPLE vs. Solo(k) Profit Sharing

| W-2 Income | Optimal salary | | | |
|-------------------------|----------------|-----------|-----------|-----------|
| | \$75,000 | \$100,000 | \$130,000 | \$245,000 |
| SEP-IRA | \$18,750 | \$25,000 | \$32,500 | \$49,000 |
| Profit Sharing | \$18,750 | \$25,000 | \$32,500 | \$49,000 |
| SIMPLE IRA Under age 50 | \$13,750 | \$14,500 | \$15,400 | \$18,850 |
| SIMPLE IRA age 50+ | \$16,250 | \$17,000 | 17,900 | \$21,350 |
| Solo(k) Under age 50 | \$35,250 | \$41,500 | \$49,000 | \$49,000 |
| Solo(k) age 50+ | \$40,250 | \$47,000 | \$54,500 | \$54,500 |

All numbers are maximums for each salary level. SIMPLE (k)'s and Solo(k)'s are including the match. Numbers above are calculated for C & S-Corporations. Other limitations and calculations would apply to Sole-Proprietors.

Qualified Plan Design Overview 2010

Comparing different types of retirement plans using today's latest IRS approved techniques.

Presented by:
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PenMax™ (DB-DC Combination Plan for non professional groups)

| Name | own % | estimated compensation | position | DB Plan Contribution | | PS Plan Contribution | | TOTAL DB + PS Contribution | | OPTIONAL 401k Plan Contribution |
|---------------------------|-------|------------------------|-----------|----------------------|--------|----------------------|--------|----------------------------|--------|---------------------------------|
| HCE's | | | | | | | | | | |
| Owner | 50% | \$225,000.00 | President | \$112,100.00 | 49.82% | \$30,500.00 | 13.56% | \$142,600.00 | 63.38% | \$22,000.00 |
| Spouse | 50% | \$150,000.00 | Sec/Treas | \$50,557.00 | 33.70% | \$30,500.00 | 20.33% | \$81,057.00 | 54.00% | \$22,000.00 |
| sub-total | | \$370,000.00 | | \$162,657.00 | | \$61,000.00 | 83.26% | \$223,657.00 | 95.38% | |
| NHCE's | | | | | | | | | | |
| Employee 1 | 0% | \$42,333.84 | Manager | \$0 | 0% | \$3,175.00 | 7.5% | \$3,175.00 | 7.5% | any amount up to max |
| Employee 2 | 0% | \$88,018.80 | Sales | \$0 | 0% | \$6,601.41 | 7.5% | \$6,601.41 | 7.5% | any amount up to max |
| Employee 3 | 0% | \$33,169.92 | Rank | \$0 | 0% | \$2,489.00 | 7.5% | \$2,489.00 | 7.5% | any amount up to max |
| sub-total | | \$265,440.56 | | \$0 | | \$12,265.41 | 16.74% | \$12,265.41 | 4.62% | |
| GRAND TOTAL ==> | | \$635,440.56 | | \$162,657.00 | | \$73,265.41 | 100% | \$235,922.41 | 100% | \$44,000.00 |

Profit Sharing plan contributions in professional organizations, i.e. medical groups, doctor's offices, attorney firms, etc...are limited to 6% maximum.