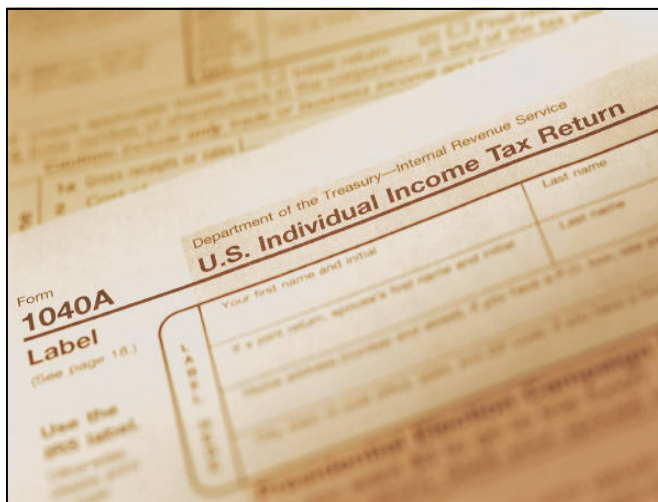


REDUCE YOUR TAXES & INCREASE YOUR SAVINGS WITH A CASH BALANCE PLAN

Ideal Candidates for **Cash Balance plans**:

- Principals seeking a tax deduction of more than \$49,000 or 25% of compensation.
- Profitable for both large and small businesses.
- CPA's, law firms, medical groups and professional firms.
- Owners wishing to retire within a short period of time.
- Companies wanting to reward specific employees under a qualified plan.



2010 Estimated Combo Plan Opportunities Cash Balance Plan / 401(k) Profit Sharing Plan

Age	401(k) only	401(k) with Profit Sharing	Cash Balance*	Total*
30	\$16,500	\$49,000	\$ 45,000	\$ 94,000
35	\$16,500	\$49,000	\$ 58,000	\$107,000
40	\$16,500	\$49,000	\$ 76,000	\$125,000
45	\$16,500	\$49,000	\$ 98,000	\$147,000
50	\$22,000	\$54,500	\$126,000	\$180,000
55	\$22,000	\$54,500	\$161,000	\$215,500
60	\$22,000	\$54,500	\$208,000	\$262,500
65	\$22,000	\$54,500	\$215,000	\$269,500

*For Discussion Purposes only, the final form will be based on actual year end data, actuarial review and PBGC coverage status

CASH BALANCE PLANS

Many business owners and partners of firms are looking for larger tax deductions and accelerated retirement savings. Cash Balance plans may be the perfect solution for them.

What is a Cash Balance plan?

- Cash Balance plans are a type of IRS-qualified retirement plans known as a “hybrid” plan. In the plan, each participant has an account that grows annually in two ways: first, an employer contribution and second, an interest credit, which is guaranteed rather than dependent on the plan’s investment performance.
- Cash Balance plans resemble 401(k)/profit sharing plans, with some key differences. The advantage is they combine the high contribution amounts of a defined benefit plan with some of the flexibility of 401(k)/profit sharing plans.

How does a Cash Balance plan work?

- The annual interest credit is guaranteed and is not dependent on the plan’s investment performance. The interest credit is usually tied to the Thirty-year Treasury Securities Interest Rate (as defined annually by the IRS), which in recent years has ranged between 3-8%. When participants terminate employment, they are eligible to receive the vested portion of their account balance.

Can Cash Balance plans be offered in addition to 401(k) Profit Sharing plans or other plans?

- Yes, the employer can offer a combination of qualified retirement plans in order to produce a larger contribution. In fact, in most cases, a 401(k) Profit Sharing plan in conjunction with a Cash Balance plan is necessary to produce the desired owner and employee contributions.

Can Cash Balance contributions change?

- Yes, but with restrictions. Cash Balance plans may be amended periodically to permit different contribution levels. Any reductions must be made before any employee works 1,000 hours during a plan year. In addition, a plan can also be frozen or terminated within specified time frames.

Must everyone participate equally in the Cash Balance plan?

- Each participant can have a different amount contributed for them based on the plan formulated and the IRS non-discrimination rules.

How do design and administrative costs compare with 401(k) Profit Sharing plans?

- It is more expensive to set up and maintain a Cash Balance plan than a 401(k) plan is maintained by an actuary. Expenses will vary by the size of the plan and annual testing requirements.

For additional information go to www.WeHelpPeopleRetire.com. Or call 888-376-7222 or, info@webpensionplans.com.