

Custom Carve-out Plan

Finding the optimal plan design for you!

The changes in the tax law have created the largest single deduction since mortgage interest - \$425 Billion annually for contributions to qualified plans under ERISA - to benefit American businesses.

What is a Custom Carve-out Plan? This is an optimal plan design based upon demographics and desires of the employer. It uses two plans to achieve a design that is attractive to most employers.

Data is critical; and if we receive accurate data, you will have a suitable plan.

What type of plan designs are available? From this data, various plan designs can be used: a fixed harbor plan, a unit credit safe harbor plan, a 2-step unit accrual, a tiered benefit formula, a tiered benefit formula with a flat dollar accrual, a plan that accounts for past service considerations, a cash balance plan, etc.

SMITH MEDICAL CENSUS

| Participant Name | Compensation | Age |
|------------------|--------------|-----|
| Dr. Smith | \$200,000 | 55 |
| Dr. Jones | \$200,000 | 50 |
| Amy Zucker | \$40,000 | 45 |
| Beth Unizker | \$30,000 | 40 |
| Charles Taylor | \$25,000 | 35 |
| Will Stewart | \$20,000 | 30 |
| David Sopk | \$20,000 | 25 |
| Ely Richards | \$20,000 | 21 |

SMITH MEDICAL CUSTOM CARVE-OUT PLAN

| Participant Name | 401(k) Plan | 412(i) Plan | DBEBAR | DCEBAR | 401a4EB |
|------------------|-------------|-------------|--------|--------|---------|
| Amy Zucker | — | \$3,239 | 2.00 | — | 2.00 |
| Beth Unizker | — | \$1,580 | 2.00 | — | 2.00 |
| Charles Taylor | — | \$897 | 2.00 | — | 2.00 |
| David Sopk | \$1,000 | — | — | 8.66 | 8.66 |
| Dr. Jones | \$10,000 | — | — | 1.13 | 1.13 |
| Dr. Smith | — | \$152,416 | 8.00 | — | 8.00 |
| Ely Richards | \$1,000 | — | — | 8.66 | 8.66 |
| Will Stewart | — | \$503 | 2.00 | — | 2.00 |

Total Contributions to both plans \$170,635.00

Key Group \$152,416.00

For a complimentary retirement plan study please contact us at (360) 756-0776 or visit our website <http://www.ebdgonline.com>

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