

# Maximize your savings.

## CASH BALANCE RETIREMENT PLANS



**Tap into a high-limit, tax-efficient retirement strategy.** Combining a profit-sharing 401(k) with a cash balance plan can be a highly effective strategy for business owners looking to maximize retirement savings.

 **You can make larger, tax-deferred contributions.**

A dual-plan approach enables significantly higher retirement contributions than a traditional 401(k) can offer.

 **You'll receive reliable income in retirement.**

With a 401(k), your final balance depends on market performance, while a cash balance plan promises a set benefit at retirement.

 **You can take advantage of pre-tax contributions.**

Contributions to a cash balance plan are tax-deductible, and the funds grow tax-deferred until retirement. Taxes are only owed upon distribution.

 **You can structure the plan to fit your needs.**

A cash balance plan allows you to supplement 401(k) and profit-sharing contributions for yourself, select family members, and key employees.

### How do cash balance plans work?

Unlike a 401(k), which defines how much you can contribute, a cash balance plan defines the benefit you'll receive at retirement. While you're still working, the account balance is a projected value based on a fixed formula, not a traditional investment account. Participants cannot select investments, track real-time balances, or benefit from market gains beyond the plan's set interest credit.

### How do the funds grow?

- The "pay credit" is an annual contribution made by the employer.
- The "interest credit" provides a guaranteed rate of return, usually equal to the yield on 30-year treasury bonds (about 4%).

### How do distributions work at retirement?

Upon retirement, the accrued benefit is distributed. Most plans offer the options to either take the account balance as a lump sum, roll it into an IRA, or move it into an annuity with a defined monthly payment.

### Do all employees participate equally?

No. The plan allows for different rates to be given to different employees, as long as certain minimums are met.

**\$3500** annual fee  
0.15% AUM fee