

Comparisons For 2010 SALARY DEFERRAL RETIREMENT PLAN

	<u>401(k) and Roth-401(k) Profit Sharing</u>		<u>SIMPLE-IRA</u>
	<u>Regular</u>	<u>Safe Harbor</u> (same except)	Plan must be setup by Oct 1, 2010
Eligible Employer	For 1 or more employees		For 1 - 100 employees and no other retirement plan
Eligibility - Employee			
Service	0 – 12 months		0,1, or 2 previous calendar years
Hours Worked	0 – 1,000 hours		N/A
Min. Pay	N/A		0 - \$5,000
Employee Deferral	401(k) or Roth 401(k)		
Maximum \$	\$16,500		\$11,500
Plus age 50 Catch-up	\$5,500		\$2,500
Limits on Owner's Deferral	Yes – based on employee participation	No- can make max contribution	No – can make max contribution
Company Contribution			
Match	Not required – elective	Required – 4% only if employee defers up to 5% or 3% non-elective cont. to all employees	Required – 3% only if employee defers up to 3% or a 2% contribution to all employees
Profit Sharing	Not required – elective		None – not allowed
Max Contribution Deferral, Match, P.S.	\$49,000 plus \$5,500 Age 50		\$21,350 plus \$2,500 age 50 Assumes 3% match at \$245,000 compensation
Vesting Schedule for Match and Profit Sharing	Yes	No for match and non-elective contribution. Yes for Profit Sharing	No – 100% vested
Loan Provision	Yes – no tax penalty		No 25% early withdrawal penalty within first 2 years then 10% plus income taxes
Creditor Protection	Yes		Yes – 2005 Legislature
Administration Fees			
Company	Yes*		None
Employee	0-\$30 Annual custodial fee		0-\$40 Annual custodial fee

*Third party administrator (varies based on number of employees and investments selected)
Set-up = \$1,000 - \$1,500 Annual = \$1,000 - \$2,500