

YOUR 401(K) PLAN MADE EASY

- Plan Design Options-



Associated Builders and Contractors, Inc. Retirement & Savings Plan allows adopting employers to enjoy the benefits of joining a multiple employer plan, while retaining the plan design flexibility of an individual plan. With our complimentary design services, your plan can be customized to fit the individual needs of your company.

Employer Contributions:

You may choose between a variety of different plan design options. You can provide a **deferral-only plan** that allows your employees to save for their retirement by making pre-tax contributions out of their salary. Or you can design a plan that allows for employer contributions. You can reward those employees that are contributing to their accounts by making a **matching contribution** or you can incentivize all of your eligible employees by making a **profit sharing contribution**. You can choose whether your employer contributions will be discretionary or will be mandatory. You can even choose within federal compliance guidelines how your profit sharing contribution will be allocated to your eligible employees. For instance, you may allocate your contribution based on compensation, years of service, age, or even merit! Our plan design specialists will help you determine what plan is right for you.

Safe Harbor Options:

Have the contributions of your top management or owners been limited in the past? Within our plan, you can guarantee that your top management and owners receive the full benefits of a qualified plan by choosing to make a **safe harbor matching contribution** or a **safe harbor non-elective contribution**. With the right design, your plan can be a valuable benefit to all of your employees.

Eligibility:

How quickly you want your employees to become eligible for your plan is an individual decision that can vary depending on the demographics of your employee base, competitiveness of your industry, and corporate financial constraints. Within our plan, you can choose from a variety of eligibility options from the least restrictive of **immediate eligibility** to the most restrictive of **1 year of service**. Upon adoption, you can also choose to waive your eligibility requirements for existing employees by **grandfathering** them into the plan. Your choice. Your plan.

Vesting Schedules:

How quickly you allow your employees to earn ownership in any employer contributions will depend on your individual business goals. Are you concerned about turnover? Are you looking for ways to attract the best talent? The flexibility of your plan ensures that there is a vesting schedule that will meet your needs.

- * **Immediate Vesting:** Employees immediately own 100% of any employer contributions.
- * **1/20 Vesting:** Employees become 20% vested at the end of 1 year of service and then earn an additional 20% ownership at the end of each year for the next 4 years
- * **2/20 Vesting:** Employees become 20% vested at the end of 2 years of service and then earn an additional 20% ownership at the end of each year for the next 4 years.
- * **3 Year Cliff:** Employees have no ownership stake in employer contributions for the first 3 years of their employment. At the end of 3 years of service, they own 100% of any employer contribution

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