

2007 Retirement Plan Comparison Chart

PLAN TYPE	401(k)	SAFE-HARBOR 401(k)	OWNER-ONLY 402(k)	SIMPLE IRA	PROFIT SHARING	SEP IRA	MONEY PURCHASE	DEFINED BENEFIT	403(b)/403(b) ERISA	457(b)
TARGET MARKET	20+ Employees	10+ Employees	Owner and spouses only	No more than 100 employees who earned more than \$5,000 in prior year and self-employed	Businesses with fluctuating earnings and self-employed	Small business and self-employed	Businesses with high, stable earnings and self-employed	Businesses with stable earnings and owners close to retirement and self-employed	Public educational institutions, churches, non-profit hospitals and health organizations and other 501(c)(3)	Government agencies and certain non-profit organizations
KEY FEATURES	Tax-deferred investing; flexibility in plan design; investment flexibility	Tax-deferred investing; no discrimination testing; investment flexibility	Tax-deferred investing; no discrimination testing; investment flexibility	Tax-deferred investing; no discrimination testing; no plan administration fee; investment flexibility	Flexible contributions' investment flexibility	Easy administration; investment flexibility	Consistent contributions; tax advantages; investment flexibility	Maximum contributions; tax advantages	Tax-deferred investing; investment flexibility	Tax-deferred investing; easy administration no plan administration fee; investment flexibility
CONTRIBUTORS	Employee and optional Employer	Employee and Employer	Employee and Employer	Employee and Employer	Employer only	Employer only	Employer only	Employer only	Employee and Employer depending on plan type	Employee and Employer
CONTRIBUTION FLEXIBILITY	Yes	No, however, additional employer contributions above safe harbor are possible	Yes	Very limited	Yes	Yes	No; percentage established at plan set up	Limited	Yes	Yes
MAXIMUM ELIGIBILITY REQUIREMENTS	Age 21 with one year of service	Age 21 with one ear of service	Age 21 with one year of service	Employees earning \$5,000 ¹ in current year and any 2 prior years	Age 21 with two years of service ²	Age 21 with any service in 3 of last 5 years	Age 21 with two years of service ²	Age 21 with two years of service ²	Eligible upon hire for employee deferrals; age 21 with two years of service for employer contributions	None
MAXIMUM ANNUAL SALARY DEFERRAL	\$15,500	\$15,500	\$15,500	\$10,500	Not applicable	Not applicable	Not applicable	Not applicable	\$15,500	\$15,500
CATCH UP CONTRIBUTIONS (OVER AGE 50)	\$5,000	\$5,000	\$5,000	\$2,500	Not applicable	Not applicable	Not applicable	Not applicable	\$5,000	\$5,000 (Gov't 457 only)
MAXIMUM ANNUAL EMPLOYER CONTRIBUTION	25% of eligible employee compensation	3-4% safe harbor; optional contribution of either matching or non-elective up to 25% of eligible compensation	25% of eligible employee compensation	100% up to 3% match to participants or 2% to all eligible employees	25% of eligible employee compensation ¹	25% of eligible employee compensation ¹	25% of eligible employee compensation ¹	Amount needed to fund plan	Up to 100% of eligible compensation	\$15,000 per participant plus catchup contributions
VESTING IN EMPLOYER CONTRIBUTIONS	May be graded up to 6 years	100% immediately on safe-harbor contributions	100% immediately	100% immediately	May be graded up to 6 years	100% immediately	May be graded up to 6 years	May be graded up to 6 years	Depends on the plan type	Depends on the plan type
LOANS	Yes	Yes	Yes	No	Yes	No	Yes	Yes	Yes	Depends on the plan type
WHEN ESTABLISHED	Any time	Any time prior to October 1 with 30-day notification for new plans	Any time	Prior to October 1	Prior to fiscal year end	Any time prior to tax filing deadline, including extensions	Prior to fiscal year end	Prior to fiscal year end	Any time	Any time
IRS 5500 REPORTING	Yes	Yes	Yes, once assets exceed \$100,000	No	Yes	No	Yes	Yes	Depends on the plan type	No

1. On maximum contributions, compensation is limited to \$225,000 per year. The overall contribution limit is \$45,000 plus any applicable "catch-up."
 2. 100% immediate vesting is mandatory.