



CASE STUDY

Zero to \$3 Million in 15 Years

The owner of a successful and growing information management consulting firm wants to super-charge her retirement savings. Her husband works with her at the firm and he has the same goal, too.

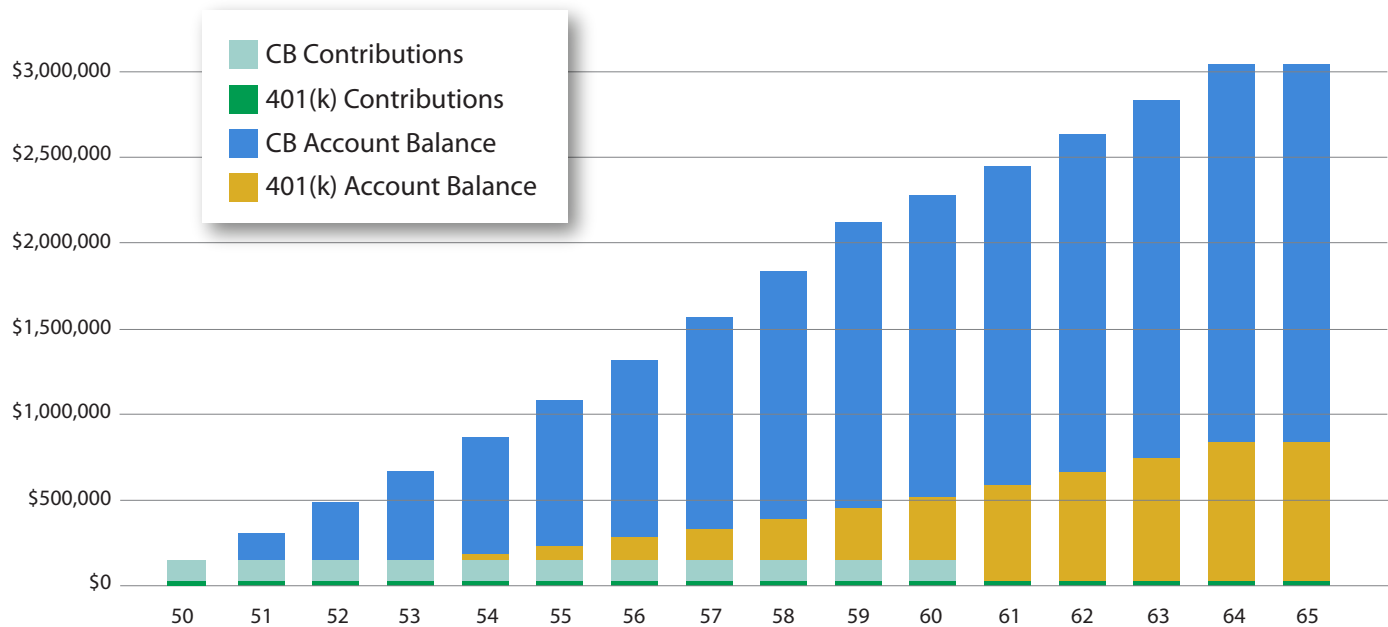
Though they're in their 50s, they never prioritized putting aside money for retirement. Today, they feel a sense of urgency and want to accumulate more than \$3 million in retirement savings as quickly as possible. They're in a good position to do so with a 401(k) and Cash Balance combo.

How does a cash balance plan help this couple?

The owner's overall financial objective is to accumulate more than \$3 million of combined retirement plan assets for her and her husband in the next 15 years with tax-deductible contributions.

We would recommend a 401(k)/cash balance combo plan, where the 401(k) allows contribution flexibility of salary deferrals and contains a discretionary profit-sharing contribution. Then, pair it with a cash balance plan that credits \$150,000 per year, per person.

With the 401(k) and cash balance plans expertly designed, the couple can get quickly on their way to meeting their retirement savings goals with this 15-year timeline.



The example above are for illustration purposes only and represent concepts that have been used in actual client situations. Rates of investment returns are illustrative only. Each plan Definiti designs will be based on employer objectives, actual employee data and current regulations and limitations.