



## Secure Your Retirement Future

### Cross-Tested 401(k):

A cross-tested 401K plan enables employers to define classes of employees and provide a specific percentage for profit-sharing contributions for each class. This type of plan allows businesses to allocate a higher contribution rate to owners and other key personnel.

	Age	Salary	401(k)	3% Safe Harbor Nonelective	10.28% vs. 1.43% Profit Sharing Contribution	Total
Owner	55	305,000	27,000	9,150	31,350	67,500
Employee	48	50,000	Up to 27,000	1,500	713	2,213
Employee	48	50,000	Up to 27,000	1,500	713	2,213
Employee	34	50,000	Up to 20,500	1,500	713	2,213
Employee	34	50,000	Up to 20,500	1,500	713	2,213
Employee	24	50,000	Up to 20,500	1,500	713	2,213
Employee	24	50,000	Up to 20,500	1,500	713	2,213
<i>Employee Subtotals</i>		<i>300,000</i>		<i>8,400</i>	<i>4,279</i>	<i>13,279</i>
Totals		<u>605,000</u>	<u>27,000</u>	<u>17,550</u>	<u>35,629</u>	<u>80,779</u>

Percent of company contribution going to owner = **76.16%**