

Illustration 2

Combined Cash Balance Plan and 401(k) Profit Sharing Plan Proposal For a "Mid-Sized" Law Firm

Plan Year Ending December 31, 2014

NAME	DATE OF BIRTH	AGE	DATE OF HIRE	COMPENSATION ELIGIBLE	401(K) PROFIT SHARING PLAN				CASH BALANCE	% OF TOTAL	ER TOTAL	% OF ER TOTAL	
					EE 401(K)	3% SH	PSP	SH+PS %					TOTAL
PRINCIPALS													
President	12/15/1956	58	01/01/2001	260,000.00	23,000.00	0.00	34,500.00	13.27%	57,500.00	213,875.00	82.7%	248,375.00	70.36%
SUBTOTAL				260,000.00	23,000.00	0.00	34,500.00		57,500.00	213,875.00	82.73%	248,375.00	70.36%
STAFF													
Lawyer 2	04/20/1976	38	01/01/2001	160,000.00	11,117.00	4,800.00	3,200.00	5.00%	19,117.00	10,000.00	3.9%	18,000.00	5.10%
Lawyer 3	06/27/1983	31	05/18/2005	160,000.00	7,450.00	4,800.00	3,200.00	5.00%	15,450.00	10,000.00	3.9%	18,000.00	5.10%
Lawyer 4	09/09/1981	33	01/20/2005	170,000.00	9,000.00	5,100.00	3,400.00	5.00%	17,500.00	10,000.00	3.9%	18,500.00	5.24%
SUBTOTAL				490,000.00	27,567.00	14,700.00	9,800.00		52,067.00	30,000.00	11.60%	54,500.00	15.44%
Office Manager	03/09/1972	42	01/08/2010	82,000.00	2,400.00	2,460.00	2,845.40	6.47%	7,705.40	2,009.40	0.8%	7,314.80	2.07%
Para Legal 1	03/06/1957	57	12/15/2006	70,000.00	2,200.00	2,100.00	2,429.00	6.47%	6,729.00	3,566.07	1.4%	8,095.07	2.29%
Bookkeeper	03/09/1949	65	11/12/2002	32,000.00	12,768.00	960.00	1,110.40	6.47%	14,838.40	1,426.76	0.6%	3,497.16	0.99%
Accounting	12/26/1949	65	01/08/2010	54,000.00	4,990.00	1,620.00	1,873.80	6.47%	8,483.80	2,407.66	0.9%	5,901.46	1.67%
Para Legal 2	05/24/1972	42	10/15/2008	54,000.00	7,081.00	1,620.00	1,873.80	6.47%	10,574.80	1,323.26	0.5%	4,817.06	1.36%
Secretary 1	08/21/1976	38	09/30/2011	52,000.00	750.00	1,560.00	1,804.40	6.47%	4,114.40	1,048.33	0.4%	4,412.73	1.25%
Para Legal 3	10/21/1986	28	05/13/2011	76,000.00	1,000.00	2,280.00	2,637.20	6.47%	5,917.20	940.62	0.4%	5,857.82	1.66%
Secretary 2	05/26/1978	36	03/06/2009	50,000.00	2,300.00	1,500.00	1,735.00	6.47%	5,535.00	914.29	0.4%	4,149.29	1.18%
Secretary 3	09/23/1986	28	12/15/2013	46,000.00	0.00	1,380.00	1,596.20	6.47%	2,976.20	569.32	0.2%	3,545.52	1.00%
Receptionist	11/05/1985	29	11/05/2013	33,000.00	0.00	990.00	1,145.10	6.47%	2,135.10	428.85	0.2%	2,563.95	0.73%
SUBTOTAL				549,000.00	33,489.00	16,470.00	19,050.30		69,009.30	14,634.57	5.66%	50,154.87	14.21%
TOTAL				1,299,000.00	84,056.00	31,170.00	63,350.30		178,576.30	258,509.57	100.00%	353,029.87	100.00%

Note: 85.80% of Contributions were allocated to the 4 Principals.