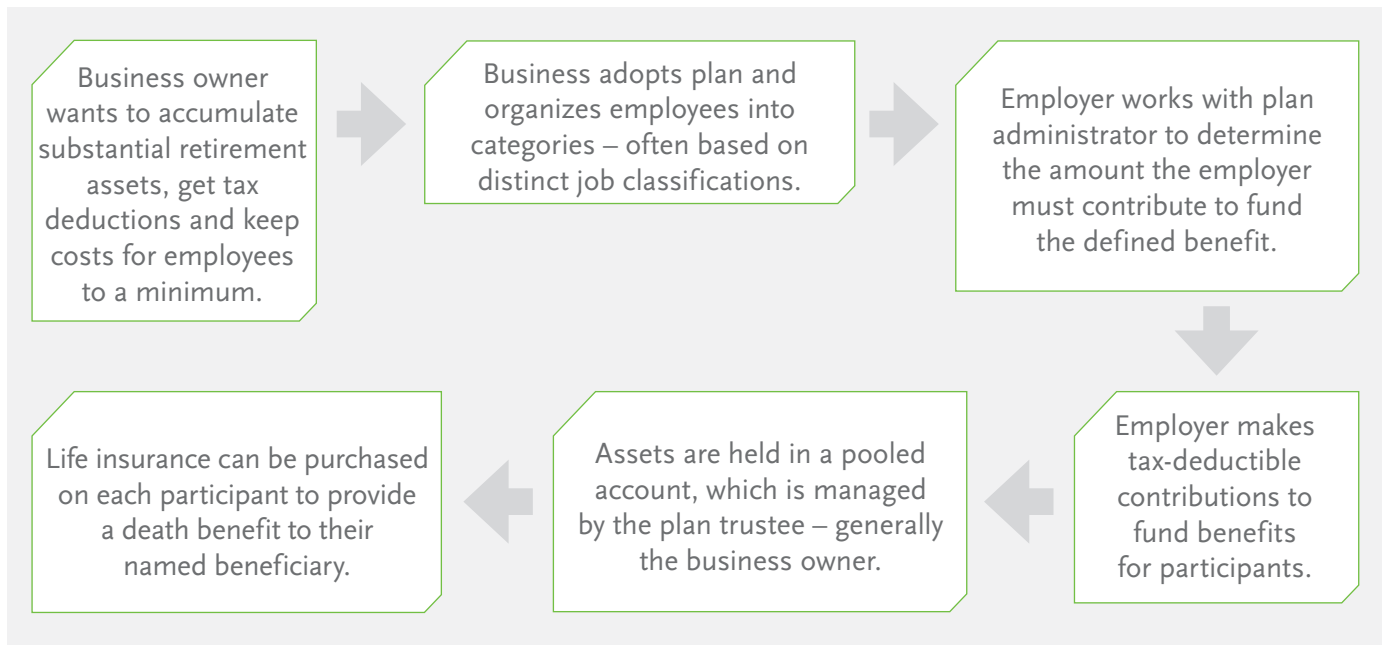


Defined Benefit Select Plan


A strategy that organizes employees into categories to provide different levels of plan benefits.

The benefit of substantial contributions and the control to limit costs



The advantages of this strategy:

- Helps you to maximize your benefit at retirement while keeping costs for employees at an affordable level.
- Contributions are tax-deductible.
- The contributions you make on behalf of employees can be paid for with dollars that may otherwise have been paid in taxes.
- Plan assets are protected from creditors.



If you're looking for a way to potentially control the cost of providing benefits for your employees and the amount you contribute to yourself ...

A Defined Benefit Select Plan may be the solution.

Here's how it works:

- After determining that a Defined Benefit Select Plan is the most suitable plan type, the business adopts the plan and chooses a plan administrator.
- Employees are organized into categories using a classification, such as job title.
- The objective is to lower the contribution to a select group of employees, thereby reducing funding costs while increasing the contribution amount to a group of participants you want to favor.
- You can also use this concept to achieve other important objectives such as:
 - equalizing contributions for participants of different ages
 - rewarding certain key employees based on longevity or value to the company.
- Contribution amounts are based on what is required to fund the promised benefits at retirement.
- Trustee selects how plan assets will be managed.
- At retirement, distributions from the plan provide for retirement income
- Plan benefits may be rolled to an IRA for tax deferral until age 70½ when required minimum distributions must begin.

A Defined Benefit Select Plan may be funded with permanent life insurance. Why Include Life Insurance?

- Can complete retirement funding in the event of premature death. Beneficiary receives the death benefit along with the value of the account.
- Premiums are paid with tax-deductible plan dollars.
- Frees up personal dollars that would be used to purchase insurance outside the plan.
- Policy is portable. At termination or retirement, insurance coverage can be continued, eliminating need to convert costly group insurance.

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