

JOHN HANCOCK & NH HICKS

Combination 401(k)/Defined Benefit Plan

Advisor Coaching Workshop

December 4th, 2025

People Matter & Experience Counts

Presenters



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- o 25 years in Financial Services
- o 10 years at Merrill Lynch as a Financial Advisor
- o 12 years Retirement Specialist at John Hancock

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- o 24 years in Financial Services
- o 2 years as a Financial Advisor
- o 22 years Retirement Specialist at John Hancock

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- o 2nd year as a TPA consultant with NH Hicks
- o 15 years as an advisor focused on selling and managing retirement plans
- o 19 years as an educator and coach



Upcoming NH Hicks Workshop

Offering CPA CE Units



- ❖ **December 18th, 2025, 10:00 am – 11:00 am PST, Unlocking The Creativity Of Owner Only Retirement Plans Advisor Coaching Workshop**
[Click Here To Register](#)

- ❖ **Today's Workshop Will Focus on Combination 401(k)/Defined Benefit Plans With Employees**

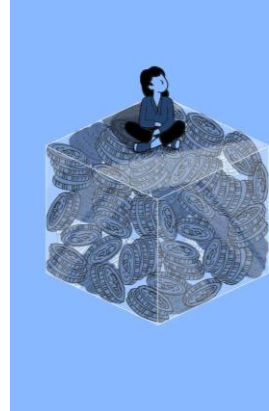
Combination 401(k)/Defined Benefit Workshop Topics



Defined Contribution Plan

[di-'fɪnd ,kən-trə-'byū-shən 'plan]

A retirement plan funded by employees and their employers that doesn't promise a specific amount of benefits.



Defined-Benefit Plan

[di-'fɪnd 'be-nə-.fɪt 'plan]

An employer-sponsored retirement plan where employee benefits are computed using a formula that considers several factors, such as length of employment and salary history.

- 401(k)/Defined Benefit Overview
- Ideal Timing For Defined Benefit Plan Implementation
- Small Plan Comparisons
- Combination DC/DB Case Studies

Combination Plan Provider Partners

Ultimate Team Business Industry

Advisor

Plan review coordinator, investment selection & monitoring, participant education.



CPA



Optimize contribution funding for tax savings and cash flow analysis.

Client



Payroll



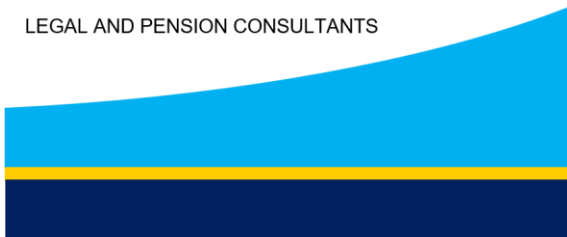
TPA – Administration

Tailored plan design consultation with personalized administration support.

Investment Recordkeeper

Participant website and app, plan asset custodian, plan sponsor operations & reporting.

NH HICKS
LEGAL AND PENSION CONSULTANTS



John Hancock
RETIREMENT PLAN
SERVICES

Table of Limits



	2025	2026
<u>COMPENSATION LIMIT</u> - <i>plan year beginning</i>	350,000	360,000
<u>DC ANNUAL ADDITION LIMIT</u> - <i>plan year ending</i>	70,000	72,000
<u>401(k) DEFERRAL LIMIT</u> - <i>calendar not plan year</i>	23,500	24,500
<u>CATCH-UP DEFERRAL LIMIT</u> - <i>calendar not plan year</i>	7,500	8,000
<u>CATCH-UP LIMIT AGES 60 TO 63</u> - <i>calendar not plan year</i>	11,250	11,250
<u>ROTH CATCH-UP FICA WAGES</u> - <i>calendar not plan year</i>	150,000	TBD
<u>DB ANNUAL BENEFIT LIMIT</u>	280,000	290,000
<u>DB LUMP SUM APPROXIMATE BENEFIT LIMIT</u>	3.4 Mil	3.6 Mil
<u>TAXABLE WAGE BASE (EE 6.2% / ER 6.2%)</u>	176,100	184,500
<u>MEDICARE TAX RATE (EE 1.45% / ER 1.45%)</u>	No Limit	No Limit

Group Testing Classifications



HIGHLY COMPENSATED EMPLOYEE (ADP/ACP)

Employee is considered highly compensated if owner in current or prior plan year. Compensation definition only required to be met in prior plan year.

- 1) Over 5% owner
- 2) Any employee (may limit to top 20%)
- 3) Spouse or linear relation

2025

2026

160,000

160,000



KEY EMPLOYEE (Top Heavy)

Employee is considered key if meets definition in current plan year.

- 1) Over 5% owner
- 2) Over 1% owner
- 3) Officer (count at least 1)
- 4) Spouse or linear relation

150,000

150,000

230,000

235,000

DEFINED CONTRIBUTION

Defining a Contribution Limit for Today

Market Returns Determine Amount at Retirement

Typically, Individual Self-Directed Accounts

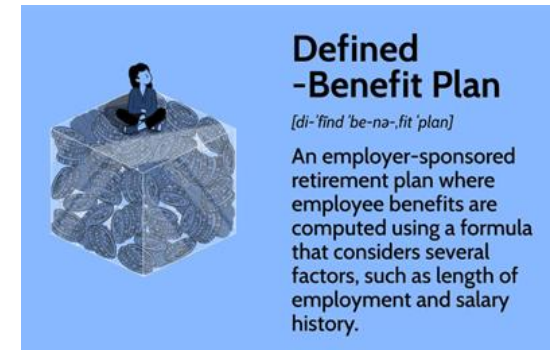


DEFINED BENEFIT

Defining a Benefit at Retirement

Returns Determined by the Plan Document

IRS & ERISA Mandated Pooled Account



TRUST

- Deposits not taxed to employee (unless Roth)
- Tax Deferred Growth
- Protected from creditors

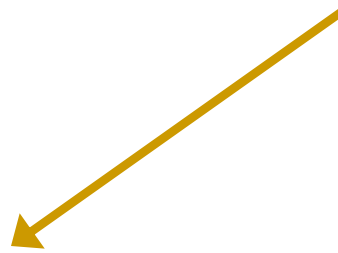
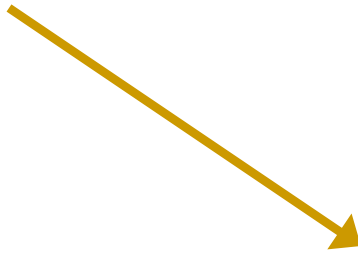


DEFINED CONTRIBUTION

401(k)

MATCH
401(k)

PROFIT
SHARING



TRUST

***DISCRIMINATION
TESTING***

***ELIGIBILITY
ENTRY
VESTING***

SAFE HARBOR

ALLOCATION METHODS

SAFE HARBOR PLANS

401(k)

100% up to \$23,500
(age 50+ \$7,500 catch-up)
(ages 60 to 63 \$11,250 catch-up)

**MATCH
401(k)**

4% Match

**PROFIT
SHARING**

3% Contribution

TRUST

***ELIGIBILITY
ENTRY
VESTING***

ALLOCATION METHODS

DISCRIMINATION TESTING

- ADP Test
- Top-Heavy

SAFE HARBOR

- 3% Non-elective or 4% Match (100% Vested)
- 3.5% QACA Match (2 Yr Vesting)
- New plans must exist for at least 90 days (10/1 Deadline)
- Terminated participants receive contribution

4% Match vs. 3% NEC Safe Harbor

Compensation		401(k)	4% SH Match	ER Cost Total
Owner	\$350,000	\$23,500	\$14,000	\$37,500
Spouse	\$24,000	\$23,500	\$960	\$24,460
EE1	\$50,000	\$2,000	\$2,000	\$2,000
EE2	\$50,000	\$2,000	\$2,000	\$2,000
EE3	\$50,000	\$2,000	\$2,000	\$2,000

Total
\$67,960

\$61,960
91%

\$6,000
9%

Owner to DC Max / 5% Corridor Leveraging New Comp Profit Sharing Allocation

Compensation		401(k)	3% SHNEC	Profit Sharing	ER Cost Total
Owner	\$350,000	\$23,500	\$10,500	\$36,000 (10.3%)	\$70,000
Spouse	\$24,000	\$23,500	\$720	0 (0%)	\$24,220
EE1	\$50,000	\$2,000	\$1,500	\$1,000 (2%)	\$2,500
EE2	\$50,000	\$2,000	\$1,500	\$1,000 (2%)	\$2,500
EE3	\$50,000	\$2,000	\$1,500	\$1,000 (2%)	\$2,500

Total
\$101,720

\$94,220
93%

\$7,500
7%

* Assumption for this illustration is that everyone is under age 50, using **2025 contribution limits**.



Defined Benefit Plan

Defining a Benefit Amount at Retirement
In Example Below Showing a 100% Income Replacement

General Assumptions

Age 48	NRA* 62	Life Exp. 85
Comp. \$225,000	Fund \$2,852,000	Pay \$225,000

Requires \$153,000 contribution

- Actuary calculation
- DB chart
- Retirement age
- Permanency
- Interest rates
- Investment return goal
- Funding min-max range
- Overfunded/Underfunded
- Funding limit
- Unable to fund
- Freezing
- Terminating

*NRA stands for Normal Retirement Age

2025 Defined Benefit Contribution Table

Ages/Comp	30,000	50,000	70,000	90,000	110,000	130,000	150,000	170,000	190,000
32	33,571	55,952	78,333	78,333	78,333	78,333	78,333	78,333	78,333
34	37,274	62,123	86,972	86,972	86,972	86,972	86,972	86,972	86,972
36	41,384	68,974	96,563	96,563	96,563	96,563	96,563	96,563	96,563
38	45,948	76,581	107,213	107,213	107,213	107,213	107,213	107,213	107,213
40	51,016	85,026	119,036	119,036	119,036	119,036	119,036	119,036	119,036
42	57,261	95,435	133,609	133,609	133,609	133,609	133,609	133,609	133,609
44	63,504	105,839	148,175	148,175	148,175	148,175	148,175	148,175	148,175
46	70,427	117,378	164,329	164,329	164,329	164,329	164,329	164,329	164,329
48	78,105	130,174	182,244	182,244	182,244	182,244	182,244	182,244	182,244
50	86,620	144,366	202,112	202,112	202,112	202,112	202,112	202,112	202,112
52	96,063	160,105	224,146	224,146	224,146	224,146	224,146	224,146	224,146
54	106,536	177,559	248,582	248,582	248,582	248,582	248,582	248,582	248,582
56	118,150	196,917	275,682	275,682	275,682	275,682	275,682	275,682	275,682
58	123,144	205,241	287,336	287,336	287,336	287,336	287,336	287,336	287,336
60	117,870	196,450	275,029	275,029	275,029	275,029	275,029	275,029	275,029
62	112,323	187,205	262,086	303,933	303,933	303,933	303,933	303,933	303,933
64	106,475	177,458	248,440	319,424	335,885	335,885	335,885	335,885	335,885

- Defined benefit chart is a ballpark approximation for an Owner Only Plan using W-2 wages.
- Contribution amounts may be less when using a DB/DC Combo design.
- Contributions based on NRA 62 and 5 Years of Participation.

Defined Benefit Plan Key Considerations



➤ Large Funding Requirements & Contribution Volatility

- Defined benefit plans have an **annual minimum and maximum contribution** determined by actuarial rules.
- The contribution funding is affected by the performance of the plan assets. **An actuary uses a rate of return (ROR) of typically 4% or 5% in their calculations defined in the plan document.** If the defined benefit asset performance exceeds this ROR, then the **allowable contribution funding will go down** whereas if the defined benefit assets underperform, then the **contribution funding will go up.**
- Critical to have the company **tax CPA** integrally involved in the set up of a defined benefit plan. Have the CPA run a **feasibility study** on the contribution funding to see if it will present a **cash-flow risk** to the employer.

➤ Permanency

- The concept of “permanency” in a Defined Benefit (DB) plan refers to the requirement that the plan is intended to be an ongoing commitment with a target of 8 - 10 years to be fully funded. In common practice, a DB plan with a **legitimate business reason can terminate within 3 – 5 years.**

➤ Legitimate Business Reasons to Terminate a Defined Benefit Plan

- **Significant reduction** in business **revenue and/or profitability**
- **Retirement**
- Company **merger/acquisition** or restructuring

➤ Recommended Timing to Set Up A Defined Benefit Plan

- **First half of the year following the 1st plan year.** For example, if you are looking to set up a defined benefit plan for 2025, I would be **planning now make a final decision by May 2026.** Also note, In a combination plan it's critical to understand the 2025 401(k) plan provisions that will affect the defined benefit plan calculations.

Defined Benefit Plan Comparison To Cash Balance Plan



➤ Plan Type & Benefit Promise

- ❖ **DB Plan:** Promises *specific annual lifetime benefit*, which can be converted to a *lump sum* distribution.
- ❖ **Cash Balance Plan:** A legal DB Plan but expresses the *promised benefit as a hypothetical account balance* that participants can see on an annual basis, yet assets remain in a pooled account.

➤ Operations & Expenses

- ❖ **DB Plan:** *Less administration work and fees* with the calculation of an annual lifetime benefit.
- ❖ **Cash Balance Plan:** *More administration work and fees* to track hypothetical participant accounts on an annual basis.

➤ Typical Usage From Experience

- ❖ **DB Plan:** *Smaller companies* (under 10 employees) that are targeting large contributions for only *one owner*.
- ❖ **Cash Balance Plan:** *Larger companies* that are targeting large contributions *for multiple owners*.

➤ Vesting

- ❖ **DB Plan:** Can have a *6-year graded vesting* schedule (0%-20%-40%-60%-80%-100%).
- ❖ **Cash Balance Plan:** Most restrictive is a *3-year cliff vesting* (0%-0%-100%)

➤ Trust The Actuary To Make The Decision

PBGC Covered Defined Benefit Plans



➤ Pension Benefit Guaranty Corporation (PBGC) Defined

- ❖ PBGC is a federal agency created under ERISA (Employee Retirement Income Security Act of 1974) that **insures private-sector defined benefit plans**.
- ❖ PBGC operates like an **insurance program** for employers with **covered defined benefit plans who pay premiums** to the PBGC. For example, PBGC per participant premiums for 2025 are \$106.
- ❖ If a covered pension plan becomes unable to pay promised benefits, **PBGC steps in to provide financial assistance** to ensure that participants receive guaranteed pension benefits.

➤ PBGC Exempt Employers

- ❖ PBGC defines exemptions as **professional service employers**.
- ❖ ERISA provides a **non-exhaustive list** of exempt professionals: Physicians, Dentists, Chiropractors, Osteopaths, Optometrists, Other licensed practitioners of the healing arts, Attorneys at law, Public accountants, Public engineers, Architects, Draftsmen, Actuaries, Psychologists, Social or physical scientists, and Performing artists.
- ❖ If in doubt, there is a process to **submit a coverage determination** request to the PBGC for a fee.

Now Is A Great Time For This Discussion



Plan Set Up & Contribution Funding Deadline



Adding a New Defined Benefit Plan (For All Entity Types) for 2025

- ❖ **Deadline:** Before tax returns are filed with extension on *September 15, 2026*

Adding a New 4% Safe Harbor Non-Elective Provision for 2025

- ❖ **Deadline:** For a calendar-year plan *December 31, 2026*
- ❖ **Missed Deadline:** To keep it at a **3% SHNEC** was *December 1, 2025*

Plan Comparisons With Employees

Combination 401(k) PSP / Defined Benefit Plans

W2 Comp	401(k) PSP	DB	401(k)/DB Combo
Owner 57 \$150,000	\$46,500 +\$31,000	\$366,300	\$366,300 +\$31,000
Spouse 57 \$40,000	\$16,500 +\$31,000	\$117,800	\$117,800 +\$31,000
Jack 30 \$50,000	\$2,500 +23,500	\$60,300	\$6,850 +23,500
Jill 25 \$50,000	\$2,500 +23,500	\$44,300	\$6,850 +23,500
ER Cont	\$125,000	\$484,100	\$546,100
EE Cont	\$5,000	\$104,600	\$13,700
ER %	96%	82%	98%



A Combination Plan in general will produce a much better ER% than a Defined Benefit Plan by itself.

* This illustration is using 2025 contribution limits.

ABC Architects Combo 401(k)/DB Plan

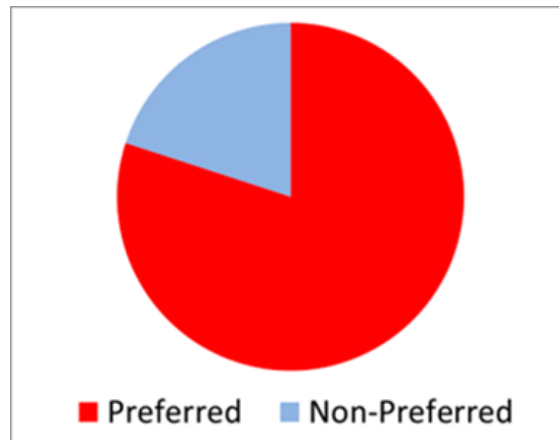
2025 4% Safe Harbor Match 401(k) Plan

Participant	Age	Comp EEs W2 & Owner K1 \$600,000	DB	401(k) Def	401(k) 4% SH Match	401(k) PS	Total Contributions	Total ER Cont	% of Total Benefits
Owner **	67	\$97,937	\$374,770	\$31,000	\$3,917	\$0	\$409,687	\$409,687	79.5%
EE 1 *	56	\$237,995	\$0	\$9,520	\$9,520	\$11,900	\$30,940	\$21,420	4.2%
EE 2	22	\$126,471	\$949	\$5,059	\$5,059	\$16,631	\$27,698	\$22,639	4.4%
EE 3	25	\$137,107	\$1,167	\$5,484	\$5,484	\$9,858	\$21,994	\$16,509	3.2%
EE 4 (Owner Child)**	28	\$213,267	\$0	\$8,531	\$8,531	\$0	\$17,061	\$8,531	1.7%
EE 5 *	46	\$279,702	\$0	\$11,188	\$11,188	\$13,985	\$36,361	\$25,173	4.9%
EE 6	42	\$84,693	\$1,700	\$3,388	\$3,388	\$6,089	\$14,564	\$11,177	2.2%
Employee Totals		\$1,079,235	\$3,816	\$43,170	\$43,169	\$58,463	\$148,618	\$105,448	20.5%
Total		\$1,177,172	\$378,586	\$74,170	\$47,087	\$58,463	\$558,305	\$515,136	100%

*Denotes HCE

**Denotes HCE & Key

Net Allocations to Preferred – 79.5%



Analysis of Net Economic Benefit

1. Employer's Combined Marginal Tax Rate:	35%
2. Total Deductible Employer Contribution:	\$515,136
3. Tax Benefit (1x2) :	\$180,298
4. After Tax Cost of Contribution (2-3) :	\$334,838
5. Total Allocations to Preferred	\$409,687
6. Net Economic Benefit Cost (5-4) :	\$74,849

ABC Architects Combo 401(k)/DB Plan

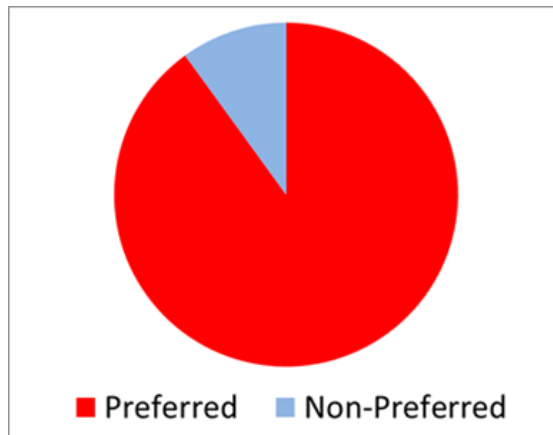
2026 3% Safe Harbor Non-Elective 401(k) Plan

Participant	Age	Comp EEs W2 & Owner K1 \$600,000	DB	401(k) Def	401(k) 3% SHNEC	401(k) PS	Total Contributions	Total ER Cont	% of Total Benefits
Owner **	67	\$126,330	\$394,417	\$31,000	\$0	\$100	\$425,517	\$425,517	87.5%
EE 1 *	56	\$237,995	\$0	\$0	\$0	\$11,900	\$11,900	\$11,900	2.4%
EE 2	22	\$126,471	\$1,018	\$0	\$3,794	\$11,256	\$16,068	\$16,068	3.3%
EE 3	25	\$137,107	\$1,252	\$0	\$4,113	\$5,704	\$11,069	\$11,069	2.3%
EE 4 (Owner Child)**	28	\$213,267	\$0	\$0	\$0	\$100	\$100	\$100	0.0%
EE 5 *	46	\$279,702	\$0	\$0	\$0	\$13,985	\$13,985	\$13,985	2.9%
EE 6	42	\$84,693	\$1,824	\$0	\$2,541	\$3,523	\$7,888	\$7,888	1.6%
Employee Totals		\$1,079,235	\$4,094	\$0	\$10,448	\$46,468	\$61,010	\$61,010	12.5%
Total		\$1,205,565	\$398,511	\$31,000	\$10,448	\$46,568	\$486,527	\$486,527	100%

*Denotes HCE

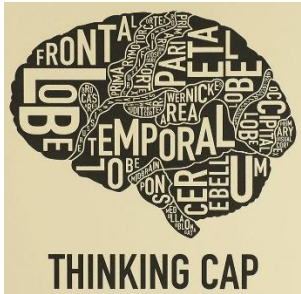
**Denotes HCE & Key

Net Allocations to Preferred – 87.5%



Analysis of Net Economic Benefit

1. Employer's Combined Marginal Tax Rate:	35%
2. Total Deductible Employer Contribution:	\$486,527
3. Tax Benefit (1x2) :	\$170,284
4. After Tax Cost of Contribution (2-3) :	\$316,243
5. Total Allocations to Preferred:	\$425,517
6. Net Economic Benefit Cost (5-4) :	\$109,274



ABC Architects Combo 401(k)/DB Plan

Top Three Critical Concepts



- **Significant Difference Between 3% SHNEC vs 4% SH Match**
 - ❖ **Net Allocations to Preferred:** 87.5% vs 79.5% **8% Difference**
 - ❖ **Analysis of Net Economic Benefit:** \$109,274 vs \$74,849 **\$34,425 Difference**
 - ❖ **Concept:** Since the **3% SHNEC** is given to every eligible NHCE, it **counts** towards **the favorable employer profit-sharing allocations**, where the **4% is not counted** in the **SH Match**. In this example the 3% contributes to the profit-sharing allocations for the NHCE of between 8% - 13% of compensation.
- **Disparity in Where Employer Allocations are Contributed**
 - ❖ **Owner:** In 2026, \$394, 417 in DB plan vs \$100 in the 401(k) Profit-Sharing
 - ❖ **Employees:** In 2026, \$4,094 in DB plan vs \$46,468 in the 401(k) Profit-Sharing
 - ❖ **Concept:** In the 401(k) plan the actuarial rate of return is determined by **investment return assumption usually around 8%**, whereas in the DB plan the actuarial rate of return is determined by **crediting rates usually around 5%**. Therefore, the **employer contributions can be less for employees on the 401(k) PS today**, since it will be worth more by actuarial calculations at retirement age. Consequentially, the **employer contributions can be more for the owner on the DB plan today**, since that will be worth less by actuarial calculations at retirement age.
- **Type of Owner Compensation Matters**
 - ❖ **Formula** for Self-Employed Retirement Plan Compensation = (Earned Income) – (one half SE Tax) – (ER Share of EE Contributions) – (Own Contributions)
 - ❖ For Example, in 2026: That is the reason why **Owner K-1 Net Income of \$600,000 equates to \$126,330** of retirement plan compensation.

Defined Benefit Case Studies

Plan Summaries

❖ Case Study #1

- Doctor office with one doctor owner 49 years old
- Three full-time employee support staff

❖ Case Study #2

- Manufacturing distributors with owner 35 years old and spouse 31 years old
- Three full-time warehouse employees

❖ Case Study #3

- Agricultural supply store with majority sibling owners with the brother 50 years old and the sister 52 years old
- 50 employees ranging from warehouse workers, in-store service/cashiers, and middle management

Participation Question

From the above information, which Case Study would yield the best combination 401(k)/DB funding contribution results for the owners?

Defined Benefit Case Studies

Case Study #1 Results

❖ Case Study #1

- Doctor office with one doctor owner 49 years old
- Three full-time employee support staff

Participant	Age	Comp	401(k) Deferral	401(k) Profit Sharing	Theoretical 1st Yr DB Contribution	Total Contribution Summary	% of Total Benefits
Owner	49	\$350,000	\$23,500	\$100*	\$130,000	\$153,600	66%
3 EE Totals	Avg 55	Avg \$115,000		\$62,000	\$16,500	\$78,500	34%
Total		\$695,000	\$23,500	\$62,100	\$146,500	\$232,100	100%

❖ Key Result Factor

- The **individual ages** of the three employees were on average **6 years older** than the owner with an **average compensation of \$115,000**.

*Typical actuarial crediting rate for a DB plan is 5% and for a DC plan is 8%. Inverse relationship between a lower crediting rate means higher employer contributions, and higher crediting rate means lower employer contributions.

Defined Benefit Case Studies

Case Study #2 Results

❖ Case Study #2

- Manufacturing distributors with owner 35 years old and spouse 31 years old
- Three full-time warehouse employees

Participant	Age	Compensation	DB	401(k) Def	401(k) PS	Total Contributions	% of Total Benefits
Owner	35	\$350,000	\$160,000	\$23,500	\$100	\$183,600	56.5%
Spouse	31	\$350,000	\$105,000	\$23,500	\$100	\$128,600	39.6%
Owner Totals	Avg 33	\$700,000	\$265,000	\$47,000	\$200	\$312,200	96.1%
3 Employees	Avg 30	Ave \$40,000	\$2,350		\$10,250	\$12,600	3.9%
Total		\$820,000	\$267,350	\$47,000	\$10,450	\$324,800	100%

❖ Key Result Factors

- The **individual ages** of the three employees were on average **3 years younger** than the average age of the owners with an **average compensation of \$40,000**.
- **Both** the owner and spouse having a **maximum defined benefit compensation of \$350,000**.
- **Note:** Annual Defined Benefit plan contributions are **dependent and may vary based on various factors** each year such as compensation, years of service, rate of return in the DB trust, changes in tax laws, owners age, etc.



Defined Benefit Case Studies

Case Study #3 Results

❖ Case Study #3

- Agricultural supply store with majority sibling owners with the brother 50 years old and the sister 52 years old
- 50 employees ranging from warehouse workers, in-store service/cashiers, and middle management

Participant	Age	Compensation	DB	401(k) Def	401(k) SH 3%	401(k) PS	Total Contributions	% of Total Benefits
45% Owner Brother	50	\$250,000	\$225,000	\$31,000	\$0	\$100	\$256,100	24.5%
45% Owner Sister	52	\$250,000	\$225,000	\$31,000	\$0	\$100	\$256,100	24.5%
10% Owner Dad	73	\$100,000	\$300,000	\$31,000	\$0	\$100	\$331,100	31.7%
Owner Totals	Avg 58	\$600,000	\$750,000	\$93,000	\$0	\$300	\$843,300	80.8%
General Manager	42	\$110,000	\$2,200		\$3,300	\$20,000	\$25,500	2.4%
49 Employees	Avg 38	Avg \$40,000	\$39,200		\$58,800	\$77,175	\$175,175	16.8%
EE Totals			\$41,400		\$62,100	\$97,175	\$200,675	19.2%
Total		\$2,670,000	\$791,400	\$93,000	\$62,100	\$97,475	\$1,043,975	100%

❖ Key Result Factors

- Having the ability to make large contributions to **three people in the ownership group**.
- The ownership group have **additional goals** of **succession planning** for “**10% Owner Dad**” and extra **contributions to key “General Manager”** employee.
- **Individual ages** of the 50 employees on average age of is **20 years younger** than ownership group.



Defined Benefit Case Studies

Favorable Owner % Results

Plan Summaries

- ❖ **Case Study #1 *Net Allocation to Preferred 66.0%***
 - Doctor office with one doctor owner 49 years old
 - Three full-time employee support staff

- ❖ **Case Study #2 *Net Allocation to Preferred 96.1% WINNER!***
 - Manufacturing distributors with owner 35 years old and spouse 31 years old
 - Three full-time warehouse employees

- ❖ **Case Study #3 *Net Allocation to Preferred 80.8%***
 - Agricultural supply store with majority sibling owners with the brother 50 years old and the sister 52 years old
 - 50 employees ranging from warehouse workers, in-store service/cashiers, and middle management

Combination 401(k)/Defined Benefit Workshop Topics

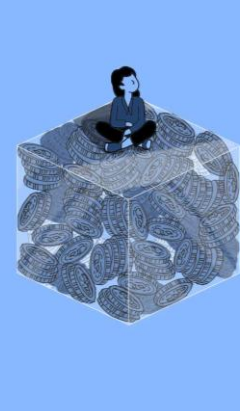


The illustration shows three stylized figures in business attire interacting with large, blue, coin-shaped containers. One figure is standing next to a large container, while two others are looking at a smaller one. The containers have a dollar sign and a star on them.

Defined Contribution Plan

[di-'fɪnd ,kən-trə-'byū-shən 'plan]

A retirement plan funded by employees and their employers that doesn't promise a specific amount of benefits.



The illustration shows a person sitting on a large, blue, coin-shaped container. The container is filled with many smaller coins, and the person is looking down at them. The container has a dollar sign and a star on it.

Defined-Benefit Plan

[di-'fɪnd 'be-nə-'fɪt 'plan]

An employer-sponsored retirement plan where employee benefits are computed using a formula that considers several factors, such as length of employment and salary history.

- 401(k)/Defined Benefit Overview
- Ideal Timing For Defined Benefit Plan Implementation
- Small Plan Comparisons
- Combination DC/DB Case Studies

Presenters



NH HICKS

LEGAL AND PENSION CONSULTANTS

Angelo Cabral (925) 357-0069 angelo_cabral@jhancock.com

- o 25 years in Financial Services
- o 10 years at Merrill Lynch as a Financial Advisor
- o 12 years Retirement Specialist at John Hancock

Zach Carstensen (916) 215-9240 zachary_carstensen@jhancock.com

- o 24 years in Financial Services
- o 2 years as a Financial Advisor
- o 22 years Retirement Specialist at John Hancock

Chris Ressa (916) 316-5932 cressa@nhhicks.com

- o 2nd year as a TPA consultant with NH Hicks
- o 15 years as an advisor focused on selling and managing retirement plans
- o 19 years as an educator and coach

Proposal Request Form 1st Page

You Have A Prospect If They Give You The Data

PROPOSAL REQUEST

Today's Date: _____

Requested by: _____

Proposal for Plan Year: _____

Phone number: _____

This is for a: ☐ New Plan ☐ Takeover Plan

Email: _____

Client Profile:

Company Name: _____ Contact: _____

Phone: _____ Address: _____

Date Business Commenced: _____ Fiscal Yearend: _____

Type of Entity: ☐ C-Corp ☐ S-Corp ☐ Partnership ☐ Not-for-profit ☐ Sole Proprietor

☐ LLC (taxed as ☐ Corp/ ☐ Partnership) ☐ Other: _____

Primary business is _____

List owners, officers and ownership percentage:

Name:	% Owned	Name	% Owned
_____	_____	_____	_____
_____	_____	_____	_____

(If any of the above own an interest in another company, please indicate with an *)

Does the employer currently have a plan? ☐ No ☐ Yes Specify: _____

Additional comments about plan: _____

Are they interested in a specific plan? ☐ No ☐ Yes Specify: _____

Employer wishes to contribute approximately: \$ _____ per year.

The primary objective of the plan is (rate by importance 1-4, with 1 being first priority)

___ Tax Deduction ___ Employee Attraction/Retention ___ Employee Incentive ___ Creditor Protection

Are there other desires or concerns? Please explain: _____

The completed forms can be given to your consultant or sent to Chris Ressa at
cressa@nhhicks.com or FAX (530) 226-0272.

Proposal Request Form 2nd Page

CENSUS DATA FOR PROPOSAL PREFERRED IN EXCEL FORMAT

Company:

Contact:

Phone:

Entity:

Year End:

If you are requesting a Defined Benefit proposal, see note below for additional information needed.

Owners & Employees	Birth Date	Hire Date	Total Annual Compensation	Annual Salary Deferral	1,000 Hours in Any Year	Term Date	Owner %, Officer, Family
Totals							

Note: If requesting a proposal for a Defined Benefit Plan, also provide us with the owners' compensations for the 3 prior calendar years. Compensation is W-2 for C and S-Corporations, Schedule C Net-Income for Sole Proprietor and K-1 Net-Income for Partnership.

JOHN HANCOCK & NH HICKS

People Matter & Experience Counts