



# A plan **designed** for the **owner-only** business

## Set up fees:

\$50 one-time fee for startup plans

\$150 one-time fee for takeover plans

## Administration fees:

\$150 – for assets less than \$250,000

\$250 – for assets equal to or greater than \$250,000

## Investments:

Mutual funds

## Features:

Allows for rollovers

Loans available

Roth source available

Free tax reporting and Form 5500 reporting

Unlimited customer support

The PLAN4ONE® provides an owner-only business the opportunity to shelter a significantly higher portion of their profits for retirement than previously allowed through conventional retirement plans.

PLAN4ONE® can be private labeled or co-branded to leverage your brand in the marketplace. Leverage PAi's high-touch service model and allow your sales force to focus on selling, their client on running their business and PAi on servicing the plan.

## PLAN4ONE® Benefits

- Based on the EGTRRA regulations and can accommodate multiple owners in corporate and non-corporate entities.
- Focus on running the business with our convenient, low maintenance plan.
- Easy to understand benefits, fast setup and administration via the web.
- Allows for higher deferral limit than a SEP or SIMPLE IRA.
- Complete funding flexibility.
- Maximize savings by making the highest allowable contribution to accounts.
- Full integration with PLANPAYROLL™.

## Tax advantages lower costs

- Employee matching or profit sharing contributions are tax deductible for the business.
- The choice of pre-tax and/or after-tax personal contributions is an ideal way to enjoy tax-advantaged retirement investing.

## PLAN4ONE® Features

- Self-trustee plan requiring a prototype plan document.
- Accommodates any organization without a non-owner employee.
- Web-based contribution processing and ACH payment of deposits.
- Full-service, online access to administer and monitor the plan.
- Toll-free access to client contact center.
- Up to 15 investment options from a list of well known investment providers.
- Access to daily online statements with personal rate of return.
- Access to participant loans.
- Allows for rollovers.
- Roth 401(k) feature available.
- Includes signature-ready Form 5500.



PAi

PLAN  ONE®

# Frequently Asked Questions

**Simple**

**Easy**

**Low Cost**

**For additional information, please contact us at:**

**800.236.7400 option 1**  
or  
[sales@pai.com](mailto:sales@pai.com)

This material is provided for general and educational purposes only, and is not intended to provide legal, tax or investment advice, or for use to avoid penalties that may be imposed under U.S. federal tax laws. Contact your attorney or other advisor regarding your specific legal, investment or tax situation.

Version InstJan2012

**Q. Who can use the PLAN4ONE®?**

**A.** The PLAN4ONE® is designed specifically for businesses that either do not employ any common law employees or that employ only common law employees that may be disregarded for purposes of federal qualified plan coverage requirements. Generally, any business or enterprise that employs only the owner(s) and/or spouse of owner(s) can utilize the PLAN4ONE® including corporations, partnerships, sole proprietorships and limited liability companies. Owners are required to have ownership of more than 5% to qualify.

**Q. What if there is ownership in more than one business?**

**A.** If ownership exists in other companies, a determination must be made whether the business constitutes as a “controlled group” as defined under Section 1563 of the Internal Revenue Code. If common ownership is determined in multiple companies, certain plan qualification and compliance testing requirements may apply on a controlled group basis which may require those additional companies to be included in the plan.

**Q. What are the contribution limits?**

**A.** Plan contributions cannot exceed the lesser of \$50,000 or 100% of compensation. Employee deferrals are limited to \$17,000 (employees age 50 and over can contribute an additional \$5,500)<sup>1</sup>. The employer contribution limit is 25% of compensation<sup>1</sup>.

**Q. What is the Roth 401(k) and is it available with the PLAN4ONE®?**

**A.** The Roth 401(k) allows participants the opportunity to contribute to the plan on an after-tax basis. Any earnings grow tax-free and qualified distributions are not subject to income tax. The Roth 401(k) is an optional feature to any 401(k) plan.

**Q. Are rollover contributions allowed?**

**A.** Yes, rollovers and transfers are allowed from most other tax-deferred retirement plans, including Keogh, defined benefit, deductible and conduit IRA, SEP, 401(k), profit sharing, money purchase, SIMPLE IRA accounts after two years of SIMPLE participation, 403(b) and governmental 457 plans. Direct rollovers and transfers are also allowed from Roth 401(k) if the Roth 401(k) feature is selected as an option.

**Q. What is the deadline for funding a PLAN4ONE®?**

**A.** The deadline for funding the profit sharing portion is the business’ tax return due date, including extensions. The deadline for depositing employee salary deferrals depends on whether or not the business is incorporated.

**Q. What is the deadline for an employee salary deferral election?**

**A.** Owners of an unincorporated business (i.e. sole proprietor or partner), must generally make a written employee salary deferral election (including amount) by no later than the last day of their tax year. If a business is incorporated, it must generally make a written employee salary deferral election (including amount) before the compensation is currently available or paid.

**Q. What types of employees can generally be excluded from the PLAN4ONE®?**

**A.** Generally, under federal law, you are permitted to exclude the following types of employees from coverage under a 401(k) plan such as: employees under the age of 21, employees with less than one year of service and who work less than 1,000 hours in the plan year, union employees and non-residential alien employees.

<sup>1</sup>2012 limits. Limits are indexed annually.



**PLAN4ONE® is powered by PAi.** PAi has been successfully servicing the small business industry for over 20 years by making strategic and effective investments in people, technology and processes. PAi delivers comprehensive solutions with a small business focus and high-touch and high-tech client care – all at affordable costs.