

# Super-Flex Profit Sharing & 401k Plans - An Exclusive Innovation

The goal of many closely held businesses and professional practices is to shelter as much income as possible for owners, partners and others who hold an economic interest in the success of the enterprise. This objective is often in conflict with IRS regulations and funding requirements that are designed to protect the interests of the non-owners and the non-executive class of employees.

New provisions in the qualified plan tax laws now make allowance for a time equivalency between the contributions of younger and older employees and further authorize that employees can be grouped into distinct employee classes for the purpose of allocating plan contributions. These important changes offer unparalleled plan design flexibility, especially when the owner and executive groups are composed of older aged employees.

Super-Flex is an innovative plan design that provides a mechanism for management to favor selected employees, while staying in full compliance with all IRS and DOL regulations. A first-of-its-kind profit sharing / 401k plan, Super-Flex designs have been approved by the IRS and allow each employee to be placed in an individual class. If the business has 10 employees, there can be 10 participant classes; 30 employees, 30 participant classes.

The multiple class structure of Super-Flex permits a business to target specific employee classes, while virtually ignoring others. The Super-Flex can also adjust contributions on the fly in response to changing economic conditions and shifting company demographics. With Super-Flex an employee class can be rewarded this year and skipped over the next.

Super-Flex is not appropriate for all businesses, but when the ownership structure is in conflict with the employee demographics, it can provide options not available through any other type of qualified plan. Super-Flex is the invention and creation of R. David Danzinger, an attorney specializing in ERISA law and qualified plan design. For additional information on Super-Flex or other plan designs please give us a call.