

Retirement Plan Comparison Chart - 2007



PLAN TYPE	401(K)	SAFE-HARBOR 401(k)	SIMPLE 401(k)/SIMPLE IRA	PROFIT SHARING	SEP IRA	DEFINED BENEFIT/412(i) PLAN	403(b)/403(b) ERISA
LAFAYETTE LIFE	YES	YES	NO	YES	YES	YES	YES, Non-ERISA
KEY FEATURES	Tax-deferred investment; Flexibility in plan design; Contributions may be deductible by employer; Salary deferrals reduce employee's taxable income. Defined benefit plan sponsor can also adopt.	Tax-deferred investment; Highly compensated employees may defer the maximum amount; Contributions may be deductible by employer; Salary deferrals reduce employee's taxable income. Defined benefit plan sponsor can also adopt.	Tax-deferred investment; Contributions may be deductible by employer; Salary deferrals reduce employee's taxable income. A Simple 401(k) or Simple IRA must be the exclusive plan.	Tax-deferred investment; Flexibility in plan design; Contributions discretionary; Contributions may be deductible by employer.	Easy administration, Life insurance is not permitted; Contributions discretionary; Contributions may be deductible by employer. Employer must include eligible employees.	Contributions may be higher than other types of retirement plans; Generally favors older, highly compensated employees.	Tax-deferred investment; Salary deferrals reduce employee's taxable income; Contribution limits are greater than IRAs.
CONTRIBUTORS	Employee and optional Employer	Employee and Employer	Employee and Employer	Employer only	Employer only	Employer only	Erisa: Employee and Employer. Non-Erisa: Employee
CONTRIBUTION FLEXIBILITY	Yes	Mandatory Safe Harbor contribution: Employer contribution is 3% of compensation; OR, match is 100% on the first 3% of deferrals, plus 50% on deferrals between 3% and 5% of compensation. Discretionary profit sharing contribution.	The employer must make either a matching or non-elective contribution.	Yes	Yes	No	Yes
MAXIMUM ELIGIBILITY REQUIREMENTS	Age 21 and one year of service	Age 21 and one year of service	401(k): Age 21 and one year of service IRA: Employees earning \$5,000 in current year and any 2 prior years	Age 21 with two years service ²	Age 21 with any service in 3 of last 5 years; \$500 annual compensation	Age 21 with two years of service ²	Eligible upon hire for employee deferrals; age 21 with two years of service for employer contributions
CONTRIBUTION LIMITS	Employer - 25% of eligible employee compensation. Individual - the lesser of 100% of compensation or \$45,000 (including salary deferrals).	Employer - 25% of eligible employee compensation. Individual - the lesser of 100% of compensation or \$45,000 (including salary deferrals).	Employer - 100% match on 3% of compensation ³ ; OR, a 2% employer contribution to all eligible employees. No other contribution is permitted.	Employer - 25% of eligible employee compensation. Individual - the lesser of 100% of compensation or \$45,000	Employer - 25% of each employee's compensation. Individual - the lesser of 100% of compensation or \$45,000	Based on benefit formula. \$180,000 maximum annual benefit	Employer - the lesser of 100% of compensation or \$45,000 (including salary deferrals).
CONTRIBUTION DUE DATE	Employee deferrals must be deposited as soon as possible, but no later than the 15th business day of the following month. Employer contribution by the tax filing date, including extensions	Deferrals must be deposited as soon as possible, but no later than the 15th business day of the following month. Employer contribution by the tax filing date, including extensions	Deferrals must be deposited as soon as possible, but no later than the 15th business day of the following month. Employer contribution by the tax filing date, including extensions.	By employer's tax filing date, including extensions.	By employer's tax filing date, including extensions.	Defined Benefit - By employer's tax filing date, including extensions. 412(i) - beginning of plan year.	Deferrals must be deposited as soon as possible. Employer contributions deposited anytime during the year.
MAXIMUM ANNUAL SALARY DEFERRAL	\$15,500	\$15,500	\$10,500	Not applicable	Not applicable	Not applicable	\$15,500
CATCH-UP CONTRIBUTIONS FOR PARTICIPANTS AGE 50	\$5,000	\$5,000	\$2,500	Not applicable	Not applicable	Not applicable	\$5,000
VESTING IN EMPLOYER CONTRIBUTIONS (Top Heavy)	May be graded up to 6 years	100% vesting on safe-harbor contributions. Profit Sharing contribution may be graded up to 6 years	100% immediate	May be graded up to 6 years	100% immediate	May be graded up to 6 years	Erisa: May be graded up to 6 years Non-Erisa: 100% immediate
WHEN ESTABLISHED	Prior to fiscal year end	Prior to October 1	Prior to October 1	Prior to fiscal year end	Anytime prior to tax filing deadline, including extensions	Prior to fiscal year end	Anytime during the calendar year.
FORM 5500 REPORTING	Yes	Yes	Yes-Simple 401(k) No- Simple IRA	Yes	No	Yes	Usually, if contributions by employer

1. Compensation is limited to \$225,000 per year.
2. 100% immediate vesting is mandatory
3. Simple IRA - for any two years out of five, employer may have a lower match, but not less than 1.0%
4. The self-employed contribution limit is based on net income (gross income less the contribution and one half of the self-employment tax).

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