RETIREMENT PLAN STRATEGY

Cash Balance Plans

A tailored strategy for accelerated, tax-advantaged retirement savings — designed around the goals of your business, not a template.

Cash Balance Plans give business owners and high-earning professionals a way to save well beyond 401(k) limits, while reducing current tax exposure and building long-term wealth. Inside, we cover how these plans work, what they can do for your clients, and how My Benefits and First Party Administrator, LLC bring it all together — every step of the way.

The Benefits of Cash Balance Plans

A Cash Balance Plan is a type of defined benefit plan that combines the higher contribution limits of a traditional pension with the portability and clarity business owners expect from a 401(k). Here's what it can offer.

TAX DEDUCTIBILITY

Contributions to a Cash Balance Plan are fully tax-deductible, easing current tax burdens and letting business owners keep more of what they earn. Funds also grow without current capital gains taxes.

ENHANCED CONTRIBUTION LIMITS

A 401(k) alone caps employee deferral and employer profit sharing well below what a Cash Balance Plan allows. Paired together, individual limits climb dramatically for owners and top earners.

CREDITOR PROTECTION

Like a 401(k), Cash Balance Plans are ERISA-qualified and enjoy strong protection from creditors, bankruptcy proceedings, and civil claims against retirement account funds.

FLEXIBILITY & PORTABILITY

Plans can be tailored to differing benefit levels among owners. At termination, or at age 59½, participants can roll balances into another qualified account, such as an IRA or 401(k).

> *"We won't force your plan into a one-size-fits-all design. Every Cash Balance strategy we build starts with your goals — tailored, proactive, and accurate from day one."*

How a Cash Balance Plan Works

A simplified look at how contributions move from your business into a protected, growing retirement account.

1. We Design It
2. You Contribute
3. It Grows, Protected
4. Flexible at Distribution

Max Cash Balance Contribution Limits for 2026

Illustrative combined contribution potential by age, assuming a 401(k) deferral, profit sharing, and Cash Balance Plan contribution are layered together. Actual amounts depend on plan design, compensation, and testing results — we'll model your specific numbers before you commit to anything.

AGE	401(K) ELECTIVE DEFERRAL	PROFIT SHARING	MAX. CASH BALANCE CONTRIBUTION	COMBINED PLAN TOTAL
35	$24,500	$47,500	**$97,000**	$169,000
40	$24,500	$47,500	**$124,000**	$196,000
45	$24,500	$47,500	**$159,000**	$231,000
50	$32,500	$47,500	**$204,000**	$284,000
55	$32,500	$47,500	**$262,000**	$342,000
60	$35,750	$47,500	**$336,000**	$419,250
65	$32,500	$47,500	**$349,000**	$429,000

Figures shown are illustrative maximums for 2026 and are not guaranteed for every plan design. Talk with your My Benefits contact for a projection built around your specific census and goals.

Who Should Consider a Cash Balance Plan?

Cash Balance Plans tend to make the most sense for businesses and individuals who are already maximizing a 401(k) and want a faster, more tax-efficient path to retirement savings.

- Business owners age 40+ who want to accelerate savings in the years before retirement
- Profitable, closely held businesses with consistent annual cash flow
- Physicians, attorneys, and other high-earning professionals maximizing a 401(k) already
- Businesses seeking a larger, more predictable current-year tax deduction

Tax-Advantaged Wealth Accumulation

Cash Balance Plans have become one of the fastest-growing tools for business owners looking to accelerate retirement savings and reduce taxable income at the same time.

BUSINESS SIZE	TYPICAL ANNUAL CONTRIBUTIONS	ILLUSTRATIVE BALANCE AFTER 5 YEARS
1–2 Owners	$100K – $600K	**$500K – $3.4MM**
3–5 Owners	$300K – $1.5MM	**$1.5MM – $8.5MM**

Tailored
PLAN DESIGN

Proactive
COMPLIANCE

Accurate
ADMINISTRATION

Growth of newly adopted Cash Balance Plans continues to outpace 401(k)-only adoption, driven largely by small and closely held businesses looking for a faster path to retirement readiness — and a bigger current-year deduction.

Cash Balance + 401(k): Better Together

A Cash Balance Plan doesn't replace your 401(k) — it layers on top of it, so contributions from both plans work toward the same retirement goal.

401(K) PROFIT SHARING PLAN

Handles employee elective deferrals, employer match, and discretionary profit sharing — flexible year to year, with contribution limits that cap out well below what owners often want to save.

CASH BALANCE PLAN

Adds a defined, formula-driven contribution on top — dramatically increasing what owners and top earners can put away each year, fully tax-deductible to the business.

A Better Experience with Market Return Design

Older fixed-rate Cash Balance designs can create volatile, unpredictable contributions because actual investment performance rarely lands on the promised rate. A Market Return design lets account balances track real investment performance instead — producing a steadier, more predictable contribution experience year after year.

ILLUSTRATIVE COMPARISON

PLAN YEAR	EXPECTED CONTRIBUTION	FIXED RATE PROMISE	ACTUAL RATE OF RETURN	FIXED RATE: UNPREDICTABLE AMOUNT	MARKET RETURN: PREDICTABLE AMOUNT
2021	$100,000	4%	10%	$67,502	**$100,000**
2022	$100,000	4%	-15%	$226,027	**$100,000**
2023	$100,000	4%	9%	$74,100	**$100,000**
2024	$100,000	4%	6%	$85,400	**$100,000**
2025	$100,000	4%	-3%	$142,900	**$100,000**

> *Fixed-rate promises force a plan sponsor to make up the difference whenever investments underperform — Market Return design removes that guesswork, so contributions stay proactive and accurate instead of reactive.*

FIXED RATE DESIGN

- Promises a set interest crediting rate regardless of investment performance
- Sponsor absorbs the gap when actual returns miss the promise
- Contributions can swing sharply from year to year

MARKET RETURN DESIGN

- Account balances track actual investment performance
- No shortfall for the sponsor to make up later
- Steadier, more predictable annual contributions

Why My Benefits

We redefine what a third-party administrator can be. Every Cash Balance Plan we design is built around three commitments.

T
TAILORED
A customized approach to fit your plan and your goals — never cookie-cutter.

P
PROACTIVE
Taking initiative to reduce stress and keep outcomes in your control.

A
ACCURATE
Attentive to detail, current on the rules, and error-free.

SHIFT THE BURDEN

Through "First Party Administrator, LLC" — your named ERISA 3(16) fiduciary — we shift retirement plan risk, responsibility, and administrative burden from your organization to ours. Think of us as the bridge to your benefits.

- Plan Design & Record Withholding
- Plan Compliance & Testing
- Participant Communication & Support
- Loan & Distribution Review, Approval & Processing
- Enrollment Support

LET US DO & YOU REVIEW

Whether you're a financial advisor, plan sponsor, or participant, we look forward to understanding your needs and providing meaningful solutions — with a friendly voice every time you call.

- $3 Million+ in Errors & Omissions Coverage
- Total Fee Transparency
- Disclosure of All Revenue Sharing (if any)
- Guaranteed Turn Around Times
- Focus on Cybersecurity

Cash Balance Services & Support

Every My Benefits client works with a dedicated, responsive team — never a phone tree, never an 800 number. Here's what's included for plan sponsors and the advisors who serve them.

PLAN SPONSOR SERVICES

- Cash Balance Consultation & Design
- In-Depth Plan Design Welcome Call
- Plan Documents
- Ongoing Actuarial Services
- Compliance Testing & Government Filings

ADVISOR SERVICES

- Dedicated Sales & Advisor Consulting Support
- Plan Design Guidance & Illustrations
- Sponsor Consultation & Finals Presentation Support
- Collaborative Team Approach
- Ongoing Education, Webinars & CE Credit

> *"Financial advisors are our primary client. We're here to help you maintain and grow your book of business — never to compete with you or bypass you."*

Getting Started

A straightforward path from first conversation to a signed plan.

1. **Share Census**
2. **Review Illustration**
3. **Finalize Design**
4. **Launch Plan**

Reach out to your dedicated My Benefits contact, or email Sales@MyBenefits.me, to request a complimentary Cash Balance illustration built around your own census data.

Let's Bring It All Together for You

Whether you're a financial advisor evaluating Cash Balance strategies for your clients, or a business owner ready to accelerate retirement savings, our team is ready to build a plan around your goals — not a template.

SALES	**Sales@MyBenefits.me**
PLAN SUPPORT	**MyPlan@MyBenefits.me**
PHONE	**678.500.9551**
WEBSITE	**mybenefits.me**

OUR COMMITMENTS TO YOU

- Collaborative Team Approach
- Care Through Personal Service
- Guaranteed Turn Around Times
- Total Fee Transparency
- Fiduciary Exposure Mitigation
- $3 Million+ in E&O Coverage