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# NEWS RELEASE

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April 14, 2004

## **For Immediate Release**

### **SBO 401k-Plan™ Targets Baby Boomers Through Catch-Up Contributions Feature**

The SBO 401k-Plan speaks to the needs of solo business owners born in the baby boomer generation through the catch-up contributions feature. The SBO 401k-Plan, provided by Benefit Plans Plus, is a powerful retirement solution designed exclusively for solo business owners with no employees other than a spouse and offers financial advisors a superior product for their clients.

The catch-up contributions feature allows participants age 50 or older to contribute an additional \$3,000 in salary deferrals which does not count towards the overall contribution limit of \$41,000. According to Benefit Plans Plus Principal Patrick Shelton, GBA, the catch-up contribution feature is important to business owners over the age of 50 because it enables investors to “catch-up” and contribute more money to their plan sooner.

Dr. Robert Rouse, a sole proprietor of a small consulting business in St. Louis, is a participant in a SBO 401k-plan and describes the catch-up contributions feature as an unexpected added bonus that other plans don't offer. In addition, Rouse is thoroughly pleased with the overall results of the SBO 401k-plan. “I have increased the revenue in my retirement plan and have noticed a reduction in my taxes by \$5,000 through the Benefit Plans Plus SBO 401k-plan.”

Although the catch-up contributions feature is limited to participants age 50 or older, the SBO 401k-Plan appeals to all ages with the unique freedom to choose your own investment mix. The flexibility of **unlimited investment options** permits individual business owners to choose either self-directed or professional fund management **at the financial institution of their choice**. With this plan, financial advisors can offer their smallest 401k

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clients access to almost any type of investment.

The SBO 401k-Plan also offers online tools where business owners can visit [www.bpp401k.com](http://www.bpp401k.com) and have their current plan analyzed for free, compare the benefits of a traditional SEP versus the SBO 401k-plan by using Benefit Plans Plus exclusive Comparison Calculator and even apply online.

“I am not aware of any vendor who provides this type of retirement arrangement, our flexible investment options, catch-up contributions, and online tools make the SBO 401k-Plan™ one-of-a-kind,” states Benefit Plans Plus, LLC, Principal Patrick Shelton, GBA. “We want solo business owners and especially financial advisors across the nation to know there is a more flexible Individual 401k retirement plan available.”

Rick Meigs, president of 401khelpcenter.com, simply states the main benefit of the SBO 401k-plan as having higher contribution limits. “I’m able to compare other plans out there and the SBO 401k-plan provides unlimited key features that inevitably produce more money for the solo business owner.”

### SBO 401k-Plan™ Features for 2004

Eligible Employers	Businesses that employ owners, their spouses, and have no employees who will be eligible to participate (includes corporations, partnerships, and sole proprietors).
Plan Establishment Deadline	Company tax year-end.
Eligibility	Age 21, no service requirement, immediate entry.
Investment Options	<b><i>Unlimited.</i></b> <b>You choose either Self-Directed</b> (must comply with Section 4975 of IRC (Prohibited Transaction Rules) <b>or Professional Management within a single custody account at the financial institution of your choice.</b>
Valuable Features	<ul style="list-style-type: none"><li>▪ Open investment architecture</li><li>▪ No discrimination testing</li><li>▪ Loan: 50% of vested balance, not to exceed \$50,000</li><li>▪ Consolidate assets from IRA’s, other 401k’s etc.</li></ul>
Salary Deferral Contributions	Up to \$13,000 (not to exceed 100% of compensation -- \$205,000 compensation limit for 2004). Total salary deferral and employer contributions up to a maximum of \$41,000.

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Catch-Up Contributions	Participants age 50 or older may contribute an additional \$3,000 in salary deferrals beyond the \$13,000 salary deferral contribution, which does not count towards the overall contribution limit of \$41,000.
Employer Contributions	Employer may contribute up to 25% of compensation (earned income for self-employed --\$205,000 compensation limit for 2004) or maximum \$41,000 contribution maximum. (Salary deferral contributions are also counted towards the \$41,000 limit.)
Rollovers	Rollovers are allowed from traditional IRA's, SEP, SIMPLE (SIMPLE IRA rollover eligible after two-year holding period is met), profit sharing, defined benefit, 401(k), 403(b) and governmental 457 plans.
Loans	Available (subject to IRS guidelines) to all participants, including unincorporated business owners.
Withdrawals	Limited to distributable events such as retirement, death or disability.
Set-Up Charge: On-going Service Charges:	<ul style="list-style-type: none"><li>▪ Plan Document and Adoption Agreement \$375 (deductible).</li><li>▪ Postage &amp; Handling at Cost</li><li>▪ Annual Plan Administration: \$350 (deductible).<ul style="list-style-type: none"><li>• Employer Contribution Calculation.</li><li>• Compliance Review.</li><li>• Annual Accrued Participant Report.</li><li>• IRS 5500 preparation: signature-ready 5500-EZ (Not required until assets exceed \$100,000).</li></ul></li><li>▪ Loan fee: \$150 per loan set-up; \$50 annual maintenance fee.</li><li>▪ Distributions: \$95.</li></ul>
Additional Service Charges:	<ul style="list-style-type: none"><li>▪ Trust reconciliation for multiple accounts; \$95 per hour (1 hour minimum).</li><li>▪ \$50 charge per participant starting with 3<sup>rd</sup> life</li></ul>

**Benefit Plans Plus, LLC**, formed in 1998 for comprehensive specialized retirement plan administration, is a subsidiary of Brown Smith Wallace, LLC of St. Louis, Missouri. The Benefit Plans Plus team provides customized employee retirement plan services that make a measurable difference to their clients. Its staff averages more than 13 years of experience and maintains advanced designations including: Associate Professional Member through the National Institute of Pension Administrators, Certified Pension Consultant, and Qualified 401k-Plan Administrator through the American Society of Pension Professionals and Actuaries. For more information visit [www.bpp401k.com](http://www.bpp401k.com) or contact Patrick Shelton, GBA at 314.983.1212.

Brown Smith Wallace, which has revenue of \$13 million, is the second largest locally owned independent full-service CPA and business consulting firm in Missouri. Brown Smith Wallace, with offices in St. Louis, St. Charles and Chicago, makes a measurable difference in clients' lives by making sure clients get more than just a good return on their investment, finding hidden value, looking where others forget, bridging gaps to form long lasting

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relationships, being accessible and by putting a guarantee in writing. For more information visit

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