

— RAYMOND JAMES COPILOT INDIVIDUAL(K)™ PLANS FOR OWNER-ONLY BUSINESSES

# An Individual(k) retirement solution designed specifically for owner-only businesses



## An Individual(k) is ideal for<sup>1</sup>:



- **Owner-only businesses** whose only employees are the owner or the owner and spouse.
- **Partnerships** whose only employees are partners or partners and spouse.
- **C and S corporations** where the corporation has only one shareholder and the only employees are the shareholder or shareholder and spouse.

## How does an Individual(k) work?

- Just like traditional 401(k) plans, an Individual(k), also known in the industry as a Solo(k), allows you to decide how much to contribute as the employee *and* the employer:
  - » **Employee** contributions are typically deposited monthly
  - » **Employer** contributions are typically deposited just before tax filing
- Ascensus provides all documents to implement the plan, annual administration, and annual tax reporting.

### Individual(k) Highlights

-  **Tax deductible** up to \$70,000 per year, \$77,500 if age 50+ (for 2025).
-  Works with a financial advisor or includes an investment manager, **you choose**.
-  Investments can grow **tax deferred**.

-  **One loan** from your plan is permitted.
-  **Deferral contributions**, either pre-tax or Roth, are allowed.
-  **Deferral limits** are \$23,500 or \$31,000 if age 50+ (for 2025).
-  **Investments may be rolled over** into an IRA account to retain tax favorable status.

<sup>1</sup>In general, Individual(k) is for businesses without full-time employees. The plan may still be viable if employees are union workers, non-resident aliens, or under age 21. Long-term, part-time employees must be allowed to make salary deferrals to the plan if they satisfied the plan's minimum age requirement and 500 hours of service in three consecutive 12-month periods (*for plan years that begin on or after January 1, 2021*) or two consecutive 12-month periods (*for plan years that begin on or after January 1, 2025*). Since the Individual(k) plan is designed exclusively for owner-only businesses, if "less than full-time" non-owner employees meet this requirement the business would no longer be eligible for the Ascensus Individual(k) product.

## Participants can save more...faster

In 2025, Individual(k) allows for deferrals of up to \$23,500 of pretax income plus additional profit-sharing contributions based on a percentage of self-employed earnings or W-2 compensation if taxed as a corporation. This can translate to significantly larger retirement savings over the years compared to a SIMPLE or SEP IRA. SIMPLE IRAs allow for deferrals up to \$16,500.

### Comparison of Retirement Saving Potential<sup>2</sup>

Your W-2 Compensation	Individual(k)	SIMPLE <sup>3</sup> IRA	SEP IRA
\$50,000	\$35,500	\$17,500	\$12,500
\$150,000	\$60,500	\$20,500	\$37,500
\$200,000	\$69,000	\$22,000	\$50,000

If the owner reaches age 50 or over by the end of the year, they may be eligible to make additional elective deferrals, called catch-up contributions, of \$7,500 (or \$11,250 aged 60-63) to an Individual(k) plan and \$3,500 (or \$5,250 aged 60-63) to a SIMPLE IRA plan.

## The Raymond James CoPilot Individual(k) offers key features that meet the specific needs of an owner-only business.

### PLAN DESIGN AND SETUP

- ERISA/plan document services
- Rollover contributions
- Onboarding support
- IRS Form 5500 EZ
- Quarterly participant statements
- Ascensus account access

### PLAN SERVICES

- Recordkeeping and administration
- Contribution, loan, and distribution processing
- Raymond James as the 3(38) Investment manager
- Trust services
- READYSAVE™ App

**Goal: Offer a streamlined, cost-effective solution**

<b>Optimized for</b>	Individuals and financial advisors that want a set lineup managed for them and immediate access to balances and information through a plan website.
<b>Investment options</b>	3(38) investment fiduciary services provided by Raymond James
<b>Pricing</b>	Implementation Fee .....\$50
	Base Fee.....\$25/month
	Recordkeeping Fee.....\$5 per participant/month
	Annual Custodial and Trading Fee.....0.07% <sup>4</sup> Annual Advisor Service Fee.....Set by Fee-Based Advisor (Includes 3(38) Fiduciary Fee)

Pricing is subject to change. Excludes investment expenses.

**Ascensus’ award-winning service, technology, expertise, and the simple plan design of an Individual(k) makes offering a retirement solution an easy decision.**



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<sup>2</sup> For illustrative purposes only; assumes W-2 compensation.

<sup>3</sup> Assumes a 3 percent employer matching contribution on elective deferrals.

<sup>4</sup> Fees are shown in annual terms but are deducted monthly.

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