

**Employer's Pricing Illustration - POP Plan**  
**100 People with Annual Elections of \$30,000**

	<u>Without Flex Plan</u>	<u>Year 1 With Flex Plan</u>	<u>Year 2 With Flex Plan</u>
1 GROSS PAYROLL	\$2,500,000	\$2,500,000	\$2,500,000
2 (LESS) FLEX PLAN ELECTION	\$0	(\$30,000)	(\$30,000)
3 TAXABLE PAYROLL	<u>\$2,500,000</u>	<u>\$2,470,000</u>	<u>\$2,470,000</u>
4 PAYROLL TAXES @ 7.65%	<u>\$191,250</u>	<u>\$188,955</u>	<u>\$188,955</u>
5 PAYROLL TAX SAVINGS WITH PLAN		\$2,295	\$2,295
7 (LESS) FEES FOR ADMINISTRATIVE SERVICES		\$0	\$0
8 (LESS) FEES FOR ENROLLMENT		\$0	\$0
9 (LESS) OTHER FEES		<u>(\$500)</u>	<u>\$0</u>
PRE-TAX PLAN SAVINGS/(COSTS)		\$1,795	\$2,295
(LESS) TAX (EXPENSE)/CREDITS @ 34%		\$610	\$780
AFTER-TAX PLAN SAVINGS/(COSTS)		<b>\$1,185</b>	<b>\$1,515</b>
MEMO: AFTER-TAX SAVINGS TO PARTICIPANTS @ 25%		<b>\$7,500</b>	<b>\$7,500</b>

**NOTES:**

- 2 Assumes employees' premium contributions will be \$2,500/mo.
- 4 Primarily FICA (7.65% up to \$90,000 in 2005, then \$1.45%).
- 9 Set-up for the Plan Year, testing, Form 5500, and Plan Documents.