



The Beneco Plan Vs. The Traditional 401(k)

The traditional 401(k) plan is not a one-size-fits-all retirement vehicle. Many prevailing wage contracts offer a 401(k), but few maximize its value. The Beneco Plan is designed exclusively for prevailing wage contractors and captures the advantages afforded to them. Not only will the Beneco Plan help bolster your business, but it can also help you avoid potential burdens of a traditional 401(k) plan.

The Traditional 401(k) Plan

- No prevailing wage fringe dollars permitted
- Low participation may trigger refunds (corrective distributions)
- Possible lower contribution levels for executives and upper management
- May require a Safe Harbor employer contribution

The Beneco Plan - 3 Plans In One

- Funded with prevailing wage fringe dollars
- Increased participation
- Higher contribution levels
- Helps avoid corrective distributions
- May eliminate the need for Safe Harbor employer contributions
- Maximize Profit Sharing capabilities
- Allows for voluntary 401(k) elective deferral contributions
- Access to premium investment options
- Benefits of three plans with the administrative and fiduciary requirements of one

