

Bi-Monthly Report

November - December 2009

Volume 18 Issue 3

2010 Pension Plan Increases and Thank You

2010 Pension Plan Increases

The Internal Revenue Service and the Social Security Administration have recently announced the 2010 Pension Plan cost-of-living increases. For your convenience and reference, they are listed below, along with the 2009 limits, which are shown for comparison purposes. For the first time since 1998 and 1999, the amounts shown in both columns are the same, i.e., there is no cost-of-living increase for 2010 for these items.

ltem	2010	2009
1. Maximum contribution to a 401(k) Plan	\$ 16,500	\$ 16,500
2. Additional 401(k) Plan Catch-Up Contribution (for participants age 50 and over)	5,500	5,500
3. Maximum Profit Sharing Plan contribution for a participant*	49,000	49,000
4. Maximum 401(k) and Profit Sharing Plan contribution for a participant age 50 or older*	54,500	54,500
5. Maximum Defined Benefit Pension Plan Benefit (Dollar Limit payable at ages 62 to 65)	195,000	195,000
6. Maximum compensation that can be used for Plan purposes	245,000	245,000
7. Highly Compensated Employee Compensation Threshold	110,000	110,000
8. Social Security Taxable Wage Base	106,800	106,800

^{*} Please note that the defined benefit contribution may be higher than the maximum profit sharing and 401(k) amounts shown above. Please contact us if you want to contribute more than these amounts.

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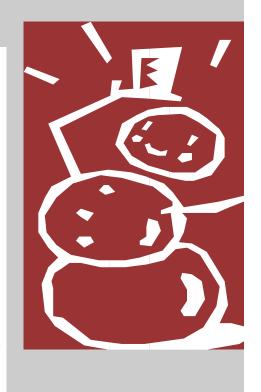
2010 Pension Plan Increases continued

Ordinarily, as part of the services we provide, we would automatically incorporate any applicable cost-of-living increases when we prepare your 2010 valuation. Obviously, since there are no cost-of-living changes, there are no automatic Plan changes. Therefore, if you would like to change (either increase or decrease) your 2010 contribution, you should let us know as soon as possible. The earlier we know, the more alternatives that may be available. Do not hesitate to contact us if you have any questions. Let us know what you want.

Thank You

A number of clients have complimented us on the quality of our services. If you are pleased with our services, please recommend us to your friends and associates. If you are unhappy with a service that we have provided, then it is important that you let us know so that we can correct the problem and improve our services. We look forward to your input, appreciate your referrals and welcome new clients.

Thank you for giving us the opportunity to provide services on your behalf. May 2010 be better than 2009, and may you, your staff and your family enjoy a happy, healthy and prosperous 2010.



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