



IN THE BUSINESS OF YOUR SUCCESS<sup>SM</sup>



## Let ADP Help Make the Road to Retirement Easy

The road to retirement plan success doesn't have to be complex. With ADP, you can provide your employees with a valuable tool to save for a secure retirement while you benefit from ADP's integrated payroll and retirement solutions that help make retirement administration easy from day one.

### Everyone wins

A retirement plan is one of the most important—and most attractive—benefits your business can offer to your employees. In today's competitive and challenging business environment, your employees trust you to make the right decisions for the business and look to you for confidence and stability.

Research suggests that providing a retirement benefit adds to the competitive marketability of a firm, according to the American Savings Education Council (ASEC), which notes, "In these competitive times, employers who make savings, retirement planning, and financial security a priority will have an edge."<sup>1</sup>

As a business owner, retirement plans enable you to:

- Receive a tax credit of up to \$500 for startup administrative costs each of the first three years of the plan
- Deduct contributions as a business expense
- Attract and retain employees
- Help employees reduce taxes on current income and save for retirement in a tax-deferred account
- Increase employee satisfaction

### SIMPLE IRA and ADP ACCESS 401(k) plan solutions make retirement easy

ADP can help you and your employees navigate the winding road toward retirement readiness with a SIMPLE IRA or ADP ACCESS<sup>®</sup> 401(k) plan solution that offer:

- Simplified paperwork to make startup and enrollment easier
- Automated contributions and money movement to comply with regulations
- Two-way link between your payroll and the plan helps to reduce administrative time
- Lower costs and no hidden fees
- Access to respected investment managers with no proprietary fund requirements<sup>2</sup>
- Web and phone access 24 hours a day, 365 days a year<sup>3</sup>

**Make Retirement Easy**  
Nearly 90% of our clients cite ease of administration as a major advantage of integrating payroll and 401(k) with ADP.<sup>4</sup>

<sup>1</sup> Source: American Savings Education Council fact sheet (<http://www.choosetosave.org/asec/factsheet.pdf>).

<sup>2</sup> Investments available through ADP Broker-Dealer, Inc., an affiliate of ADP, Inc., One ADP Blvd., Roseland, NJ 07608; Member FINRA.

<sup>3</sup> The system is available 24 hours a day, 7 days a week except when systems are unavailable due to scheduled maintenance.

<sup>4</sup> Source: ADP Payroll and 401(k) Integration Study, January 2011, conducted by Spring Consulting Group and Mathew Greenwald & Associates.

## Selecting the right path for you

Both SIMPLE IRAs and 401(k) plans offer numerous benefits to you and your employees. This table may help you determine which one is the best option for you both.

Features	SIMPLE IRA <sup>5</sup>	ADP ACCESS 401(k)
<b>Eligibility</b>	Businesses with 100 or fewer eligible employees (who earn at least \$5,000), who do not maintain any other retirement plan.	All companies as well as tax-exempt entities but not government entities.
<b>Key Advantages</b>	Less administration and government reporting, and no participation requirements.	Flexible vesting schedules and higher contributions limits.
<b>Funding Responsibility</b>	Employee contribution through salary deductions and required employer contributions.	Employee contribution through salary deductions and optional employer contributions. <sup>6</sup>
<b>Annual Employer and Participant Contribution Limits</b>	Employee: Up to the lesser of 100% of compensation or \$12,000 per year for 2013 (\$14,500 a year if age 50 or older).  Employer: Either match employee contributions dollar for dollar up to 3% of compensation (can be reduced to as low as 1% in any 2 out of 5 years) OR contribute 2% of each eligible employee's compensation, up to \$5,000 for 2012.	Employee: Depending on plan design could potentially be up to 100% of compensation up to a maximum of \$17,500 in 2013 (\$23,000 a year if age 50 or older). <sup>7</sup>
<b>Withdrawals</b>	Withdrawals at any time. If employee is under age 59½, withdrawals generally may be subject to a 25% penalty if taken within the first two years of beginning participation and a possible 10% penalty applies after that time up to age 59½.	Cannot take withdrawals from a plan until a "trigger" event occurs. May offer loan provisions and allow withdrawals in certain hardship situations. Withdrawals may be subject to possible 10% penalty if participant is under age 59½.

## Take the challenge out of retirement administration

For more than 20 years, ADP Retirement Services has been helping clients like you create successful retirement plans in three simple steps by:

1. Making retirement administration easy to manage from day one.
2. Helping your employees become retirement ready.
3. Keeping our interests aligned with yours.

For more information on SIMPLE IRAs or 401(k) plans from ADP, please contact an ADP Retirement Services District Manager today at 800-432-401k, or visit [www.adp.com/401k](http://www.adp.com/401k).

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## HR. Payroll. Benefits.

<sup>5</sup> SIMPLE IRA plans are only available to ADP EasyPay<sup>SM</sup> and RUN Powered by ADP Payroll<sup>SM</sup> clients.

<sup>6</sup> Maximum deferral amount should take into account necessary deductions, such as various state taxes.

<sup>7</sup> Maximum deferral amount should take into account necessary deductions, such as various state taxes. Employee/Employer: Total allocations of any kind to participants' accounts (e.g., employee or employer contributions) cannot exceed \$51,000 for 2013.

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