

# 401K MATCH INFORMATION

Our owners care so much about our ability to successfully retire that they are making a huge investment into our 401k retirement accounts. There are two parts to this company contribution as explained below:

- Part I — All employees, whether they are participating in the 401k or not, will receive a contribution equal to 2.5% of their total wages. This will be made after year end into each active employee’s traditional (pre-tax) 401k account.
- Part II— The company will match up to 50% of 5% each of us is contributing to our 401k retirement account. For example, if you are currently contributing 2%, the company will match 1%. If you are contributing 5%, the company will match 2.5%.

Put Part I and Part II together and if you’ve elected a 5% retirement deferral, you will receive 5% from Manatts. This means every year you have 10% of your total wages going towards your retirement!

Below is a table illustrating what the total company contribution would be, as well as, the total annual retirement savings (employee and employer) based on an employee making a 5% deferral to their 401k account:

Total Gross Annual Wages	Employee Elected 5% \$ Contribution	Manatt’s, Inc.			Total Annual Retirement Savings
		Up to 50% Of 5% \$ Match	2.50% Non Elective \$ Contribution	Total Company \$ Contribution	
\$ 25,000.00	\$ 1,250.00	\$ 625.00	\$ 625.00	\$ 1,250.00	\$ 2,500.00
\$ 30,000.00	\$ 1,500.00	\$ 750.00	\$ 750.00	\$ 1,500.00	\$ 3,000.00
\$ 35,000.00	\$ 1,750.00	\$ 875.00	\$ 875.00	\$ 1,750.00	\$ 3,500.00
\$ 40,000.00	\$ 2,000.00	\$ 1,000.00	\$ 1,000.00	\$ 2,000.00	\$ 4,000.00
\$ 45,000.00	\$ 2,250.00	\$ 1,125.00	\$ 1,125.00	\$ 2,250.00	\$ 4,500.00
\$ 50,000.00	\$ 2,500.00	\$ 1,250.00	\$ 1,250.00	\$ 2,500.00	\$ 5,000.00
\$ 55,000.00	\$ 2,750.00	\$ 1,375.00	\$ 1,375.00	\$ 2,750.00	\$ 5,500.00
\$ 60,000.00	\$ 3,000.00	\$ 1,500.00	\$ 1,500.00	\$ 3,000.00	\$ 6,000.00
\$ 65,000.00	\$ 3,250.00	\$ 1,625.00	\$ 1,625.00	\$ 3,250.00	\$ 6,500.00
\$ 70,000.00	\$ 3,500.00	\$ 1,750.00	\$ 1,750.00	\$ 3,500.00	\$ 7,000.00
\$ 75,000.00	\$ 3,750.00	\$ 1,875.00	\$ 1,875.00	\$ 3,750.00	\$ 7,500.00
\$ 80,000.00	\$ 4,000.00	\$ 2,000.00	\$ 2,000.00	\$ 4,000.00	\$ 8,000.00
\$ 85,000.00	\$ 4,250.00	\$ 2,125.00	\$ 2,125.00	\$ 4,250.00	\$ 8,500.00
\$ 90,000.00	\$ 4,500.00	\$ 2,250.00	\$ 2,250.00	\$ 4,500.00	\$ 9,000.00
\$ 100,000.00	\$ 5,000.00	\$ 2,500.00	\$ 2,500.00	\$ 5,000.00	\$ 10,000.00

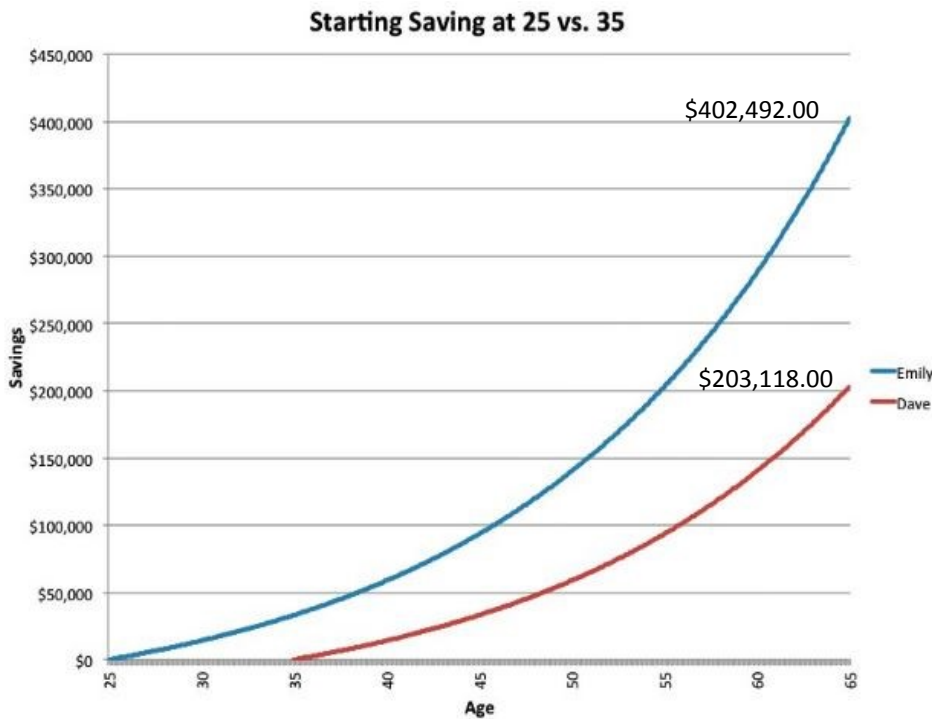
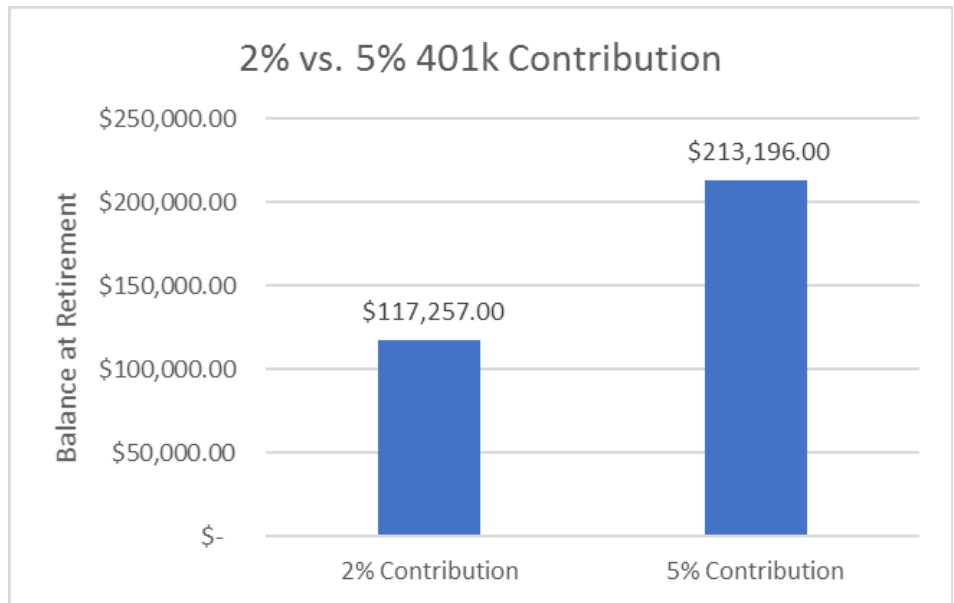
Employee Elected % Contribution	Up to 50% Of 5% % Match	2.50% Non Elective % Contribution	Total Company % Contribution	Total Percentage Contributed
2%	1.00%	2.50%	3.50%	5.5%
3%	1.50%	2.50%	4.00%	7%
4%	2.00%	2.50%	4.50%	8.5%
5%	2.50%	2.50%	5.00%	10%
6%	2.50%	2.50%	5.00%	11%
7%	2.50%	2.50%	5.00%	12%
8%	2.50%	2.50%	5.00%	13%
9%	2.50%	2.50%	5.00%	14%
10%	2.50%	2.50%	5.00%	15%

Small differences in what you are saving will make a huge impact at retirement!

For example, Stan is a 45-year-old earning \$48,000 per year and plans to retire at 65. He is currently contributing 2% into his retirement account. Based on a 6% rate of return and an annual 2% increase in wages, this chart compares the amount of money Stan will accumulate between age 45 and 65, including the new employer contributions.

At a 2% employee contribution, Stan will accumulate \$117,257, including employer contributions.

If he would increase his contribution from 2% to 5%, which computes to an additional \$25 per week, he will accumulate \$213,196 by the time he is 65 which is an additional 82% or \$95,939! As you can see, this small change in the amount Stan saved each week would make a substantial difference down the road!



You're never too young to start saving for retirement. It's a crucial part of the strategy. *Business Insider* shows an example why:

There are two hypothetical savers, Emily and Dave.

Emily puts \$200 per month into a retirement account with an estimated 6% rate of return starting at the age of 25. Dave starts saving \$200 per month when he's 35, just 10 years after Emily.

Both continue to add \$200 per month until they retire at 65. By the time they are 65, Emily has contributed \$96,000, while Dave has contributed \$72,000. The chart to the left shows the course of both accounts.

Business Insider/Andy Kiersz

Emily started saving just 10 years earlier and put in only about 33% more money into her account than Dave put in his. But by the time they are both ready to retire, Emily has almost twice as much as Dave—Emily has \$402,492, and Dave has \$203,118. That extra 10 years of compounding returns has made Emily's situation far better than Dave's when they are 65.