

Express(k) with Auto Enrollment

Increase Your Employee Participation Rate and Retain Talent



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Join Ubiquity in our mission to help small business owners and their employees save for their future! Take advantage of our new Auto Enrollment service at NO EXTRA COST and improve employee participation rates today!

Why Auto Enrollment?

Auto-enrollment provides your new employees an effortless way to join your Ubiquity 401(k). Even though most employees consider 401(k) the second must-have benefit after health, only a small fraction actually participate due to the complexities of 401(k) onboarding such as completing paperwork and selecting investments. Help your employees overcome these hurdles and maximize their retirement savings with Auto Enrollment. Studies show that while, on average, voluntary enrollment is under 30%, auto-enrollment can boost participation rates by 82% up to 96%.

How does it work?

Employees are automatically enrolled at a set deferral rate of 3%, thereby eliminating the need for employee-initiated enrollment in the 401(k) Plan.

In addition to increasing employee participation in the plan, Automatic Enrollment can:

- ▶ Lower the cost of Safe Harbor, if applicable. Ask us about Safe Harbor, a plan provision that helps business owners maximize their 401(k) plan contributions.
- ▶ Maximize tax savings for you and your company: Contribute to your employees' accounts up to a maximum of \$36,000, and contribute as much as \$18,000 (2017 IRS Section 402(g) limit) to your own account.
- ▶ Increase employee savings: All employees are auto-enrolled at 3% of their compensation, unless they manually opt-out. As part of Auto Enrollment, Ubiquity also offers a new auto-escalation feature to further help employees increase the size of their retirement savings on an annual basis. When an employee is auto-enrolled, Ubiquity's auto-escalation feature increases employees' default annual savings rate by 1% for a maximum deferral rate of 6%.

Rate of Deferral	10 Years	20 Years	25 Years
Auto-escalation 3%-6%	\$75,000	\$225,000	\$325,000
National Average 4%	\$50,000	\$125,000	\$175,000
Default 3%	\$25,000	\$50,000	\$75,000

This table outlines a 35-year old employee's retirement savings who earns an annual income of \$55,000.00. This employee is planning to retire in the next 26 years at age 61.

The added benefit of including a Safe Harbor component in your Custom(k) Plan:

- ▶ Maximize your contribution: As a company owner, you and any highly-compensated employees can contribute the maximum dollar amount (subject to annual deductibility limitations set forth by the IRS), regardless of what the other employees contribute without worrying about failing annual compliance testing.
- ▶ A safe harbor match rate of 3.5% is available in an Express(k) Plan with Auto-enrollment making Safe harbor more affordable than ever!
- ▶ Mandatory Safe Harbor contributions made by the company on behalf of employees are 100% vested.

Sign Up is Easy

Simply contact one of our Retirement Plan Experts via e-mail at sales@myubiquity.com or phone at 855.401.7253 to activate your Auto Enrollment service at NO EXTRA COST.