

— INDIVIDUAL(K) PLANS—WITH VANGUARD FUNDS—FOR OWNER-ONLY BUSINESSES

# An Individual(k) retirement solution designed specifically for owner-only businesses

## An Individual(k) may be ideal for<sup>1</sup>:

- Owner-only businesses whose only employees are the owner or the owner and spouse.
- Partnerships whose only employees are partners or partners and spouse.
- C and S corporations where the corporation has only one shareholder and the only employees are the shareholder or shareholder and spouse.

## How does an Individual(k) work?

- Just like traditional 401(k) plans, an Individual(k), also known in the industry as a Solo(k), allows you to decide how much to contribute as the employee and the employer:
  - » Employee contributions are typically deposited monthly
  - » Employer contributions are typically deposited just before tax filing
- Ascensus provides all documents to implement the plan, annual administration, and annual tax reporting.

## Individual(k) Highlights



**Plan contributions per participant** up to \$72,000 per year, \$80,000 if age 50 or older, and \$83,250 if ages 60-63 (for 2026).



Works with a financial advisor or includes an investment manager, **you choose**.



Investments can grow **tax deferred**.



**Deferral contributions**, either pre-tax or Roth, are allowed.



**Deferral limits** are \$24,500 or \$32,500 if age 50 or older, and \$35,750 if ages 60-63 (for 2026).



**Investments may be rolled** over into an IRA account to retain tax favorable status.

<sup>1</sup>In general, Individual(k) plans are intended for owner-only businesses (and, if applicable, their spouses) and for small businesses that employ only excludable common-law employees. Employees may be excluded from eligibility if they are union employees, nonresident aliens, or individuals under age 21. Under long-term, part-time (LTPT) rules, any employee who is age 21 and completes at least 500 hours of service in each of two consecutive 12-month periods must be permitted to make salary deferrals and can no longer be excluded from plan participation. Since the Individual(k) plan is designed exclusively for owner-only businesses, if LTPT employees meet this requirement the business would no longer be eligible for the Ascensus Individual(k) product.

## Participants can save more...faster

In 2026, Individual(k) allows for deferrals of up to \$24,500 plus additional profit-sharing contributions based on a percentage of self-employed earnings or W-2 compensation if taxed as a corporation. This can translate to significantly larger retirement savings over the years compared to a SIMPLE or SEP IRA. SIMPLE IRAs generally allow for deferrals up to \$17,000 for 2026.

### Comparison of Retirement Saving Potential<sup>2</sup>

Your W-2 Compensation	Individual(k)	SIMPLE <sup>3</sup> IRA	SEP IRA
\$50,000	\$37,000	\$18,500	\$12,500
\$150,000	\$62,000	\$21,500	\$37,500
\$200,000	\$72,000	\$23,000	\$50,000

If the owner reaches age 50 or over by the end of the year, they may be eligible to make additional elective deferrals, called catch-up contributions, of \$8,000 (or \$11,250 aged 60-63) to an Individual(k) plan and \$4,000 (or \$5,250 aged 60-63) to a SIMPLE IRA plan.

<sup>2</sup>For illustrative purposes only; assumes W-2 compensation.

<sup>3</sup>Assumes a 3% employer matching contribution on elective deferrals.

## Plan features designed to meet the specific needs of an owner-only business


Key Features	Individual 401(k) featuring Vanguard investments
Recordkeeping and administration	
Investment options	Exclusively Vanguard funds
Contribution and withdrawal processing	
Loans	Not allowed
Rollover contributions	
ERISA/plan document services	
Participant statements	Quarterly
Automated account access	Ascensus
Custodial services	

## Ascensus Individual(k) pricing

Pricing	
Employer base fee	\$0/month
Employee fees	
Quarterly recordkeeping	\$20/participant
Annual custodial and trading <sup>4</sup>	0.03%

Pricing is subject to change. Excludes investment expenses.

**Ascensus' award-winning service, technology, expertise, and the simple plan design of an Individual(k) makes offering a retirement solution an easy decision.**

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<sup>4</sup>Fees are shown in annual terms but are deducted quarterly, assessed on the first \$100,000 of assets.

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