

# The ACEC RT Student Debt 401(k) Solution

**For Illustration purposes only - Special Thanks to Chartwell Financial Advisory, Inc. - Chris Staloch**

Assume 401(k) Plan matches 100% of employees' elective deferrals up to 3% of Compensation

Assume Employer adopts the ACEC RT Student Debt 401(k) Solution to Replace Existing (Non-Safe Harbor) Matching Contribution

			Annual Debt Repayment		Impact of Not Making Elective Deferrals <u>AND</u> Not Receiving Matching Contribution	
	Salary	Student Debt Amount	Student Debt Payment – No Elective Deferrals	3% Matching Contribution <u>LOST OUT ON</u>	Impact over 5-years	Impact over 10-years
Employee 1	\$65,000	\$35,000	\$4,621	\$1,950	\$25,380	\$65,019
Employee 4	\$85,000	\$35,000	\$4,621	\$2,550	\$33,189	\$85,025
Employee 7	\$100,000	\$35,000	\$4,621	\$3,000	\$39,046	\$100,029

	Salary	5-Year Impact of Match Contribution Received Under ACEC RT Student Debt 401(k) Solution Program				10-Year Impact of Matching Contribution Received Under ACEC ET Student Debt 401(k) Solution Program			
		Matching Contribution				Matching Contribution			
		2%	3%	4%	5%	2%	3%	4%	5%
Employee 1	\$65,000	\$8,460	\$12,690	\$16,920	\$21,150	\$21,673	\$32,509	\$43,346	\$54,182
Employee 4	\$85,000	\$11,063	\$16,595	\$22,126	\$27,658	\$28,342	\$42,512	\$56,683	\$70,854
Employee 7	\$100,000	\$13,015	\$19,523	\$26,031	\$32,538	\$33,343	\$50,015	\$66,686	\$83,358



**Benefit Recouped Under ACEC RT Student Debt 401(k) Solution – Benefit Recouped Increases as Matching Contribution Level Increases**