



ADS BENEFITS UPDATE

IRS ANNOUNCES COST OF LIVING LIMITS FOR 2011

The Internal Revenue Service has announced cost-of-living adjustments applicable to dollar limitations for pension plans for tax year 2011.

All of the pension plan limitations will remain unchanged for 2011 because the cost-of-living index adjustments did not meet the statutory thresholds that trigger increases.

The contribution and benefit limitations that are effective January 1st, 2011 are:

Limits	2011	2010	2009
Limit on 401(k), 403(b) and 457 elective deferrals	\$16,500	\$16,500	\$16,500
Catch-up contribution limit for employees aged 50 or over	\$5,500	\$5,500	\$5,500
Annual limit on compensation	\$245,000	\$245,000	\$245,000
Highly compensated employee threshold	\$110,000	\$110,000	\$110,000
Limit on annual benefits under a defined benefit plan	\$195,000	\$195,000	\$195,000
Limit on annual additions to a defined contribution plan	\$49,000	\$49,000	\$49,000
Social Security Wage Base	\$106,800	\$106,800	\$106,800
PBGC Maximum Annual Guaranteed Benefit	\$54,000	\$54,000	\$54,000
PBGC Flat Rate Per Participant Premium Amount	\$35	\$35	\$34

To learn more about the cost of living changes that will be applicable to your plan in 2011, please contact us at (207) 879-9200 or toll free at (877) 473-2371.

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