



Legacy Benefits & Insurance Services

BENEFITS & TAX SAVING SOLUTIONS

*“Building Financially Stronger Companies
Through Their Employees”*



Table of Contents

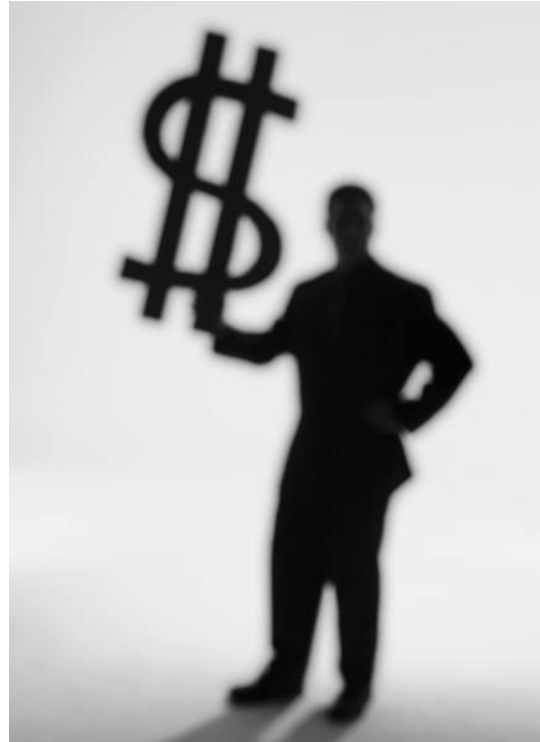
Tax Saving Programs	3
Section 125 Cafeteria Plans	3
Tool-Pay Program	3
Health Savings Account	4
Employee Benefits	5
HSA & HRA Medical Plans	5
Supplemental Benefits	5
My Secure Advantage	6
Employee Communication	7
Other Services	7

Tax Saving Programs

At Legacy Benefits & Insurance Services, we are always looking for ways to help companies and their employees save tax dollars.

We have identified programs that you and your employees may qualify to receive. These programs are a Section 125 Cafeteria plan, a Tool-Pay program, and a Health Savings Account.

A Legacy representative will be happy to review these programs with you to see if any or all of these programs will work for your company.



Section 125 Cafeteria Plan

A Section 125 Cafeteria Plan allows the employee to pre-tax certain insurance premium deductions.

In addition, Section 125 allows the employee to pre-tax money that would be used for dependent daycare expenses and approved unreimbursed medical expenses.

The benefit of implementing a Section 125 plan for the employee is that the pre-tax dollars are not subject to Federal, State, or FICA taxes.

The benefit for the employer is that pre-tax dollars are not subject to FICA taxes and the reduced taxable wages reduces the company's worker's comp cost.

Tool-Pay Program

A Tool-Pay program is designed for companies who require

Tax Saving Programs—continued

their employees to provide their own tools as a condition of employment. Tools include the employee's current inventory and all new purchases. The value of these tools can reduce their taxable income by up to 35%.

By reducing their taxable income, the employee is not subject to Federal, State, and FICA taxes on the current and new tool inventory. Once the employee has exhausted the value of their inventory, they can still receive FICA savings on it.

The employer receives a reduction of FICA taxes on the tool-pay deduction.



Health Savings Account

A Health Savings Account (HSA) is a program which allows the employer and/or employee to put money away for future health expenses. If the money is used for qualified medical expenses, the money is withdrawn tax-free. If the money is withdrawn after retirement but is not for qualified medical expenses, the money is received taxed deferred.



Money placed in an HSA by an employee is not subject to Federal, State, and FICA taxes. The employer is not subject to FICA taxes for the money placed in the account and is saving money by purchasing a lower premium health insurance plan.

In order to understand the details of these plans and to make sure they are appropriate for your company, please contact a representative for further information.

Employee Benefits

Surveys have shown that all age groups consider benefits a major consideration when selecting a job. With the high cost of turnover, is your company providing a competitive benefit package? Contact a Legacy Benefits & Insurance Services representative to see how we can develop a cost effective and competitive benefit package for your company.

HSA & HRA Medical Plans

With double digit increases annually in healthcare costs, most employers are looking for relief. Health Savings Accounts and Health Reimbursement Accounts may be a solution. Both accounts allow the employer to purchase a high deductible health plan for its employees and take advantage of the lower premiums.

In addition to the premium savings, HSA and HRA plans allow the employer to add value to the high deductible plan so the employees can participate in keeping healthcare costs down.



Supplemental Benefits

An employer can increase their benefit offering by adding supplemental benefits. In many cases these benefits do not cost the employer anything, but they fill the needs that all employees have. These plans are simply payroll deducted for the employee. In addition, many of the premiums can be pre-taxed through a Section 125 plan so the employer also saves on payroll taxes.

Filling the employee's future needs, is one way to increase

Employee Benefits –continued

your employee's loyalty:

Disability plans— 1 out of 2 of all employees will suffer a disability at least once for over 90 days during their working career. Since most employees live paycheck to paycheck, they can not afford this disruption in their income. A disability plan becomes an affordable solution.

Life Insurance—if one of your employees dies, will they leave their family



with enough money for them to continue financially? Life insurance is a way to protect their family's future.

Critical Illness Plans— If an employee has a serious illness such as cancer or a heart attack, the out-of-pocket expenses and loss of income can be financially disastrous. These plans can provide lump-sum or per treatment indemnity payments to help

the employee in these situations.

Hospitalization Plans – If an employee is hospitalized, these plans pay benefits for the period of time the person is in the hospital. These plans also often pay benefits for covered surgeries and work well with HRA and HSA plans.

Accident Plans—These plans pay the employees and their family for treatments when they are involved in a covered accident.

My Secure Advantage— Financial stress is a major cause of loss of productivity in the workplace. Here are a few of the facts:

- 54% of the work force worries about debt.
- 53% are dissatisfied with their financial condition.
- 34% rate their financial stress from "high" to "extreme."



Employee Benefits –continued

- 33% concede their money worries hamper job performance.
- The National Institute for Personal Finance Employee Education says employees waste 24 hours per month grappling with their money woes.

This program provides the employee with financial coaching to help with budgeting, mortgage planning, college funding, and retirement planning.

This program also provides the employee with credit monitoring, identify theft protection, and legal protection.

In order to understand the details of these plans and to make sure they are appropriate for your company, please contact a representative for further information.

Employee Communication

For these programs to be effective, the benefits must be explained to the employees. When Legacy Benefits & Insurance Services implements a program, we will explain the benefits to your employees and enroll them in the programs that fit their needs.

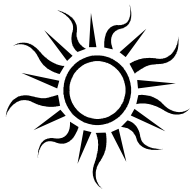


We can also provide a Benefit Statement which explains the costs of all of their benefits and show them their total value to the company.

Other Services

We have partnered with other companies to provide these additional services:

- | | |
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| <ul style="list-style-type: none">• Employee Handbooks• HR Consulting• Payroll Services | <ul style="list-style-type: none">• Recruiting Services• Retirement Plans• Executive Deferred Comp |
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Legacy Benefits & Insurance Services

120 Church Street, Ste. 4
Roseville, CA 95678

Phone: 916-677-2130

Fax: 916-781-9894

CA Insurance License #0E08570

www.yourlegacybenefits.com

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