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401(k) plan practice guide

American Institute of Certified Public Accountants. Tax Division

401(k) PLAN PRACTICE GUIDE Revised Edition, April 2000

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AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

401(k) PLAN PRACTICE GUIDE

Revised Edition, April 2000

Issued by the Tax Division
http://www.aicpa.org

1455 Pennsylvania Avenue, NW
Washington, DC 20004–1081

NOTICE TO READERS

Tax practice guides are designed as educational and reference material for the members of the Tax Division and others interested in the subject. They do not establish standards or preferred practices.

This guide is distributed with the understanding that the AICPA Tax Division is not rendering any tax or legal advice. Prior to using any strategy herein, we recommend consultation with an attorney experienced in Employee Retirement Income Security Act (ERISA) of 1974 matters.

The goal of the Practice Guide is to offer tax practitioners a resource for general information used by individuals who provide recordkeeping or allocation services to qualified retirement plans and specifically addressing the issues related to 401(k) plans. If you or your firm provide qualified plan related services, you will find this Guide to be general in nature. There are other resources that provide the statutory and regulatory information in a research oriented environment. This guide is intended to bring together a little of those resources and add to them practical forms being used by practitioners today.

We cannot sufficiently overemphasize the importance of reviewing the plan document before recommending any action to a plan sponsor. Although you will find statutory provisions for qualified plans in ERISA, and in the Internal Revenue Code ("IRC") of 1986, the plan document controls many of the plan provisions. The Treasury Department provides regulations and the IRS provides interpretative guidance for the statutes which are very helpful to a practitioner. However, generally, the plan document supersedes this guidance. It is important to read and understand the plan documents in all formats including corporate resolutions, plan policies and related extraneous documentation – not just the traditional prototype or basic plan document. Failure to follow the terms of the plan is an event that could disqualify, the program – subjecting participants to immediate taxation of their vested account balances, among other tax consequences. We also want the reader to look to actions of the Department of Labor ("DOL") when advising plan sponsors. The DOL enforces Title I of ERISA and has jurisdiction over qualified plans. We provide their website, http://www.dol.gov, and encourage readers to frequently access it.

The Committee members also want to guide the reader to the AICPA website, http://www.aicpa.org, which will provide a host of information related to qualified plans, including self study courses.

In preparing this Guide, the committee relied on the draft version of the newly revised Form 5500 and related schedules, which we believe will first be used for 1999 plan years. There may be differences in the draft we have included in the Appendix and the final version.

Use the resources referenced in the Appendix for further areas of study. Remember this Guide is a basic representation of what comprises a 401(k) plan.

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This Practice Guide was developed and compiled by the following members of the Employee Benefits Taxation Committee of the Tax Division of the American Institute of Certified Public Accountants:

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The effort by the committee was a volunteer effort and special thanks are in order for Peggy Haflinger, Lisa Germano, Carol Zurcher, Eddie Adkins, and Lisa Winton who played a key role in this publication.

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DESIGN AND IMPLEMENTATION

Introduction

A well designed 401(k) plan is one that meets the employer's needs. Without careful consideration of the employer's objectives, a 401(k) plan will be a burden rather than a benefit. Before a 401(k) plan is implemented, the plan must be designed. The employer must decide what type of 401(k) plan fits their needs.

Employers can choose between three basic types of 401(k) plans; Savings Incentive Match Plan for Employees (SIMPLE), Safe-Harbor and Regular. A SIMPLE is available to employers, without the top heavy and actual deferral percentage (ADP) / actual contribution percentage (ACP) testing requirements. A SIMPLE 401(k) plan essentially works the same way as a 401(k) plan prior to the enactment of SIMPLE plans. However, in exchange for a required employer match or non-elective contribution, the top heavy contribution is not required, if the plan is top heavy.

So, what does this mean? For 401(k) plans with a burdensome top heavy [see page 9] contribution or that have trouble passing the ADP/ACP tests, a SIMPLE 401(k) plan may be the answer. However, the employer contribution is 100% vested in a SIMPLE plan.

An alternative plan design to the 401(k), a SIMPLE 401(k) is ideal when the employer has been struggling to pass the ADP test and has used a nonelective contribution to boost the ADP for non-highly compensated employees. When designing the 401(k), special language will be needed if the plan sponsor wants to use the SIMPLE approach to pass the ADP test through use of a match or nonelective contribution.

Remember: A SIMPLE can be a plan funded as a traditional 401(k), i.e. through a trust, or can be in the form of an Individual Retirement Account. If you use an IRA, the eligibility is different: $5,000 in compensation and service in any one-year period. Eligibility for a SIMPLE 401(k) plan is the same as for any other 401(k) plan, i.e., up to one years of service and age 21, based upon hours worked. The eligibility for SIMPLE IRA plans is more liberal than for traditional 401(k) plans.

Also be aware that the IRC section 415 limits do not apply to the SIMPLE IRA. In essence, employees could defer 100% of compensation up to $6,000 in a SIMPLE IRA. And then she/he could receive a match of up to 3% of the $6,000 compensation earned prior to deferral. Be aware, however, that a self-employed individual will need to earn at least $6,000 plus ½ of the self employment tax in order to defer the full $6,000 and it is questionable whether any match could create any loss on the self-employed's Schedule C.

Safe-harbor 401(k) plans permit an employer to eliminate the nondiscrimination test of elective and matching contributions in exchange for making a fully vested employer contribution. Unlike SIMPLEs, there is no reduced limit on the elective deferrals.

Design Checklist and Helpful Hints

Designing a 401(k) plan entails considering some unique issues. The following is a discussion of the key areas for consideration in plan design and some helpful hints to consider. Administration of a 401(k) plan tends to be more cumbersome than other defined contribution plans because of the special testing and recordkeeping that is required.

This checklist is intended to present the design features that will help to simplify this administration process and best meet the employer's objectives. However, many employers, especially those with large numbers of employees, may want to consider some of the more complex design features because they may result in less overall contributions by the employer.

Covered Employees – Classes of employees such as collective bargaining employees, nonresident aliens, and airline employees can be excluded without causing any concerns about the plan's ability to pass coverage under section IRC 410(b).

However, when excluding other classes of employees such as leased employees, salaried employees, hourly employees, employees of controlled group members, etc., employers will need to determine that coverage can clearly be passed without those employees being eligible and if not, that the plan has a default system.

The excluded classification should relate to service, other than the minimum service requirements under Section 401(a). Under the 401(a) regulations, the exclusion, for example, of "part time employees" as a class is impermissible.

If a certain class of employees would not be likely to make significant deferrals, there will be advantages in other testing areas (ADP and ACP) by excluding them from participating in the plan and still easily passing coverage.

Eligibility Conditions – For the 401(k) portion of the plan excluding employees who are under age 21 or have less than one year of service as eligibility criteria is permissible. Only those employees not excluded by class (see **Covered Employees** above) are subject to these eligibility criteria. It is permissible to require up to two years of eligibility for the profit sharing portion of the plan. This will add to the complexity of the administration of the plan.

In order to eliminate the need for recordkeeping and handling funds for employees who are only with the employer for a short time, eligibility requirements of less than one year should be discouraged. This will help the ADP/ACP testing because these employees will not be counted. However, those employees who have met the eligibility requirements, but have chosen not to participate must be counted.

Plan and Limitation Year – In most cases, the plan year and limitation year should coordinate with the tax year of the employer. Depending on the sophistication of the employer's payroll records, consider using a December 31 limitation year for a fiscal year corporation.

The plan year should still match the tax year of the employer to avoid any deduction limitation problems.

Compensation – In most cases, one of the safe harbor definitions of compensation under IRC section 414(s) will be used. This will require obtaining information on one level of compensation for each participant and allow that definition for all allocations and testing.

If an alternative definition is used, be sure that the exclusions apply evenly to highly compensated and non-highly compensated employees [see page 114].

Entry Dates – In a 401(k) plan consider allowing at least semiannual entry dates which would allow the employer to go to the next entry date once an employee has met the eligibility requirements. Larger employers may want to consider more frequent entry dates to allow employees to participate as soon as possible after they are eligible.

Contribution Provisions – Before deciding on the specific provisions for each element of contributions, the employer should anticipate the amount and type of contributions that will be made. For instance, if the employer anticipated making a seven percent (7%) profit sharing contribution and up to a 5 percent matching contribution, problems could be encountered in calculating the maximum annual additions under IRC section 415. Likewise, deduction problems under IRC section 404 may be encountered if employees deferred up to 10 percent of their compensation. Alternatively, if the employer anticipated making minor matching contributions only, it may be advantageous to allow employees to defer at least 15 percent.

If the plan sponsor maintains a cafeteria plan under IRC section 125, consider placing a limitation on compensation equal to the net compensation after the section 125 deferrals. Although the Section 415 limit is based on gross compensation, the Section 404 limit is net of deferrals.

Salary Reduction Contributions – Besides the considerations discussed above, consider putting a minimum floor on the employee's contributions. It can be very costly to maintain an account for a participant that is only going to defer less than 1 or 2 percent of their salary per year.

Also consider how often employees will be allowed to change their elections. Employers will have to balance the administrative complications of frequent changes with making their employees feel comfortable enough to change their elections so that they will participate in the plan. Many firms correspond deferral modifications with the plan entry dates.

Matching Contributions – Unless there is an unusual employee mix, such as mainly professional employees looking for a substitution for their lost IRA deductions, most employers find it necessary to offer some type of matching contributions in order to get a level of employee deferrals that will justify the existence of the plan and give the highly compensated employees the level of deferral they want.

For employers who are wary of the fixed obligation of a required matching contribution, consider a low level of guaranteed matching contribution with the alternative of a higher discretionary match.

If there are tiers of matching contributions, be sure that the rate of match declines instead of increases with the level of deferrals. The reverse could cause discrimination problems under IRC section 401(a)(4), even if the plan passes the ACP test.

Nonelective Contributions – These employer contributions can be allocated like those of any other profit sharing plan. Some variety of integrated allocation or a straight non-integrated formula can be used. Even if the employer does not intend to make any contributions under this area, they should carefully consider this design feature.

If both matching and nonelective contributions are discretionary, sample allocations can be done each year to see how different designations of the total employer contribution can result in a different total allocation to the various participants.

Designated Qualified Nonelective Contributions (QNEC) – This contribution will be most practical for employers with a small number of non-highly compensated employees in comparison to their highly compensated employees, or have a very low paid group that has a separate worker designation to whom QNECs could be given.

An employer should add these provisions to the plan, even though they do not intend to use them, in order to have another alternative for correcting testing problems.

Nondeductible Employee Contributions – Some employers design the plan to match either 401(k) deferrals and/or nondeductible employee contributions because the distribution limitations are not as restrictive for the nondeductible contributions. These contributions are subject to Section 401(m) testing. Most plans will not allow for nondeductible contributions unless employers feel that they have enough non-highly compensated employees that will make this type of contribution. These employees would only be likely to do so if their elective deferrals are very limited.

Forfeitures – Most plans will provide that forfeitures will first be used to restore accounts of any separated participants who return prior to their 5th year break in service. The employer will need to decide what to do with any excess. Forfeitures will come from separated participants' nonvested matching contributions and nonelective contributions. They can also come from forfeited excess aggregate contributions of highly compensated employees.

If the employer does not intend to contribute annual nonelective contributions, avoid allocating any forfeitures as a nonelective contributions. Doing so would cause extremely small account balances for employees who were not participating in the 401(k) portion of the plan.

If the plan is responsible for paying for administrative costs, consider using forfeitures for this. The most common use of forfeitures is to reduce matching contributions in the current or following year.

Accrual of Benefit – Most smaller employers use the safe harbor accrual requirements and allocate a contribution to any participant employed on the last day of the year and any separated participant who completed at least 500 hours prior to separation.

Larger employers may want to have additional conditions such as being employed on the last day of the year and/or 1,000 hours of service per year. If additional conditions are used, be sure to meet the coverage tests of IRC section 410(b).

Different accrual requirements for matching contributions are available.

Vesting –

Vesting Schedules – Employers need to decide on vesting schedules for matching contributions and nonelective contributions. If the employer wants to be able to use matching contributions for ADP test purposes, these contributions will have to be qualified matching contributions and therefore 100 percent vested.

If the plan is going to be top heavy, a vesting schedule at least as liberal as 3-year cliff vesting or 6-year graded vesting will have to be adopted. If a non-top heavy schedule is adopted, be sure that the plan is designed to switch to a top heavy schedule for all years which may have graded vesting, after the initial top heavy year.

If the plan allows life insurance as an investment, consider having the life insurance be 100 percent vested at all times.

Year of Service – The sophistication of an employer's recordkeeping abilities may dictate the choice of vesting computation periods. An employer can select either the plan year or the employee's anniversary date. Using the plan year, may result in slightly quicker vesting, but is much easier from an administrative standpoint.

The employer will also determine whether to exclude any years of service, such as before the employer maintained a plan; prior to the employee attaining a specific age; or pre-Break in Service years.

The employer may also want to count years of service with a previous employer in the case of a purchase of or merger with another business.

Safe Harbor Plans – Beginning with plan years starting in 1999, an employer can choose to elect the safe harbor provisions for their 401(k) plan. An employer that elects the safe harbor provision does not have to perform discrimination testing on elective and matching contributions. To use the safe harbor provisions, an employer must provide fully vested matching contributions. First, an employer must provide each non-highly compensated employee with a dollar-for-dollar match on salary deferrals up to three percent of compensation and fifty cents on salary deferrals between three percent and five percent of compensation. Also the matching contribution for any highly compensated employees at any rate of salary deferral cannot be greater than the rate of matching contribution provided to non-highly compensated employees. The safe-harbor provisions work best for employers who have continual issues with passing the discrimination tests and who are already providing some level of employer contribution.

Investments – The participant recordkeeping requirements can be reduced by not allowing employees to direct the investment of their own contributions. Many employers, however, feel obligated to offer investment direction to participants for at least the employee's salary deferral account.

The Department of Labor regulations for ERISA section 404(c) further encourage this by offering relief from certain fiduciary liability if investment direction is offered. These regulations require the participants to have a broad range of investment alternatives including at least three investment categories. Employees must also be able to diversify investments and be able to give investment instruction with a frequency which is appropriate in light of the market volatility of the investment alternatives, but not less frequently than once within any three month period.

The plan sponsor should carefully consider the investment sophistication of their workforce in this decision as well as how broad a range there is in retirement ages and objectives. The plan sponsor should also be aware of the educational requirements under ERISA section 404(c). The cost of education can be substantial.

Unrelated Business Income – An advantage of the plan trust is that the earnings are tax deferred. However, one has to be aware of unrelated business income. This is the gross income derived from any trade or business that is regularly carried on and not related to the plan's exempt purpose. For example, if the plan engaged in a business for profit or the plan invested in a partnership that purchased an interest in a real estate limited partnership, the result would be that the plan would have to file Form 990-T and pay the unrelated business income tax.

Costs – The Department of Labor has issued a 401(k) model disclosure package to assist businesses in comparing 401(k) fees charged by different service providers. This guidance encourages plan sponsors, as required by ERISA's fiduciary standards, to factor fees into their choice of service providers and investment options.

Plan Expenses – A plan sponsor incurs many expenses to maintain a plan. From legal to recordkeeping fees, the expenses can be costly. Typically, these costs are borne by the sponsor. However, some employers elect to have them paid from the assets of the plan. Before paying the expenses for the 401(k) plan, the prohibited transaction rules should be reviewed to ensure compliance. In any event, plan expenses paid from plan assets must be reasonable.

Distributions – There are decisions to be made about distributions in the following areas:

> **Frequency of Distributions** – Much of this design feature depends on the structure of the investments. If participants direct their own investments and each has an account, frequent distributions will not be much of an administrative complication.
>
> However, if a complete plan accounting is required to determine the actual amount of a participant's account, distributions should only be allowed as soon as practical after that time. If a plan accounting is only done once a year and the employer would like to offer distributions more often, the plan could provide that an allocation of earnings would be made using a fixed rate of interest or tied to a known index.
>
> **Hardship Distributions** – Although allowing hardship distributions adds significantly to the administrative burden of the plan administrator and recordkeeper, many employers

may feel that it is necessary to encourage non-highly compensated employees' participation. Employees like to have access to their salary deferrals.

However, because of the restrictive requirements for hardship distributions for 401(k) plans, employers often find that it causes confusion. Dealing with a hardship request can be time-consuming and may require the employer's access to personal financial information about the participant.

Joint And Survivor Annuity Requirements – Except in unusual circumstances, an employer will want to elect out of these requirements to simplify the administration of the plan. This will avoid all of the pre-retirement survivor annuity waiver form notice requirements, spousal consent forms, etc. Be aware that there are certain requirements for the plan to elect out. However, if the plan was a participant in a merger with another plan, there may be a requirement to provide the joint and survivor annuity option/notices even though the plan has waived out of those requirements.

Loans – Participant loans can be one of the most difficult plan provisions to administer. Because loan provisions are not required, employers may not want to include them in the initial plan. Remember that participant loans cannot be made to sole proprietors, five percent or greater shareholders of an S corporations, or 10 percent or greater partners.

If the employer finds that participation is less than expected because employees feel that access to their money is too restrictive, the loans can be added at a later date.

If a plan has loan provisions, the administration is simplified if the loans are repaid through an automatic payroll deduction and if the loan policy is designed to restrict loans to certain events. Review carefully with the employer their loan provisions and their internal procedures.

Top Heavy – Do not forget to advise your client of the minimum requirements for top heavy plans. These rules apply to traditional 401(k) plans, but not SIMPLE or safe-harbor plans. When sixty percent of the equity of the 401(k) plan is attributable to key employees, the plan is top heavy. Top heavy plans must provide certain minimum contributions to non-key employees and provide accelerated vesting. This is a trap for traditional 401(k) plans. If a key employee contributes to a top heavy 401(k) plan, the employer is required to make up to a 3% contribution for all the eligible non-key employees even if the non-key employees choose not to participate in the plan.

Conclusion – The plan design process can be both challenging and rewarding. The plan sponsor needs to make a lot of decisions before the plan can be written. There are plenty of opportunities to get creative and design a plan that does a great job in meeting the plan sponsor's objectives. The sooner the plan design is done the better. Remember, the employer cannot start withholding employee elective deferrals until the plan document is signed.

	SIMPLE IRA	SIMPLE 401(k)	Traditional (Non-SIMPLE) 401(k) Plan
Number of employees	100 or fewer ($5,000 in pay**), 2 year transition in preceding year	100 or fewer ($5,000 in pay**), 2 year transition	No limit
Other retirement plans	None (frozen DC exceptions)	None (frozen DC exceptions)	Yes
Plan year*	Calendar year	Calendar year	Any 12-month period
Required employer contribution	• Match (100% up to 3%, in at least 3 out of 5 years; no less than 1% in no more than 2 of 5 years) or • Non-elective of 2% of pay ($5,000) minimum pay) • No other contributions permitted	• Match (100% up to 3%) or • Non-elective of 2% of pay ($5,000 minimum pay) • No other contributions permitted	• Discretionary match and/or non-elective contributions, subject to top heavy minimum • Non-elective may take into consideration permitted disparity • Age-weighted and other formulas subject to IRS coverage rules
Participation requirements	None, except for $5,000** pay rule	No later than attainment of age 21 & 1 year of service	No later than attainment of age 21 & 1 year of service for elective, can have up to 2 year wait for employer contribution portion
Annual elective deferral limit	$6,000, indexed	$6,000 indexed	IRC section 402(g) limit, $10,500 for 2000
Vesting schedules ***	100% immediate	100% immediate	Up to 7-year graded schedule. 100% immediate required if 2-year wait
Top heavy requirements (total accounts for key employees make up more than 60% of the total plan assets)	None	None	3% (or less) minimum contribution and accelerated vesting
Maximum annual contribution or additions	$6,000 plus 3% of pay match ($12,000 ($6,000 deferral plus $6,000 match), if pay is $200,000 or more)	$6,000 plus up to $4,800 in match (pay is $160,000 or more), but also subject to non-SIMPLE 401(k) limits	The lesser of $30,000 or 25% of pay. Deductibility limitation of 15% of total compensation
Compensation	Not limited for match, limited to $170,000 (indexed) for non-elective for 2000	Limited to $150,000 (indexed) $170,000 for 2000	Limited to $150,000 (indexed) $170,000 for 2000
ADP, ACP testing	None	None	Required. Effective with 97 Plan Year, testing is simplified
Rollover	Within first 2 years of participation. Only to another SIMPLE IRA. After 2 years, may rollover to a regular IRA	To other qualified plans and IRAs	To other qualified plans and IRAs
Notification rules	60-day notice	60-day notice if using non-elective safe harbor contribution	None
Reporting	Form 5500 is not required	Form 5500	Form 5500

* Must execute by October 1 of any year for new SIMPLE plans. (SIMPLE IRAs have a special rule for employers coming into existence during the first Plan Year.)
**Employees who earned $5,000 or more in any 2 prior years and are reasonably expected to earn at least $5,000 in the current year.
***See top heavy requirements on page 9.

Design Considerations

The design of a 401(k) plan is a process that balances the objectives of the employer with the need of employees to save for their retirement. Good design requires good data. The forms in this section are used to develop information about both the employer and the employees. The consultant then applies knowledge of regulatory parameters to this information and incorporates regulatory compliance into the plan.

Pension Plan Questionnaire – The Pension Plan Questionnaire (see page 12) is a comprehensive form for collecting and organizing key information about an employer who wishes to sponsor a 401(k) plan.

Good plan design requires specific information about the employer's business structure, benefits objectives, current retirement programs, and employee census. For example, most government employers are precluded from sponsoring 401(k) plans. Failure to get specific information about the type of business entity prior to doing significant 401(k) plan design will waste both employer and consultant time.

Similarly, failure to take related businesses into account could invalidate the plan design. The consultant needs specific information up front. The Pension Plan Questionnaire also performs a prospect qualification role for the consultant. An employer who is not willing to provide details about its business and objectives is not a very good candidate for a business relationship.

The Pension Plan Questionnaire should be generic and cover all plan types rather than specifically focusing on 401(k) plans. Employers will often come in with firm conclusions about a particular 401(k) formula without having worked through their business and benefit objectives. Careful analysis of this questionnaire may disclose circumstances or objectives that are not achievable in a 401(k) plan.

Document Checklist – The Document Checklist (see page 15) is a form used to organize the plan provisions once the design phase is complete. The checklist is intended to cover all the areas in which plan document decisions must be made.

Pension Plan Questionnaire

A. Company Information

Complete legal name of employer ________________________________
Address ____
Contact person ____
Phone number (_____)__________________ Fax number (______) ________________
Check one:
S Corp ____ Corporation _____ Professional Service Corp. _____ Sole Proprietor ______
Partnership ______ LLC ______ Other ________________________________
Date business began ___________ Date incorporated ______ Fiscal year end ________
Nature of business ____________________________ SIC code __________________
Employer Federal ID Number _________________________

B. Plan Objectives

Do you have a Plan preference? If so, what type? ____________________________
Is flexibility in determining annual contribution important? _______________________
What level of contribution is the company prepared to make? _________% of payroll or
Range of $ _________________ to $ ____________________
Are daily valuation and voice response capabilities desirable? __________________
What are the company's objectives in establishing a plan? (Rate from 1 to 7 with 1 being the most important and 6 being the least important):
Tax deduction for company _____________ Attract and retain employees ______
Benefits to key employees ______________ Build retirement for owners _______
Allow employee pretax savings __________ Build retirement for employees ____
When does the company intend to adopt the plan? ____________________________
When does the company plan to make the first contribution?* ___________________

**Plan document must be signed by the last day of the fiscal year for which they are to be effective. Trustee cannot accept any funds or sign any investment or insurance applications until the Plan Documents have been signed.*

C. Specific Plan Provisions

<u>Eligibility</u>:
Waiting period (up to 2 years, 1 year for 401(k) plans) ___________________________
Minimum age (21 or less) _______
Job class _____ Full-time _____ Non-union ____________________________Other
<u>Employee Contributions</u>:
Employee 401(k) deferrals: Minimum ______% Maximum ______%
Begin deferral contributions ______________________________
Allow special deferral on bonuses paid? ____________________
Name of payroll service-bureau? ____________________________
Payroll frequency ______________________________________

Electronic transmission medium: _____Tape _____ Disk _____Modem
Does the business utilize leased employees? _______________

Desired Reporting Frequency:

_____ Annually _____ Semiannually ______ Quarterly

Company Contributions:

(If 401(k) plan, check all types of contributions to be included.)

Discretionary profit sharing:

_____ Proportional to pay _____ Integrated with Social Security _____ Age-weighted
Must be employed on last day of year to get profit sharing contribution? __________

Match:

Amount of match $_____________ per $1.00
Cumulative with each payroll? _________ or at year end? ________
Level of match: First ____ 6% _____ 5% ______4% ______ Other

Required Company Contribution:

Amount ____________________% of pay
Integrated with Social Security? __________
Must be employed on last day of year to get required company contribution? ________

Investments:

Will employees be allowed to choose from a selection of investment? ______________
If yes, how often? ________ Will life insurance be offered? _______

Availability of Plan Funds:

Vesting of company contributions (check one):
Full and immediate: _____ Graduated* ________Cliff* ________ (*as allowed by law)
Loans allowed? _________ Hardship only? ____________
Normal retirement age: ______________
Treatment of forfeitures:_________ reallocated? or reduce future contributions? __________
Hardship withdrawals of employee 401(k) Account? ______ yes _____ no
Withdrawals of employer profit sharing account? _____ yes _____ no

D. Affiliated Organization Information

The IRS has special rules for "related business" or controlled groups. Please provide the following information:

Name of related business	Owners	% Owned	# Employees
1.			
2.			
3.			
4.			

Does the spouse of any owner have an ownership interest in any other business? ____________
If yes, explain ____
Is there a close relationship between the Employer's business and any other business? _________
If yes, explain ____

E. Prior and Existing Plan Information

Prior and existing plans can impact a new plan, omit section if employer has never had a plan.
Has employer previously had an employee benefit plan which has been terminated? __________
If yes, give plan type ________________ termination date _________________ and current status of plan assets ____
(Attached copies of Plan Document and then the last annual report and valuation)
Does the company have an existing pension plan? __________ If yes, name of current service provider __________________________ IRS 3-digit plan number(s) ______________________
What type of plan is it? ___________________________(defined benefit, money purchase, target benefit, profit sharing, 401(k)profit sharing, SEP/IRA, 403(b), or other
Will the plan under consideration _____ replace _____ enhance _____supplement the existing plan?
What are the current types of assets held in the plan and their value? ______________________________
____

If employer intends to terminate an existing plan, who will handle the termination? __________________
____

F. Employee Information

Owner/Officer Information:
Please provide a list of all owners and officers with the following information:

- Name
- Ownership %
- Officer title

Family Members:
In order to analyze compliance with the non-discrimination and coverage tests required by the IRS, please list the family member status for any employees related to any highly-compensated employees (highly compensated employees are owners, officers, or employees earning more than $80,000).

Full-time Employees:
Please provide a list of all full-time employees (employees working more than 1,000 hours per year), including owners and officers. The census should include all of the following:

- Name
- SSN
- Family relationship
- Date of birth
- Date of hire
- Annual compensation

Part-time and Union Employees:
Approximate number of part-time employees (< 1,000 hours) ______________________
Are there any union employees? _________ If yes, how many? _____________________
Is there a union plan? _________ If not, have retirement benefits been a subject of collective bargaining? ____________
Are the union employees to be covered in this plan? ____________________

Note to reader: If after considering various plan design opportunities, the employer wants to start a 401(k) plan, the following Document Checklist is useful in determining appropriate plan provisions.

401(k) Plan Document Checklist*

Plan Name____

____

A. Basic Plan Information

1. **Plan Type**
   a. Profit sharing
      ☐ thrift ☐ 401(k)
   b. Money purchase
      ☐ thrift ☐ target

2. **Plan Years**
   a. This is a new plan effective ____/____/_____.
   b. This is a restatement effective ____/____/_____.
      Plan was first effective ____/____/_____.
      The first day of this plan year is ____/____/_____.

   Later plan years will be:

   c. fiscal years
   d. years beginning ____________/____________

B. Predecessor Employers

1. None.
2. Predecessor is deemed to be employer for counting:
   ☐ entry
   ☐ vesting service
   ☐ hours of service for contribution
   ☐ pay
   ☐ only service continued with the employer without interruption counts.
3. Only service and pay with predecessor maintaining any qualified plan counts.
4. Only service and pay with ______________________ counts.
5. Service as an owner/partner counts

C. Entry

1. **Eligible Employee**
   a. All employees.
   b. Each checked below.
   c. Any one checked below.
      ☐ hourly
      ☐ salaried
      ☐ bargaining (If specific union included or
      ☐ nonbargaining excluded, name on line below)
      ☐ ______________________________

   Note: **If this Plan is a continuation of a plan of a Predecessor employer, service with that Predecessor must be treated as service with you.**

2. **Minimum Age**
   a. None
   b. Age 21
   c. Age ____________ (less than 21)

   Note: **Minimum age must be decreased to age 20½ or younger if yearly entry is used.**

3. **Entry Service**
   a. None
   b. ______ months (elapsed time only)
   c. _________years (if hours, use whole years)

   Note: **Up to 1 year can be used if 401(k). Up to 2 years service can be used for all other plans (100% immediate vesting if more than 1 year).**

   Minimum service must be decreased to 6 months if yearly entry is used.

4. **Entry Service Method**
   a. Elapsed time
   b. Hours (1,000 hours is one year. Break in service is 500 hours).
      ☐ service counted at end of year
      ☐ service counted as soon as 1,000 hours are worked
      Entry service years
      ☐ change to plan years
      ☐ stay employment years

5. **Entry Date**
   a. Monthly
   b. Quarterly
   c. Semi-yearly
   d. Yearly
   e. Date

6. Entry requirements waived on______________________
   a. Minimum age
   b. Service

   Note: **If yearly entry, otherwise allowable age and service must be decreased 6 months.**

**If the plan will be a SIMPLE 401(k) plan or, a plan that uses the ADP safe harbor, the checklist should be modified to include a provision for electing to apply the required match/nonelective contribution and delete the ADP requirements. For example, if the plan will elect the safe harbor one year, and elect out another, the plan should provide for the ability of the plan sponsor to either meet the contribution criteria to avoid the ADP testing or use the rules for ADP testing in the event the plan sponsor chooses not to fund the required match/nonelective contribution.*

D. Pay

1. Plan uses safe harbor pay as in Box 10 of Form W-2 plus elective deferrals unless otherwise noted below:
   a. As defined in Code Section 415(c)(3).
   b. Wages subject to income tax withholding.
   c. Exclude elective deferrals.
   d. Exclude reimbursements or other expense allowances, fringe benefits, moving expenses, deferred compensation and welfare benefits.
   e. Exclude:
      - ☐ bonuses
      - ☐ commissions
      - ☐ overtime pay
      - ☐ other special compensation

      For 401(k) plans, these exclusions only apply for:
      - ☐ elective deferrals
      - ☐ additional contributions
      - ☐ discretionary contributions
   f. Exclude pay before entry date.

2. Pay year for annual pay ends on (complete only if annual employer contributions, if pay equals a fraction of annual pay in a MP, or if Target).

   a. Last day of plan year (std for 401(k), MP, or Target).
   b. Last day of fiscal year (std or PS).
   c. ____________________

3. If other than annual pay is used (MP only), pay is

   a. Based on the corresponding calendar periods (i.e., if monthly contributions, pay is for the latest calendar month).
   b. A fraction of annual pay defined above (i.e., if monthly contributions, pay is 1/12th of annual pay).

   * Safe harbor pay definition = pay year must be a 12 month period ending within current plan year.

E. Section 415 Limits

1. This is the only plan of the employer.
2. The employer has more than one plan. Other plan(s) are:

   a. Defined benefit.
   b. Money purchase or target.
   c. Profit sharing.

   Note: **Standard limits and reductions apply. Defined benefit and money purchase plans are considered the primary plan so other plans are limited first.**

3. Limitation Year is

   a. Plan year (std for 401(k), MP, or Target).
   b. Fiscal year (std for PS).
   c. Year ending ____________________

Note: **If annual contributions, limitation year should end on contribution date. If employer has multiple plans, limitation year should match. Pay is pay actually paid or made available.**

F. Top Heavy Minimum

1. Minimum benefit applies in
   a. Top heavy years only.
   b. All years.

2. Any minimum applies for
   a. Non-key employees only.
   b. All employees.

3. If more than one 401(a) plan, which plan provides minimum benefit?

   a. This plan.
   b. ____________________

G. Member Contributions

1. Voluntary contributions are not permitted unless otherwise noted below:
   a. Are permitted (should be allowed under only one plan).
   b. Held under the plan, but no longer permitted.

      ☐ Nondeductible Stopped______________

      ☐ Deductible Stopped______________

   Voluntary contributions may be withdrawn two times in any one-year period, unless otherwise noted below:

   c. Withdrawal at any time.

   d. ____________withdrawal(s) in a one-year period.

2. Required contributions are not included unless otherwise noted below (for thrift plans, complete P).

   a. ____________% of pay required each pay period.
   b. Held under plan, but no longer allowed.
      Stopped on ____________.

Note: **Member contributions are subject to early distribution rules. 416 limits and 401(m) test.**

H. Investments

1. Plan is
   a. Non-trusteed (no loans or insurance allowed).
   b. Trusteed
      ☐ Allow loans.
      ☐ Position of person for member to contact regarding loans:

      ____

      ______Number of outstanding loans permitted
      ______Number of loans in any one year.

      ☐ $_________ optional minimum loan
      ☐ $_________ optional maximum loan

      ☐ ________ Allow for repayment of loan for longer than 5 years (only available if for a home loan).
      ☐ Allow optional life insurance, member elects coverage.

2. Investment Direction

   a. Employer contributions other than elective deferrals are directed by
      ☐ the member with the contract holder's consent.
      ☐ the contract holder.
      ☐ the member.

   b. Elective deferral contributions are directed by (401(k) only)
      ☐ the member with the contract holder's consent.
      ☐ the contract holder.
      ☐ the member.

   c. Member contributions and rollovers are deducted by
      ☐ the member with the contract holder's consent.
      ☐ the contract holder.
      ☐ the member.

I. Allocations

1. Allocations are made to each:
   a. Person who was an active member at any time during period.
   b. Active member of that "date."
   c. Person who was an active member at any time during one-year period who has at least 1,000 hours during latest service period ending on or before that "date".
   d. Active member on that "date" who has at least 1,000 hours during the latest one-year service period ending on or before that "date".
   e. Person who was an active member at any time during the plan year, and if not active on the last day of the plan year, has at least 500 hours during the latest service period ending on or before that "date."

   "Date" means the contribution date if MP or Target, the last day of the plan year if 401(k), or the last day of fiscal year if PS.

2. Allocation requirements modified as follows:

   ☐ Also allocate to each person who was an active member at any time during the period and who has retired, become disabled or died.

      ☐ If d. above is selected, must also have 1,000 hours.

3. Service period is the one-year period ending on the last day of (i) the plan year if 401(k), MP or Target, or (ii) the fiscal year if PS, unless otherwise noted below:

   ☐ ________________________

J. Vesting

Members are 100% vested on the earliest of normal retirement age, early retirement date, death or disability if they are employees.

1. **Vesting Schedule:**

   a. 100% at all times
   b. 100% after 3 years
   c. 20% after 2 years, plus 20% for the next 4 years
   d. 100% after 5 years (b. applies in top heavy years)
   e. 20% after 3 years, plus 0% for the next 4 years (c. applies in top heavy years)
   f. Other________________________________

   Note: **f. must provide full (100%) vesting after 5 years or must at all times be as great as the vesting percentage which e. would provide unless plan is a multiemployer plan covering collective bargaining employees.**

2. **Vesting Service**

   a. Elapsed time
   b. Hours (1,000 hours is one year. Break in service is 500 hours.) Vesting service period is the one-year period ending on the last day of (i) the plan year if 401(k), MP or Target, or (ii) the fiscal year if PS unless otherwise noted below:

   ☐ ________________________________

   Note: **For new plans, vesting service before effective date is counted in days using elapsed time.**

3. **Vesting Exclusions**

   a. Service before ______________ (on or before plan effective date).
   b. Service before age ___________ (up to 18).
   c. Service while member did not make required contributions.

4. **Forfeitures**

a. Forfeitures occur immediately if member quits and receives vested account or is zero percent vested at termination. If rehired within 5 years, member may repay and employer must restore forfeiture.

☐ Optional delay forfeitures only. No forfeitures until death or 5 consecutive breaks in service occur.

b. Forfeitures offset employer contributions unless plan is 401(k) with discretionary or PS. In those plans, forfeitures are reallocated with the discretionary contributions.

☐ Offset employer contributions (optional choice only for 401(k) with discretionary, PST with discretionary or PS).

☐ Reallocate forfeitures based on ratio of annual pay (optional choice only for 401(k) with additional, but no discretionary or MP).
- ☐ At the end of the plan year to all active members.
- ☐ On the last contribution date to those eligible for an employer contribution.

K. Retirement

1. **Normal retirement date** (NRD) is 1st of month on or after member reaches age:

a. 65
b. 65, or 5 years after entry, if later
☐ but not later than age 70
c. Other______________________________
(Younger than 65 and or fewer than 5 years from entry)

2. **Early retirement date**

a. None
b. Any 1st month on or after date member terminates if these requirements are met:
☐ age __________
☐ _________ years of vesting service

Note: **Late retirement date is 1st of month on or after termination. Benefits may begin at NRD for a member who is still working. Benefits may also be postponed. Benefits must begin by age 70½.**

L. Forms of Payout

Normal form is single life annuity with installment refund for plans other than Target. Qualified joint & survivor percentage is 50%. Standard options, including lump sum at termination and retirement. Immediate distributions at termination unless otherwise specified below.

1. No distribution at termination before

a. 6 months
b. 12 months

2. Distribution of employer contributions at termination only if disabled
☐ Does not apply to elective deferrals under 401(k) plans

3. No discrimination of employer contributions at termination.

Note: **Member contributions are available in lump sum any time after termination. If the member's vested account is $5,000 or less, it is paid in cash at termination or retirement. If distribution is delayed in 1. Above, cashout is delayed too.**

Comments:______________________________________

M. Adopting Employer(s)

1. Name:______________________________________

☐ Single plan ☐ Separate plan
Date of adoption:_______________________
Fiscal year end:________________________

2. Name:______________________________________

☐ Single plan ☐ Separate plan
Date of adoption:_______________________
Fiscal year end:________________________

3. Name:______________________________________

☐ Single plan ☐ Separate plan
Date of adoption:_______________________
Fiscal year end:________________________

If more than three, list other employers on separate sheet.

CAUTION: **Separate plans must meet the minimum participation requirements independently.**

N. General Information
(complete if 401(k) or PS)

1. **Employer contributions** are made

a. From profits (excess revenues if non-profit)
b. Without regard to profits (excess revenues if non-profit)

2. **Withdrawals** (other than voluntary)

a. Member who is 59½ or older may withdraw all or part of vested account.
Withdrawals allowed twice in a one-year period unless otherwise noted below:
☐ Withdrawal at any time.
☐ _________ withdrawal(s) in a one-year period.
b. Member may withdraw up to __________% of vested account after 5 years of participation since later of entry or last withdrawal.

Note: **These contributions cannot be withdrawn (401(k) plans): Elective deferrals, any qualified nonelective or qualified matching.**

c. In the event of hardship, member may withdraw up to ____________% of vested account.

Note: **These contributions cannot be withdrawn (401(k) plans): Elective deferrals, any qualified nonelective or qualified matching.**

☐ Restrict hardship withdrawals to only elective deferrals.

401(k) plans must use "general" or "deemed" hardship rules. The general rule will be used unless otherwise noted below.

☐ Use deemed standard (employee may not contribute for 12 months after hardship withdrawal). Must use on prototype plans.

Note: **Interest earned on elective deferrals after 12-31-88 may not be withdrawn. Any required optional or rollover contributions may be withdrawn in the same manner as employer contributions.**

O. 401(k) Profit Sharing

1. Elective Deferrals

☐ __________% of pay per pay period.
☐ Percentage elected by member.
  ☐ ______% of pay minimum per pay period.
  ☐ ______% of pay maximum per pay period.
  ☐ Deferral must be a whole percentage.

2. Matching Contributions

a. __________% of elective deferrals.
b. Percentage determined by employer.

_______% minimum______% maximum

Matching elective deferral matched is

c. _______% of pay.
d. Percentage of pay determined by employer.

_______% minimum______% maximum

Matching contributions are made:

e. as elective deferrals are made.
f. at end of Plan Year. Allocation requirements in Section I apply.
g. as elective deferrals are made and again at end of Plan Year.
  ☐ For members meeting the allocation requirements in Section I.

Total matching contribution for the plan year:

☐ ______% of elective deferrals.
☐ Percentage determined by employer.
______% minimum ______% maximum

Maximum elective deferral matched:

☐ ______% of pay.
☐ Percentage determined by employer.
______% minimum ______% maximum

h. $_________ maximum made for the year.

i. Vesting of matching contributions.
  ☐ 100%
    ☐ Matching contributions are qualified matching and are included in the 401(k) nondiscrimination test.
    ☐ Only nonhighly paid employees get qualified matching contributions.
  ☐ Subject to the plan's vesting schedule.

3. Qualified Nonelective Contributions. (Used in 401(k) or 401(m) test. 100% vested. Subject to withdrawal limits of Code Section 401(k).)

a. Determined by employer. Allocated at end of plan year on ratio of member's pay to all members' pay.
b. ________% of pay on last day of
  ☐ pay period
  ☐ plan year
c. $___________ on last day of
  ☐ pay period
  ☐ plan year

Allocations: Contributions on the last day of pay period are for active members on that day. Contributions on the last day of plan year are allocated to members meeting the requirements in Section I.

d. Only nonhighly paid employees get qualified nonelective contribution.

4. Additional Contributions

Amount
a. ________% of pay on last day of
  ☐ pay period
  ☐ plan year
b. $_______ on last day of
  ☐ pay period
  ☐ plan year
c. $_______ for each hour
  ☐ performed
  ☐ credited

Vesting
d. 100%
e. Subject to the plan's vesting schedule.

Allocations: Contributions on the last day of pay period are for active members on that day. Contributions on the last day of plan year are allocated to members meeting the requirements in Section I. Allocation modification.

5. If **discretionary contributions** are made (at the end of the plan year), complete Discretionary Profit Sharing section below.

Vesting of discretionary contributions.
☐ 100%
☐ Subject to the plan's vesting schedule.

P. Profit Sharing Thrift

1. Member contributions on which match is based. These are in addition to any voluntary contributions on Section G above.

a. ________% of pay minimum (required)
b. ________% of pay (optional)

2. Employer matches

________% of minimum (required) member contributions and
________% of optional member contributions

3. If discretionary contributions are made (at the end of the fiscal year), complete Discretionary Profit Sharing section below.

Q. Discretionary Profit Sharing

1. Employer contributions are determined by the employer and allocated to eligible members (Section I).

Allocation formula:

a. Pay formula – ratio of member's pay to all members' pay.
b. Integrated formula – allocate in 2 steps.

STEP ONE: A percentage of pay up to the integration level plus a percentage (equal to 2 times the first percentage) of pay over the integration level. The first percentage is the maximum integration rate (see schedule below) unless a lesser percentage is chosen:

☐ ______% (see note below)

The integration level is the current taxable wage base unless otherwise noted below (integration level used affects maximum integration rate).

☐ The integration level is

$____________.
__________% of the current taxable wage base.

If the employer contribution is not great enough to provide this total allocation, the percentage above is proportionately reduced.

STEP TWO: Any amount left after Step One is allocated based on ratio of member's pay to all members' pay.

Note: The maximum integration rate shall be determined according to the following schedule:

Integration Level	**Maximum Integration Rate**
100% of Taxable Wage Base (TWB)	5.7%
Less than 100%, but nor more than 80% of TWB	5.4%
More than the greater of $10,000 or 20% of TWB, but nor more than 80% of TWB	4.3%
Not more than the greater of $10,000 or 20% of TWB	5.7%

c. Unit allocation ratio of the given member's units to all members' units.
☐ ________ (1 or 2) units for each year of service plus 1 unit for each $100 of annual pay.
Service is based on:
☐ Vesting service (Section J)
☐ Accrual service
☐ Elapsed time
☐ Hours (1,000 hours is one year). Before the service year in which plan started, service is counted in days using elapsed time. Service period is one-year period ending ______________
☐ Service exclusions
____

R. Contribution Date

1. First day
(not recommended to use with "plan year" below due to safe harbor)
2. Last day
☐ plan year
☐ semi-yearly period
☐ plan year quarter
☐ month
☐ pay period

S. General Money Purchase

Employer contributions
1. ________% of pay
2. Integrated – an amount equal to
a. ________%
or
b. the maximum integration rate (see schedule below)

of pay up to the integration level plus a percentage of pay over the integration level equal to the lesser of (i) 2 times the percentage picked above, or (ii) the sum of the maximum integration rate and the percentage above, unless a lesser percentage is specified below.

c. ________%
The integration level is the current taxable wage base unless otherwise noted below (see following note):
d. The integration level is
$____________.
__________% of the current taxable wage base.

Note: The maximum integration rate shall be determined according to the following schedule:

Integration Level	**Maximum Integration Rate**
100% of Taxable Wage Base (TWB)	5.7%
Less than 100%, but nor more than 80% of TWB	5.4%
More than the greater of $10,000 or 20% of TWB, but nor more than 80% of TWB	4.3%
Not more than the greater of $10,000 or 20% of TWB	5.7%

Determination Letter Procedures

Plan Implementation – Once the document is designed and formed, the plan sponsor will execute it and the plan can begin operating. Consideration should be given to whether a determination letter should be requested from the IRS. While there is no requirement that a letter be obtained, nearly all experts in the area agree that getting one is a good idea. A plan is qualified if in its form and operation it meets the requirements of the Internal Revenue Code. The major advantage of obtaining a letter is that it gives the plan sponsor reliance that the plan meets the qualifications of the law in form. Also, if the IRS were to subsequently inform the plan sponsor that a provision of the plan does not meet the qualification, then any changes are limited to prospective implementation and not retroactive correction. It also allows for operational defects that may occur during the plan's life-span.

Not all plans need to request a letter. If an employer adopts a standardized prototype, the employer can rely on the letter issued to the IRS by the prototype sponsor. Prototype plans are offered as either standardized or nonstandardized. Standardized plans offer limited design options whereas nonstandardized plans have more flexibility. For example, in a nonstandardized plan it is possible to alter the definition of compensation or require a last day of service for employer contributions.

Determination Letter Checklist – Notwithstanding any other instructions for the completion and assembly of determination letter packages, the IRS has indicated that it would prefer to see the various items of the application in the following order:

> **Form 8717** – User Fee for Employee Plan Determination Letter Request with a check for the user fee attached.
>
> **Form 5307** – (or other appropriate form) Application for Determination for Adopters of Master or Prototype, Regional Prototype or Volume Submitter Plans (If individually designed plan is adopted, use Form 5300.
>
> **Schedule Q** – Nondiscrimination Requirements and any additional schedules or demonstrations.
>
> **Form 2848** – Power of Attorney or 8821 Tax Information Authorization
>
> **Most recent determination letter of the plan** - or opinions or notification letter as applicable.
>
> **Cover letter** (attached last) with required statements regarding the VCR program as required by Rev. Proc. 94-6, section 5.07, the statements required by Rev. Proc. 89-9, 89-13, regarding completeness of the application and whether any changes have been made to the pre-approved boiler-plate document.

Note: Be sure that you determine the status of the plan regarding partial termination, affiliated service groups, controlled groups and multiple employer plan adoptions. Additional information may be needed to assist the Internal Revenue Service in processing the application.

CHECKLIST FOR IRS FILINGS FOR DETERMINATION LETTER

IRS filing date is ______________________

Notice of filing was mailed to client on ___________________________.

The following are the required documents that need to be filed with IRS if applicable. Please check the ones that are being filed.

______ Form 8717 (with check attached, amount varies depending on request)

______ Copy of Adoption Agreement or Volume Submitter Plan (with original signatures)

______ Notice to Interested Parties. (Not required if one-person plan or husband & wife only)

______ Schedule Q – (Nondiscrimination requirements and any required schedules or demonstrations)

______ Regional Prototype Certification

______ Controlled Group Attachment

______ Affiliated Service Group Attachment

______ Other Plans Exhibit Attachment

______ Notification Letter

______ Loan Policy (send only if question 3 of Schedule Q is yes and your plan has loans)

______ Hardship Policy (send only if question 3 of Schedule Q is yes and your plan has hardship distributions)

______ Consent of Directors

______ Joinder or Participation Agreement

______ Form 2848 (Power of Attorney)

______ Compensation Discrimination Test (for excluded compensation)

______ Execution date checked against effective date (see Form 5307, question 3a)

Keep this form in the client file under the IRS filing transmittal letter.

SAMPLE COVER LETTER TO APPLICATION FOR DETERMINATION LETTER

Internal Revenue Service
EP/EO Division
"Address"

RE: Company Name

Dear Sir or Madame:

Enclosed is an application for a favorable determination that the retirement plan of "company name" satisfies the requirement of IRC section 401(a). This submission is intended to comply with the requirements of Revenue Procedure 99-6.

The documents are enclosed in the following order:

1. Form 8717, User Fee for Employee Plan Determination Letter Request and an attached check for $x,xxx.

2. Form 5300, Application for Determination for Employee Benefit Plans.

3. Schedule Q, Nondiscrimination Requirements and any required schedules and demonstrations.

4. Form 2848, Power of Attorney.

5. Plan document.

6. A copy of the most recent favorable determination letter.

Best regards,

Name
COMPANY

XXX/xx

Enclosures

Note to reader: Look in the Forms Addendum at the back of this guide for copies of IRS forms mentioned above as well as Forms 5307, Schedule Q and Schedule Q Instruction. The IRS annually updates it procedures for requesting a Determination Letter. The 2000 procedure has not yet been issued at the time the guide was finalized.

CORPORATE RESOLUTIONS – ADOPTION OF PLAN

The undersigned ______ Partner ______ President _____ Owner _______ Other

of ____ states that the following
(business name)

is a true and correct copy of the Resolution adopted at a meeting held on _____________,

20____, at a principal office of the business.

It was resolved that the ___ Partnership _____ Corporation _________ Sole

Proprietorship _____ Professional Corporation adopt the ____________________________

____
(Plan name)

effective ___________________________, 20_______.

It is further resolved that ____ is authorized

to execute such agreements on behalf of the ___ Partnership ___ Corporation

______ Sole Proprietorship ______ Professional Corporation.

____

Name (print)

____

Date

____

Signature

____

Title

CORPORATE RESOLUTION – AMENDMENT OF PLAN

The undersigned ________ Partner ________ President _______ Owner _______ Other

of ____ states that the
(business name)

following is a true and correct copy of the Resolution adopted at a meeting held on

____________, 20_______ at a principal office of the business.

It was resolved that the _____ Partnership _______ Corporation _______ Sole Proprietorship

______Professional Corporation amend and restate the

____
(Plan name)

The effective date of this amendment and restatement is _________, 20_______.

It was further resolved the __________________________________ is authorized to execute such

agreements on behalf of the ______ Partnership _______ Corporation _______ Sole Proprietorship

______Professional Corporation.

____ ___________________________
Name (Print) Date

____
Signature

____
Title

Notice to Interested Parties, Determination Letter Application Required

Before an application for a favorable determination letter is filed with the IRS, the employer must notify interested parties of the impending filing. The following form, which is based on an IRS-prepared form found in Revenue Procedure 99-6, can be used for this notification.

At the top of the form are three possible captions. The proper caption to use depends upon who the interested parties are as determined under IRS regulations. [See Treas Reg §1.7476-1(b)].

The employer must specify the date on which the application will be filed with the IRS. That date should be far enough into the future so that interested parties are provided notice within the requisite time frames. If notice is given in person or by posting on a bulletin board, the notice must be given no earlier than 21 days and no later than 7 days before the application is filed with the IRS. If a copy of the notice is mailed to the interested parties, the time frames are 24 days and 10 days, respectively.

The notice invites interested parties to make comments to the DOL or the IRS regarding a 401(k) plan's qualification. Comments must be made by certain time deadlines that are keyed to the filing date of the application.

More information about the notice to interested parties procedure can be found in Revenue Procedure 98-6.

NOTICE TO EMPLOYEES

(Choose appropriate caption.)

NOTICE TO ALL PRESENT EMPLOYEES OF THE APPLICANT

or

NOTICE TO ALL EMPLOYEES OF THE APPLICANT WHO ARE ELIGIBLE TO PARTICIPATE IN THE PLAN

or

NOTICE TO ____

____

An application is to be made to the Internal Revenue Service for an advance determination on the qualification of the following employee retirement plan.

Name of Plan: ____

Name and Address of Applicant: ______________________________

____

____

Plan I.D. Number: ______________ Applicant EIN: ______________

Name address and telephone number of Plan Administrator:

____

____

____

The application will be submitted on ______________ to the Key District Director of the Internal Revenue Service, ______________________________
for an advance determination as to whether or not the plan qualifies under Section 401(a) of the Internal Revenue Code, with respect to the plan's (initial qualification/amendment).

The employees eligible to participate under the plan are ______________________

____

The Internal Revenue Service (has/has not) previously issued a determination letter with respect to the qualification of this plan.

RIGHTS OF INTERESTED PARTIES. You have the right to submit to the Key District Director at the above address, either individually or jointly with other interested parties, your comment as to whether or not the plan meets the qualification requirements of the Internal Revenue Code of 1986.
You may instead, individually or jointly with other interested parties, request the Department of Labor to submit, on your behalf, comments to the Key District Director regarding qualification of the plan. If the Department declines to comment on all or some of the matters you raise, you may, individually, or jointly, if your request was made to the Department jointly, submit your comments on these matters directly to the District Director.

Plan Document Disclosure

Participants in a 401(k) plan must be given a written description of the plan and of their rights under the plan. This is done by means of a Summary Plan Description (SPD) supplemented by a Summary of Material Modifications (SMM), in case amendments have been adopted since the Summary Plan Description was prepared.

The Summary Plan Description describes the provisions of the plan and the rights of the participants under the plan. The SPD style and format should be comprehensible to the average participant. The SPD is a required document and must be distributed to plan participants within specific time frames. A new participant must receive the SPD within 90 days of entering the plan.

The content of the SPD is governed by DOL regulation. Care should be taken in drafting the SPD to ensure that the minimum content is included and also that the provisions of the SPD are consistent with the provisions of the formal plan document. Courts have held for participants where the participants relied on information in the SPD and were damaged by the reliance, despite contrary provisions in the "official" plan documents.

II. Plan Administration

INTRODUCTION TO PLAN ADMINISTRATION

This section explains many of the elements that are necessary in the ongoing operation of a 401(k) plan. The totality of these steps is referred to as administration. Many parts of the administration is outsourced by the plan administrator. Often the plan administrator is simply a conduit of information between the plan sponsor and the trustee, with professionals or recordkeepers of investment transactional information assisting to complete much of the technical testing on behalf of these parties.

Failure to complete the required operational steps could disqualify the plan. Certain nondiscrimination testing must be performed in order to retain the qualified status of the plan. These non-discrimination and operational tests are discussed later in this section.

Form 5500 – Form 5500 is an information return that is generally required to be filed by all 401(k) plans. In 1999 the form, as well as its filing process, was substantially changed. There are penalties for failure to file, as well as the late filing of this form, and the related schedules. Refer to the Form 5500 instructions in the Appendix of this Guide, for details about these penalties and the form's schedules and filing criteria.

Some Form 5500's must be filed with the audited financial statements attached to the form and the other required schedules. An independent certified public accountant is required to audit the financial statements of plans if there are more than 100 employees who are eligible to participate in the plan. For example, if the 401(k) plan has thirty employees deferring a portion of their salary to the plan, but a total of 150 employees are eligible to participate in the plan, an audit may be required. There are limited exceptions to the audit requirement. For more information, you should refer to the AICPA website listed in the Appendices for specific details on the financial statements audit requirements.

The Form 5500 is used by the IRS and the DOL when implementing pilot audit programs. These audit programs usually will target certain plans. As a result, plans using the features that are selected for audit will be chosen from all the Form 5500's filed. For example, in recent years the IRS completed a pilot program for 401(k) plans that offered employee choice among selected investments. It is important that the Form 5500 is completed accurately, and based upon information about the plan for the specific reporting year. Typically, the reporting period is the full twelve month period specified by the plan.

The DOL also has nonfiling/late filing penalties. These penalties could be as high as $300 per day that the form is late. However, the DOL has implemented the Delinquent Filer Voluntary Compliance Program (DFVCP) that greatly reduces the penalties that would otherwise be assessed. To use this program, the plan sponsor generally mails a stated penalty, i.e. $50 per day up to $1,000 per year for late filing, with the form under a specific filing to a DOL lockbox. Plan sponsors who use this program do not have any opportunity to abate these penalties. Since the IRS does not have a similar program, unless the IRS finds reasonable cause for the late filing, separate penalties (noted in the instructions to the Form 5500-See the Appendix) will apply under their jurisdiction.

Collecting data from clients to prepare Form 5500 can be cumbersome unless a standard questionnaire is used. The "Form 5500 Helper Sheet" on the following pages is an example of a form that a practitioner can use to gather information from a plan sponsor.

FORM 5500 HELPER SHEET

Plan Name: ______________________________ Plan No. ______________

Trust Identification Number: ____________________

Note: ***Prepare this form so that the recipient can have as much information as possible to prepare the 5500. Include information particular to the client.***

Preparer:______ (initial) Today's Date: ___/___/___

Beginning Plan Year Date: ___/___/___ Ending Plan Year Date: ___/___/___

First Plan Yr: ☐ Yes ☐ No **Final Plan Yr:** ☐ Yes ☐ No **Short Plan Yr:** ☐ Yes ☐ No

Is Plan Administrator different from the Employer? ☐ Yes ☐ No If yes, explain on back.

Line 6(e) ☐ Master Trust ☐ Collective/Common Trust ☐ Pooled Separate Account ☐ N/A

Line 7 (i) Were any participants in the pension benefit plan separated from service with a deferred vested benefit for which a Schedule SSA (Form 5500) is required to be attached?
☐ Yes ☐ No

Line 7 (i) If "Yes", enter the number of separated participants required to be reported __________.

Form SSA Information:	Optional Information		
Participants Name	SSN	Vested $	Year Term

Insurance: ☐ Yes ☐ No Funding Arrangement Code (Circle One) 1- 2- 3 - 4
(See Form 5500 instructions, in the Addendum)

# of Schedule A's needed: __________.

Is there more than one plan? ☐ Yes ☐ No If yes, #: __________

Pension Plan Feature Codes ______________________________.

Have you verified that all required schedules are checked on the Form 5500? ☐ Yes ☐ No

Note: If the plan is maintained by:

a. More than one employer and benefits employees who are not collectively-bargained employees, a separate Schedule T may be required for each employer (see the instruction for line 1). or

b. An employer that operated qualified separate lines of business (QSLOBs) under Code section 414(r), a separate Schedule T may be required for each QSLOB (see the instruction for line 2).

1 If this schedule is being filed to provide coverage information regarding the noncollectively bargained employees of and employer participating in a plan maintained by more than one employer, enter the name and EIN of the participating employer

1a **Name of participating employer**	1b **Employer identification number**

2 If the employer maintaining the plan operated QSLOBs, enter the following information:

a The number of QSLOBs that the employer operates is ______________.

b The number of such QSLOBs that have employees benefiting under the plan is __________________.

c Does the employer apply the minimum coverage requirements to this plan on an employer-wide rather than a QSLOB basis? . . . . ☐ Yes ☐ No

d If the entry on line 2b is two or more and line 2c is "No," identify the QSLOB to which the coverage information given online 3 or 4 relates➢

---

3 Exceptions - Check the box before each statement that describes the plan or the employer.

If you check any box, do not complete the rest of this Schedule.

a ☐ The employer employs only highly compensated employees (HCEs).

b ☐ No HCEs befitted under the plan at any time during the plan year.

c ☐ The plan benefits only collectively bargained employees.

d ☐ The plan benefits all nonexcludable nonhighly compensated employees of the employer (as defined in Code sections 414(b), (c), and (m)), including leased employees and self-employed individuals.

e ☐ The plan is treated as satisfying the minimum coverage requirements under Code section 410 (b)(6)(c).

---

4 Enter the date the plan year began for which coverage data is being submitted. Month_____Day_____Year_____.

a Did any leased employees perform services for the employer at any time during the plan year? . . . . ☐ Yes ☐ No

b In testing whether the plan satisfies the coverage and nondiscrimination test of Code sections 410(b) and 401(a)(4), does the employer aggregate plans? . . . . ☐ Yes ☐ No

c Complete the following:

(1) Total number of employees of the employer (as defined in Code section 414(b), (c) and (m)), including leased employees and self-employed individuals	c(1)	
(2) Number of excludable employees as defined in IRS regulations(see instructions)	c(2)	
(3) Number of nonexcludable employees (Subtract line 4c(2) from line 4c(1))...	c(3)	
(4) Number of nonexcludable employees (line 4c(3)) who are HCEs.	c(4)	
(5) Number of nonexcludable employees (line 4c(3)) who benefit under the plan	c(5)	
(6) Number of benefiting nonexcludable employees (line 4c(5)) who are HCEs	c(6)	
d Enter the plan's ratio percentage (see instructions)➢.	d	- %

e Identify any disaggregated portion of the plan and enter its ratio percentage:

(1) Portion:	______________________________.	Ratio Percentage:	e(1) - %
(2) Portion:	______________________________.	Ratio Percentage:	e(2) - %
(3) Portion:	______________________________.	Ratio Percentage:	e(2) - %

f This plan satisfies the coverage requirements on the basis of (check one):

☐ the ratio percentage test ☐ average benefit test

Part I Distributions

All references to distributions relate only to payments of benefits during the plan year; unless otherwise indicated, the term "participants" includes beneficiaries of deceased participants and alternate payees.

1	Total value of distributions paid in property other than in cash, annuity contracts, or publicity traded employer securities.	1	$
2	Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits). _______ - ________________ _______ - ________________.		
3	Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.	3	

Part II Funding Information (if the plan is not subject to the minimum funding requirements of section 412 of

the Internal revenue Code or ERISA section 302, skip this Part

4 Is the plan administrator making an election under Code section 412(c)(8) or ERISA section 302(c)(8) . . . . ☐ Yes ☐ No ☐ N/A

5 If a waiver of the minimum finding standard for a prior year is being amortized in this plan year, see instructions, and enter the date of the ruling letter granting the waiver. ➤ Month_______Day______Year_______.

Complete lines 3, 9 and 10 of Schedule B and do not complete the remainder of this schedule.

6a	Enter the minimum required contribution for this plan year.	6a	$
b	Enter the amount contributed by the employer to the plan for this plan year. .	6b	$
c	Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a negative amount)	6c	$

If you completed line 6c, do not complete the remainder of this schedule.

7 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure providing automatic approval for the change, does the plan sponsor or plan administrator agree with the change? . . . . ☐ Yes ☐ No ☐ N/A

Do not complete line 8, if the plan is a multiemployer plan or a plan with 100 or fewer participants during the prior plan year (see instructions).

8 Is the employer electing to compute minimum funding for this plan year using the transitional rule provided in Code section 412(1)(11) and ERISA section 302(d)(11)? . . . . ☐ Yes ☐ No ☐ N/A

Part III Amendments

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased the value of benefits? (see instructions) . . . . ☐ Yes ☐ No ☐ N/A

6	Total number of participants at the beginning of the plan year	6	
7	Number of participants as of the end of the plan year(welfare plans complete only lines 7a, and 7d)		
a	Active participant.	7a	
b	Retired or separated participants receiving benefits.	7b	
c	Other retired or separated participants entitled to future benefits.	7c	
d	Subtotal. Add lines **7a, 7b** and **7c**.	7d	
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	7e	
f	Total. Add lines **7d** and **7e**.	7f	
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	7g	
h	Number of participants with account balances as of the end of the plan year with accrued benefits that were less than 100% vested.	7h	
i	If any participant(s) separated from service with a deferred vested benefit, enter the number of separated participants required to be reported on a Schedule SSA (Form 5500)	7i	

27Current value plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Allocate the value of the plan's interest in a commingled trust containing the assets of more than one plan on a line-by-line basis unless the trust meets one of the specific exceptions described in the instructions. Do not enter the value of that portion of an insurance contract that guarantees during this plan year to pay a specific dollar benefit at future date. Round off amounts to the nearest dollar; any other amounts are subject to rejection. Plans with no assets at the beginning and the end of the plan year, enter -0- on line 27f.

Assets	(a) Beginning of Year	(b) End of Year
a Cash		
b Receivables		
c Investments:		
(1) U.S. Government securities		
(2) Corporate debt and equity instruments		
(3) Real estate and mortgages (other than to participants)		
(4) Loans to participants:		
A Mortgages		
B Other		
(5) Other		
(6) Total investments. Add lines 27c(1) through 27c(5). ⌦		
d Buildings and other property used in plan operations		
e Other assets		
f Total assets. Add lines 27a, 27b, 27c(6), 27d and 27e		
Liabilities		
g Payables		
h Acquisition indebtedness		
i Other liabilities		
j Total liabilities. Add lines 27g through 27I ⌦		
k Net assets. Subtract line 27j from line 27f ⌦		

28 Plan income, expenses, and changes in net assets for the plan year. Include all income and expenses of the plan including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar.

Income	(a) Amount	(b) Total
a Contributions received or receivable in cash from:		
(1) Employer(s) (including contributions on behalf of self-employed individuals		
(2) Employees		
(3) Others		
(4) Add lines 28a(1) through 28a(3)		
b Noncash contributions. Enter the total of line 28a(4) and lines 28b in column (b)		
c Earnings from investments (interest, dividends, rents, royalties)		
d Net realized gain (loss) on sale or exchange of assets		
e Other income (specify) ⌦ ______________________________		
f Total income. Add lines 28b through 28erities ⌦		
Expenses		
g Distributions of benefits and payments to provide benefits		
(1) Directly to participants or their beneficiaries		
(2) Other		
(3) Total distribution of benefits and payments to provide benefits		
h Administrative expenses (salaries, fees, commissions, insurance premiums		
i Other expenses (specify) ⌦ ______________________________		
j Total expenses. Add lines 28g through 28I ⌦		
k Net income (loss). Subtract line 28j from line 28f ⌦		

Calendar of Required Due Dates:

Report or Form Recipient	When Due	Report to
Form 5500 Annual Report (Plan more than 100 participants)	7 months after end of each Plan Year	IRS
Accountant's Statement (files only with Form 5500	7 months after end of each Plan Year	IRS. Attached to Form 5500.
Summary Annual Report (SAR)	15th day of 8th month after end of Plan Year	Participants and beneficiaries
Form 1099-R (Recipients of nonperiodic distribution from Plan)	January 31st following calendar year of distribution	Participant receiving lump sum distribution.
Form 1096 (Transmittal Form for 1099-R's)	February 28th following calendar year of distribution	IRS
Form 945 (Federal Pension Income Tax Withholding)	January 31st following calendar year of distribution	Participant federal income tax report form to IRS.
Form 990-T (Unrelated business income of Plan's Trust in excess of $1,000)	By 15th day of 4th month following end of Plan Year	IRS, with payment

VALUATION CHECKLIST FOR PROFIT SHARING 401(K) PLAN

Plan: ____

Period: ____

I. Plan Document Review:

NOTE: Please consult and refer to Document Checklist and Determination Letter Process Checklist at this point

	Yes	No	N/A
1) Is current plan document and/or amendment on file?	___	___	___
2) Has the plan been restated for TRA '86 and amend if for UCA '92?	___	___	___
3) Is latest copy of IRS Determination Letter on file?	___	___	___
Date:________________			
Is a Determination Letter pending with the IRS?	___	___	___

4) Note below any changes in the benefit formula:

Hours to be eligible for contribution: ________________

Must be employed at year end to get a contribution: Yes No

Age requirements:_____________

Matching: Yes %__________ No

Has the vesting schedule changed? Yes No

If yes, note new schedule below:

Year 1:
Year 2:
Year 3:
Year 4:
Year 5:
Year 6:
Year 7:
Year 8:

II. Review of Form 5500 and Schedules

	Yes	No	N/A
1) Review prior year returns, memos, correspondence files	___	___	___
2) Has the plan been examined by the IRS?	___	___	___
If yes,			
obtain copies of the revenue agent's report	___	___	___
verify that necessary adjustments have been made	___	___	___
communicate any effect the changes may have on the plan sponsor's income tax returns	___	___	___
3) Is the employer a member of a controlled group of corporations or a member of a group of businesses under common control?	___	___	___
If yes, are additional reports required?	___	___	___
4) Review sponsor's and plan's name, address, EIN and year-end	___	___	___
5) Number of participants BOY	______________		
EOY	______________		
6) Plan's top heavy ratio BOY	______________		
EOY	______________		
7) Was the plan involved in a merger, consolidation or transfer of assets/liabilities?	___	___	___
If so, was Form 5310-A filed?	___	___	___

Note: Generally, Form 5310-A does not have to be filed when 2 DC plans are merged.

	Yes	No	N/A
8) Has the plan sponsor decided to terminate the plan?	___	___	___
If yes, please review the following checklists at this time:			
Reporting Requirements	___	___	___
Determination Letter Checklist	___	___	___

	Yes	No	N/A
9) Does Form 5500 financial information agree with the valuation, financial statements, summary annual report?	___	___	___
10) Does contribution on Form 5500 agree with the sponsor's income tax return?	___	___	___
11) Were excess nondeductible contribution received / returned by the plan?	___	___	___
If yes, was Form 5330 filed?	___	___	___
12) Determine any additional forms to be filed:			
Schedule A – insurance information	___	___	___
Schedule C – service provider and trustee information	___	___	___
Schedule D – DFE/participating plan information	___	___	___
Schedule G – Financial Schedules	___	___	___
Schedule H – Large plan and DFE financial information	___	___	___
Schedule I – small plan financial information	___	___	___
Schedule P – annual information return and statute of limitations	___	___	___
Schedule R – retirement plan information	___	___	___
Schedule SSA – separated participants with deferred benefits	___	___	___
Schedule T – pension plan coverage information	___	___	___
Accountant's Report	___	___	___
13) Does the plan have unrelated business taxable income (UBIT)?	___	___	___

If yes, amount__________________
Note: Form 990-T will need to be filed for UBIT.

	Yes	No	N/A
14) Does the plan have an adequate fidelity bond?	___	___	___

Amount:_______________
Insurance Company:_____________________

	Yes	No
15) What is the plan's trust EIN?___________________		
16) Does the plan pass the coverage test?	___	___
17) Does the plan pass ADP/ACP - Multiple Use Test	___	___

	Yes	No	N/A
III. <u>Administrative Review</u>:			
1) Are there any loans to participants?	___	___	___
If yes, review the plan's loan and hardship policy	___	___	___
2) Any loans to sole proprietors, 10% partners, or 5% S-corporation shareholders?	___	___	___
3) Are copies of loan/security agreements on file?	___	___	___
4) Do they comply with loan/hardship policies?	___	___	___
5) Are any loans in default?	___	___	___
If yes, explain and review Form 5500 for appropriate responses	___	___	___
6) Are copies of beneficiary designations on file?	___	___	___
If not, make sure that the plan's sponsor keeps the originals in a safe place	___	___	___
7) Did new participants receive a copy of SPD?	___	___	___
8) Were distribution forms, elections, W-4P's, 1099R's, Form 945 prepared for distributions to terminated participants and P.S. 58 Costs and was the proper withholding sent to IRS?	___	___	___
9) Were copies of the trust accounting sent to the CPA for audit?	___	___	___
or			
Were copies of the financial statements and Form 5500 sent to the lawyer?	___	___	___
10) Was top heavy status noted for following year?	___	___	___

CONTRIBUTION CONFIRMATION JOURNAL

Contributions* **before** plan year end:		Contributions** **after** plan year end:	
Date of Deposit	Deposit $	Date of Deposit	Deposit $
____________	$ ________.__	____________	$ ________.__
____________	$ ________.__	____________	$ ________.__
____________	$ ________.__	____________	$ ________.__
____________	$ ________.__	____________	$ ________.__
____________	$ ________.__	____________	$ ________.__
____________	$ ________.__	____________	$ ________.__
____________	$ ________.__	____________	$ ________.__
____________	$ ________.__	____________	$ ________.__
____________	$ ________.__	____________	$ ________.__

Signature ____ Date _________________________

* The employee salary deferral contribution must be remitted to the trust at the earliest date on which the contributions can reasonably be segregated from the general assets of the employer. In any event, that date can be no later than 15 business days after the end of the month in which the contributions are received by the employer or would have been paid to the employee in cash if not withheld from wages. Once salary deferral contributions become plan assets, their retention by the employer is treated by the IRS as a prohibited loan from the plan to the employer.

** The profit sharing contribution portion must be made by the due date of the employer's income tax return, including extensions, or the sponsor company contribution tax deduction will be disallowed for the year to which it relates.

SAMPLE EMPLOYEE ELECTION FORM
Please Print Clearly

NAME: ____
(Last) (First) (Middle Initial)

HOME ADDRESS: ____
(Street) (City) (State) (Zip Code)

SOCIAL SECURITY #: ____________________ **YOUR DATE OF BIRTH:** ___/___/___

MARITAL STATUS: __________ **SEX:** _____ **YOUR DATE OF HIRE:** ___/___/___

Check One: ☐ This is my initial election. ☐ This is my amended election.

A. **CONTRIBUTION ELECTION** (choose any **ONE** of the three options)

1. ☐ I elect to defer the *FOLLOWING PERCENT* from my compensation: (Circle One)

   1% 2% 3% 4% 5% 6% 7% 8% 9% 10% 11% 12% 13% 14% 15%

2. ☐ I elect to defer the *FOLLOWING DOLLAR AMOUNT* from my compensation: $__________________

   I understand my base wage will be reduced by this percentage or amount elected above. I direct my employer to pay to the trustees of the plan the amount I have elected to defer, and to invest these amounts as directed below as soon as is practical. I understand that I can change my salary deferral election only in accordance with plan procedures, and only using a written form which is delivered to a plan representative. I further understand that there are limitations on the amount of salary deferral I can make in any 12-month period and will inform the Plan Administrator if the annual amount is exceeded.

3. ☐ I do not wish to defer my compensation at this time.

B. **INVESTMENT DIRECTIONS**

I direct the trustee to invest my salary deferral, and any matching contributions that may be made from time to time by my employer, in the manner I have elected below. In making this election, I absolve the trustee from any and all liability or responsibility for any loss resulting to me or my beneficiary by reason of any sale or investment made or other action taken in accordance with Plan procedures and only using a written form which is delivered to a plan representative.

I elect to invest my contribution as noted below.

1. ____ ________________%
2. ____ ________________%
3. ____ ________________%
4. ____ ________________%
5. ____ ________________%

(Total must equal 100%)

This election pertains to:

☐ A. Future contributions only ☐ Future contributions as well as existing account balance

☐ B. My existing account balance

______________________________ ______________________________
Signature of Employee Date Form is Signed

______________________________ ______________________________
Signature of Trustee Date Trustee Signs

BENEFICIARY DESIGNATION FORM FOR PRE-RETIREMENT DEATH BENEFITS

Please print or type

A. IDENTIFICATION

Participant's Name:

(Last) ____________________ (First) ______________ (Initial) __ Social Security Number ____________________________

Home Address:

(Street and P.O. Box) ______________________________ (City) ___________________________ (State) ____ (Zip) _________

Home Telephone (+ Area Code) (______) ________________ Branch Location ____________________________________

I acknowledge that The Retirement Equity Act of 1984 requires that, if I am married, my spouse must be my sole beneficiary under all plans - unless he/she consents in writing below to my naming someone else on this form. Further, my spouse must become my beneficiary if he/she survives the beneficiary(ies) designated below.

CHECK ONE:

- ☐ I am not married.
- ☐ My spouse has not signed the consent form below.
  (An appropriate explanation can be attached to this form.)
- ☐ My spouse has signed the consent form below.

B. BENEFICIARIES

a. Primary Beneficiary

(Last Name) ______________ (First) ______________ (Initial) __ Social Security Number ____________________________

(Street and P.O. Box) ______________________________ (City) ___________________________ (State) ____ (Zip) _________

Home Telephone (+ Area Code) (____) ________________ Relationship (if any) ________________________________

b. Secondary Beneficiaries

(Last Name) ______________ (First) ______________ (Initial) __ Social Security Number ____________________________

(Street and P.O. Box) ______________________________ (City) ___________________________ (State) ____ (Zip) _________

Home Telephone (+ Area Code) (____) ________________ Relationship (if any) ________________________________

(Last Name) ______________ (First) ______________ (Initial) __ Social Security Number ____________________________

(Street and P.O. Box) ______________________________ (City) ___________________________ (State) ____ (Zip) _________

Home Telephone (+ Area Code) (____) ________________ Relationship (if any) ________________________________

If my primary beneficiary: (1) fails to survive me, or (2) the Plan Committee fails to locate my primary beneficiary after taking such action as the Committee feels is appropriate, my account balance under this plan will be divided equally among my surviving secondary beneficiaries. I understand that any beneficiary designations previously made by me under the plan(s) are now void.

Date ________________________ Signature of Participant ____

C. WAIVER OF SPOUSE BENEFICIARY

As a participant in the plan(s), I acknowledge that I have been informed that if I should die prior to my retirement, my spouse shall be the sole beneficiary of my pre-retirement death benefit and that the benefit will be paid in the form of a Pre-Retirement Survivor Annuity. In have the right to waive the designation of my spouse if my spouse consents to such waiver. I have the right to revoke such waiver at any time without my spouse's consent.

I hereby waive the right to have my spouse be the sole beneficiary of my pre-retirement death benefit and simultaneously waive the Pre-Retirement Survivor Annuity.

Signature of Witness	Signature of Participant	Date
______________________	______________________	______________

I consent to my spouse's waiver of the Pre-Retirement Survivor Annuity. I also consent to the designation made by my spouse to have the pre-retirement death benefit paid to the named beneficiary. The Pre-Retirement Survivor Annuity death benefit has been explained to me, and I acknowledge that I understand: (1) that the effect of such designation is to cause my spouse's death benefit to be paid to the beneficiary specified; (2) that each beneficiary designation is not valid unless I consent to it; and (3) that my consent is irrevocable unless my spouse revokes the beneficiary designation. **MUST BE SIGNED BEFORE NOTARY PUBLIC.**

Signature of Witness	Signature of Participant	Date
______________________	______________________	______________

Before me personally appeared ______________________________, who executed the within instrument.

Signature of Notary Public Date

My commission expires: ______________________________

Part I - Notice

As a participant in the plan(s), the law requires that you be informed as to the disposition of your benefits upon your death before retirement.

In the case of your death before retirement, the plan(s) will use 100% of your retirement benefits to purchase a survivor annuity for your spouse. This annuity will provide your spouse with monthly payments over his or her life. If you are not married at the time of your death, the death benefit will be paid to your designated beneficiary. *

Beginning with the first day of the plan year in which you attain age 35 (thirty-five) - or upon termination if you are under age 35 - you may elect to waive either: (a) the requirement that your death benefit be paid in the form of survivor annuity, or (b) the requirement that your spouse be your beneficiary, or (c) both. Your spouse must consent to any waiver in writing before a Notary Public.

If you elect to waive both the survivor annuity and your spouse as beneficiary (and your spouse has consented to both), then you may designate a beneficiary of your choosing.

It is important that you and your spouse understand your rights and obligations concerning your death benefit. You should direct any questions to the Plan Administrator. Also, because a spouse has certain rights to the death benefit, you should immediately inform the Plan Administrator of any change in your marital status.

* *Note to reader, this paragraph pertains to a plan that has waived the joint and survivor annuity requirements.*

Part II - Designation of Beneficiary Instructions

- If you are not married, complete Sections A and B, sign and date as indicated.

- If you are married and under the age of 35, complete Section B, sign and date as indicated.

- If you are married, age 35 or over, and wish to name a beneficiary other than your spouse, complete Section A and B, sign and date as indicated. In addition, you and your spouse must sign and date the Waiver of Spouse Beneficiary in front of a Notary Public.

- If you are married, age 35 or over, and wish your spouse to be the beneficiary but wish to waive the Pre-Retirement Survivor Annuity, enter your spouse's name in Section A and complete Section B. In addition, you and your spouse must sign and date the Waiver of Spouse Beneficiary in front of a Notary Public.

III. Plan Loans

PLAN LOANS

Access to employee contributions in a 401(k) plan is restricted to better ensure that these contributions are used for retirement income. An exception to this policy is the ability of a 401(k) plan to allow contributions to be withdrawn on account of hardship. Hardship withdrawals, however, are taxable in the year they are made.

Participant loans, on the other hand, enable employees to obtain funds on a tax-free basis. Moreover, a plan can be designed to allow loans in circumstances that might not constitute an immediate and heavy financial need of the participant.

The form that follows should be used by a participant who wishes to apply for a loan from the 401(k) plan. It is designed for use with 401(k) plans with differing loan features. For example, the "Eligibility" section of the form deals with the possibility that a particular plan may allow loans only in the event of a demonstrated financial hardship. Or, a particular 401(k) plan may have a minimum loan amount (see "Loan Amount" section of the form). These sections may be modified to reflect only the provisions of a particular 401(k) plan.

This loan application also contemplates that the loan will always be secured by a participant's 401(k) account balance (see "Collateral" section of the form). A participant's 401(k) account balance is not required as security; other collateral can be used instead. The use of other collateral would also allow the plan, in some circumstances, to make a nontaxable loan greater than 50 percent of the participant's vested account balance (see "Loan Amount" section).

In the "Default" section of the loan application, reference is made to proposed IRS regulations that treat the outstanding principal and interest on the loan as having been distributed to the borrowing participant if payments are not made on a timely basis.

Loan Application

(Please print.)

Participant Name ______________ Social Security No. ______________
Street Address ______________ Phone No. ______________
City ______________ State, Zip ______________
Company Name ______________ Plan No. ______________

Section I - Requirements for Plan Loans to Participants

Eligibility

Ask your employer if your plan only allows participant loans in cases of financial hardship. If your plan has a financial hardship provision, you must supply your employer with a statement describing your hardship. The statement must be signed by you and qualify as a hardship per guidelines set by your Plan. If you currently have an outstanding loan from the plan, you should also ask your employer if your plan will allow you to take out another loan.

Loan Amount

A loan cannot be greater than 50% of your vested accrued benefit. Additionally to be nontaxable, the loan cannot exceed $50,000 reduced by your highest outstanding loan balance during the last 12 months. Existing loans, prior loans, and newly requested loans are combined when calculating this limit. Your plan may also have minimum loan amount requirements.

Maximum Loan Term

To be nontaxable, the loan must be repaid within 5 years. It may be repaid sooner.
Exception: The term for a loan used to purchase a principal residence for the participant may exceed 5 years.

Interest Rate

According to the Department of Labor regulations, the interest rate for a participant loan from a retirement plan must be comparable to the current interest rates charged by financial institutions for similar loans.

The Trustee bases the participant loan interest rate on the current Federal Reserve "prime rate" plus 1%. A different interest rate may be charged only if you can provide acceptable evidence that a financial institution would make a similar loan to you at that rate.

Collateral

Your vested accrued benefit under the plan will serve as collateral for the loan. This will provide for the right to offset any remaining principal and interest upon default.

Payments

Your employer may require that you make payments through payroll withholding. If this is not a requirement, interest and principal payments are due monthly or quarterly.

Interest Deductibility

Generally, interest on loans is not deductible.

Default

Your loan will be in default if a scheduled payment is unpaid by no later than the last day of the calendar quarter following the quarter in which the payment was due. Upon default, the Trustee may treat the entire principal balance of the loan as immediately due and, in the case of some plans, your vested accrued benefit will then be offset by the amount of the outstanding principal and interest on the loan. This defaulted loan will result in foreclosure against your vested account when you are entitled to receive benefits (for example, upon termination of employment). Whether or not foreclosure occurs, IRS rules may treat the outstanding principal and interest on the loan as having been distributed to you for tax purposes if scheduled payments are not made when due.

Fees

The loan application fee is $50.00 which will be deducted from loan proceeds. In addition, you may be charged an annual processing fee.

Section II – Loan Application

Participant must complete A through D below.

A. Loan Amount *(Check one.)*

1. ☐ $____________ *(Fill in dollar amount. If amount requested exceeds maximum allowable, it will be reduced.)*
2. ☐ The maximum nontaxable amount available. *(Maximum allowed is the lesser of 50% of your vested account balance or $50,000.)*

Please Note: The $50.00 loan application fee will be deducted from the preceding loan amount.

B. Loan Terms *(Complete 1 and 2.)*

1. Loan Term ______ years *(Fill in a number)*
   Note: The loan term can only exceed 5 years if the loan proceeds will be used to purchase a principal residence for the participant.

   Repayment Options *(EMPLOYER MAY REQUIRE A PAYROLL REDUCTION)*

2. Payroll deduction program *(Check)* ☐ Yes ☐ No
3. Repayment Schedule *(Check One)*
   a. ☐ Fixed quarterly payments consisting of principal and interest
   b. ☐ Fixed monthly payments consisting of principal and interest
   c. ☐ Fixed semimonthly payments consisting of principal and interest*
   d. ☐ Fixed biweekly payments consisting of principal and interest*
   e. ☐ Fixed weekly payments consisting of principal and interest*
   *Payroll deduction only.

C. Marital Status and Spousal Information

1. Marital Status *(Check One.)* **Note:** If you are in the process of a divorce, you are still considered married.
   a. ☐ I am single. *(Proceed to Section D and return form to employer)*
   b. ☐ I am married. *(Continued below)*
2. Spousal Information *(Married participants check one)*
   a. ☐ My spouse consents to this loan.
   (If you checked this option, proceed to Section D, have your spouse complete Section III, and return form to employer.)
   b. ☐ My spouse cannot be located. I agree to inform the Plan Administrator if the location of my spouse becomes known.
   (Proceed to Section D and return form to employer)
   c. ☐ My spouse and I are legally separated and I have a court order to that effect.
   Note: A qualified domestic relations order may require you to obtain your spouse's consent.
   (Proceed to Section D and return form to employer)
   d. ☐ My spouse has abandoned me and I have a court order to that effect.
   (Proceed to Section D and return form to employer)

D. Participant Agreement

I agree to make interest and principal payments when due. I understand that failure to make such payments when due could jeopardize the status of this loan as a nontaxable transaction and could possibly result in the IRS treating these loan proceeds as a taxable distribution to me. I also understand that failure to repay this loan will reduce the benefits available to me from the retirement plan (by the amount of the outstanding loan balance plus accrued interest).

SIGNED X______________________________________ **Date** ______________
Participant

Participant's Certification of No Spouse or QDRO

I hereby certify that I am not now married and that there are no Plan benefits payable to a former spouse under a Qualified Domestic Relations Order.

SIGNED X________________________________
Participant Date

Witnessed by a Notary Public
Subscribed and sworn before me this
_______ day of ________________, 20______.
Notary Public________________________
State of ________________________
My Commission Expires ________________________

Section III – Spousal Consent

Spouse **MUST** Sign Consent and Have Signature Witnessed Below.

A. Spousal Consent

I have been informed that this loan is secured by my spouse's vested benefit under the plan. I realize that a failure to repay the loan may reduce the benefits available to my spouse and me upon my spouse's retirement or other termination of employment. Knowing this, I voluntarily consent to the loan of plan assets to my spouse according to the terms of this Loan Application.

I agree to release and discharge the Trustee, Plan Administrator, and Company from all liability for acting pursuant to this consent.

SIGNED X____ **Date** ______________________

B. Spousal Consent

Spousal consent must be witnessed by an authorized Company Representative **OR** a Notary Public.

Witnessed by an Authorized Company Representative **- OR -** **Witnessed by a Notary Public**

SIGNED X____
Authorized Company Representative Date

Subscribed and sworn before me this
_____ day of ______________, 20_____.
Notary Public________________________________
State of ________________________________
My Commission Expires ________________________________

Section IV – Employer Authorization

A. Repayment Options

Please verify that Repayment Schedule under Section II B-3 is complete. If the plan requires payroll deductions, be sure this is reflected by checking yes under B-2 and the appropriate schedule under B-3.

B. Loan Authorization

The Trustee is hereby authorized to make the loan as requested to the participant.

SIGNED X____ **Date** ______________________

Send Loan Check to: ☐ Employer ☐ Participant

EMPLOYER SIGNATURE REQUIRED FOR ALL LOAN APPLICATIONS

PROMISSORY NOTE

______________________________ Name of Participant (Borrower)	______________________________ Principal Amount of Note
	______________________________ Social Security Number
______________________________ Street Address	______________________________ Date of Note
______________________________ City, State and Zip	______________________________ Term of Note

____
Name of Trust (Lender)

For value received, I hereby promise to pay the above pension trust, or order, the sum of ____ dollars ($________________), plus interest at the rate of ______________ percent (______%) in [ ] monthly [ ] semi-monthly [ ] quarterly amounts. I retain the right to repay the full indebtedness prior to maturity and such maturity date shall not exceed five years from the above date of this note. Principal and interest shall be payable at least quarterly in lawful money of the United States.

Any holder hereof may declare all amounts due hereunder to be immediately due and payable whenever the holder deems itself insecure, or upon the default in any payment hereunder, or in the event I terminate employment for any reason with my employer, the sponsor of the retirement plan from which I am borrowing these funds, or in the event a distribution is required to be made under a qualified domestic relations order affecting my account and the distribution exceeds my interest in the plan less the amount of the loan outstanding plus accrued, but unpaid, interest. After maturity, this note will bear interest at the highest legal rate.

I secure this loan by a pledge and irrevocable assignment of my vested interest in the above pension trust, a copy of which is provided with this note. The security interest created by the security agreement extends to all other and future obligations of the maker.

Upon default, I promise to pay all costs of collection and reasonable attorney's fees incurred by the holder of this note on account of such collection, whether suit is filed on this note, or not, and I waive presentment, demand, notice of dishonor and protest.

____
Signature of Borrower

IRREVOCABLE PLEDGE AND ASSIGNMENT

In consideration of a loan to me of ______________________________________ dollars ($________________) by the trustee(s) of the __________________________________, (the Secured Party) as evidenced by a copy of the Promissory Note attached herewith this pledge, I hereby irrevocably pledge and assign to the Trustee(s) of the ______________________________, or to their successor or successors, the vested percentage of my accrued benefit at any time existing under the ____, necessary to satisfy the loan which is the subject of this pledge any unpaid interest on such loan, all attorney's fees necessary for collection of this obligation and all costs of collection. Failure by me to repay this loan on or before the maturity date, or the failure to make payments at least quarterly, shall authorize the Trustee(s) to foreclose on any property or to bring lawsuit to collect the outstanding indebtedness and interest on the indebtedness.

The entire unpaid principal balance, plus interest owing thereon, shall be in default and become immediately due and payable at the option of the Secured Party, and without my prior notification, upon the occurrence of any of the following:

(a) any installment is unpaid by no later than the last day of the calendar quarter following the quarter in which the payment was due;
(b) I revoke my payroll deduction authorization or such authorization becomes invalid;
(c) I terminate employment with my current employer;
(d) the plan terminates;
(e) a lien is made against the collateral for this loan;
(f) I die;
(g) any spousal consent to the loan becomes invalid or inoperative; or
(h) a distribution of my accrued benefit is made to me.

Should my employment terminate with the sponsor of the retirement plan in which I have a vested interest, for any reason, while this obligation is unpaid, and under circumstance in which the Trustee(s) would ordinarily make a distribution from the plan to me or to my designated Beneficiary, I authorize the Trustee(s) to reduce the amount otherwise distributable to me or my designated Beneficiary, by the outstanding indebtedness, together with any accrued interest due on the indebtedness.

Any determination by a court of law that a provision of this agreement is invalid shall not affect the validity of any other provisions of this Agreement.

I hereby authorize my Employer to withhold the loan payments from my compensation, on an equal basis [ ] quarterly [ ] monthly [ ] semi-monthly [ ] weekly. If I am not a current employee of the Employer sponsoring the ________________________________, I will make payments to the Plan on a [ ] quarterly [ ] monthly [ ] semi-monthly [ ] weekly basis. All payments shall amortize the principal and interest of this indebtedness so that it will not exceed the term of the loan.

This Irrevocable Pledge and Assignment shall bind my heirs, personal representatives or other legal representatives.

Dated this _____________ day of ______________________, 20______.

____
Signature of Participant (Borrower)

CONSENT OF SPOUSE

I, ______________________________________, spouse of __________________________, hereby consent to the pledge of my spouse's vested accrued benefit as a condition to the receipt of a participant loan. I certify that I understand that the foreclosure by the Trustee of this account may reduce the amount, if any, which may be distributable to me from my spouse's retirement plan benefits. I have read the Promissory Note, and the Irrevocable Pledge and Assignment signed on the reverse side of this Consent, and understand that my spouse is borrowing against retirement benefits which I may have an interest in, and understand the collateral used to secure the loan is additional retirement benefits in this plan which I also may have an interest in. My signature on this Consent is voluntary, and with full understanding of the transaction to be completed.

I agree to release and discharge the Trustee, Plan Administrator and Company from all liability for acting pursuant to this consent.

I have executed this Consent this _______ day of _______________, 20_______.

____

Signature of Participant's Spouse

Signature of Spouse witnessed this ________ day of ________________, 20______ in my presence.

____

Plan Representative

* * * or * * *

State of ______________________________

County/City of _________________________

Before me, the undersigned, a Notary Public, personally appeared ________________________ who executed the above Consent of Spouse as a free and voluntary act.

IN WITNESS WHEREOF, I have signed my name and affixed my official notary seal this _______ day of ____________________, 20_______.

____

Notary Public

My Commission Expires_________________________

IV. Hardship Withdrawals and Distributions

HARDSHIP DISTRIBUTIONS AND WITHHOLDING TAXES

Hardship distributions may be made by a 401(k) plan for specified reasons. Treasury Regulations provide a Safe Harbor procedure that prescribes the hardship amount and reasons available for hardship. Many 401(k) plans have adopted the Safe Harbor because it relieves the Plan Administrator of the burden to make subjective determinations regarding the nature of the hardships. Some plans choose to go under the Safe Harbor and we provide a sample for that type of policy. Generally, hardship distributions are subject to the pre-59½ penalty under IRC§ 72(t). Unlike loans, they do not need to be repaid. However, look hard at the Safe Harbor: one of the criteria requires the participant to first get any available non-taxable loan and is prohibited from participating in the 401(k) feature for twelve months.

The Special Tax Notice Regarding Plan Payments (see page 73) is a required document to be provided to a plan participant receiving a distribution. Much of this Notice is derived from the prescribed Safe Harbor regulations.

CHECKSHEET FOR WITHHOLDING TAXES

Under Internal Revenue Code sections 3405(a) and 3405(b), all taxable distributions are subject to federal income tax withholding. Distributions are subject to different requirements depending upon whether or not payments are periodic or non-periodic.

A. Periodic Distributions as defined in IRC section 3405(a):

1. Withhold as if payment were wages;

2. Recipient may elect to have no withholding; and

3. If a recipient does not file a withholding exemption certificate, the employer is to withhold as though the payee were a married individual claiming three withholding exemptions.

B. Nonperiodic Distributions

1. Direct rollovers to a qualified plan or IRA are not subject to any withholding.

2. Amounts eligible for rollover which are distributed directly to the employee are subject to 20% mandatory withholding. Participants are to be given the safe harbor explanation of tax implications regarding plan payments 30 to 90 days prior to receiving distributions from a qualified plan. A W-4P should also be given to the participant to allow the election of additional withholding. Revenue Procedure 93-47 contains model language for use by plan sponsors who wish to amend their retirement plans to permit participants to waive the 30-day notice period. Regulation section 1.402(f)-1 permits plan sponsors to transmit this section 1.402(f) notice through an electronic medium which is reasonably accessible to plan participants.

3. Distributions of less than $200 are exempt from withholding. All eligible rollover distributions are aggregated to determine if the $200 floor is reached.

4. The payor or plan administrator must deposit and report amounts withheld in accordance with IRC section 6302. Non-payroll taxes are reported annually on Form 945 – Annual Return of Withheld Federal Income Tax. Taxes reported on Form 945 are to be deposited using Form 8109 and deposited separately from taxes reported on Form 941.

5. 1099Rs must be issued to all participants receiving distributions.

The option to elect no withholding is not available if the payment is delivered outside the U.S. or its possessions and the distribution is subject to mandatory federal income tax withholding at a rate of 30 percent.

Note: A plan administrator may be liable for the income tax that should have been withheld, as well as any penalties if a taxable distribution is made from a retirement plan and the payee does not elect out of the withholding.

REQUEST FOR HARDSHIP WITHDRAWAL

1. UNDER THE SAFE-HARBOR RULE

Plan Name: ____

Participant's Name: ____

Participant's Address: ____

Birth date:______________ SSN: ______________ Amount Requested: $______________

As a Participant under the above Plan, I hereby request a withdrawal under the Safe Harbor Hardship Withdrawal provision of the above Plan. I certify that:

1. I have no other reasonably available resources from which these funds may be obtained;

2. None of the money I am requesting to withdraw is subject to a Qualified Domestic Relations Order;

3. The withdrawal is not in excess of the amount needed to satisfy the need;

4. I have taken all possible distributions from all of my employer's plans, including non-taxable loans. [Note, however, that if the effect of the loan would be to increase the amount of my financial need, I am not required to take the loan. For example, if I need funds to purchase a principal residence, and a plan loan would disqualify me from obtaining other necessary financing, I do not have to take the loan.];

5. I will not be allowed to make any contributions or salary deferrals (if applicable) to any employer plan for at least 12 months after receiving the hardship distribution;

6. If this is a 401(k) Plan, my elective deferrals to all of the employer's plans in the calendar year immediately following receipt of the hardship withdrawal will be restricted to the maximum amount ($10,500 in 2000, as indexed) less my elective contributions in the year of the hardship distribution; and

7. All amounts being withdrawn are from my own salary deferrals, or amounts contributed before July 1, 1989.

If I am married, my Spouse has consented to this withdrawal, by signing on the reverse side. My Spouse's consent is not required if he or she has already consented to another beneficiary on my Survivor Benefit Election form. I understand that this distribution is subject to an automatic 20% withholding requirement. Thus, I will receive only 80% of my requested hardship payment, because the Plan Administrator is required to withhold 20% of the payment and send it to the IRS as income tax withholding to be credited a against my taxes. I also understand that this withdrawal will be subject to normal income tax, plus an additional 10% early distribution penalty if I have not attained age 59-1/2. Although my hardship is limited to the amount necessary to meet the purpose listed below, I can take an additional amount to pay the taxes that I will incur as a result of the hardship withdrawal. Thus, the net amount after taxes will be sufficient to meet my need.

I intend to use the funds requested for the following purpose:

[ ] To purchase my primary place of residence.
[ ] To pay the upcoming, post-secondary educational expenses for myself or my dependents.
[ ] To pay medical and/or hospital expenses for myself or my dependents. (Note: The 10% additional tax penalty will not apply when the withdrawal is used to pay medical expenses that exceed 7-½% of my adjusted gross income.)
[ ] To prevent the eviction from, or foreclosure on the mortgage of, my principal residence.

If I direct the investment of my contributions, withdrawals shall be made from the following funds in the order specified below:

	Fund	Amount
(1)	__________	_______%
(2)	__________	_______%
(3)	__________	_______%

____
Participant's Signature

Plan Administrator's Authorization

I hereby [ ] authorize [ ] do not authorize this hardship distribution to the above-named Participant. I further certify that this decision has been rendered in a consistent and uniform manner to all like requests. I have no knowledge that contradicts the above information.

____
Plan Administrator's Signature

Spouse's Consent

I hereby approve of, and consent to, my spouse's election for a hardship withdrawal. I understand that this election may have the effect of reducing the benefit I would receive under the Plan should my spouse die prior to retirement.

______________________________ Signature of Notary Public	______________________________ Name of Spouse
______________________________ Date	______________________________ Signature of Spouse

Participant's Certification of No Spouse or QDRO

I hereby certify that I am not now married and that there are no Plan benefits payable to a former spouse or alternate payee under a qualified domestic relations order.

______________________________ Signature of Notary Public	______________________________ Participant's Signature
______________________________ Date	

REQUEST FOR HARDSHIP WITHDRAWAL

2. UNDER THE GENERAL FACTS AND CIRCUMSTANCES RULE

Plan Name: ____

Participant's Name: ____

Participant's Address: ____

Birthdate: ________________ SSN: ______________ Amount Requested: $______________

As a Participant under the above Plan, I hereby request a withdrawal under the General Facts and Circumstances Hardship Withdrawal provision of the above Plan. I understand that the withdrawal may not exceed the amount required to meet the financial hardship. I certify that:

(1) I have no other reasonably available resources from which these funds may be obtained;

(2) None of the money I am requesting to withdraw is subject to a Qualified Domestic Relations Order;

(3) I am not being reimbursed or compensated by insurance;

(4) I have liquidated all reasonable assets;

(5) Stopping all elective contributions or other employee contributions under the plan would not satisfy my hardship;

(6) I have taken other distributions or nontaxable loans [Note, however, that if the effect of the loan would be to increase the amount of my financial need, I am not required to take the loan. For example, if I need funds to purchase a principal residence, and a plan loan would disqualify me from obtaining other necessary financing, I do not have to take the loan.], from other plans maintained by my employer, or any other employer, and cannot borrow enough from commercial sources on reasonable terms to satisfy my entire need; and

(7) All amounts being withdrawn are from my own salary deferrals, or amounts contributed before July 1, 1989.

I intend to use the funds requested for the following purpose:

[ ] To purchase my primary place of residence.

[ ] To pay the upcoming, post-secondary educational expenses of me or my dependent

[ ] To pay medical and/or hospital expenses for myself or me or my dependents. (Note: The 10% additional tax penalty will not apply when the withdrawals is used to pay medical expenses that exceed 7 1/2% of my adjusted gross income.)

[ ] To prevent the eviction from, or foreclosure on the mortgage of, my principal residence.

[ ] To pay funeral expenses of my dependents

Withdrawals shall be made from the following funds in the order specified below:

	Fund	Amount
(1)	__________	_______%
(2)	__________	_______%
(3)	__________	_______%

____
Participant's Signature

Plan Administrator's Authorization

I hereby [ ] authorize [ ] do not authorize this hardship distribution to the above-named Participant. I further certify that this decision has been rendered in a consistent and uniform manner to all like requests.

____
Plan Administrator's Signature

Spouse's Consent

I hereby approve of, and consent to, my spouse's election for a hardship withdrawal. I understand that this election may have the effect of reducing the benefit I would receive under the Plan, should my spouse die prior to retirement.

______________________________ ______________________________
Signature of Notary Public Name of Spouse

______________________________ ______________________________
Date Signature of Spouse

Participant's Certification of No Spouse or QDRO

I hereby certify that I am not now married and that there are no Plan benefits payable to a former spouse under a qualified domestic relations order.

______________________________ ______________________________
Signature of Notary Public Participant's Signature

____
Date

REQUIRED MINIMUM DISTRIBUTIONS

Code section 401(a)(9) requires participants to begin receiving a minimum distribution by their "required beginning date." The penalty for failure to receive the required minimum distribution is 50% of the required distribution amount. IRS Notice 97-75 provides guidance relating to a number of minimum distribution requirements under Code section 401(a)(9) as amended by the Small Business Job Protection Act (SBJPA)

Required Beginning Date

In general, a participant's required beginning date is the April 1st following the calendar year in which the participant attains age 70 ½. Participants born before July 1, 1917, who are not 5% owners may defer payment until they retire. IRS Announcement 97-24 provided that after the enactment of the SBJPA, a qualified plan may offer a participant (other than a 5% owner) who reaches age 70 ½ in a calendar year after 1995 and who is still actively employed may opt to postpone commencement of the distribution until no later than April 1 following the calendar year in which the participant retires.

The Small Business Job Protection Act modified the required beginning date for certain minimum distributions. Under the Act, only 5% owners are required to receive a distribution while continuing to work. All other employees may wait until they retire, at which time the required beginning date will mandate a distribution by the April 1st of the year following the year the employee retired.

Calculation of Minimum Amount

The minimum amount to be distributed each year is calculated by dividing the participant's account balance as of the last day of the plan year immediately preceding the distribution year by the participant's single or joint life expectancy as determined using Table V and VI.

Life expectancies are determined using the participant's and designated beneficiary's attained age in the distribution year. Life expectancies may be recalculated each year, however, the plan must provide for this option. If life expectancies are not recalculated, they are reduced by one in order to calculate subsequent year's minimum distributions. The tables following this section are used to calculate life expectancy. Special rules apply for a deceased participant and for a participant with a non-spouse beneficiary.

REQUEST FOR DISTRIBUTION/ROLLOVER

Plan Name: ______________________________ Date: ____________________

As a Participant in the above Plan, I hereby request payment of my benefit as provided below: (Please print or type.)

1. Name: ______________________________
   Address: ______________________________
   ____
   Social Security Number.: ____________________

2. Reason for payment
   [ ] Termination of employment, including retirement.
   [ ] In-service withdrawal (only available under a profit-sharing plan).
   [ ] Attainment of age 70-1/2 (required minimum distribution).
   [ ] Termination of plan.
   [ ] Death.
   [ ] Disability.

3. Date for payment
   [ ] As soon as allowed by the terms of the Plan.
   [ ] Defer payment of benefit until ____________________ (date not later than April 1 following the calendar year in which you attain age 70 ½ or termination of employment if later).

4. Form of payment
   [ ] Normal Form under the Plan.
   [ ] Lump Sum.
   [ ] Installments* payable [ ] monthly, [ ] quarterly, [ ] semiannually, [ ] annually.
   [ ] Based on my life expectancy.
   [ ] Based on life expectancy of me and my Beneficiary [ ] with [ ] without recalculation of [ ] my life,
   [ ] My Spouse's life expectancy [ ] both my and my Spouse's life expectancy.
   [ ] Specify number of payments _______.

   Payments may not be set up over a period exceeding the life expectancy of you and your Beneficiary. If your Spouse is not your Beneficiary, special minimum distribution rules must be satisfied.

   [ ] Annuity* contract:
   [ ] Life annuity.
   [ ] Life annuity ____________________ (maximum 20) years certain.
   [ ] Joint and 50%. 66-2/3%. 75%. or 100% survivor annuity. (circle choice)
   [ ] Attainment of age 70 ½ (required minimum distribution).

**Only available if your vested account balance exceeds $5,000. Annuity payments are only available under a Money Purchase or Target Benefit Pension Plan, and any Profit-Sharing Plan not safe-harbored.*

5. Direct rollover (transfer) or rollover paid to me

[ ] I choose to have my benefit paid in a direct rollover (transfer) to:

[ ] My IRA.

_________% of distribution or $_____________.

Name of IRA Account: ______________________________

Account Number: ______________________________

Name of Bank: ______________________________

Address of Bank: ______________________________

____

Bank ABA Number: ______________________________
(if wire transfer)

[ ] Another employer's qualified retirement plan.

_________% of Distribution or $______________.

Name of Plan: ______________________________

Name of Employer: ______________________________

Address of Employer: ______________________________

____

Trust Account Number: ______________________________
(if wire transfer)

NOTE: It is your obligation to ensure that the Employer Plan named above will accept the transfer of your benefit payment. Also, only taxable moneys may be rolled into another Plan or an IRA. Any non-taxable moneys (after-tax) will be distributed to you.

[ ] I choose to have my benefit paid directly to me.

_________% of Distribution or $_____________.

NOTE: If you choose a direct rollover of your benefit, generally you should direct it to only one eligible retirement plan or IRA.

Signature of Participant

If your account balance or the present value of your accrued benefits exceeds $5,000, this form must be signed before any payment may be made.

NOTE: No benefits are payable unless the Spouse's consent or Participant's certification is signed. If you are married and prior sentence applies, your spouse must sign also.

Spouse's Consent

I hereby approve of, and consent to, the payment option elected by my spouse as provided above. I understand that under the terms of the Plan benefits in excess of $5,000 may have to be paid in the form of a joint and 50% survivor annuity unless I consent to a different form of payment as provided above. I also understand that the effect of my consent may be to have retirement benefits under the Plan paid in a different form.

Signature of Notary Public	Name of Spouse
Date	Signature of Spouse

Participant's Certification, if No Spouse

[ ] I hereby certify that I am not now married and that there are no Plan benefits payable to a former spouse under a qualified domestic relations order.

[ ] I hereby certify that I am not now married, however, there may be a reduction in my benefits as a result of a qualified domestic relations order.

Signature of Notary Public	Participant's Signature
Date	

IRS NOTICE 2000-11

PART III. – ADMINISTRATIVE, PROCEDURAL, AND MISCELLANEOUS

PURPOSE

This notice contains a "Safe Harbor Explanation" that plan administrators may provide to recipients of eligible rollover distributions from qualified plans in order to satisfy section 402(f) of the Internal Revenue Code. It is an updated version of the Safe Harbor Explanation that was published in Notice 92-48, 1992-2 C.B. 377.

BACKGROUND

Section 402(f) requires a plan administrator to provide a written explanation to any recipient of a payment that could be rolled over (an "eligible rollover distribution") to an individual retirement arrangement described in Code section 408(a) or (b) ("traditional IRA") or to a qualified employer plan described in Code section 401(a) or an annuity described in Code section 403(a) ("qualified employer plan"). The written explanation must cover the direct rollover rules, the mandatory income tax withholding on distributions not directly rolled over, and the tax treatment of distributions not rolled over (including the special tax treatment available for certain lump sum distributions). Section 402(f) provides that this explanation must be given within a reasonable period of time before the plan makes an eligible rollover distribution.

Section 521(d) of the Unemployment Compensation Amendments of 1992, P.L. 102-318 (UCA) directed the Secretary of the Treasury to develop a model explanation that could be used to satisfy the requirements of section 402(f) of the Code, as amended. The model explanation was originally published as Notice 92-48 and is referred to in that Notice as a Safe Harbor Explanation.

This updated notice is being issued to reflect changes made to the Code and Income Tax Regulations that affect the information provided in the Safe Harbor Explanation. The Small Business Job Protection Act of 1996, P.L. 104-188, section 1401(a), amended Code section 401(a)(9) to alter the rules relating to the commencement of minimum required distributions and also amended Code section 402(d) to eliminate the special five-year averaging tax treatment for lump sum distributions (although transition rules retain ten-year special averaging for individuals who satisfy certain requirements). The Internal Revenue Service Restructuring and Reform Act of 1998 ("RRA"), P.L. 105-206, section 3436, amended Code section 72(t) to provide an additional exception to the early withdrawal tax for tax levies on qualified plans. RRA, section 6005(c)(2)(A), also amended Code section 402(c)(4) to provide that certain hardship distributions are not eligible for rollover.

Temporary and Proposed Income Tax Regulations under Code sections 401(a)(31), 402(f), 403(b) and 3405(c), which were published in conjunction with Notice 92-48, have since been finalized. Final regulations under Code sections 402(c) and 3405(c) now address withholding on employer securities and the treatment of plan loan offset amounts, and new regulations have been published under Code section 401(a)(31), and also under section 402(f) (relating to paperless technologies).

SAFE HARBOR AND ALTERNATIVE EXPLANATION

This notice contains an updated model written explanation ("Safe Harbor Explanation") that meets the requirements of Code section 402(f) if it is provided to the recipient of an eligible rollover distribution within a reasonable period of time before the distribution is made. In general, under section 1.402(f)-1 of the regulations, a reasonable period of time for providing an explanation is no less than 30 days and no more than 90 days before the date on which a distribution is made.

In using the Safe Harbor Explanation, a plan administrator may "customize" the Safe Harbor Explanation by omitting any portion that could not apply to the plan. For example, if the plan does not hold after-tax employee contributions, the paragraph headed "Non-taxable Payments" could be eliminated. Similarly, if the plan does not provide for distributions of employer stock or other employer securities, the paragraph headed "Employer Stock or Securities" could be eliminated. Other paragraphs that may not be relevant to a particular plan include, for example, "Payments Spread Over Long Periods," "Direct Rollover of a Series of Payments," "Special Tax Treatment," "Hardship Distributions," and "Repayment of Plan Loans." In addition, a plan administrator may provide additional information with the Safe Harbor Explanation, if the information is not inconsistent with the Safe Harbor Explanation.

Alternatively, a plan administrator can satisfy section 402(f) by providing distributees with an explanation that is different from the Safe Harbor Explanation. Any explanation must contain the information required by section 402(f) and must be written in a manner designed to be easily understood.

If the law governing the tax treatment of distributions or the other provisions covered by the Safe Harbor Explanation is amended after publication of this notice, the Safe Harbor Explanation will not satisfy section 402(f) to the extent that the Safe Harbor Explanation no longer accurately describes the relevant law.

EFFECT ON OTHER DOCUMENT

Notice 92-48 is obsolete.

REQUEST FOR COMMENTS

The preamble to the proposed regulations under section 402(f) that were issued in December 1998 included an example of a summary section 402(f) notice that the Service and Treasury believe satisfies the requirements for a summary notice set forth in those proposed regulations. See 63 Fed. Reg. 70071, 70074 (December 18, 1998). The example was not intended as a model summary or as the exclusive form for such a summary. However, the Service and the Treasury believe that additional guidance providing one or more additional examples of summary notices may be appropriate. Accordingly, the Service and Treasury invite comments and suggestions from interested parties concerning the development of additional examples for use in the circumstances described in those proposed regulations. We encourage interested parties to submit examples of summary notices that may be used in the development of further guidance.

Comments related to this notice, including comments with respect to summary section 402(f) notices, can be addressed to CC:DOM:CORP:R (Notice 2000-11), room 5228, Internal Revenue Service, POB 7604, Ben Franklin Station, Washington, DC 20044. In the alternative, comments may be hand delivered between the hours of 8 a.m. and 5 p.m. to CC:DOM:CORP:R (Notice 2000-11), Courier's Desk, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC. Alternatively, taxpayers may transmit comments electronically via the IRS Internet site at: http://www.irs.ustreas.gov/prod/tax_regs/ comments.html.

DRAFTING INFORMATION

The principal authors of this notice are Steven Linder of the Tax Exempt and Government Entities Division (T:EP) and Amy L. Speetjens of the Office of Chief Counsel (EBEO) [EPEO? - BenefitsLink editor]. For further information regarding this notice, contact the Employee Plans taxpayer assistance telephone service between the hours of 1:30 and 3:30 P.M. Eastern time, Monday through Thursday by calling (202) 622-6074. Mr. Linder can be reached at (202) 622-6214. Ms. Speetjens can be reached at (202) 622-6090. (These telephone numbers are not toll-free numbers.)

* * * * *

TEXT OF THE SAFE HARBOR EXPLANATION

SPECIAL TAX NOTICE REGARDING PLAN PAYMENTS

This notice contains important information you will need before you decide how to receive your Plan benefits. This notice is provided to you by [INSERT NAME OF PLAN ADMINISTRATOR] (your "Plan Administrator") because all or part of the payment that you will soon receive from the [INSERT NAME OF PLAN] (the "Plan") may be eligible for rollover by you or your Plan Administrator to a traditional IRA or another qualified employer plan. A "traditional IRA" does not include a Roth IRA, SIMPLE IRA, or education IRA.

If you have additional questions after reading this notice, you can contact your plan administrator at [INSERT PHONE NUMBER OR OTHER CONTACT INFORMATION]

SUMMARY

There are two ways you may be able to receive a Plan payment that is eligible for rollover:

(1) certain payments can be made directly to a traditional IRA or, if you choose, another qualified employer plan that will accept it ("DIRECT ROLLOVER"), or

(2) the payment can be PAID TO YOU.

If you choose a DIRECT ROLLOVER

Your payment will not be taxed in the current year and no income tax will be withheld.

Your payment will be made directly to your traditional IRA or, if you choose, to another qualified employer plan that accepts your rollover. Your Plan payment cannot be rolled over to a Roth IRA, a SIMPLE IRA, or an education IRA because these are not traditional IRAs.

Your payment will be taxed later when you take it out of the traditional IRA or the qualified employer plan.

If you choose to have a Plan payment that is eligible for rollover PAID TO YOU

You will receive only 80% of the payment, because the Plan Administrator is required to withhold 20% of the payment and send it to the IRS as income tax withholding to be credited against your taxes.

Your payment will be taxed in the current year unless you roll it over. Under limited circumstances, you may be able to use special tax rules that could reduce the tax you owe. However, if you receive the payment before age 59-1/2, you also may have to pay an additional 10% tax.

You can roll over the payment by paying it to your traditional IRA or to another qualified employer plan that accepts your rollover within 60 days after you receive the payment. The amount rolled over will not be taxed until you take it out of the traditional IRA, or the qualified employer plan.

If you want to roll over 100% of the payment to a traditional IRA or another qualified employer plan, you must find other money to replace the 20% that was withheld. If you roll over only the 80% that you received, you will be taxed on the 20% that was withheld and that is not rolled over.

MORE INFORMATION

I. PAYMENTS THAT CAN AND CANNOT BE ROLLED OVER

II. DIRECT ROLLOVER

III. PAYMENT PAID TO YOU

IV. SURVIVING SPOUSES, ALTERNATE PAYEES, AND OTHER BENEFICIARIES

I. PAYMENTS THAT CAN AND CANNOT BE ROLLED OVER

Payments from the Plan may be "eligible rollover distributions." This means that they can be rolled over to an IRA or to another employer plan that accepts rollovers. Payments from a plan cannot be rolled over to a Roth IRA, a SIMPLE IRA, or an education IRA. Your Plan administrator should be able to tell you what portion of your payment is an eligible rollover distribution.

The following types of payments cannot be rolled over:

Non-taxable Payments. In general, only the "taxable portion" of your payment can be rolled over. If you have made "after-tax" employee contributions to the Plan, these contributions will be non-taxable when they are paid to you, and they cannot be rolled over. (After-tax employee contributions generally are contributions you made from your own pay that were already taxed.) Your Plan Administrator should be able to tell you how much of your payment is the taxable portion and how much is the after-tax employee contribution portion.

Payments Spread over Long Periods. You cannot roll over a payment if it is part of a series of equal (or almost equal) payments that are made at least once a year and that will last for

your lifetime (or your life expectancy), or

your lifetime and your beneficiary's lifetime (or life expectancies), or

a period of ten years or more.

Required Minimum Payments. Beginning when you reach age 70-1/2 or retire, whichever is later, a certain portion of your payment cannot be rolled over because it is a "required minimum payment" that must be paid to you. Special rules apply if you own 5% or more of your employer.

Hardship Distributions. A hardship distribution from your employer's 401(k) plan may not be eligible for rollover. Your Plan Administrator should be able to tell you if your payment includes amounts which cannot be rolled over.

II. DIRECT ROLLOVER

A DIRECT ROLLOVER is a direct payment of the amount of your Plan benefits to a traditional IRA or another qualified employer plan that will accept it. You can choose a DIRECT ROLLOVER of all or any portion of your payment that is an eligible rollover distribution, as described in Part I above. You are not taxed on any portion of your payment for which you choose a DIRECT ROLLOVER until you later take it out of the traditional IRA or qualified employer plan. In addition, no income tax withholding is required for any portion of your Plan benefits for which you choose a DIRECT ROLLOVER.

DIRECT ROLLOVER to a Traditional IRA. You can open a traditional IRA to receive the direct rollover. If you choose to have your payment made directly to a traditional IRA, contact an IRA sponsor (usually a financial institution) to find out how to have your payment made in a direct rollover to a traditional IRA at that institution. If you are unsure of how to invest your money, you can temporarily establish a traditional IRA to receive the payment. However, in choosing a traditional IRA, you may wish to consider whether the traditional IRA you choose will allow you to move all or a part of your payment to another traditional IRA at a later date, without penalties or other limitations. See IRS Publication 590, Individual Retirement Arrangements, for more information on traditional IRAs (including limits on how often you can roll over between IRAs).

DIRECT ROLLOVER to a Plan. If you are employed by a new employer that has a qualified employer plan, and you want a direct rollover to that plan, ask the Plan Administrator of that plan whether it will accept your rollover. A qualified employer plan is not legally required to accept a rollover. If your new employer's plan does not accept a rollover, you can choose a DIRECT ROLLOVER to a traditional IRA.

DIRECT ROLLOVER of a Series of Payments. If you receive a payment that can be rolled over to a traditional IRA or another qualified employer plan that will accept it, and it is paid in a series for less than ten years, your choice to make or not make a DIRECT ROLLOVER for a payment will apply to all later payments in the series until you change your election. You are free to change your election for any later payment in the series.

III. PAYMENT PAID TO YOU

If your payment can be rolled over under Part I above and the payment is made to you in cash, it is subject to 20% income tax withholding. The payment is taxed in the year you receive it unless, within 60 days, you roll it over to a traditional IRA or another qualified employer plan that accepts rollovers. If you do not roll it over, special tax rules may apply.

Income Tax Withholding:

Mandatory Withholding. If any portion of your payment can be rolled over under Part I above and you do not elect to make a DIRECT ROLLOVER, the Plan is required by law to withhold 20% of that amount. This amount is sent to the IRS as income tax withholding. For example, if you can roll over a payment of $10,000, only $8,000 will be paid to you because the Plan must withhold $2,000 as income tax. However, when you prepare your income tax return for the year, you must report the full $10,000 as a payment from the Plan. You must report the $2,000 as tax withheld, and it will be credited against any income tax you owe for the year.

Voluntary Withholding. If any portion of your payment is taxable but cannot be rolled over under Part I above, the mandatory withholding rules described above do not apply. In this case, you may elect not to have withholding apply to that portion. To elect out of withholding, ask the Plan Administrator for the election form and related information.

Sixty-Day Rollover Option. If you receive a payment that can be rolled over under Part I above, you can still decide to roll over all or part of it to a traditional IRA or another qualified employer plan that accepts rollovers. If you decide to roll over, you must contribute the amount of the payment you received to a traditional IRA or another qualified plan within 60 days after you receive the payment. The portion of your payment that is rolled over will not be taxed until you take it out of the traditional IRA or the qualified employer plan.

You can roll over up to 100% of your payment that can be rolled over under Part I above, including an amount equal to the 20% that was withheld. If you choose to roll over 100%, you must find other money within the 60-day period to contribute to the traditional IRA or the qualified employer plan, to replace the 20% that was withheld. On the other hand, if you roll over only the 80% that you received, you will be taxed on the 20% that was withheld.

Example: The portion of your payment that can be rolled over under Part I above is $10,000, and you choose to have it paid to you. You will receive $8,000, and $2,000 will be sent to the IRS as income tax withholding. Within 60 days after receiving the $8,000, you may roll over the entire $10,000 to a traditional IRA or a qualified employer plan. To do this, you roll over the $8,000 you received from the Plan, and you will have to find $2,000 from other sources (your savings, a loan, etc.). In this case, the entire $10,000 is not taxed until you take it out of the traditional IRA or the qualified employer plan. If you roll over the entire $10,000, when you file your income tax return you may get a refund of part or all of the $2,000 withheld.

If, on the other hand, you roll over only $8,000, the $2,000 you did not roll over is taxed in the year it was withheld. When you file your income tax return you may get a refund of part of the $2,000 withheld. (However, any refund is likely to be larger if you roll over the entire $10,000.)

Additional 10% Tax If You Are under Age 59-1/2. If you receive a payment before you reach age 59-1/2 and you do not roll it over, then, in addition to the regular income tax, you may have to pay an extra tax equal to 10% of the taxable portion of the payment. The additional 10% tax generally does not apply to (1) payments that are paid after you separate from service with your employer during or after the year you reach age 55, (2) payments that are paid because you retire due to disability, (3) payments that are paid as equal (or almost equal) payments over your life or life expectancy (or your and your beneficiary's lives or life expectancies), (4) dividends paid with respect to stock by an employee stock ownership plan (ESOP) as described in Code section 404(k), (5) payments that are paid directly to the government to satisfy a federal tax levy, (6) payments that are paid to an alternate payee under a qualified domestic relations order, or (7) payments that do not exceed the amount of your deductible medical expenses. See IRS Form 5329 for more information on the additional 10% tax.

Special Tax Treatment If You Were Born Before January 1, 1936. If you receive a payment that can be rolled over under Part I and you do not roll it over to a traditional IRA or other qualified employer plan that will accept it, the payment will be taxed in the year you receive it. However, if the payment qualifies as a "lump sum distribution," it may be eligible for special tax treatment. (See also "Employer Stock or Securities", below.) A lump sum distribution is a payment, within one year, of your entire balance under the Plan (and certain other similar plans of the employer) that is payable to you after you have reached age 59-1/2 or because you have separated from service with your employer (or, in the case of a self-employed individual, after you have reached age 59-1/2 or have become disabled). For a payment to be treated as a lump sum distribution, you must have been a participant in the plan for at least five years before the year in which you received the distribution. The special tax treatment for lump sum distributions that may be available to you is described below.

Ten-Year Averaging. If you receive a lump sum distribution and you were born before January 1, 1936, you can make a one-time election to figure the tax on the payment by using "10-year averaging" (using 1986 tax rates). Ten-year averaging often reduces the tax you owe.

Capital Gain Treatment. If you receive a lump sum distribution and you were born before January 1, 1936 and if you were a participant in the Plan before 1974, you may elect to have the part of your payment that is attributable to your pre-1974 participation in the Plan taxed as long-term capital gain at a rate of 20%.

There are other limits on the special tax treatment for lump sum distributions. For example, you can generally elect this special tax treatment only once in your lifetime, and the election applies to all lump sum distributions that you receive in that same year. If you have previously rolled over a distribution from the Plan (or certain other similar plans of the employer), you cannot use this special averaging treatment for later payments from the Plan. If you roll over your payment to a traditional IRA, you will not be able to use special tax treatment for later payments from the traditional IRA. Also, if you roll over only a portion of your payment to a traditional IRA, this special tax treatment is not available for the rest of the payment. See IRS Form 4972 for additional information on lump sum distributions and how you elect the special tax treatment.

Employer Stock or Securities. There is a special rule for a payment from the Plan that includes employer stock (or other employer securities). To use this special rule, 1) the payment must qualify as a lump sum distribution, as described above, except that you do not need five years of plan participation, or 2) the employer stock included in the payment must be attributable to "after-tax" employee contributions, if any. Under this special rule, you may have the option of not paying tax on the "net unrealized appreciation" of the stock until you sell the stock. Net unrealized appreciation generally is the increase in the value of the employer stock while it was held by the Plan. For example, if employer stock was contributed to your Plan account when the stock was worth $1,000 but the stock was worth $1,200 when you received it, you would not have to pay tax on the $200 increase in value until you later sold the stock.

You may instead elect not to have the special rule apply to the net unrealized appreciation. In this case, your net unrealized appreciation will be taxed in the year you receive the stock, unless you roll over the stock. The stock (including any net unrealized appreciation) can be rolled over to a traditional IRA or another qualified employer plan, either in a direct rollover or a rollover that you make yourself.

If you receive only employer stock in a payment that can be rolled over, no amount will be withheld from the payment. If you receive cash or property other than employer stock, as well as employer stock, in a payment that can be rolled over, the 20% withholding amount will be based on the entire amount paid to you (including the employer stock but excluding the net unrealized appreciation). However, the amount withheld will be limited to the cash or property (excluding employer stock) paid to you.

If you receive employer stock in a payment that qualifies as a lump sum distribution, the special tax treatment for lump sum distributions described above (such as 10-year averaging) also may apply. See IRS Form 4972 for additional information on these rules.

Repayment of Plan Loans. If you end your employment and have an outstanding loan from your Plan, your employer may reduce (or "offset") your balance in the Plan by the amount of the loan you have not repaid. The amount of your loan offset is treated as a distribution to you at the time of the offset and will be taxed unless you roll over an amount equal to the amount of your loan offset to another qualified employer plan or a traditional IRA within 60 days of the date of the offset. If the amount of your loan offset is the only amount you receive or are treated as having received, no amount will be withheld from it. If you receive other payments of cash or property from the Plan, the 20% withholding amount will be based on the entire amount paid to you, including the amount of the loan repayment. The amount withheld will be limited to the amount of other cash or property paid to you (other than any employer securities).

IV. SURVIVING SPOUSES, ALTERNATE PAYEES, AND OTHER BENEFICIARIES

In general, the rules summarized above that apply to payments to employees also apply to payments to surviving spouses of employees and to spouses or former spouses who are "alternate payees." You are an alternate payee if your interest in the Plan results from a "qualified domestic relations order," which is an order issued by a court, usually in connection with a divorce or legal separation. Some of the rules summarized above also apply to a deceased employee's beneficiary who is not a spouse. However, there are some exceptions for payments to surviving spouses, alternate payees, and other beneficiaries that should be mentioned.

If you are a surviving spouse, you may choose to have a payment that can be rolled over, as described in Part I above, paid in a DIRECT ROLLOVER to a traditional IRA or paid to you. If you have the payment paid to you, you can keep it or roll it over yourself to a traditional IRA but you cannot roll it over to a qualified employer plan. If you are an alternate payee, you have the same choices as the employee. Thus, you can have the payment paid as a direct rollover or paid to you. If you have it paid to you, you can keep it or roll it over yourself to a traditional IRA or to another qualified employer plan that accepts rollovers.

If you are a beneficiary other than the surviving spouse, you cannot choose a direct rollover, and you cannot roll over the payment yourself.

If you are a surviving spouse, an alternate payee, or another beneficiary, your payment is generally not subject to the additional 10% tax described in section III above, even if you are younger than age 59-1/2.

If you are a surviving spouse, an alternate payee, or another beneficiary, you may be able to use the special tax treatment for lump sum distributions and the special rule for payments that include employer stock, as described in section III above. If you receive a payment because of the employee's death, you may be able to treat the payment as a lump sum distribution if the employee met the appropriate age requirements, whether or not the employee had 5 years of participation in the Plan.

HOW TO OBTAIN ADDITIONAL INFORMATION

This notice summarizes only the federal (not state or local) tax rules that might apply to your payment. The rules described above are complex and contain many conditions and exceptions that are not included in this notice. Therefore, you may want to consult with the Plan Administrator or a professional tax advisor before you take a payment of your benefits from your Plan. Also, you can find more specific information on the tax treatment of payments from qualified retirement plans in IRS Publication 575, Pension and Annuity Income, and IRS Publication 590, Individual Retirement Arrangements. These publications are available from your local IRS office, on the IRS's Internet Web Site at www.irs.gov,or by calling 1-800-TAX-FORMS.

ROLLOVER CONTRIBUTION

To the Trustee(s) of the ____

____("Plan").

Re: ______________________
(Name)

____
(Address)

____
(Social Security Number)

As a participant in the above Plan, I hereby make a "rollover contribution" in the amount of $__________
Consisting of: [ ] cash [ ] the property listed in the schedule attached to this form.

This rollover contribution satisfies the requirements of the following section of the Internal Revenue Code of 1986, as amended:

[ ] §402(c)(5) [ ] §408(d)(3). [ ] §403(a)(4).

Dated this _______ day of _________, _____.

____
Participant's Signature

Certification by Participant's Tax Advisor
or Plan Administrator to Distributing Plan

As the tax advisor to the above-named Participant, I hereby confirm the applicability of the designated Code section to the contribution described in this rollover contribution statement.

Dated this _______ day of _________, ______.

____
Name of Tax Advisor (Print or Type)

____
Signature of Tax Advisor

* * * * * * * * * * * * * * * * *

MINIMUM DISTRIBUTION TABLES

TABLE FOR DETERMINING APPLICABLE

DIVISOR IN CALCULATING MINIMUM DISTRIBUTIONS

Age of the Employee	Applicable Divisor
70	26.2
71	25.3
72	24.4
73	23.5
74	22.7
75	21.8
76	20.9
77	20.1
78	19.2
79	18.4
80	17.0
81	16.8
82	16.0
83	15.3
84	14.5
85	13.8
86	13.1
87	12.4
88	11.8
89	11.1
90	10.5
91	9.9
92	9.4
93	8.8
94	8.3
95	7.8
96	7.3
97	6.9
98	6.5
99	6.1
100	5.7
101	5.3
102	5.0
103	4.7
104	4.4
105	4.1
106	3.8
107	3.6
108	3.3
109	3.1
110	2.8
111	2.6
112	2.4
113	2.2
114	2.0
115 and older	1.8

TABLE V - ORDINARY LIFE ANNUITIES

ONE LIFE - EXPECTED RETURN MULTIPLES

AGE	MULTIPLE	AGE	MULTIPLE	AGE	MULTIPLE
5	76.6	42	40.6	79	10.0
6	75.6	43	39.6	80	9.5
7	74.7	44	38.7	81	8.9
8	73.7	45	37.7	82	8.4
9	72.7	46	36.8	83	7.9
10	71.7	47	35.9	84	7.4
11	70.7	48	34.9	85	6.9
12	69.7	49	34.0	86	6.5
13	68.9	50	33.1	87	6.1
14	67.8	51	32.2	88	5.7
15	66.8	52	31.3	99	5.3
16	65.8	53	30.4	90	5.0
17	64.6	54	29.5	91	4.7
18	63.9	55	28.6	92	4.4
19	62.9	56	27.7	93	4.1
20	61.9	57	26.8	94	3.9
21	60.9	58	25.9	95	3.7
22	59.9	59	25.0	96	3.4
23	59.0	60	24.2	97	3.2
24	58.0	61	23.3	98	3.0
25	57.0	62	22.5	99	2.8
26	56.0	63	21.6	100	2.7
27	55.1	64	20.8	101	2.5
28	54.1	65	20.0	102	2.3
29	53.1	66	19.2	103	2. 1
30	52.2	67	18.4	104	1.9
31	51.2	68	17.9	105	1.8
32	50.2	69	16.8	106	1.6
33	49.3	70	16.0	107	1.4
34	48.3	71	15.3	108	1.3
35	47.3	72	14.6	109	1.1
36	46.4	73	13.9	110	1.0
37	45.4	74	13.2	111	.9
38	44.4	75	12.5	112	.8
39	43.5	76	11.9	113	.7
40	42.5	77	11.2	114	.6
41	41.5	78	10.6	115	.5

TABLE VI - ORDINARY JOINT LIFE AND LAST SURVIVOR ANNUITIES
TWO LIVES EXPECTED RETURN MULTIPLES

AGES	5	6	7	8	9	10	11	12	13	14
5	83.8	83.3	82.8	82.4	82.0	81.6	81.2	80.9	80.6	80.3
6	83.3	82.8	82.3	81.9	81.4	81.0	80.6	80.3	79.9	79.6
7	82.8	82.3	81.8	81.3	80.9	80.4	80.0	79.6	79.3	78.9
8	82.4	81.8	81.3	80.8	80.3	79.9	79.4	79.0	78.6	78.3
9	82.0	81.4	80.9	80.3	79.8	79.3	78.9	78.4	78.0	77.6
10	81.6	81.0	80.4	79.9	79.3	78.8	78.3	77.9	77.4	77.0
11	81.2	80.6	80.0	79.4	78.9	78.3	77.8	77.3	76.9	76.4
12	80.9	80.3	79.6	79.0	78.4	77.9	77.3	76.8	76.3	75.9
13	80.6	79.9	79.3	78.6	78.0	77.4	76.9	76.3	75.8	75.3
14	80.3	79.6	78.9	78.3	77.6	77.0	76.4	75.9	75.3	74.8
15	80.0	79.3	78.6	77.9	77.3	76.6	76.0	75.4	74.9	74.3
16	79.8	79.0	78.3	77.6	76.9	76.3	75.6	75.0	74.4	73.9
17	79.5	78.8	78.0	77.3	76.6	75.9	75.3	74.6	74.0	73.4
18	79.3	78.5	77.8	77.0	76.3	75.6	74.9	74.3	73.6	73.0
19	79.1	78.3	77.5	76.8	76.0	75.3	74.6	73.9	73.3	72.6
20	78.9	78.1	77.3	76.5	75.8	75.0	74.3	73.6	72.9	72.3
21	78.7	77.9	77.1	76.3	75.5	74.8	74.0	73.3	72.6	71.9
22	78.6	77.7	76.9	76.1	75.3	74.5	73.8	73.0	72.3	71.6
23	78.4	77.6	76.7	75.9	75.1	74.3	73.5	72.8	72.0	71.3
24	78.3	77.4	76.6	75.7	74.9	74.1	73.3	72.6	71.8	71.1
25	78.2	77.3	76.4	75.6	74.8	73.9	73.1	72.3	71.6	70.8
26	78.0	77.2	76.3	75.4	74.6	73.8	72.9	72.1	71.3	70.6
27	77.9	77.1	76.2	75.3	74.4	73.6	72.8	71.9	71.1	70.3
28	77.8	76.9	76.1	75.2	74.3	73.4	72.6	71.8	70.9	70.1
29	77.7	76.8	76.0	75.1	74.2	73.3	72.5	71.6	70.8	70.0
30	77.7	76.8	75.9	75.0	74.1	73.2	72.3	71.5	70.6	69.8
31	77.6	76.7	75.8	74.9	74.0	73.1	72.2	71.3	70.5	69.6
32	77.5	76.6	75.7	74.8	73.9	73.0	72.1	71.2	70.3	69.5
33	77.5	76.5	75.6	74.7	73.8	72.9	72.0	71.1	70.2	69.3
34	77.4	76.5	75.5	74.6	73.7	72.8	71.9	71.0	70.1	69.2
35	77.3	76.4	75.5	74.5	73.6	72.7	71.8	70.9	70.0	69.1
36	77.3	76.3	75.4	74.5	73.5	72.6	71.7	70.8	69.9	69.0
37	77.2	76.3	75.4	74.4	73.5	72.6	71.6	70.7	69.8	68.9
38	77.2	76.2	75.3	74.4	73.4	72.5	71.6	70.6	69.7	68.8
39	77.2	76.2	75.3	74.3	73.4	72.4	71.5	70.6	69.6	68.7
40	77.1	76.2	75.2	74.3	73.3	72.4	71.4	70.5	69.6	68.6
41	77.1	76.1	75.2	74.2	73.3	72.3	71.4	70.4	69.5	68.6
42	77.0	76.1	75.1	74.2	73.2	72.3	71.3	70.4	69.4	68.5
43	77.0	76.1	75.1	74.1	73.2	72.2	71.3	70.3	69.4	68.5
44	77.0	76.0	75.1	74.1	73.1	72.2	71.2	70.3	69.3	68.4
45	77.0	76.0	75.0	74.1	73.1	72.2	71.2	70.2	69.3	68.4
46	76.9	76.0	75.0	74.0	73.1	72.1	71.2	70.2	69.3	68.3
47	76.9	75.9	75.0	74.0	73.1	72.1	71.1	70.2	69.2	68.3

TABLE VI - TWO LIVES - CONTINUED

AGES	5	6	7	8	9	10	11	12	13	14
48	76.9	75.9	75.0	74.0	73.0	72.1	71.1	70.1	69.2	68.2
49	76.9	75.9	74.9	74.0	73.0	72.0	71.1	70.1	69.1	68.2
50	76.9	75.9	74.9	73.9	73.0	72.0	71.0	70.1	69.1	68.2
51	76.8	75.9	74.9	73.9	73.0	72.0	71.0	70.1	69.1	68.1
52	76.8	75.9	74.9	73.9	72.9	72.0	71.0	70.0	69.1	68.1
53	76.8	75.8	74.9	73.9	72.9	71.9	71.0	70.0	69.0	68.1
54	76.8	75.8	74.8	73.9	72.9	71.9	71.0	70.0	69.0	68.1
55	76.8	75.8	74.8	73.9	72.9	71.9	70.9	70.0	69.0	68.1
56	76.8	75.8	74.8	73.8	72.9	71.9	70.9	69.9	69.0	68.0
57	76.8	75.8	74.8	73.8	72.9	71.9	70.9	69.9	69.0	68.0
58	76.8	75.8	74.8	73.8	72.8	71.9	70.9	69.9	68.9	68.0
59	76.7	75.8	74.8	73.8	72.8	71.9	70.9	69.9	68.9	68.0
60	76.7	75.8	74.8	73.8	72.8	71.8	70.9	69.9	68.9	67.9
61	76.7	75.7	74.8	73.8	72.8	71.8	70.9	69.9	68.9	67.9
62	76.7	75.7	74.8	73.8	72.8	71.8	70.8	69.9	68.9	67.9
63	76.7	75.7	74.8	73.8	72.8	71.8	70.8	69.9	68.9	67.9
64	76.7	75.7	74.7	73.8	72.8	71.8	70.8	69.8	68.9	67.9
65	76.7	75.7	74.7	73.8	72.8	71.8	70.8	69.8	68.9	67.9
66	76.7	75.7	74.7	73.7	72.8	71.8	70.8	69.8	68.9	67.9
67	76.7	75.7	74.7	73.7	72.8	71.8	70.8	69.8	68.8	67.9
68	76.7	75.7	74.7	73.7	72.8	71.8	70.8	69.8	68.8	67.9
69	76.7	75.7	74.7	73.7	72.7	71.8	70.8	69.8	68.8	67.8
70	76.7	75.7	74.7	73.7	72.7	71.8	70.8	69.8	68.8	67.8
71	76.7	75.7	74.7	73.7	72.7	71.8	70.8	69.8	68.8	67.8
72	76.7	75.7	74.7	73.7	72.7	71.8	70.8	69.8	68.8	67.8
73	76.7	75.7	74.7	73.7	72.7	71.7	70.8	69.8	68.8	67.8
74	76.7	75.7	74.7	73.7	72.7	71.7	70.8	69.8	68.8	67.8
75	76.7	75.7	74.7	73.7	72.7	71.7	70.8	69.8	68.8	67.8
76	76.6	75.7	74.7	73.7	72.7	71.7	70.8	69.8	68.8	67.8
77	76.6	75.7	74.7	73.7	72.7	71.7	70.8	69.8	68.8	67.8
78	76.6	75.7	74.7	73.7	72.7	71.7	70.7	69.8	68.8	67.8
79	76.6	75.7	74.7	73.7	72.7	71.7	70.7	69.8	68.8	67.8
80	76.6	75.7	74.7	73.7	72.7	71.7	70.7	69.8	68.8	67.8
81	76.6	75.7	74.7	73.7	72.7	71.7	70.7	69.8	68.8	67.8
82	76.6	75.7	74.7	73.7	72.7	71.7	70.7	69.8	68.8	67.8
83	76.6	75.7	74.7	73.7	72.7	71.7	70.7	69.8	68.8	67.8
84	76.6	75.7	74.7	73.7	72.7	71.7	70.7	69.8	68.8	67.8
85	76.6	75.7	74.7	73.7	72.7	71.7	70.7	69.8	68.8	67.8
86	76.6	75.7	74.7	73.7	72.7	71.7	70.7	69.8	68.8	67.8
87	76.6	75.7	74.7	73.7	72.7	71.7	70.7	69.8	68.8	67.8
88	76.6	75.7	74.7	73.7	72.7	71.7	70.7	69.8	68.8	67.8
89	76.6	75.7	74.7	73.7	72.7	71.7	70.7	69.7	68.8	67.8
90	76.6	75.6	74.7	73.7	72.7	71.7	70.7	69.7	68.8	67.8
91	76.6	75.6	74.7	73.7	72.7	71.7	70.7	69.7	68.8	67.8
92	76.6	75.6	74.7	73.7	72.7	71.7	70.7	69.7	68.8	67.8
93	76.6	75.6	74.7	73.7	72.7	71.7	70.7	69.7	68.8	67.8

TABLE VI - TWO LIVES - CONTINUED

AGES	5	6	7	8	9	10	11	12	13	14
94	76.6	75.6	74.7	73.7	72.7	71.7	70.7	69.7	68.8	67.8
95	76.6	75.6	74.7	73.7	72.7	71.7	70.7	69.7	68.8	67.8
96	76.6	75.6	74.7	73.7	72.7	71.7	70.7	69.7	68.8	67.8
97	76.6	75.6	74.7	73.7	72.7	71.7	70.7	69.7	68.8	67.8
98	76.6	75.6	74.7	73.7	72.7	71.7	70.7	69.7	68.8	67.8
99	76.6	75.6	74.7	73.7	72.7	71.7	70.7	69.7	68.8	67.8
100	76.6	75.6	74.7	73.7	72.7	71.7	70.7	69.7	68.8	67.8
101	76.6	75.6	74.7	73.7	72.7	71.7	70.7	69.7	68.8	67.8
102	76.6	75.6	74.7	73.7	72.7	71.7	70.7	69.7	68.8	67.8
103	76.6	75.6	74.7	73.7	72.7	71.7	70.7	69.7	68.8	67.8
104	76.6	75.6	74.7	73.7	72.7	71.7	70.7	69.7	68.8	67.8
105	76.6	75.6	74.7	73.7	72.7	71.7	70.7	69.7	68.8	67.8
106	76.6	75.6	74.7	73.7	72.7	71.7	70.7	69.7	68.8	67.8
107	76.6	75.6	74.7	73.7	72.7	71.7	70.7	69.7	68.8	67.8
108	76.6	75.6	74.7	73.7	72.7	71.7	70.7	69.7	68.8	67.8
109	76.6	75.6	74.7	73.7	72.7	71.7	70.7	69.7	68.8	67.8
110	76.6	75.6	74.7	73.7	72.7	71.7	70.7	69.7	68.8	67.8
111	76.6	75.6	74.7	73.7	72.7	71.7	70.7	69.7	68.8	67.8
112	76.6	75.6	74.7	73.7	72.7	71.7	70.7	69.7	68.8	67.8
113	76.6	75.6	74.7	73.7	72.7	71.7	70.7	69.7	68.8	67.8
114	76.6	75.6	74.7	73.7	72.7	71.7	70.7	69.7	68.8	67.8
115	76.6	75.6	74.7	73.7	72.7	71.7	70.7	69.7	68.8	67.8

TABLE VI -ORDINARY JOINT LIFE AND LAST SURVIVOR ANNUITIES

TWO LIVES -EXPECTED RETURN MULTIPLES

AGES	15	16	17	18	19	20	21	22	23	24
15	73.8	73.3	72.9	72.4	72.0	71.6	71.3	70.9	70.6	70.3
16	73 3	72.8	72.3	71.9	71.4	71.0	70.7	70.3	70.0	69.6
17	72.9	72.3	71.8	71.3	70.9	70.5	70.0	69.7	69.3	69.0
18	72.4	71.9	71.3	70.8	70.4	69.0	69.5	68.5	68.7	68.3
19	72.0	71.4	70.9	70.4	69.8	69.4	68.9	68.5	68.1	67.7
20	71.6	71.0	70.5	69.9	69.4	68.8	68.4	67.9	67.5	67.1
21	71.3	70.7	70.0	69.5	68.9	68.4	67.9	67.4	66.9	66.5
22	70.9	70.3	69.7	69.0	68.5	67.9	67.4	66.9	66.4	65.9
23	70.6	70.0	69.3	68.7	68.1	67.5	66.9	66.4	65.9	65.4
24	70.3	69.6	69.0	68.3	67.7	67.1	66.5	65.9	65.4	64.9
25	70.1	69.3	68.6	68.0	67.3	66.7	66.1	65.5	64.9	64.4
26	69.8	69.1	68.3	67.6	67.0	66.3	65.7	65.1	64.5	63.9
27	69.6	68.9	68.1	67.3	66.7	66.0	65.3	64.7	64.1	63.5
28	69.3	68.6	67.8	67.1	66.4	65.7	65.0	64.3	63.7	63.1

TABLE VI - TWO LIVES - CONTINUED

AGES	15	16	17	18	19	20	21	22	23	24
29	69.1	68.4	67.6	66.8	66.1	65.4	64.7	64.0	63.3	62.7
30	69.0	68.2	67.4	66.6	65.8	65.1	64.4	63.7	63.0	62.3
31	68.8	68.0	67.2	66.4	65.6	64.8	64.1	63.4	62.7	62.0
32	68.6	67.8	67.0	66.2	65.4	64.6	63.8	63.1	62.4	61.7
33	68.5	67.6	66.8	66.0	65.2	64.4	63.6	62.8	62.1	61.4
34	68.3	67.5	66.6	65.8	65.0	64.2	63.4	62.6	61.9	61.1
35	68.2	67.4	66.5	65.6	64.8	64.0	63.2	62.4	61.6	60.9
36	68.1	67.2	66.4	65.5	64.7	63.8	63.0	62.2	61.4	60.6
37	68.0	67.1	66.2	65.4	64.5	63.7	62.8	62.0	61.2	60.4
38	67.9	67.0	66.1	65.2	64.4	63.5	62.7	61.8	61.0	60.2
39	67.8	66.9	66.0	65.1	64.2	63.4	62.5	61.7	60.8	60.0
40	67.7	66.8	65.9	65.0	64.1	63.3	62.4	61.5	60.7	59.9
41	67.7	66.7	65.8	64.9	64.0	63.1	62.3	61.4	60.5	59.7
42	67.6	66.7	65.7	64.8	63.9	63.0	62.2	61.3	60.4	59.6
43	67.5	66.6	65.7	64.8	63.8	62.9	62.1	61.2	60.3	59.4
44	67.5	66.5	65.6	64.7	63.8	62.9	62.0	61.1	60.2	59.3
45	67.4	66.5	65.5	64.6	63.7	62.8	61.9	61.0	60.1	59.2
46	67.4	66.4	65.4	64.6	63.6	62.7	61.8	60.9	60.0	59.1
47	67.3	66.4	65.4	64.5	63.6	62.6	61.7	60.8	59.9	59.0
48	67.3	66.3	65.4	64.4	63.5	62.6	61.6	60.7	59.8	58.9
49	67.2	66.3	65.3	64.4	63.5	62.5	61.6	60.7	59.7	58.8
50	67.2	66.2	65.3	64.3	63.4	62.5	61.5	60.6	59.7	58.8
51	67.2	66.2	65.3	64.3	63.4	62.4	61.5	60.5	59.6	58.7
52	67.1	66.2	65.2	64.3	63.3	62.4	61.4	60.5	59.6	58.6
53	67.1	66.2	65.2	64.2	63.3	62.3	61.4	60.4	59.5	58.6
54	67.1	66.1	65.2	64.2	63.2	62.3	61.3	60.4	59.5	58.5
55	67.1	66.1	65.1	64.2	63.2	62.3	61.3	60.4	59.4	58.5
56	67.0	66.1	65.1	64.1	63.2	62.2	61.3	60.3	59.4	58.4
57	67.0	66.1	65.1	64. 1	63.2	62.2	61.2	60.3	59.3	58.4
58	67.0	66.0	65.1	64.1	63.1	62.2	61.2	60.3	59.3	58.4
59	67.0	66.0	65.0	64.1	63.1	62.1	61.2	60.2	59.3	58.3
60	67.0	66.0	65.0	64.1	63.1	62.1	61.2	60.2	59.2	58.3
61	67.0	66.0	65.0	64.0	63.1	62.1	61.1	60.2	59.2	58.3
62	66.9	66.0	65.0	64.0	63.1	62.1	61.1	60.2	59.2	58.2
63	66.9	66.0	65.0	64.0	63.0	62.1	61.1	60.1	59.2	58.2
64	66.9	65.9	65.0	64.0	63.0	62.1	61.1	60.1	59.2	58.2
65	66.9	65.9	65.0	64.0	63.0	62.0	61.1	60.1	59.1	58.2
66	66.9	65.9	64.9	64.0	63.0	62.0	61.1	60.1	59.1	58.2
67	66.9	65.9	64.9	64.0	63.0	62.0	61.1	60.1	59.1	58.1
68	66.9	65.9	64.9	64.0	63.0	62.0	61.0	60.1	59.1	58.1
69	66.9	65.9	64.9	63.9	63.0	62.0	61.0	60.0	59.1	58.1
70	66.9	65.9	64.9	63.9	63.0	62.0	61.0	60.0	59.1	58.1
71	66.9	65.9	64.9	63.9	62.9	62.0	61.0	60.0	59.1	58.1

TABLE VI - TWO LIVES - CONTINUED

AGES	15	16	17	18	19	20	21	22	23	24
72	66.9	65.9	64.9	63.9	62.9	62.0	61.0	60.0	59.0	58.1
73	66.8	65.9	64.9	63.9	62.9	62.0	61.0	60.0	59.0	58.1
74	66.8	65.9	64.9	63.9	62.9	62.0	61.0	60.0	59.0	58.1
75	66.8	65.9	64.9	63.9	62.9	61.9	61.0	60.0	59.0	59.1
76	66.8	65.9	64.9	63.9	62.9	61.9	61.0	60.0	59.0	58.0
77	66.8	65.9	64.9	63.9	63.9	61.9	61.0	60.0	59.0	58.0
78	66.8	65.8	64.9	63.9	62.9	61.9	61.0	60.0	59.0	58.0
79	66.8	65.8	64.9	63.9	62.9	61.9	61.0	60.0	59.0	58.0
80	66.8	65.9	64.9	63.9	62.9	61.9	60.9	60.0	59.0	58.0
81	66.8	65.8	64.9	63.9	62.9	61.9	60.9	60.0	59.0	58.0
82	66.8	65.8	64.9	63.9	62.9	61.9	60.9	60.0	59.0	58.0
83	66.8	65.8	64.9	63.9	62.9	61.9	60.9	60.0	59.0	58.0
84	66.8	65.8	64.8	63.9	62.9	61.9	60.9	60.0	59.0	58.0
85	66.8	65.8	64.8	63.9	62.9	61.9	60.9	60.0	59.0	58.0
86	66.8	65.8	64.8	63.9	62.9	61.9	60.9	60.0	59.0	58.0
87	66.8	65.8	64.8	63.9	62.9	61.9	60.9	60.0	59.0	58.0
88	66.8	65.8	64.8	63.9	62.9	61.9	60.9	60.0	59.0	58.0
89	66.8	65.8	64.8	63.9	62.9	61.9	60.9	60.0	59.0	58.0
90	66.8	65.8	64.8	63.9	62.9	61.9	60.9	60.0	59.0	58.0
91	66.8	65.8	64.8	63.9	62.9	61.9	60.9	60.0	59.0	58.0
92	66.8	65.8	64.8	63.9	62.9	61.9	60.9	59.9	59.0	58.0
93	66.8	65.8	64.8	63.9	62.9	61.9	60.9	59.9	59.0	58.0
94	66.8	65.8	64.8	63.9	62.9	61.9	60.9	59.9	59.0	58.0
95	66.8	65.8	64.8	63.9	62.9	61.9	60.9	59.9	59.0	58.0
96	66.8	65.8	64.8	63.9	62.9	61.9	60.9	59.9	59.0	58.0
97	66.8	65.8	64.8	63.9	62.9	61.9	60.9	59.9	59.0	58.0
98	66.8	65.8	64.8	63.9	62.9	61.9	60.9	59.9	59.0	58.0
99	66.8	65.8	64.8	63.9	62.9	61.9	60.9	59.9	59.0	58.0
100	66.8	65.8	64.8	63.9	62.9	61.9	60.9	59.9	59.0	58.0
101	66.8	65.8	64.8	63.9	62.9	61.9	60.9	59.9	59.0	58.0
102	66.8	65.8	64.8	63.9	62.9	61.9	60.9	59.9	59.0	58.0
103	66.8	65.8	64.8	63.9	62.9	61.9	60.9	59.9	59.0	58.0
104	66.8	65.8	64.8	63.9	62.9	61.9	60.9	59.9	59.0	58.0
105	66.8	65.8	64.8	63.9	62.9	61.9	60.9	59.9	59.0	58.0
106	66.8	65.8	64.8	63.9	62.9	61.9	60.9	59.9	59.0	58.0
107	66.8	65.8	64.8	63.9	62.9	61.9	60.9	59.9	59.0	58.0
108	66.8	65.8	64.8	63.9	62.9	61.9	60.9	59.9	59.0	58.0
109	66.8	65.8	64.8	63.9	62.9	61.9	60.9	59.9	59.0	58.0
110	66.8	65.8	64.8	63.9	62.9	61.9	60.9	59.9	59.0	58.0
111	66.8	65.8	64.8	63.9	62.9	61.9	60.9	59.9	59.0	58.0
112	66.8	65.8	64.8	63.9	62.9	61.9	60.9	59.9	59.0	58.0
113	66.8	65.8	64.8	63.9	62.9	61.9	60.9	59.9	59.0	58.0
114	66.8	65.8	64.8	63.9	62.9	61.9	60.9	59.9	59.0	58.0
115	66.8	65.8	64.8	63.9	62.9	61.9	60.9	59.9	59.0	58.0

TABLE VI - ORDINARY JOINT LIFE & LAST SURVIVOR ANNUITIES
TWO LIVES - EXPECTED RETURN MULTIPLES

AGES	25	26	27	28	29	30	31	32	33	34
25	63.9	63.4	62.9	62.5	62.1	61.7	61.3	61.0	60.7	60.4
26	63.4	62.9	62.4	61.9	61.5	61.1	60.7	60.4	60.0	59.7
27	62.9	62.4	61.9	61.4	60.9	60.5	60.1	59.7	59.4	59.0
28	62.5	61.9	61.4	60.9	60.4	60.0	59.5	59.1	58.7	58.4
29	62.1	61.5	60.9	60.4	59.9	59.4	59.0	58.5	58.1	57.7
30	61.7	61.1	60.5	60.0	59.4	58.9	58.4	58.0	57.5	57.1
31	61.3	60.7	60.1	59.5	59.0	58.4	57.9	57.4	57.0	56.5
32	61.0	60.4	59.7	59.1	58.5	58.0	57.4	56.9	56.4	56.0
33	60.7	60.0	59.4	58.7	58.1	57.5	57.0	56.4	55.9	55.5
34	60.4	59.7	59.0	58.4	57.7	57.1	56.5	56.0	55.5	54.9
35	60.1	59.4	58.7	58.0	57.4	56.7	56.1	55.6	55.0	54.5
36	59.9	59.1	58.4	57.7	57.0	56.4	55.8	55.1	54.6	54.0
37	59.6	58.9	58.1	57.4	56.7	56.0	55.4	54.8	54.2	53.6
38	59.4	58.6	57.9	57.9	56.4	55.7	55.1	54.4	53.8	53.2
39	59.2	58.4	57.7	56.9	56.2	55.4	54.7	54.1	53.4	52.8
40	59.0	58.2	57.4	56.7	55.9	55.2	54.5	53.8	53.1	52.4
41	58.9	58.0	57.2	56.4	55.7	54.9	54.2	53.5	52.8	52.1
42	58.7	57.9	57.1	56.2	55.5	54.7	53.9	53.2	52.5	51.8
43	58.6	57.7	56.9	56.1	55.3	54.5	53.7	52.9	52.2	51.5
44	58.4	57.6	56.7	55.9	55.1	54.3	53.5	52.7	52.0	51.2
45	58.3	57.4	56.6	55.7	54.9	54.1	53.3	52.5	51.7	51.0
46	58.2	57.3	56.5	55.6	54.8	53.9	53.1	52.3	51.5	50.7
47	58.1	57.2	56.3	55.5	54.6	53.8	52.9	52.1	51.3	50.5
48	58.0	57.1	56.2	55.3	54.5	53.6	52.8	51.9	51.1	50.3
49	57.9	57.0	56.1	55.2	54.4	53.5	52.6	51.8	51.0	50.1
50	57.8	56.9	56.0	55.1	54.2	53.4	52.5	51.7	50.8	50.0
51	57.8	56.9	55.9	55.0	54.1	53.3	52.4	51.5	50.7	49.8
52	57.7	56.8	55.9	55.0	54.1	53.2	52.3	51.4	50.5	49.7
53	57.6	56.7	55.8	54.9	54.0	53.1	52.2	51.3	50.4	49.6
54	57.6	56.7	55.7	54.8	53.9	53.0	52.1	51.2	50.3	49.4
55	57.5	56.6	55.7	54.7	53.8	52.9	52.0	51.1	50.2	49.3
56	57.5	56.5	55.6	54.7	53.8	52.8	51.9	51.0	50.1	49.2
57	57.4	56.5	55.6	54.6	53.7	52.8	51.9	50.9	50.0	49.1
58	57.4	56.5	55.5	54.6	53.6	52.7	51.8	50.9	50.0	49.1
59	57.4	56.4	55.5	54.5	53.6	52.7	51.7	50.8	49.9	49.0
60	57.3	56.4	55.4	54.5	53.6	52.6	51.7	50.8	49.8	48.9
61	57.3	56.4	55.4	54.5	53.5	52.6	51.6	50.7	49.8	48.9
62	57.3	56.3	55.4	54.4	53.5	52.5	51.6	50.7	49.7	48.8
63	57.3	56.3	55.3	54.4	53.4	52.5	51.6	50.6	49.7	48.7
64	57.2	56.3	55.3	54.4	53.4	52.5	51.5	50.6	49.6	48.7
65	57.2	56.3	55.3	54.3	53.4	52.4	51.5	50.5	49.6	48.7
66	57.2	56.2	55.3	54.3	53.4	52.4	51.5	50.5	49.6	48.6
67	57.2	56.2	55.3	54.3	53.3	52.4	51.4	50.5	49.5	48.6

TABLE VI - TWO LIVES - CONTINUED

AGES	25	26	27	28	29	30	31	32	33	34
68	57.2	56.2	55.3	54.3	53.3	52.4	51.4	50.4	49.5	48.6
69	57.1	56.2	55.2	54.3	53.3	52.3	51.4	50.4	49.5	48.5
70	57.1	56.2	55.2	54.2	53.3	52.3	51.4	50.4	49.4	48.5
71	57.1	56.2	55.2	54.2	53.3	52.3	51.3	50.4	49.4	48.5
72	57.1	56.1	55.2	54.2	53.2	52.3	51.3	50.4	49.4	48.5
73	57.1	56.1	55.2	54.2	53.2	52.3	51.3	50.3	49.4	48.4
74	57.1	56.1	55.2	54.2	53.2	52.3	51.3	50.3	49.4	48.4
75	57.1	56.1	55.1	54.2	53.2	52.2	51.3	50.3	49.4	48.4
76	57.1	56.1	55.1	54.2	53.2	52.2	51.3	50.3	49.3	48.4
77	57.1	56.1	55.1	54.2	53.2	52.2	51.3	50.3	49.3	48.4
78	57.1	56.1	55.1	54.2	53.2	52.2	51.3	50.3	49.3	48.4
79	57.1	56.1	55.1	54.1	53.2	52.2	51.2	50.3	49.3	48.4
80	57.1	56.1	55.1	54.1	53.2	52.2	51.2	50.3	49.3	48.3
81	57.0	56.1	55.1	54.1	53.2	52.2	51.2	50.3	49.3	48.3
82	57.0	56.1	55.1	54.1	53.2	52.2	51.2	50.3	49.3	48.3
83	57.0	56.1	55.1	54.1	53.2	52.2	51.2	50.3	49.3	48.3
84	57.0	56.1	55.1	54.1	53.2	52.2	51.2	50.3	49.3	48.3
85	57.0	56.1	55.1	54.1	53.2	52.2	51.2	50.2	49.3	48.3
86	57.0	56.1	55.1	54.1	53.1	52.2	51.2	50.2	49.3	48.3
87	57.0	56.1	55.1	54.1	53.1	52.2	51.2	50.2	49.3	48.3
88	57.0	56.1	55.1	54.1	53.1	52.2	51.2	50.2	49.3	48.3
89	57.0	56.1	55.1	54.1	53.1	52.2	51.2	50.2	49.3	48.3
90	57.0	56.1	55.1	54.1	53.1	52.2	51.2	50.2	49.3	48.3
91	57.0	56.1	55.1	54.1	53.1	52.2	51.2	50.2	49.3	48.3
92	57.0	56.1	55.1	54.1	53.1	52.2	51.2	50.2	49.3	48.3
93	57.0	56.1	55.1	54.1	53.1	52.2	51.2	50.2	49.3	48.3
94	57.0	56.0	55.1	54.1	53.1	52.2	51.2	50.2	49.3	48.3
95	57.0	56.0	55.1	54.1	53.1	52.2	51.2	50.2	49.3	48.3
96	57.0	56.0	55.1	54.1	53.1	52.2	51.2	50.2	49.3	48.3
97	57.0	56.0	55.1	54.1	53.1	52.2	51.2	50.2	49.3	48.3
98	57.0	56.0	55.1	54.1	53.1	52.2	51.2	50.2	49.3	48.3
99	57.0	56.0	55.1	54.1	53.1	52.2	51.2	50.2	49.3	48.3
100	57.0	56.0	55.1	54.1	53.1	52.2	51.2	50.2	49.3	48.3
101	57.0	56.0	55.1	54.1	53.1	52.2	51.2	50.2	49.3	48.3
102	57.0	56.0	55.1	54.1	53.1	52.2	51.2	50.2	49.3	48.3
103	57.0	56.0	55.1	54.1	53.1	52.2	51.2	50.2	49.3	48.3
104	57.0	56.0	55.1	54.1	53.1	52.2	51.2	50.2	49.3	48.3
105	57.0	56.0	55.1	54.1	53.1	52.2	51.2	50.2	49.3	48.3
106	57.0	56.0	55.1	54.1	53.1	52.2	51.2	50.2	49.3	48.3
107	57.0	56.0	55.1	54.1	53.1	52.2	51.2	50.2	49.3	48.3
108	57.0	56.0	55.1	54.1	53.1	52.2	51.2	50.2	49.3	48.3
109	57.0	56.0	55.1	54.1	53.1	52.2	51.2	50.2	49.3	48.3
110	57.0	56.0	55.1	54.1	53.1	52.2	51.2	50.2	49.3	48.3
111	57.0	56.0	55.1	54.1	53.1	52.2	51.2	50.2	49.3	48.3

TABLE VI - TWO LIVES - CONTINUED

AGES	25	26	27	28	29	30	31	32	33	34
112	57.0	56.0	55.1	54.1	53.1	52.2	51.2	50.2	49.3	48.3
113	57.0	56.0	55.1	54.1	53.1	52.2	51.2	50.2	49.3	48.3
114	57.0	56.0	55.1	54.1	53.1	52.2	51.2	50.2	49.3	48.3
115	57.0	56.0	55.1	54.1	53.1	52.2	51.2	50.2	49.3	48.3

TABLE VI - ORDINARY JOINT LIFE AND LAST SURVIVOR ANNUITIES
TWO LIVES - EXPECTED RETURN MULTIPLES

AGES	35	36	37	38	39	40	41	42	43	44
35	54.0	53.5	53.0	52.6	52.2	51.8	51.4	51.1	50.8	50.5
36	53.5	53.0	52.5	52.0	51.6	51.2	50.8	50.4	50.1	49.8
37	53.0	52.5	52.0	51.5	51.0	50.6	50.2	49.8	49.5	49.1
38	52.6	52.0	51.5	51.0	50.5	50.0	49.6	49.2	48.8	48.5
39	52.2	51.6	51.0	50.5	50.0	49.5	49.1	48.6	48.2	47.8
40	51.8	51.2	50.6	50.0	49.5	49.0	48.5	48.1	47.6	47.2
41	51.4	50.8	50.2	49.6	49.1	48.5	48.0	47.5	47.1	46.7
42	51.1	50.4	49.8	49.2	48.6	48.1	47.5	47.0	46.6	46.1
43	50.8	50.1	49.5	48.9	48.2	47.6	47.1	46.6	46.0	45.6
44	50.5	49.8	49.1	48.5	47.8	47.2	46.7	46.1	45.6	45.1
45	50.2	49.5	48.8	48.1	47.5	46.9	46.3	45.7	45.1	44.6
46	50.0	49.2	48.5	47.8	47.2	46.5	45.9	45.3	44.7	44.1
47	49.7	49.0	48.3	47.5	46.8	46.2	45.5	44.9	44.3	43.7
48	49.5	48.8	48.0	47.3	46.5	45.9	45.2	44.5	43.9	43.3
49	49.3	48.5	47.8	47.0	46.3	45.6	44.9	44.2	43.6	42.9
50	49.2	48.4	47.6	46.8	46.0	45.3	44.6	43.9	43.2	42.6
51	49.0	48.2	47.4	46.6	45.8	45.1	44.3	43.6	42.9	44.2
52	48.8	48.0	47.2	46.4	45.6	44.8	44.1	43.3	42.6	41.9
53	48.7	47.9	47.0	46.2	45.4	44.6	43.9	43.1	42.4	41.7
54	48.6	47.7	46.9	46.0	45.2	44.4	43.6	42.9	42.1	41.4
55	48.5	47.6	46.7	45.9	45.1	44.2	43.4	42.7	41.9	41.2
56	48.3	47.5	46.6	45.8	44.9	44.1	43.3	42.5	41.7	40.9
57	48.3	47.4	46.5	45.6	44.8	43.9	43.1	42.3	41.5	40.7
58	48.2	47.3	46.4	45.5	44.7	43.8	43.0	42.1	41.3	40.5
59	48.1	47.2	46.3	45.4	44.5	43.7	42.8	42.0	41.2	40.4
60	48.0	47.1	46.2	45.3	44.4	43.6	42.7	41.9	41.0	40.2
61	47.9	47.0	46.1	45.2	44.3	43.5	42.6	41.7	40.9	40.0
62	47.9	47.0	46.0	45.1	44.2	43.4	42.5	41.6	40.8	39.9
63	47.8	46.9	46.0	45.1	44.2	43.3	42.4	41.5	40.6	39.8
64	47.8	46.8	45.9	45.0	44.1	43.2	42.3	41.4	40.5	39.7

TABLE VI - TWO LIVES - CONTINUED

AGES	35	36	37	38	39	40	41	42	43	44
65	47.7	46.8	45.9	44.9	44.0	43.1	42.2	41.3	40.4	39.6
66	47.7	46.7	45.8	44.9	44.0	43.1	42.2	41.3	40.4	39.5
67	47.6	46.7	45.8	44.8	43.9	43.0	42.1	41.2	40.3	39.4
68	47.6	46.7	45.7	44.8	43.9	42.9	42.0	41.1	40.2	39.3
69	47.6	46.6	45.7	44.8	43.8	42.9	42.0	41.1	40.2	39.3
70	47.5	46.6	45.7	44.7	43.8	42.9	41.9	41.0	40.1	39.2
71	47.5	46.6	45.6	44.7	43.8	42.8	41.9	41.0	40.1	39.1
72	47.5	46.6	45.6	44.7	43.7	42.8	41.9	40.9	40.0	39.1
73	47.5	46.5	45.6	44.6	43.7	42.8	41.8	40.9	40.0	39.0
74	47.5	46.5	45.6	44.6	43.7	42.7	41.8	40.9	39.9	39.0
75	47.4	46.5	45.5	44.6	43.6	42.7	41.8	40.8	39.9	39.0
76	47.4	46.5	45.5	44.6	43.6	42.7	41.7	40.8	39.9	38.9
77	47.4	46.5	45.5	44.6	43.6	42.7	41.7	40.8	39.8	38.9
78	47.4	46.4	45.5	44.5	43.6	42.6	41.7	40.7	39.8	38.9
79	47.4	46.4	45.5	44.5	43.6	42.6	41.7	40.7	39.8	38.9
80	47.4	46.4	45.5	44.5	43.6	42.6	41.7	40.7	39.8	38.8
81	47.4	46.4	45.5	44.5	43.5	42.6	41.6	40.7	39.8	38.8
82	47.4	46.4	45.4	44.5	43.5	42.6	41.6	40.7	39.7	38.8
83	47.4	46.4	45.4	44.5	43.5	42.6	41.6	40.7	39.7	38.8
84	47.4	46.4	45.4	44.5	43.5	42.6	41.6	40.7	39.7	38.8
85	47.4	46.4	45.4	44.5	43.5	42.6	41.6	40.7	39.7	38.8
86	47.3	46.4	45.4	44.5	43.5	42.5	41.6	40.6	39.7	38.8
87	47.3	46.4	45.4	44.5	43.5	42.5	41.6	40.6	39.7	38.7
88	47.3	46.4	45.4	44.5	43.5	42.5	41.6	40.6	39.7	38.7
89	47.3	46.4	45.4	44.4	43.5	42.5	41.6	40.6	39.7	38.7
90	47.3	46.4	45.4	44.4	43.5	42.5	41.6	40.6	39.7	38.7
91	47.3	46.4	45.4	44.4	43.5	42.5	41.6	40.6	39.7	38.7
92	47.3	46.4	45.4	44.4	44.4	43.5	42.5	41.6	40.6	38.7
93	47.3	46.4	45.4	44.4	42.5	41.6	40.6	39.7	39.7	38.7
94	47.3	46.4	45.4	44.4	43.5	42.5	41.6	40.6	39.7	38.7
95	47.3	46.4	45.4	44.4	43.5	42.5	41.6	40.6	39.7	38.7
96	47.3	46.4	45.4	44.4	43.5	42.5	41.6	40.6	39.7	38.7
97	47.3	46.4	45.4	44.4	43.5	42.5	41.6	40.6	39.6	38.7
98	47.3	46.4	45.4	44.4	43.5	42.5	41.6	40.6	39.6	38.7
99	47.3	46.4	45.4	44.4	43.5	42.5	41.5	40.6	39.6	38.7
100	47.3	46.4	45.4	44.4	43.5	42.5	41.5	40.6	39.6	38.7
101	47.3	46.4	45.4	44.4	43.5	42.5	41.5	40.6	39.6	38.7
102	47.3	46.4	45.4	44.4	43.5	42.5	41.5	40.6	39.6	38.7
103	47.3	46.4	45.4	44.4	43.5	42.5	41.5	40.6	39.6	38.7
104	47.3	46.4	45.4	44.4	43.5	42.5	41.5	40.6	39.6	38.7
105	47.3	46.4	45.4	44.4	43.5	42.5	41.5	40.6	39.6	38.7

TABLE VI - TWO LIVES - CONTINUED

AGES	35	36	37	38	39	40	41	42	43	44
106	47.3	46.4	45.4	44.4	43.5	42.5	41.5	40.6	39.6	38.7
107	47.3	46.4	45.4	44.4	43.5	42.5	41.5	40.6	39.6	38.7
108	47.3	46.4	45.4	44.4	43.5	42.5	41.5	40.6	39.6	38.7
109	47.3	46.4	45.4	44.4	43.5	42.5	41.5	40.6	39.6	38.7
110	47.3	46.4	45.4	44.4	43.5	42.5	41.5	40.6	39.6	38.7
111	47.3	46.4	45.4	44.4	43.5	42.5	41.5	40.6	39.6	38.7
112	47.3	46.4	45.4	44.4	43.5	42.5	41.5	40.6	39.6	38.7
113	47.3	46.4	45.4	44.4	43.5	42.5	41.5	40.6	39.6	38.7
114	47.3	48.4	45.4	44.4	43.5	42.5	41.5	40.6	39.6	38.7
115	47.3	46.4	45.4	44.4	43.5	42.5	41.5	40.6	39.6	38.7

TABLE VI - ORDINARY JOINT AND LAST SURVIVOR ANNUITIES
TWO LIVES-EXPECTED RETURN MULTIPLES

AGES	45	46	47	48	49	50	51	52	53	54
45	44.1	43.6	43.2	42.7	42.3	42.0	41.6	41.3	41.0	40.7
46	43.6	43.1	42.6	42.2	42.3	41.4	41.0	40.6	40.3	40.0
47	43.2	42.6	42.1	41.7	41.2	40.8	40.4	40.0	39.7	39.3
48	42.7	42.2	41.7	41.2	40.7	40.2	39.8	39.4	39.0	38.7
49	42.3	41.8	41.2	40.7	40.2	39.7	39.3	38.8	38.4	38.1
50	42.0	41.4	40.8	40.2	39.7	39.2	38.7	38.3	37.9	37.5
51	41.6	41.0	40.4	39.8	39.3	38.7	38.2	37.8	37.3	36.9
52	41.3	40.6	40.0	39.4	38.8	38.3	37.8	37.3	36.8	36.4
53	41.0	40.3	39.7	39.0	38.4	37.9	37.3	36.8	36.3	35.8
54	40.7	40.0	39.3	38.7	38.1	37.5	36.9	36.4	35.8	35.3
55	40.4	39.7	39.0	38.4	37.7	37.1	36.5	35.9	35.4	34.9
56	40.2	39.5	38.7	38.1	37.4	36.8	36.1	35.6	35.0	34.4
57	40.0	39.2	38.5	37.8	37.1	36.4	35.8	35.2	34.6	34.0
58	39.7	39.0	38.2	37.5	36.8	36.1	35.5	34.8	34.2	33.6
59	39.6	38.8	38.0	37.3	36.6	35.9	35.2	34.5	33.9	33.3
60	39.4	38.6	37.8	37.1	36.3	35.6	34.9	34.2	33.6	32.9
61	39.2	38.4	37.6	36.9	36.1	35.4	34.6	33.9	33.3	32.6
62	39.1	38.3	37.5	36.7	35.9	35.1	34.4	33.7	33.0	32.3
63	38.9	38.1	37.3	36.5	35.7	34.9	34.2	33.5	32.7	32.0
64	38.8	38.0	37.2	36.3	35.5	34.8	34.0	33.2	32.5	31.8
65	38.7	37.9	37.0	36.2	35.4	34.6	33.8	33.0	32.3	31.6

TABLE VI - TWO LIVES - CONTINUED

AGES	45	46	47	48	49	50	51	52	53	54
66	38.6	37.8	36.9	36.1	35.2	34.4	33.6	32.9	32.1	31.4
67	38.5	37.7	36.8	36.0	35.1	34.3	33.5	32.7	31.9	31.2
68	38.4	37.6	36.7	35.8	35.0	34.2	33.4	32.5	31.8	31.0
69	38.4	37.5	36.6	35.7	34.9	34.1	33.2	32.4	31.6	30.8
70	38.3	37.4	36.5	35.7	34.8	34.0	33.1	32.3	31.5	30.7
71	38.2	37.3	36.5	35.6	34.7	33.9	33.0	32.2	31.4	30.5
72	38.2	37.3	36.4	35.5	34.6	33.8	32.9	32.1	31.2	30.4
73	38.1	37.2	36.3	35.4	34.6	33.7	32.8	32.0	31.1	30.3
74	38.1	37.2	36.3	35.4	34.5	33.6	32.8	31.9	31.1	30.2
75	38.1	37.1	36.2	35.3	34.5	33.6	32.7	31.8	31.0	30.1
76	38.0	37.1	36.2	35.3	34.4	33.5	32.6	31.8	30.9	30.1
77	38.0	37.1	36.2	35.3	34.4	33.5	32.6	31.7	30.8	30.0
78	38.0	37.0	36.1	35.2	34.3	33.4	32.5	31.7	30.8	29.9
79	37.9	37.0	36.1	35.2	34.3	33.4	32.5	31.6	30.7	29.9
80	37.9	37.0	36.1	35.2	34.2	33.4	32.5	31.6	30.7	29.8
81	37.9	37.0	36.0	35.1	34.2	33.3	32.4	31.5	30.7	29.8
82	37.9	36.9	36.0	35.1	34.2	33.3	32.4	31.5	30.6	29.7
83	37.9	36.9	36.0	35.1	34.2	33.3	32.4	31.5	30.6	29.7
84	37.8	36.9	36.9	35.0	34.2	33.2	32.3	31.4	30.6	29.7
85	37.8	36.9	36.0	35.1	34.1	33.2	32.3	31.4	30.5	29.6
86	38.8	36.9	36.0	35.0	34.1	33.2	32.3	31,4	30.5	29.6
87	37.8	36.9	35.9	35.0	34.1	33.2	32.3	31.4	30.5	29.6
88	37.8	36.9	35.9	35.0	34.1	33.2	32.3	31.4	30.5	29.6
89	37.8	36.9	35.9	35.0	34.1	33.2	32.3	31.3	30.5	29.6
90	37.8	36.9	35.9	35.0	34.1	33.2	32.3	31.3	30.5	29.6
91	37.8	36.8	35.9	35.0	34.1	33.2	32.2	31.3	30.4	29.5
92	37.8	36.8	35.9	35.0	34.1	33.2	32.2	31.3	30.4	29.5
93	37.8	36.8	35.9	35.0	34.1	33.1	32.2	31.3	30.4	29.5
94	37.8	36.8	35.9	35.0	34.1	33.1	32.2	31.3	30.4	29.5
95	37.8	36.8	35.9	35.0	34.0	33.1	32.2	31.3	30.4	29.5
96	37.8	36.8	35.9	35.0	34.0	33.1	32.2	31.3	30.4	29.5
97	37.8	36.8	35.9	35.0	34.0	33.1	32.2	31.3	30.4	29.5
98	37.8	36.8	35.9	35.0	34.0	33.1	32.2	31.3	30.4	29.5
99	37.8	36.8	35.9	35.0	34.0	33.1	32.2	31.3	30.4	29.5
100	37.8	36.8	35.9	35.0	34.0	33.1	32.2	31.3	30.4	29.5
101	37.8	36.8	35.9	35.0	34.0	33.1	32.2	31.3	30.4	29.5
102	37.8	36.8	35.9	35.0	34.0	33.1	32.2	31.3	30.4	29.5
103	37.7	36.8	35.9	34.9	34.0	33.1	32.2	31.3	30.4	29.5
104	37.7	36.8	35.9	34.9	34.0	33.1	32.2	31.3	30.4	29.5

TABLE VI - TWO LIVES - CONTINUED

AGES	45	46	47	48	49	50	51	52	53	54
105	37.7	36.8	35.9	34.9	34.0	33.1	32.2	31.3	30.4	29.5
106	37.7	36.8	35.9	34.9	34.0	33.1	32.2	31.3	30.4	29.5
107	37.7	36.8	35.9	34.9	34.0	33.1	32.2	31.3	30.4	29.5
108	37.7	36.8	35.9	34.9	34.0	33.1	32.2	31.3	30.4	29.5
109	37.7	36.8	35.9	34.9	34.0	33.1	32.2	31.3	30.4	29.5
110	37.7	36.8	35.9	34.9	34.0	33.1	32.2	31.3	30.4	29.5
111	37.7	36.8	35.9	34.9	34.0	33.1	32.2	31.3	30.4	29.5
112	37.7	36.8	35.9	34.9	34.0	33.1	32.2	31.3	30.4	29.5
113	37.7	36.8	35.9	34.9	34.0	33.1	32.2	31.3	30.4	29.5
114	37.7	36.8	35.9	34.9	34.0	33.1	32.2	31.3	30.4	29.5
115	37.7	36.8	35.9	34.9	34.0	33.1	32.2	31.3	30.4	29.5

TABLE VI - ORDINARY JOINT LIFE AND LAST SURVIVOR ANNUITIES
TWO LIVES - EXPECTED RETURN MULTIPLES

AGES	55	56	57	58	59	60	61	62	63	64
55	34.4	33.9	33.5	33.1	32.7	32.3	32.0	31.7	31.4	31.1
56	33.9	33.4	33.0	32.5	32.1	31.7	31.4	31.0	30.7	30.4
57	33.5	33.0	32.5	32.0	31.6	31.2	30.8	30.4	30.1	29.8
58	33.1	32.5	32.0	31.5	31.1	30.6	30.2	29.9	29.5	29.2
59	32.7	32.1	31.6	31.1	30.6	30.1	29.7	29.3	28.9	28.6
60	32.3	31.7	31.2	30.6	30.1	29.7	29.2	29.8	28.4	28.0
61	32.0	31.4	30.8	30.2	29.7	29.2	28.7	28.3	27.8	27.4
62	31.7	31.0	30.4	29.9	29.3	28.8	28.3	27.8	27.3	26.9
63	31.4	30.7	30.1	29.5	28.9	28.4	27.8	27.3	26.9	26.4
64	31.1	30.4	29.8	29.2	28.6	28.0	27.4	26.9	26.4	25.9
65	30.9	30.2	29.5	28.9	28.2	27.6	27.1	26.5	26.0	25.5
66	30.6	29.9	29.2	28.6	27.9	27.3	26.7	26.1	25.6	25.1
67	30.4	29.7	29.0	28.3	27.6	27.0	26.4	25.8	25.2	24.7
68	30.2	29.5	28.8	28.1	27.4	26.7	26.1	25.5	24.9	24.3
69	30.1	29.3	28.6	27.8	27.1	26.5	25.8	25.2	24.6	24.0
70	29.9	29.1	28.4	27.6	26.9	26.2	25.6	24.9	24.3	23.7
71	29.7	29.0	28.2	27.5	26.7	26.0	25.3	24.7	24.0	23.4
72	29.6	28.8	28.1	27.3	26.5	25.8	25.1	24.4	23.8	23.1
73	29.5	28.7	27.9	27.1	26.4	25.6	24.9	24.2	23.5	22.9
74	29.4	28.6	27.8	27.0	26.2	25.5	24.7	24.0	23.3	22.7
75	29.3	28.5	27.7	26.9	26.1	25.3	24.6	23.8	23.1	22.4
76	29.2	28.4	27.6	26.8	26.0	25.2	24.4	23.7	23.0	22.3
77	29.1	28.3	27.5	26.7	25.9	25.1	24.3	23.6	22.8	22.1

TABLE VI -TWO LIVES - CONTINUED

AGES	55	56	57	58	59	60	61	62	63	64
78	29.1	28.2	27.4	26.6	25.8	25.0	24.2	23.4	22.7	21.9
79	29.0	28.2	27.3	26.5	25.7	24.9	24.1	23.3	22.6	21.8
80	29.0	28.1	27.3	26.4	25.6	24.8	24.0	23.2	22.4	21.7
81	28.9	28.1	27.2	26.4	25.5	24.7	23.9	23.1	22.3	21.6
82	28.9	28.0	27.2	26.3	25.5	24.6	23.8	23.0	22.3	21.5
83	28.8	28.0	27.1	26.3	25.4	24.6	23.8	23.0	22.2	21.4
84	28.8	27.9	27.1	26.2	25.4	24.5	23.7	22.9	22.1	21.3
85	28.8	27.9	27.0	26.2	25.3	24.5	23.7	22.8	22.0	21.3
86	28.7	27.9	27.0	26.1	25.3	24.5	23.6	22.8	22.0	21.2
87	28.7	27.8	27.0	26.1	25.3	24.4	23.6	22.8	21.9	21.1
88	28.7	27.8	27.0	26.1	25.2	24.4	23.5	22.7	21.9	21.1
89	28.7	27.8	26.9	26.1	25.2	24.4	23.5	22.7	21.9	21.1
90	28.7	27.8	26.9	26.1	25.2	24.3	23.5	22.7	21.8	21.0
91	28.7	27.8	26.9	26.0	25.2	24.3	23.5	22.6	21.8	21.0
92	28.6	27.8	26.9	26.0	25.2	24.3	23.5	22.6	21.8	21.0
93	28.6	27.8	26.9	26.0	25.1	24.3	23.4	22.6	21.8	21.9
94	28.6	27.7	26.9	26.0	25.1	24.3	23.4	22.6	21.7	20.9
95	28.6	27.7	26.9	26.0	25.1	24.3	23.4	22.6	21.7	20.9
96	28.6	27.7	26.9	26.0	25.1	24.2	23.4	22.6	21.7	20.9
97	28.6	27.7	26.8	26.0	25.1	24.2	23.4	22.5	21.7	20.9
98	28.6	27.7	26.8	26.0	25.1	24.2	23.4	22.5	21.7	20.9
99	28.6	27.7	26.8	26.0	25.1	24.2	23.4	22.5	21.7	20.9
100	28.6	27.7	26.8	26.0	25.1	24.2	23.4	22.5	21.7	20.8
101	28.6	27.7	26.9	25.9	25.1	24.2	23.4	22.5	21.7	20.8
102	28.6	27.7	26.8	25.9	25.1	24.2	23.3	22.5	21.7	20.8
103	28.8	27.7	26.8	25.9	25.1	24.2	23.3	22.5	21.7	20.8
104	28.6	27.7	26.8	25.9	25.1	24.1	23.3	22.5	21.6	20.8
105	28.6	27.7	26.8	25.9	25.1	24.2	23.3	22.5	21.6	20.8
106	28.6	27.7	26.8	25.9	25.1	24.2	23.3	22.5	21.6	20.8
107	28.6	27.7	26.8	25.9	25.1	24.2	23.3	22.5	21.6	20.8
108	28.6	27.7	26.8	25.9	25.1	24.2	23.3	22.5	21.6	20.8
109	29.6	27.7	26.8	25.9	25.1	24.2	23.3	22.5	21.6	20.8
110	28.6	27.7	26.8	25.9	25.1	24.2	23.3	22.5	21.6	20.8
111	28.6	27.7	26.8	25.9	25.0	24.2	23.3	22.5	21.6	20.8
112	28.6	27.7	26.8	25.9	25.0	24.2	23.3	22.5	21.6	20.8
113	28.6	27.7	26.8	25.9	25.0	24.2	23.3	22.5	21.6	20.8
114	28.6	27.7	26.8	25.9	25.0	24.2	23.3	22.5	21.6	20.8
115	28.6	27.7	26.8	25.9	25.0	24.2	23.3	22.5	21.6	20.8

TABLE VI -ORDINARY JOINT LEFE AND LAST SURVIVOR ANNUITIES
TWO LIVES - EXPECTED RETURN MULTIPLES

AGES	65	66	67	68	69	70	71	72	73	74
65	25.0	24.6	24.2	23.8	23.4	23.1	22.8	22.5	22.2	22.0
66	24.6	24.1	23.7	23.3	22.9	22.5	22.2	21.9	21.6	21.4
67	24.2	23.7	23.2	22.8	22.4	22.0	21.7	21.3	21.0	20.8
68	23.9	23.3	22.8	22.3	21.9	21.5	21.2	20.8	20.5	20.2
69	23.4	22.9	22.4	21.9	21.5	21.1	20.7	20.3	20.0	19.6
70	23.1	22.5	22.0	21.5	21.1	20.6	20.2	19.8	19.4	19.1
71	22.8	22.2	21.7	21.2	20.7	20.2	19.8	19.4	19.0	18.6
72	22.5	21.9	21.3	20.8	20.3	19.8	19.4	18.9	18.5	18.2
73	22.2	21.6	21.0	20.5	20.0	19.4	19.0	18.5	18.1	17.7
74	22.0	21.4	20.8	20.2	19.6	19.1	18.6	18.2	17.7	17.3
75	21.8	21.1	20.5	19.9	19.3	18.8	18.3	17.8	17.3	16.9
76	21.6	20.9	20.3	19.7	19.1	18.5	18.0	17.5	17.0	16.5
77	21.4	20.7	20.1	19.4	18.8	18.3	17.7	17.2	16.7	16.2
78	21.2	20.5	19.9	19.2	18.6	18.0	17.5	16.9	16.4	15.9
79	21.1	20.4	19.7	19.0	18.4	17.8	17.2	16.7	16.1	15.6
80	21.0	20.2	19.5	18.9	18.2	17.6	17.0	16.4	15.9	15.4
81	20.8	20.1	19.4	18.7	18.1	17.4	16.8	16.2	15.7	15.1
82	20.7	20.0	19.3	18.6	17.9	17.3	16.6	16.0	15.5	14.9
83	20.6	19.9	19.2	18.5	17.8	17.1	16.5	15.9	15.3	14.7
84	20.5	19.8	19.1	18.4	17.7	17.0	16.3	15.7	15.1	14.5
85	20.5	19.7	19.0	18.3	17.6	16.9	16.2	15.6	15.0	14.4
86	20.4	19.6	18.9	18.2	17.5	16.8	16.1	15.5	14.8	14.2
87	20.4	19.6	18.8	18.1	17.4	16.7	16.0	15.4	14.7	14.1
88	20.3	19.5	18.8	18.0	17.3	16.6	15.9	15.3	14.6	14.0
89	20.3	19.5	18.7	18.0	17.2	16.5	15.8	15.2	14.5	13.9
90	20.2	19.4	18.7	17.9	17.2	16.5	15.8	15.1	14.5	13.8
91	20.2	19.4	18.6	17.9	17.1	16.4	15.7	15.0	14.4	13.7
92	20.2	19.4	18.6	17.8	17.1	16.4	15.7	15.0	14.3	13.7
93	20.1	19.3	18.6	17.8	17.1	16.3	15.6	14.9	14.3	13.6
94	20.1	19.3	18.5	17.8	17.0	16.3	15.6	14.9	14.2	13.6
95	20.1	19.3	18.5	17.8	17.0	16.3	15.6	14.9	14.2	13.5
96	20.1	19.3	18.5	17.7	17.0	16.2	15.5	14.8	14.2	13.5
97	20.1	19.3	18.5	17.7	17.0	16.2	15.5	14.8	14.1	13.5
98	20.1	19.3	18.5	17.7	16.9	16.2	15.5	14.8	14.1	13.4
99	20.0	19.2	18.5	17.7	16.9	16.2	15.5	14.7	14.1	13.4
100	20.0	19.2	18.4	17.7	16.9	16.2	15.4	14.7	14.0	13.4
101	20.0	19.2	18.4	17.7	16.9	16.1	15.4	14.7	14.0	13.3
102	20.0	19.2	18.4	17.6	16.9	16.1	15.4	14.7	14.0	13.3
103	20.0	19.2	18.4	17.6	16.9	16.1	15.4	14.7	14.0	13.3
104	20.0	19.2	18.4	17.6	16.9	16.1	15.4	14.7	14.0	13.3
105	20.0	19.2	18.4	17.6	16.8	16.1	15.4	14.6	13.9	13.3
106	20.0	19.2	18.4	17.6	16.8	16.1	15.3	14.6	13.9	13.3
107	20.0	19.2	18.4	17.6	16.8	16.1	15.3	14.6	13.9	13.2
108	20.0	19.2	18.4	17.6	16.8	16.1	15.3	14.6	13.9	13.2
109	20.0	19.2	18.4	17.6	16.8	16.1	15.3	14.6	13.9	13.2

TABLE VI - TWO LIVES - CONTINUED

AGES	65	66	67	68	69	70	71	72	73	74
110	20.0	19.2	18.4	17.6	16.8	16.1	15.3	14.6	13.9	13.2
111	20.0	19.2	18.4	17.6	16.8	16.0	15.3	14.6	13.9	13.2
112	20.0	19.2	18.4	17.6	16.8	16.0	15.3	14.6	13.9	13.2
113	20.0	19.2	18.4	17.6	16.8	16.0	15.3	14.6	13.9	13.2
114	20.0	19.2	18.4	17.6	16.8	16.0	15.3	14.6	13.9	13.2
115	20.0	19.2	18.4	17.6	16.8	16.0	15.3	14.6	13.9	13.2

TABLE VI -ORDINARY JOINT LIFE AND LAST SURVIVOR ANNUITIES
TWO LIVES - EXPECTED RETURN MULTIPLES

AGES	75	76	77	78	79	80	81	82	83	84
75	16.5	16.1	15.8	15.4	15.1	14.9	14.6	14.4	14.2	14.0
76	16.1	15.7	15.4	15.0	14.7	14.4	14.1	13.9	13.7	13.5
77	15.8	15.4	15.0	14.6	14.3	14.0	13.7	13.4	13.2	13.0
78	15.4	15.0	14.6	14.2	13.9	13.5	13.2	13.0	12.7	12.5
79	15.1	14.7	14.3	13.9	13.5	13.2	12.8	12.5	12.3	12.0
80	14.9	14.4	14.0	13.5	13.2	12.8	12.5	12.2	11.9	11.6
81	14.6	14.1	13.7	13.2	12.8	12.5	12.1	11.8	11.5	11.2
82	14.4	13.9	13.4	13.0	12.5	12.2	11.8	11.5	11.1	10.9
83	14.2	13.7	13.2	12.7	12.3	11.9	11.5	11.1	10.8	10.5
84	14.0	13.5	13.0	12.5	12.0	11.6	11.2	10.9	10.5	10.2
85	13.8	13.3	12.8	12.3	11.8	11.4	11.0	10.6	10.2	9.9
86	13.7	13.1	12.6	12.1	11.6	11.2	10.8	10.4	10.0	9.7
87	13.5	13.0	12.4	11.9	11.4	11.0	10.6	10.1	9.8	9.4
88	13.4	12.8	12.3	11.8	11.3	10.8	10.4	10.0	9.6	9.2
89	13.3	12.7	12.2	11.6	11.1	10.7	10.2	9.8	9.4	9.0
90	13.2	12.6	12.1	11.5	11.0	10.5	10.1	9.6	9.2	8.8
91	13.1	12.5	12.0	11.4	10.9	10.4	9.9	9.5	9.1	8.7
92	13.1	12.5	11.9	11.3	10.8	10.3	9.8	9.4	8.9	8.5
93	13.0	12.4	11.8	11.3	10.7	10.2	9.7	9.3	9.8	8.4
94	12.9	12.3	11.7	11.2	10.6	10.1	9.6	9.2	8.7	8.3
95	12.9	12.3	11.7	11.1	10.6	10.1	9.6	9.1	8.6	8.2
96	12.9	12.2	11.6	11.1	10.5	10.0	9.5	9.0	8.5	8.1
97	12.8	12.2	11.6	11.0	10.5	9.9	9.4	8.9	8.5	9.0
98	12.8	12.2	11.5	11.0	10.4	9.9	9.4	8.9	8.4	9.0
99	12.7	12.1	11.5	10.9	10.4	9.8	9.3	8.8	8.3	7.9
100	12.7	12.1	11.5	10.9	10.3	9.8	9.2	8.7	8.3	7.8

TABLE VI - TWO LIVES - CONTINUED

AGES	75	76	77	78	79	80	81	82	83	84
101	12.7	12.1	11.4	10.8	10.3	9.7	9.2	8.7	8.2	7.8
102	12.7	12.0	11.4	10.8	10.2	9.7	9.2	8.7	8.2	7.7
103	12.6	12.0	11.4	10.8	10.2	9.7	9.1	8.6	8.1	7.7
104	12.6	12.0	11.4	10.8	10.2	9.6	9.1	8.6	8.1	7.6
105	12.6	12.0	11.3	10.7	10.2	9.6	9.1	8.5	8.0	7.6
106	12.6	11.9	11.3	10.7	10.1	9.6	9.0	8.5	8.0	7.5
107	12.6	11.9	11.3	10.7	10.1	9.6	9.0	8.5	8.0	7.5
108	12.6	11.9	11.3	10.7	10.1	9.5	9.0	8.5	8.0	7.5
109	12.6	11.9	11.3	10.7	10.1	9.5	9.0	8.4	7.9	7.5
110	12.6	11.9	11.3	10.7	10.1	9.5	9.0	8.4	7.9	7.4
111	12.5	11.9	11.3	10.7	10.1	9.5	8.9	8.4	7.9	7.4
112	12.5	11.9	11.3	10.6	10.1	9.5	8.9	8.4	7.9	7.4
113	12.5	11.9	11.2	10.6	10.0	9.5	8.9	8.4	7.9	7.4
114	12.5	11.9	11.2	10.6	10.0	9.5	8.9	8.4	7.9	7.4
115	12.5	11.9	11.2	10.6	10.0	9.5	8.9	8.4	7.9	7.4

TABLE VI - ORDINARY JOINT LIFE AND LAST SURVIVOR ANNUITIES

TWO LIVES - EXPECTED RETURN MULTIPLES

AGES	85	86	87	88	89	90	91	92	93	94
85	9.6	9.3	9.1	8.9	8.7	8.5	8.3	8.2	8.0	7.9
86	9.3	9.1	8.8	8.6	9.3	8.2	8.0	7.8	7.7	7.6
87	9.1	8.8	8.5	8.3	8.1	7.9	7.7	7.5	7.4	7.2
88	8.9	8.6	8.3	8.0	7.8	7.6	7.4	7.2	7.1	6.9
89	8.7	8.3	8.1	7.8	7.5	7.3	7.1	6.9	6.8	6.6
90	8.5	8.2	7.9	7.6	7.3	7.1	6.9	6.7	6.5	6.4
91	8.3	8.0	7.7	7.4	7.1	6.9	6.7	6.5	6.3	6.2
92	8.2	7.8	7.5	7.2	6.9	6.7	6.5	6.3	6.1	5.9
93	8.0	7.7	7.4	7.1	6.8	6.5	6.3	6.1	5.9	5.8
94	7.9	7.6	7.2	6.9	6.6	6.4	6.2	5.9	5.8	5.6
95	7.8	7.5	7.1	6.9	6.5	6.3	6.0	5.8	5.6	5.4
96	7.7	7.3	7.0	6.7	6.4	6.1	5.9	5.7	5.5	5.3
97	7.6	7.3	6.9	6.6	6.3	6.0	5.8	5.5	5.3	5.1
98	7.6	7.2	6.7	6.5	6.2	5.9	5.6	5.4	5.2	5.0
99	7.5	7.1	6.7	6.4	6.1	5.8	5.5	5.3	5.1	4.9
100	7.4	7.0	6.6	6.3	6.0	5.7	5.4	5.2	5.0	4.8
101	7.3	6.9	6.6	6.2	5.9	5.6	5.3	5.1	4.9	4.7
102	7.3	6.9	6.5	6.2	5.8	5.5	5.3	5.0	4.8	4.6
103	7.2	6.8	6.4	6.1	5.8	5.5	5.2	4.9	4.7	4.5
104	7.2	6.8	6.4	6.0	5.7	5.4	5.1	4.8	4.6	4.4
105	7.1	6.7	6.3	6.0	5.6	5.3	5.0	4.8	4.5	4.3

AGES	85	86	87	88	89	90	91	92	93	94
106	7.1	6.7	6.3	5.9	5.6	5.3	5.0	4.7	4.5	4.2
107	7.1	6.6	6.2	5.9	5.5	5.2	4.9	4.6	4.4	4.2
108	7.0	6.6	6.2	5.8	5.5	5.2	4.9	4.6	4.3	4.1
109	7.0	6.6	6.2	5.8	5.5	5.1	4.8	4.5	4.3	4.1
110	7.0	6.6	6.2	5.8	5.4	5.1	4.8	4.5	4.3	4.0
111	7.0	6.5	6.1	5.7	5.4	5.1	4.8	4.5	4.2	4.0
112	7.0	6.5	6.1	5.7	5.4	5.0	4.7	4.4	4.2	3.9
113	6.9	6.5	6.1	5.7	5.4	5.0	4.7	4.4	4.2	3.9
114	6.9	6.5	6.1	5.7	5.3	5.0	4.7	4.4	4.1	3.9
115	6.9	6.5	6.1	5.7	5.3	5.0	4.7	4.4	4.1	3.9

TABLE VI - ORDINARY JOINT LIFE AND LAST SURVIVOR ANNUITIES
TWO LIVES - EXPECTED RETURN MULTIPLES

AGES	95	96	97	98	99	100	101	102	103	104
95	5.3	5.1	5.0	4.8	4.7	4.6	4.5	4.4	4.3	4.2
96	5.1	5.0	4.8	4.7	4.5	4.4	4.3	4.2	4.1	4.0
97	5.0	4.8	4.7	4.5	4.4	4.3	4.1	4.0	3.9	3.8
98	4.8	4.7	4.5	4.4	4.2	4.1	4.0	3.9	3.8	3.7
99	4.7	4.5	4.4	4.2	4.1	4.0	3.8	3.7	3.6	3.5
100	4.6	4.4	4.3	4.1	4.0	3.8	3.7	3.6	3.5	3.3
101	4.5	4.3	4.1	4.0	3.8	3.7	3.6	3.4	3.3	3.2
102	4.4	4.2	4.0	3.9	3.7	3.6	3.4	3.3	3.2	3.1
103	4.3	4.1	3.9	3.8	3.6	3.5	3.3	3.2	3.0	2.9
104	4.2	4.0	3.8	3.7	3.5	3.3	3.2	3.1	2.9	2.8
105	4.1	3.9	3.7	3.6	3.4	3.2	3.1	2.9	2.8	2.7
106	4.0	3.8	3.6	3.5	3.3	3.1	3.0	2.8	2.7	2.5
107	4.0	3.8	3.6	3.4	3.1	3.1	2.9	2.7	2.6	2.4
108	3.9	3.7	3.5	3.3	3.1	3.0	2.8	2.7	2.5	2.3
109	3.8	3.6	3.4	3.3	3.1	2.9	2.7	2.6	2.4	2.3

TABLE VI - TWO LIVES - CONTINUED

AGES	95	96	97	98	99	100	101	102	103	104
110	3.8	3.6	3.4	3.2	3.0	2.8	2.7	2.5	2.3	2.2
111	3.8	3.5	3.3	3.2	3.0	2.8	2.6	2.4	2.3	2.1
112	3.7	3.5	3.3	3.1	2.9	2.8	2.6	2.4	2.2	2.1
113	3.7	3.5	3.3	3.1	2.9	2.7	2.5	2.4	2.2	2.0
114	3.7	3.5	3.3	3.1	2.9	2.7	2.5	2.3	2.1	2.0
115	3.7	3.4	3.2	3.0	2.8	2.7	2.5	2.3	2.1	1.9

TABLE VI - ORDINARY JOINT LIFE AND LAST SURVIVOR ANNUITIES TWO LIVES - EXPECTED RETURN MULTIPLES

AGES	105	106	107	108	109	110	111	112	113	114	115
105	2.5	2.4	2.3	2.2	2.1	2.0	2.0	1.9	1.8	1.8	1.8
106	2.4	2.3	2.2	2.1	2.0	1.9	1.8	1.7	1.7	1.6	1.6
107	2.3	2.2	2.1	1.9	1.8	1.7	1.7	1.6	1.5	1.5	1.4
108	2.2	2.1	1.9	1.8	1.7	1.6	1.5	1.5	1.4	1.3	1.3
109	2.1	2.0	1.8	1.7	1.6	1.5	1.4	1.3	1.3	1.2	1.1
110	2.0	1.9	1.7	1.6	1.5	1.4	1.3	1.2	1.1	1.1	1.0
111	2.0	1.8	1.7	1.5	1.4	1.3	1.2	1.1	1.0	.9	.9
112	1.9	1.7	1.6	1.5	1.3	1.2	1.1	1.0	.9	.8	.8
113	1.8	1.7	1.5	1.4	1.3	1.1	1.0	.9	.8	.7	.7
114	1.8	1.6	1.5	1.3	1.2	1.1	.9	.8	.7	.6	.6
115	1.8	1.6	1.4	1.3	1.1	1.0	.9	.8	.7	.6	.5

V. Tracking Lost Participants

TRACKING LOST PARTICIPANTS

IRS
LETTER FORWARDING SERVICE

The IRS has established a program whereby it will forward a letter to an unlocatable individual on behalf of a private individual, company or governmental agency. The letter-forwarding program is available where the letter provides beneficial information which could not otherwise be relayed to the individual. The program will assist plan administrators in locating vested participants who moved without notifying the administrator of their current address.

The requester should submit a written request briefly explaining the need for letter forwarding, the social security number (SSN) for the individual being sought, and the letter to be forwarded.

Requests for letter forwarding assistance involving 49 or fewer recipients should be forwarded to the attention of the Disclosure Officer at the IRS's district nearest the requester. A complete listing of addresses for the district offices can be found in IRS's Appendix B of 31 CFR Part I, and are also listed in local telephone directories. Handling of these requests will be based on the overall workload of the Disclosure Office.

The IRS cannot provide the requester with information concerning the results of its efforts. The requester will only be advised that the IRS will attempt to forward the letter if an address for the individual is located. Furthermore, all letters not delivered will be destroyed.

With respect to the IRS's letter-forwarding program, no charge will be imposed with respect to requests involving less than 50 recipients.

For more information about this program see Revenue Procedure 94-22.

Two sample letters, which should be typed on your letterhead, are attached. One letter is to the Disclosure Officer at the IRS district office nearest you requesting the forwarding service. The other letter is a letter to the participant(s) you are trying to locate.

SAMPLE LETTER FOR LETTER FORWARDING REQUEST

[Date]

Disclosure Officer
Internal Revenue Service
[Local] District

Dear :

Enclosed are [describe] which we would like to have forwarded under your mail forwarding program as outlined in Rev. Proc. 94-22. The purpose of this request is to inform missing participants under [Plan name] of benefits they are entitled to.

Each [describe] is identified by the participant's name and social security number. Following is a listing of the missing participants:

Should you have any questions regarding this matter, please contact me.

Sincerely,

PLAN ADMINISTRATOR

SAMPLE LETTER TO FORMER EMPLOYEE

[Date]

Dear Name of Participant:

This letter and its attachments have been forwarded by the Internal Revenue Service letter forwarding program. In accordance with current policy, the Internal Revenue Service (IRS) has agreed to forward this letter/notice because we do not have your current address. The IRS has not disclosed your address or any other tax information and has no involvement in the matter aside from forwarding the letter/notice.

Attached is a letter which we attempted to mail to you earlier this year. As explained in the letter, you are entitled to a distribution from the [Plan Name].

Please review the attached information and respond to us as soon as possible. If you have any questions regarding its contents, please contact me.

Sincerely

PLAN ADMINISTRATOR

TRACKING LOST PARTICIPANTS

SSA
LETTER FORWARDING SERVICE

The Social Security Administration will attempt to forward a letter to any individual who is entitled to benefits from a pension or profit-sharing plan, if such person cannot be located by other means.

There is a $3.00 per individual fee for this service. The letter requesting the forwarding service and the letter to be forwarded to the individual must be accompanied by a check in the proper amount payable to Social Security Administration and mailed to:

Social Security Administration
Office of Central Records Operations
300 North Greene Street
Baltimore, Maryland 21201

The letter to be forwarded to the individual should be inserted in a plain, unsealed, unstamped envelope bearing only the name and social security number of the person to be located. There should be nothing in the letter that might embarrass the intended recipient if the letter were read by a third party.

The Social Security Administration cannot guarantee that the letter will be delivered or that a reply will be received and will not forward a second letter to the same individual.

Two sample letters, which should be typed on your company letterhead, are attached. One letter is to the Social Security Administration requesting the forwarding service; the other is a letter to the individual.

SAMPLE LETTER FOR LETTER FORWARDING REQUEST

Social Security Administration
Office of Central Records Operations
300 North Greene Street
Baltimore, Maryland 21201

Dear :

We are unable to locate the following former employee who is entitled to a benefit under our retirement plan.

Former Employee's Name: ____

Social Security Number: ____

Please forward the enclosed letter to this individual. Enclosed is our check in the amount of $3.00 to cover the fee for this service.

Sincerely yours,

Enclosures

SAMPLE LETTER TO FORMER EMPLOYEE

(Name of Former Employee)
(Last Known Address)

Dear

You are entitled to a benefit from our company's retirement plan. As we have been unable to contact you at the above address, this letter is being forwarded to you through the Social Security Administration.

Please advise us of your address so that we may arrange for payment of your benefit. Your reply should be mailed to:

(Person to contact)
(Company name and address)
(Phone number)

We are enclosing a pre-addressed envelope for your convenience.

Sincerely yours,

VI. Operational and Non-Discrimination Tests

INTRODUCTION TO OPERATIONAL AND NON-DISCRIMINATION TESTS

There are many tests that must be performed each year in order for 401 (k) plans to maintain their qualified status. These tests are complicated and plan recordkeepers use very specialized software to perform them. If a test does not pass, there are usually several different ways to cure deficiencies within the parameters of the Internal Revenue Code. It is essential for the practitioner to know about these tests and to ensure that they are being performed. The following checklist may be useful in making sure that these tests are being done.

1. Does the plan pass the **minimum coverage test** (include appropriate consideration of leased employees and independent contractors)?

   Test passed? ____________________ Test performed by____________________
2. Does the plan pass the **minimum participation test**, (include appropriate consideration of leased employees and independent contractors)?

   Test passed? ____________________ Test performed by____________________
3. Does the plan pass nondiscrimination under Code **Section 401(a)(4)**?

   Test passed? ____________________ Test performed by____________________
4. Does the plan pass the **annual addition limits test** under Code Section 415?

   Test passed? ____________________ Test performed by____________________
5. Does the plan pass the Average Deferral Percentage **(ADP)**?

   Test passed? ____________________ Test performed by____________________
6. Does the plan pass the Average Contribution Percentage **(ACP)** for employer matching contributions and employee after-tax contributions, including the multiple use test, as applicable?

   Test passed? ____________________ Test performed by____________________
7. Does the plan pass the **top heavy test**?

   Test passed? ____________________ Test performed by____________________
8. Does the plan pass **permitted disparity** (Social Security Integration) if applicable?

   Test passed? ____________________ Test performed by____________________
9. Has the plan considered the **compensation limits** under IRC Section 401(a)(17) in determining contributions or benefits under the Plan ($170,000 in 2000*)? ______________
10. Were **pre-tax salary deferrals** checked to make sure that no participant exceeded $10,500 in 2000*

    ____
11. If **forfeitures** were reallocated to participant accounts, was the allocation made pursuant to the terms of the Plan?____
12. Are **rehired employees** tracked to ensure they are offered the opportunity to repay prior distributions and reclaim prior forfeited amounts if appropriate and are they tracked to ensure that they receive the appropriate credit for years of service previously earned? ___________

    * See page 115 for index of dollar limitations

EXPLANATION OF 401(k) – NONDISCRIMINATION TESTS

Every year cash or deferred arrangements, other than safe harbor plans discussed in Chapter I, must either satisfy the special nondiscrimination tests applicable to them or meet one of the exceptions from such tests. The applicable nondiscrimination requirements are described below.

To satisfy the nondiscrimination requirements under Section 401(k), a qualified plan must meet one of two alternative nondiscriminatory contribution tests and a "multiple use" test. These annual tests must be conducted based upon the plan sponsor's election[1] to use either (i) the prior plan year's actual deferral percentage (ADP) and actual contribution percentage (ACP) data for highly compensated employees or (ii) the current plan year's actual deferral percentage (ADP) and actual contribution percentage (ACP) data for non-highly and highly compensated employees.

Pursuant to the election made by the plan sponsor regarding which plan year's data will be used for HCEs in the test, one of the two following alternative nondiscrimination tests must be satisfied:

> **Test 1** – The actual deferral percentage for highly compensated eligible employees may not exceed the actual deferral percentage of all other eligible employees, multiplied by 1.25.
>
> **Test 2** – The actual deferral percentage for highly compensated eligible employees must not exceed by more than 2% that of all other eligible employees and the actual deferral percentage for highly compensated employees is not more than the actual deferral percentage of all other employees multiplied by 2.

The actual deferral percentages can be calculated on the employee and employer's matching contributions. However, the employer's matching contributions can only be considered to the extent they are subject to the same nonforfeitability and withdrawal restrictions as the employee's contribution, i.e., fully vested at all times. [2]

An employee is counted as a participant and is created as benefiting under the plan as long as he or she is eligible to make a cash or deferred election. An employee is not ineligible merely because he or she elects not to participate.

In determining the prior year's ADP for NHCEs for purposes of the current year's nondiscrimination testing, the individuals taken into account are those who were NHCEs during the prior plan year, without regard to whether such individuals may have changed their status in the current plan year (i.e. the individual is an HCE in the current plan year or the individual is no longer employed by the employer). This generally means that, at the beginning of a plan year, a

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[1] See Notice 97-2 and Notice 98-1 for further discussion of other consequences of this election, including plan language requirements and the impact on plan aggregation and other annual testing.

[2] See Notice 97-1 and Notice 98-1 for a full discussion of which types of contributions may be properly considered for each year's nondiscrimination testing, in accordance with the plan sponsor's election of current year or prior year testing.

plan sponsor will be able to know what current year contribution levels for HCEs are needed to satisfy the nondiscrimination testing.

Where the plan does not satisfy the ADP nondiscrimination test and the plan sponsor chooses to refund amounts to HCEs in order for the plan to satisfy the nondiscrimination test, the plan sponsor must calculate the amount of the "total excess contribution" to be distributed to the HCEs and then distribute such amount, as described below.

In calculating the amount of the "total excess contribution," first the amount of elective deferrals associated with reducing the HCE(s) with the highest actual deferral ratio (ADR) to the next highest HCE(s)' ADR is determined. [3] If the ADP test would not be passed after making this reduction, this process should be repeated until the HCEs' ADRs are reduced to the level where either Test 1 or Test 2 is satisfied. At each stage of this process, a dollar amount of elective deferrals to be refunded should be identified. The total amount of excess contributions to be refunded will be determined after either Test 1 or Test 2 is satisfied.

After the "total excess contribution" amount has been identified, the next step is to allocate among the HCEs this amount to be distributed. The elective contributions of the HCE with the highest dollar amount of elective contributions are reduced by the amount required to cause that HCE's elective contributions to equal the dollar amount of elective contributions of the HCE with the next highest dollar amount of elective contributions. This amount is then distributed to the HCE with the highest dollar amount. However, if a lesser reduction, when added to the total dollar amount already distributed under this step, would equal the total excess contributions, the lesser reduction amount is distributed. If the total amount distributed is less than the total excess contributions, this process is repeated until the full amount of the total excess contributions is distributed.

If these distributions are made, the plan is treated as meeting the nondiscrimination test of 401(k)(3), regardless of whether the ADP, if recalculated after distributions, would satisfy the 401(k)(3) requirement. A similar method is used for satisfying the ACP test under Code section 401(m)(6).

The "multiple use" test is an additional test imposed to prohibit the use of Test 2 to satisfy both the ADP and the ACP test. Employer matching contributions and employee after-tax contributions are subject to the ACP test. [4] These are identical to the ADP tests except contribution percentages are compared rather than deferral percentages. The contribution percentage for a participant is determined by dividing the sum of a participant's employer matching contributions by the participant's compensation.

[3] If the ADP test can be satisfied by reducing the HCE's highest ADR to a percentage greater than the next highest HCE ADR, then the HCE ADR need not be reduced to the same level as the next highest HCE ADR.

[4] See footnote 2

CHECKLIST FOR HIGHLY COMPENSATED AND KEY EMPLOYEES

This worksheet can be used to identify which individuals are "highly compensated employees" (HCEs) and which individuals are key employees. Plan sponsors must determine who are HCEs in order to perform minimum coverage and nondiscrimination testing annually. Key employees must be identified in order to determine whether the plan is top heavy for the plan year.

Highly Compensated – For plan years beginning on or after January 1, 1997, IRC Section 414(q) defines a highly compensated employee for the plan year as an employee who:

1. was a 5% owner at any time during the plan year or the preceding year, or

2. had compensation for the preceding year from the employer in excess of $80,000 (as is indexed - $85,000 for 2000).

At the election of the employer, the group of employees under (2) above may be further limited to those in the "top paid group" for the preceding year. An employer's election to apply this limitation can be done on a year by year basis without IRS consent.

Key Employees (for Top Heavy Testing) – IRC section 1.414(q)(1) defines a key employee as an employee or former employee who:

1. Has > $67,500 (2000) of compensation and is an officer.

2. Has > $30,000 (IRC §415 (c)(1)(a) of compensation and is in the top 10% ownership).

3. 5% owner.

4. 1% owner and > $150,0000 compensation (IRC §416(i)(1)(A)).

Note: See following page to see indexing amounts.

DOLLAR LIMITATIONS

These are the various Code dollar limitations applicable to cash or deferred arrangements and they are adjusted for inflation each year, as necessary.

401(a)(17) (compensation limitation)

1989	$200,000
1990	$209,200
1991	$222,220
1992	$228,860
1993	$235,840
1994	$150,000
1995	$150,000
1996	$150,000
1997	$160,000
1998	$160,000
1999	$160,000
2000	$170,000

[Note: For 1984-1988 years, a $200,000 limitation applied to top heavy plans. For pre-1984 years, a dollar limitation applied to certain plans maintained by partnerships, sole proprietors, or S corporations.]

402(g) (elective deferral limitation)

1987	$7,000
1988	$7,313
1989	$7,627
1990	$7,979
1991	$8,475
1992	$8,728
1993	$8,994
1994	$9,240
1995	$9,240
1996	$9,500
1997	$9,500
1998	$10,000
1999	$10,000
2000	$10,500

[Note: Adjusted limitation applies to elective deferrals made in the calendar year.]

408(k)(2)(C) (SEP limitations)

1989	$327
1990	$342
1991	$363
1992	$374
1993	$385
1994	$396
1995	$400
1996	$400
1997	$400
1998	$400
1999	$400
2000	$450

414(q) (highly compensated employee definition)

(a) Compensation test

1987	$75,000
1988	$78,353
1989	$81,720
1990	$85,485
1991	$90,803
1992	$93,518
1993	$93,368
1994	$99,000
1995	$100,000
1996	$100,000
1997	$80,000
1998	$80,000
1999	$80,000
2000	$85,000

(b) Top paid group test

1987	$50,000
1988	$52,235
1989	$54,480
1990	$56,990
1991	$60,535
1992	$62,345
1993	$64,245
1994	$66,000
1995	$66,000
1996	$66,000

(c) Officer test

1987	$45,000.00
1988	$47,011.50
1989	$49,023.00
1990	$51,291.00
1991	$54,481.50
1992	$56,110.50
1993	$57,820.50
1994	$59,400.00
1995	$60,000.00
1996	$60,000.00

[Note: Adjusted limitation applies to determination years and look-back years beginning in the calendar year.]

415 (limitations on benefits and contributions)

	415(b)(1)(A)	415(c)(1)(1)
1975	$75,000	$25,000
1976	$80,475	$26,825
1977	$84,525	$28,175
1978	$90,150	$30,050
1979	$98,100	$32,700
1980	$110,625	$36,875
1981	$124,500	$41,500
1982	$136,425	$45,475
1983	$90,000	$30,000
1984	$90,000	$30,000
1985	$90,000	$30,000
1986	$90,000	$30,000
1987	$90,000	$30,000
1988	$94,023	$30,000
1989	$98,064	$30,000
1990	$102,582	$30,000
1991	$108,963	$30,000
1992	$112,221	$30,000
1993	$115,641	$30,000
1994	$118,800	$30,000
1995	$120,000	$30,000
1996	$120,000	$30,000
1997	$125,000	$30,000
1998	$130,000	$30,000
1999	$130,000	$30,000
2000	$135,000	$30,000

[Note: Adjusted limitation applies to limitation years ending in the calendar year. For 1983 and 1984, the dollar limitations reflect the TEFRA amendments, effective for years beginning after December 31, 1982. However, certain plans may have used the 1982 dollar limitation for those years under transitional rules. For the Code section 415(b)(1)(A) limitations, the 1975 - 1982 limitation applied to benefits commencing at age 55 or later, the 1983 - 1986 limitation generally applied to benefits commencing between ages 62 and 65, and the 1987 - 1991 limitation applies to benefits commencing at social security retirement age.]

416(i) (key employee definition)

(a) Top 19 owner test

1984 - 1996	$30,000
1996	$60,000
1997	$60,000
1998	$65,000
1999	$65,000
2000	$67,500

4980A (excess retirement distribution/accumulations)

1987	$112,500	$562,500
1988	$117,529	$587,645
1989	$122,580	$612,900
1990	$128,228	$641,140
1991	$136,204	$681,020
1992	$140,276	$701,380
1993	$144,551	$722,755
1994	$148,500	$742,500
1995	$150,000	$750,000
1996	$155,000	$775,000
1997	$160,000	$800,000
1998	N/A	N/A
1999	N/A	N/A
2000	N/A	N/A

[Note: Adjusted limitation applies to distributions in the calendar year or to decedents dying in the calendar year.]

VII. PLAN TERMINATION

PLAN TERMINATION

Reporting and Disclosure Requirements for Plan Terminations

Compared to defined benefit plans, the termination of defined contribution plans is relatively simple. This is because, unlike defined benefit plans, defined contribution plans are not subject to the additional PBGC plan termination requirements set forth under Title IV of ERISA.

Note: Before a plan is terminated, it must be amended to meet the qualification requirements that are in effect at the time of the plan's termination.

When a decision is made to terminate a defined contribution plan, the Board of Directors of the plan sponsor adopts a resolution to terminate the plan, which is included in the corporate minutes. The plan must then be reviewed to determine the appropriate amendments needed to cease benefit accruals or other applicable ongoing provisions. The additional reporting and disclosure requirements are:

1. Line 5a of the 1999 Schedule H (Form 5500) must be answered "yes". If any plan assets reverted to the employer, the amount of the reversion must be included on line 5a. The same information must be provided on line 5a of the 1999 Schedule I (Form 5500) for small plans.

2. Line 4k of the 1999 Schedule H (Form 5500) should be answered "yes" if all assets were distributed during the plan year. If any assets or liabilities were transferred to another plan(s), line 5b of the 1999 Schedule H (Form 5500) should be completed. Small plans report this information on line 4j and 5b of the 1999 Schedule I (Form 5500).

3. Form 5310 Application for Determination Upon Termination.

While not required, this form is filed with the IRS if the plan sponsor wants assurance of the plan's qualification status at plan termination. Because of their complexities, virtually all defined benefit plan sponsors request this determination. Defined contribution plan sponsors may be less inclined to request an IRS determination, though it may still be prudent to do so.

For defined contribution plans, there is no fixed due date for requesting the determination, as filing is optional. However, plan sponsors electing to file Form 5310 should not distribute plan assets prior to IRS approval. In the event that the IRS finds problems with either the plan's terms or the calculated plan termination benefit payments, the problem may only be corrected if the plan has assets at the time the correction is made.

a. Schedule Q (Form 5300) Nondiscrimination Requirements.

All applicants for determination for termination must attach Schedule Q (Form 5300) to the Form 5310. This form provides the Internal Revenue Service with information concerning various qualification requirements, including minimum participation, minimum coverage, and other nondiscrimination rules.

b. Form 8717 User Fee for Employer Plan Determination Letter Request.

Form 8717, along with the appropriate user fee, must accompany the application, or it will be rejected by the Service.

c. Form 2848 Power of Attorney and Declaration of Representative.

A power of attorney needs to accompany the Form 5310 if the plan sponsor wants to have the preparer (e.g., an accountant or attorney) represent them in the determination process.

d. The plan's governing plan documents and latest IRS favorable determination must also be included in the filing. Care should be taken to follow the IRS filing instructions to ensure a favorable review.

1. Notice to Interested Parties.

   If Form 5310 is filed with the IRS, this notice must be given to the following individuals:

   a. Present employees with accrued benefits.
   b. Former employees with vested benefits.
   c. Beneficiaries currently receiving benefits.

   The notice is provided by the employer or plan administrator to notify the interested parties that a determination letter is being requested and the time frame during which they may make inquiry with respect to the filing. Specific notice contents are prescribed by the IRS. (See Revenue Procedure 99-6, which is updated annually.)

   This notification must be given not less than seven days or more than twenty-one days before the determination request is made, if the notice is posted in a location where the participants are generally available to review public notices. If the notice is mailed, the number of days is ten and twenty-four, respectively.

   If no determination letter is being requested, the notice to interested parties is not required but, as a practical matter, should be replaced with a notice to the plan participants informing them that the plan is being terminated.

2. Form 5500 series returns must continue to be filed for all years until a complete distribution of assets is made.

SAMPLE CORPORATE RESOLUTION TO TERMINATE PLAN

RESOLUTION

The undersigned _____ Partner _____ President _____ Owner _________________________ of
(other)
______________________________ states that the following is a true and correct copy of the Resolution
(business name)
adopted at a meeting held on ____________________, 20_____, at a principal office of the business.

It was resolved that the _____ Partnership _____ Corporation _____Sole Proprietorship

_____ Professional Corporation terminate the ____
(plan name)
effective ____________________, 20_____. It is further resolved that benefits will cease to accrue as of

____________________, 20_____. It is further resolved that ______________________________ is

authorized to execute such agreements on behalf of the _____ Partnership _____ Corporation _____ Sole

Proprietorship _____ Professional Corporation.

_______________________________________ _______________________________________

Name (print) Date

____

Signature

____

Title

SAMPLE CORPORATE RESOLUTION TO AMEND PLAN

RESOLUTION

The undersigned _____ Partner _____ President _____ Owner _________________________ of
(other)
______________________________ states that the following is a true and correct copy of the Resolution
(business name)
adopted at a meeting held on ____________________, 20_____, at a principal office of the business.

It was resolved that the _____ Partnership _____ Corporation _____Sole Proprietorship

_____ Professional Corporation amend the ____
(plan name)
effective ____________________, 20_____. It is further resolved that ____________________________

is authorized to execute such agreements on behalf of the _____ Partnership _____ Corporation _____

Sole Proprietorship _____ Professional Corporation.

_______________________________________ _______________________________________
Name (print) Date

____
Signature

____
Title

SAMPLE NOTICE TO INTERESTED PARTIES

The Exhibit set forth below may be used to satisfy the requirements of Section 18 of Revenue Procedure 99-6.

1. Notice to: ______________________________________
   [describe class or classes of interested parties]

   An application is to be made to the Internal Revenue Service for an advance determination on the qualification of the following employee pension benefit plan:

   ____
   (name of plan)

   ____
   (plan number)

   ____
   (name and address of applicant)

   ____
   (applicant EIN)

   ____
   (name and address of plan administrator)

2. The application will be filed on ______________________ for an advance determination as to whether the plan meets the qualification requirements of Section 401 or 403(a) of the Internal Revenue Code of 1986, with respect to the plan's ______________________ [initial qualification, amendment, termination, or partial termination].
   The application will be filed with:

   Key District Director
   Internal Revenue Service
   Ohio Key District Office
   P.O. Box 192
   Covington, KY 41012-0192

3. The employees eligible to participate under the plan are:
   ____

4. The Internal Revenue Service ______________________ [has/has not] previously issued a determination letter with respect to the qualification of this plan.

RIGHTS OF INTERESTED PARTIES

5. You have the right to submit to the Key District Director, at the above address, either individually or jointly with other interested parties, your comments as to whether this plan meets the qualification requirements of the Internal Revenue Code. You may instead, individually or jointly with other interested parties, request the Department of Labor to submit, on your behalf, comments to the Key District Director regarding qualification of the plan. If the Department declines to comment on all or some of the matters you raise, you may, individually, or jointly if your request was made to the Department jointly, submit your comments on these matters directly to the Key District Director.

REQUESTS FOR COMMENTS BY THE DEPARTMENT OF LABOR

6. The Department of Labor may not comment on behalf of interested parties unless requested to do so by the lesser of 10 employees or 10 percent of the employees who qualify as interested parties. The number of persons needed for the Department to comment with respect to this plan is __________. If you request the Department to comment, your request must be in writing and must specify the matters upon which comments are requested, and must also include:
    1. the information contained in items 2 through 5 of this Notice; and
    2. the number of persons needed for the Department to comment.

   A request to the Department to comment should be addressed as follows:

   Deputy Assistant Secretary
   Pension and Welfare Benefits Administration
   Attn: 3001 Comment Request
   U.S. Department of Labor
   200 Constitution Avenue, NW
   Washington, D.C. 20210

COMMENTS TO THE INTERNAL REVENUE SERVICE

7. Comments submitted by you to the Key District Director must be in writing and received by him by ___________________. However, if there are matters that you request the Department of Labor to comment upon on your behalf, and the Department declines, you may submit comments on these matters to the Key District Director to be received by him within 15 days from the time the Department notifies you that it will not comment on a particular matter, or by _________________, whichever is later, but not after ___________________. A request to the Department to comment on your behalf must be received by it by ___________________ if you wish to preserve your right to comment on a matter upon which the Department declines to comment, or by _______________ if you wish to waive that right.

ADDITIONAL INFORMATION

8. Detailed instructions regarding the requirements for notification of interested parties may be found in Sections 17 and 18 of Rev. Proc. 99-6. Additional information concerning this application (including, where applicable, an updated copy of the plan and related trust; the application for determination; any additional documents dealing with the application that have been submitted to the Service; and copies of Section 17 of Rev. Proc. 99-6) are available at _________________ during the hours of ___________________ for inspection and copying. (There is a nominal charge for copying and/or mailing.)

VIII. CONSULTING WITH PLAN SPONSORS

CONSULTING WITH PLAN SPONSORS

Prohibited Transactions – ERISA is very specific in its penalties for self-dealing between plan fiduciaries and/or parties in interest and plan assets. It's interpretation has been very broad by the courts. Because ERISA generally pre-empts state laws that cover actions presented by ERISA, the broad interpretation by the federal courts has been fairly consistent. Actions that are prohibited carry a related penalty. Disclosure of these transactions are required by ERISA and risk of audit and other scrutiny increases with the 5500 reporting of these transactions. Be aware of the broad array of ways a fiduciary could be self-dealing with plan assets. Both ERISA and the Code should be consulted to determine who parties in interest are in respect to a particular plan and to determine that any transaction between the plan and the party in interest is not a prohibited transaction.

Controlled Groups – In determining any plan design, and discrimination testing, takeover or merger issues as well as any related consulting, it is imperative to determine who is the employer. Generally IRC section 1563 and the regulations thereunder control the determination of controlled groups for ERISA purposes. However IRC section 414(h) must be referred to for the complete determination of effective control and the additional limitations effective control may have on IRC section 415 limitations for plan participants. A 401(k) plan must satisfy the nondiscrimination requirements with consideration of the controlled group members as a "single employer". This does not mean, however, that all controlled group members must adopt the plan, or even adopt the same plan, but it does mean the coverage and nondiscrimination test must be performed to determine the appropriate plan design.

PLAN TAKEOVER FORESIGHT

A. Why is a review necessary?

Plan takeovers can present many complex and technical issues that need to be reviewed and resolved. This outline is intended to simply highlight many of the key issues and concerns involved in a takeover of a 401(k) plan. It is not intended to be an exhaustive or comprehensive analysis of the matters addressed herein and should not be a substitute for a careful and diligent review of the specific issues pertaining to a particular plan takeover.

In a typical situation a company (buyer) is negotiating to purchase the stock or assets of a company (target) that sponsors a 401(k) plan (target's plan), while the buyer sponsors its own 401(k) plan (buyer's plan).

- The buyer wants to determine what to do with the target's plan.
- If the buyer is purchasing the stock of the target, then by virtue of the stock purchase it is also acquiring the target's plan unless target's plan is terminated prior to the purchase.
- If the buyer is purchasing the assets of target, buyer can decide whether or not to acquire or assume responsibility for the target's plan.

In either case, the buyer should engage professional advisors to review the target's plan, compare it with the buyer's plan, and determine a strategy for dealing with target's plan. It is advisable for this analysis to be handled and the strategy determined during the course of the purchase negotiations and prior to closing of the purchase.

B. Objectives of the review and analysis.

- To determine whether the target's plan has been established and operated in compliance with all applicable laws and regulations.
- To determine a strategy for dealing with the target's plan that is consistent with buyer's 401(k) objectives.
- To help ensure as smooth and painless a transition as possible if there will be a change in 401(k) plans for the acquired employees.
- To attempt to anticipate and resolve issues that may arise in the plan takeover or conversion process.
- To obtain an agreement between the buyer and target (or sellers) on responsibilities for actions and costs to be taken with respect to target's plan.

- Two possible courses of action for dealing with the target's plan:

    - Merge the target's plan into the buyer's plan (or spin-off plan assets associated with the acquired participants directly from target's plan to buyer's plan). This may be the simplest approach—one plan survives.

    - Make the buyer's plan become a successor plan. Participants in the target's plan become participants in the buyer's plan and receive service credit for their years of employment with the target. This exposes buyer and buyer's plan to risks associated with target's plan. Buyer would want to have a high level of comfort regarding target plan's compliance with laws and regulations.

C. Items to be reviewed in connection with the target's plan.

Plan takeovers present many technical and challenging issues. The more lead-time that is afforded to review and work through these issues the more likely the issues can be resolved satisfactorily and smoothly. If the issues cannot be resolved before the stock or asset acquisition occurs, the statutory transition period can be used to resolve the issues. The following items should be reviewed:

- Plan and trust documents.
- Summary Plan Description.
- IRS determination letter.
- Form 5500 filings (3 most recent years), including plan audits, if applicable.
- Annual compliance testing (i.e. IRC section 410(b), 401(k), 401(m), 401(a)(4), 415, and top heavy testing).
- Possible prohibited transactions.
- Sampling of distributions and loan transactions: 1099 reporting; notices and forms; loan policy; forms and compliance; hardship distributions; and required minimum distributions.
- Service contracts with third party administrators or other service providers.
- Investment contracts/group annuity contracts.
- Liquidity of plan investments including cost of liquidating plan investments: contingent sales costs; market value adjustments; comparison of benefits, rights, and features between buyer's plan and target's plan.

D. Additional observations

- The anti-cutback rule of IRC 411(d)(6) requires buyer's plan to carryover any protected benefits, rights, and features of the target plan to the participants who have those rights prior to the merger. See Treasury Regulations 1.411(d)-4 and 1.411(d)-6T. Pay particular attention to vesting provisions and distribution options. Carryover of protected benefits may increase complexity of administration of buyer's plan. Identify the costs involved in liquidating the investments of the target plan. (i.e. possible contingent sales costs and market value adjustments)

- If the target's plan contains more generous benefits, rights or features, consider whether it may be advisable to amend buyer's plan accordingly. This may help simplify administration by eliminating the need to track separately the grandfathered protected benefits, rights and features. Focus on the approach for structuring the plan takeover and communicating it to the employees of the acquired company. Advise them of changes. Explain how the new plan may be more favorable.

- Coordinate and monitor compliance with IRC §402(g), 401(a)(17), 415, and 404 limits. Continue the target plan for the target's employees, on a temporary or permanent basis, as this gives more time to consider all options and preserve and continue the plan benefits enjoyed by the employees of target. Note that this approach results in multiple 401(k) plans within the buyer/target controlled group and possible increased administrative complexity.

- IRC §410(b)(6)(C) contains a transition rule which provides that the target's plan and buyer's plan need not be tested as part of the same controlled group for the balance of the plan year during which the acquisition occurs and for one additional plan year thereafter (i.e. the transition period) provided plan coverage provisions are not significantly changed during the transition period.

- Determine whether the target's plan may be tested as a separate line of business (SLOB) under IRC §414(r) after expiration of the transition period. This would allow the target's plan to be tested on the basis of employee census data for only those employees in its SLOB. After expiration of the transition period, if SLOB testing is not available for the target's plan, determine whether, when testing on the basis of employee census data for the entire controlled group, the target's plan and the buyer's plan are likely to pass nondiscrimination testing as independent, stand-alone plans or whether they will need to be aggregated and tested together for IRC §410(b) and §401(a)(4) purposes. This may affect the ability to maintain different benefits, rights, and features between the plans.

- The buyer may use the transition period to run the two plans in parallel. This will give the buyer time to determine whether there are qualification or other problems with the target's plan. The buyer can then take appropriate action (such as merging the plans, or terminating target's plan and allowing target plan participants to transfer their plan balances to the buyer's plan, trustee to trustee) at the end of the transition period.

- Terminate the target's plan and distribute benefits.

- Distribution of 401(k) benefits is allowed only in the case of certain distributable events (i.e., termination of employment, death, disability, retirement, attainment of age 59½, hardship, and certain plan terminations).

- If following the sale, the target plan participants continue to perform their "same job" at their "same desk" for the buyer as they had performed for the target, the participant may not be considered as having "terminated employment" by reason of the "same desk" rule (see Rev. Rul. 79-336 and 80-129). In the absence of any other distributable event, the distribution of the 401(k) benefits may be prohibited unless the distribution is made on account of a plan termination satisfying the conditions of IRC 401(k)(10).

- In the case of a stock purchase, the termination of the target's plan may need to occur prior to the closing of the purchase in order that the buyer not be considered a "successor" sponsor of the target's plan (see Treas. Reg. 1.401(k)-1(d)(3), 1.401(k)-1(g)(6), and 1.410(b)-9).

- In the case of an asset purchase, 401(k) distributions may be allowed if the target's plan is terminated provided the target does not continue to maintain (or subsequently establish within 12 months of the distribution) any other defined contribution plan (other than an ESOP or SEP) for the former target employees (see Treas. Reg. 1.401(k)-1(d)(3)).

- If the target plan is not terminated, a distribution of 401(k) benefits can be made from the target's plan only if the sale to Buyer constitutes a sale of substantially all (i.e., at least 85 percent) of the assets used in a trade or business conducted by the target and further provided that the distributions are only made to employees who either terminated employment with the target or who continue employment with Buyer following the sale, see Treas. Reg. 1.401(k)-1(d)(4).

- Terminating the target plan causes all participants to become fully vested (this may include terminated participants who were previously cashed out of the plan but who have not incurred 5 consecutive breaks in service as of the date of the termination).

- The buyer may want to apply for an IRS determination letter that states that the termination of the target's plan does not adversely effect its qualified plan status. This process will entail certain costs and time delay for receiving the determination letter. If a determination letter is sought, it is generally advisable to defer distributions from the plan until after the favorable determination letter is received.

- Paternalistic employers may be concerned that participants will spend their distributions rather than rolling them over into an IRA or another qualified plan and holding them for retirement, making this option less favorable.

- If former target employees are allowed to participate in the buyer's plan, buyer can determine and make provision in its plan whether to recognize service with the target for eligibility and vesting purposes.

- The buyer's plan may permit account balances from the target's plan to be rolled into the buyer's plan or transferred into buyer's plan trustee to trustee.

- Freeze the target plan and maintain it as a frozen plan.

    - With this alternative, the target's plan is continued but there are no new entry dates (i.e. no new participants) and no additional contributions are made to the plan. There are no further benefit accruals except for earnings on plan account balances.

    - Freezing the plan accelerates vesting for all participants. The plan sponsor (whether it be the target or the successor buyer) must continue in existence and monitor responsibility for operating the plan and for keeping the plan document current and in conformity with changes in the pension laws. Note that the continued existence of the frozen plan may be a source of confusion to participants if they also participate in a new 401(k) plan.

    - Timing of plan mergers or terminations. If possible, try to effect plan mergers or terminations at the end of the plan year to avoid such mid year problems as:

    - Having to determine whether an employee has deferrals in excess of the Sec. 402(g) limitation of $10,500 for 2000 ($10,000 for 1999).

    - Calculating the ADP and ACP tests.

    - Determining which employees are highly compensated.

    - Determining whether there is a separation from service, based on the "same desk" rule discussed elsewhere, can be tricky, and it may be desirable to obtain a private letter ruling on this point.

CHECKSHEET FOR REVIEW OF BUYER/TARGET PLAN FEATURES

		Buyer's Plan	Target's Plan
1.	Type of Plan		
2.	Eligibility		
3.	Plan Year and Limitation Year		
4.	Entry Dates		
5.	Definition of Compensation		
6.	Matching Contribution		
7.	Vesting Schedule		
8.	Allocation Requirements for Matching and Profit Sharing Contributions		
9.	Savings Election/Frequency of Change		
10.	Integrated with Social Security		
11.	Voluntary After-tax Contributions		
12.	Plan Loans		
13.	Hardship Withdrawals		
14.	Form of Termination Distributions		
15.	Timing of Termination Distributions		
16.	In-Service Distributions		

		Buyer's Plan	Target's Plan
17.	Top Heavy Status		
18.	Hour of Service Equivalencies		
19.	Valuation Dates		
20.	Treatment of Forfeitures		
21.	Timing of Forfeiture		
22.	Investment in Life Insurance		
23.	Directed Investments/Frequency of Change		
24.	Rollovers		
25.	Normal Retirement Age		
26.	Early Retirement		
27.	Payment of Administrative Fees (employer or plan)		

WHEN PROBLEMS ARISE, WHAT TO DO?

When qualification problems exist in a plan, a plan sponsor has the option of correcting the failures through the Employee Plans Compliance Resolutions System as stated in Internal Revenue Service ("IRS") Rev. Proc. 98-22 as modified by Rev. Proc. 99-13.

What is the Employee Plans Compliance Resolution System?

The Employee Plans Compliance Resolution System ("EPCRS") is a system which allows a plan sponsor to preserve a plan's tax-qualified status by correcting existing qualification failure(s) (i.e., plan document failure, operational failure, or demographic failure) through one or more of the following IRS correction programs: the Administrative Policy Regarding Self-Correction ("APRSC"), the Voluntary Compliance Resolution ("VCR") program, the Standard Voluntary Compliance Resolution Program ("SVP"), the Walk-in Closing Agreement Program ("Walk-in CAP"), and the Audit Closing Agreement Program ("Audit CAP").

Administrative Policy Regarding Self-Correction

APRSC is an IRS procedure which contains guidelines for a plan sponsor of a qualified plan or §403(b) plan to retroactively and prospectively self-correct operational failures uncovered in a plan. Under APRSC, the appropriate method for self-correction is based on whether the operation failure in the plan is an "Insignificant Operational Failure" or a "Significant Operational Failure". To determine which type of failure exists in a plan, the following classification criteria should be used:

Insignificant Operational Failures
The seven factors used to determine whether a violation is insignificant are:

- Whether other failures occurred during the period being examined;
- The percentage of plan assets and contributions involved in the failure;
- The number of years the failure occurred;
- The number of participants affected relative to the total number of participants in the plan;
- The number of participants affected relative to the number that could have been affected;
- Whether correction occurred within a reasonable time after the failure was discovered; and
- The reason for the failure.

Significant Operation Failures
If an operational failure cannot be considered insignificant, then it should be classified as a significant violation.

Any significant operational violation that the plan sponsor corrects by the end of the correction period (which is the earlier of the end of the second year following the year in which the operational failure occurred, or the date the plan sponsor receives notification that the IRS will examine the plan for the year) is a non-disqualifying event. Insignificant failures can be corrected at any time, with no time limit, even if the plan is being examined by the IRS.

A plan sponsor is considered to have satisfied the time requirement mentioned above if (i) during the correction period, the plan sponsor is reasonably prompt in identifying the operational failure, formulating a correction method, and initiating correction in a manner that demonstrates a commitment to completing correction of the operational failure as soon as practicable, and (ii) within 90 days after the last day of the correction period, the plan sponsor completes correction of the operational failure or has at least completed correction with respect to 85% of all participants affected by the failure and demonstrates it will complete the correction regarding the remaining affected participants in a diligent manner.

Voluntary Compliance Resolution (VCR) and Standard Voluntary Compliance Procedure (SVP) Programs

The VCR program is a procedure which permits plan sponsors to voluntarily correct operational defects in their retirement plans by applying for a formal IRS resolution. When a plan sponsor requests a resolution, it must identify the plan and qualification issues involved, propose methods of correction of the failure (subject to IRS approval), describe revisions made to plan procedures to prevent the failure from reoccurring, and include a user fee. If the IRS approves the plan sponsor's request, a compliance statement will be issued by the IRS generally stating it will not pursue plan disqualification. The plan sponsor must acknowledge the Compliance Statement within 30 days and implement all necessary corrections within 150 days.

Under the VCR program, certain operational failures may be corrected under the Standardized VCR Procedure rules. This program is only available for a limited number of issues and requires the use of pre-approved correction methods as described in Appendix A of Rev. Proc. 98-22 as modified by Rev. Proc. 99-13.

A plan that is under an Employee Plans examination is not eligible for the VCR program. This includes any plan for which the plan sponsor has received verbal or written notification from the EP/EO Division of an impending Employee Plans examination or of an impending referral.

Walk-in Closing Agreement Program (Walk-in CAP) and Audit Closing Agreement Program (Audit CAP)

Walk-in CAP

The Walk-in CAP program enables plan sponsors to voluntarily disclose to the IRS any plan document, demographic, or operational failures uncovered in it's plan that are not eligible for APRSC or VCR. Certain defects, such as repeated, deliberate or flagrant violations will be eligible for consideration if a request for Walk-in CAP consideration is made before the plan is under examination by the EP/EO Division. Additionally, plans that do not have a determination letter that considered TEFRA, DEFRA, and REA or which have non-operational defects will also be eligible under the Walk-in CAP if a request is made prior to the plan being under examination.

If the Walk-in CAP IRS submission requirements are satisfied, the plan sponsor must pay a compliance correction fee and ensure the IRS that all failures identified in accordance with the closing agreement entered into by the IRS and the plan sponsor will be corrected. Unlike the VCR program, the Walk-in CAP programs require negotiation with the IRS on the actual amount of the correction fee. The amount of the correction fee is a specific range which is based upon the number of plan participants. The highest fee is for plans with more than 1,000 participants and that fee range is from $5,000 to $70,000.

Note: Under Walk-in CAP, excise taxes under §4974 of the Code (relative to the failure to pay minimum distributions) are automatically waived. However, no other excise taxes can be settled through this Program.

Audit CAP

The Audit CAP program is generally available when disqualifying defects are discovered when a plan is under examination or during a plan audit. The Audit CAP program enables the IRS Key District offices to have the discretion to enter into agreements as an alternative to plan disqualification. The program is generally available when disqualifying defects are discovered on plan audit.

The Audit CAP program is not available in cases in which the exclusive benefit rule has been violated, where there is significant discrimination in favor of highly compensated employees, or where there are suspected deliberate or intentional violations. IRM 7(10)54HB(II)10(1-4-93).

Under the Audit CAP program, the employer/sponsor may be required to pay a negotiated nondeductible sum based upon a percentage of the income tax consequences to the employer, the plan and the participants, excluding any interest or penalties applicable to the plan sponsor's return if the plan were disqualified. The sanction will not be excessive and depends on factors relating to the nature, extent, and severity of the failures.

Plans must be corrected as to both form and operation, and corrections must be prospective and retroactive, even if the defects arose in a closed plan year. According to the IRM, participants must be made whole, any contributions needed to bring the plan into conformance must be made, and any necessary amendments should be made and given a retroactive effect. IRM 7(10)54 HB (II)30(5).

Excise taxes cannot be settled through an Audit Closing Agreement.

Additionally, 403(b) plan sponsors may enter into (i) the APRSC program, (ii) the TVC program, (iii) and the Audit CAP for 403(b) plans when certain operational, demographic or eligibility failures exist in its plan.

Case Studies

The following two cases, as described in Rev. Proc. 98-22, demonstrate how the APRSC program was selected as the most appropriate method of correction under EPCRS:

> **<u>Case I - Self Correction of Insignificant Operational Failures</u>** (Assuming the eligibility requirements relating to APRSC have been satisfied and that no operational failures occurred other than the operation failures identified below.)
>
> Employer J maintained Plan C, a money purchase pension plan established in 1992. The plan document satisfies the requirements of section 401(a) of the Code. The formula under the plan provides for an employer contribution equal to 10% of compensation, as defined in the plan. During its examination of the plan for the 1999 plan year, the Service discovered that the employee responsible for entering data into the employer's computer made minor arithmetic errors in transcribing the compensation data with respect to 6 of the plan's 40 participant, resulting in excess allocations to those 6 participants' accounts. Under these facts, the number of participants affected by the failure relative to the number of participants that could have been affected is insignificant, and the failure is due to minor data errors. Thus, the failure occurring in 1999 would be insignificant and therefore eligible for correction under APRSC.
>
> **<u>Case II – Self-Correction of Significant Operational Failures</u>** (Assuming the eligibility requirement relating to APRSC have been met.)
>
> Employer Z established a qualified defined contribution plan in 1986 and received a favorable determination letter for the TRA '86. During 1999, while doing a self–audit of the operation of the plan for the 1998 plan year, the plan administrator discovered that, despite the practices and procedures established by Employer Z with respect to the plan, several employees eligible to participate in the plan were excluded from participation. The administrator also found that for 1998 the elective deferrals of additional employees exceeded the section 402(g) limit and discovered operational failures in 1998 with respect to the top heavy provisions of the plan. During the 1999 plan year, the plan sponsor made corrective contributions on behalf of the excluded employees, distributed the excess deferrals to the affected participants, and made a top heavy minimum contribution to all participants entitled to that contribution for the 1999 plan year. Each corrective contribution and distribution was credited with earnings at a rate appropriate for the plan from the date the corrective contribution or distribution should have been made to the date of correction. The IRS subsequently found, upon an examination of the plan, that the operational failures for the 1998 plan year were corrected by the plan administrator within the correction period and thus satisfied the requirements of APRSC.

As in the two cases mentioned above, a plan sponsor should consider the following information prior to determining the correction program that would be most appropriate for resolving plan qualification violations under EPCRS:

- If the plan or plan sponsor is under examination, the VCR and Walk-in CAP programs are not available; insignificant operational failures can be corrected under APRSC; and significant operation failures can be corrected under APRSC in limited circumstances;
- The VCR program and the provisions of APRSC relating to significant operational failures are available only for a plan that is the subject of a favorable letter;
- In order to be eligible for APRSC, the plan sponsor or administrator of a Plan must have established practices and procedures to promote overall compliance with the requirements of section 401(a) and 403(b);
- Correction by plan amendment is not permitted in APRSC or VCR;
- Limited availability of correction by plan amendment is permitted in Walk-in CAP;
- Neither APRSC nor the VCR program is available to correct operational failures that are egregious;
- APRSC, VCR, Walk-in CAP and Audit Cap programs are not available for qualification failures relating to the diversion or misuse of plan assets; and
- 403(b) plans are eligible for APRSC if operational failures exist involving contributions in excess of the 415 limit and the maximum exclusion allowance (Rev. Proc. 99-13).

PLAN DESIGN IDEAS

Design Issues Specific to 401(k) Plans

For today's employers, 401(k) plans are the qualified retirement plan of choice. They are popular because they are flexible, minimize required annual cost to the employer, and provide a vehicle for employees to save for retirement in a tax efficient manner.

However 401(k) plans do come with a cost. There are annual administration costs, usually borne by the employer, although such costs can be allocated to employee accounts. Additionally, a properly administered plan will require the time of the sponsor's personnel to help administer the plan. Since these are costs incurred in starting and maintaining a plan, the employer wants to design a plan which will be utilized and appreciated by the employee. A 401(k) plan is after all an employee benefit.

In addition to being utilized by the rank and file employees, management of a typical employer wants to make sure they too can utilize the plan for their retirement needs. These individuals, usually the decision makers of a company, are often highly compensated or key employees.

Who Will Participate?

The very first step in designing and implementing a 401(k) plan is determining if an adequate number of employees will participate in the plan and at what level they will participate. A common problem when covering a lower paid workforce is that the employees often live from paycheck to paycheck and can not afford to participate in the 401(k) plan.

A questionnaire is usually sent to employees informing them a 401(k) plan is being considered. This questionnaire is designed to gauge employees interest in the plan and to help determine the level of participation among nonhighly compensated employees. If not enough employees are interested in participating, the employer can drop its plans to proceed, before additional costs are incurred.

Passing The ADP/ACP Test

Once it is determined the plan will have adequate participation from the rank and file employees, employers often look to maximize the benefit of the plan for key personnel.

Highly compensated employees (HCEs) can defer into a plan a percentage of their salary based upon the deferral percentage of non highly compensated employees (NHCEs). The test performed which determines the deferral allowance for an HCE is known as the actual deferral percentage (ADP) test. Nothing frustrates key employees more than having to refund previously made 401(k) contributions because of poor participation by NHCEs. This is another reason why it is important to survey NHCEs for participation levels and to have a program communicating to employees the benefits of participating in the 401(k) plan.

Recently enacted law changes now allow HCEs to defer salary at a percentage based upon the NCHE's prior year deferral percentage. Such a plan feature would allow HCEs to know in advance how much they can defer in the upcoming year. This decreases the likelihood for refunds of excess contributions after year end.

Design Based Safe Harbor Plans

Beginning in 1999, 401(k) plans can adopt a design-based safe harbor formula that will eliminate the need for ADP and ACP testing. The adoption of a safe harbor plan will simplify plan administration by eliminating these tests, as well as allowing highly compensated employees to contribute the maximum allowable annual contribution (See Revenue Procedure 98-52 and 2000-3). To take advantage of this law change, a plan sponsor will be required to make contributions under one of two formulas:

1) A fully vested matching contribution that equals 100% of the first 3% of compensation contributed by each participant plus 50% of the next 2% of compensation deferred by each participant; **or**

2) A fully vested contribution equal to 3% of compensation for all non-highly compensated employees. This contribution is required to be made whether or not the NHCEs are making contributions.

An employer can satisfy the matching formula (1 above) using any formula that provides a non-increasing match which gives the same aggregate benefit over the first 5% of compensation. Note that these rules do not prohibit matching contributions for HCEs. However, the rate of match for an HCE cannot be larger than the rate of match for a NHCE. There are also employee notification rules that will apply to the above. Additionally, other conditions must be met in order for the employer not to conduct the ACP test.

Negative Election 401(k) Plans

Another way to encourage plan participation and allow HCEs to maximize their contributions is the negative election 401(k) plan.

In Rev Rul 98-30, 1998-24 IRB, the IRS approved employee contributions to a 401(k) plan even if the employee did not make an affirmative election to defer into the plan. This is commonly known as a negative election. In the facts of the ruling, the company's 401(k) plan allows employees to elect to defer a percentage of compensation into the plan in lieu of receiving the amount of cash. The plan also matches certain employee contributions. If the employee failed to take action and did not make any election, their compensation is automatically reduced by 3% which is then contributed to the plan. The employee has the right to revoke the "election" at any time. This negative election will cause more NHCEs to participate in the plan at higher deferral percentages.

A negative election will help lower paid employees save for retirement by forcing contributions into their accounts. Many industry groups have hailed this as a way to increase employees' savings. Others believe it goes against the voluntary nature of the CODA program. Additionally, higher NHCE participant deferrals will allow higher paid employees to defer more.

Other Plan Alternatives

Other alternatives are available for employers looking to use employee money to fund a retirement plan, such as a SIMPLE plan. SIMPLE plans can take the form of a SIMPLE IRA or a SIMPLE 401(k). Both of these types of plans allow an employee to defer salary.

SIMPLE plans are usually easier to administer than 401(k) plans with less forms, red tape and testing. However SIMPLE plans allow less to be deferred by the employee as compared to a 401(k) (currently $6,000 vs $10,500 in 2000, as adjusted for inflation) and requires fully vested employer contributions to be made.

Defined Contribution Plans with a 401(k) Feature

A 401(k) plan is a defined contribution plan. A 401(k) plan can be paired with another defined contribution plan in order to allow an employer to make a discretionary contributions on behalf of employees and allow the employees themselves to put away their own funds for retirement. In other words, many types of defined contribution plans can be paired with a 401(k) plan to maximize employee retirement savings.

Cross Tested Defined Contribution Plan Paired With A 401(k) Plan

A very popular idea in defined contribution plan design is the cross tested profit sharing plan. A cross tested profit sharing plan tests plan contributions for discrimination based upon both the age and compensation of the plan participant. Hence instead of an equal percentage of pay being allocated to employees based only on compensation, a plan can skew contributions to older, higher compensated employees and minimize contributions to rank and file employees. This can be done while retaining the flexibility inherent in a defined contribution plan (no mandatory annual contributions). This type of plan design usually appeals to older, higher compensated owners and decision makers of a company.

In an ideal cross tested plan scenario, a select group of employees will receive an allocation of $30,000 per year per employee with as little as 3% of pay being allocated to rank and file employees, which is the IRC section 416 top heavy minimum allocation.

This type of profit sharing allocation is ideal to include in a 401(k) plan, within one plan document (one Form 5500 filing). Selected employees will max out their contributions at $30,000. Those not receiving the $30,000 maximum can add up to $10,500 in 2000 (as indexed for inflation) to their 401(k) account in addition to their 3% of pay profit sharing plan allocation made by the employer. This will make the combined plan more appealing to key employees not receiving the full $30,000 special profit sharing plan allocation as well as those nonhighly compensated employees who can afford to defer a portion of their salary.

Additionally since HCE's receiving the $30,000 contribution will not be eligible to contribute to the 401(k) plan it will be easier to pass the ADP test (more HCEs will have a zero ADP).

Another alternative would be to use the 3% of pay top heavy allocation from the profit sharing plan to meet the design based safe harbor 401(k) allocation, as discussed in Chapter I. This would eliminate the need for any ADP testing to be done in the 401(k) portion of the plan.

Combining 401(k) with Deferred Compensation

In recent private letter rulings (i.e. PLR 9530038), the IRS has approved the coordination between nonqualified executive compensation plans and 401(k) plans. This dual-plan arrangement allows a select group of management to make end-of-the-year transfers from a nonqualified executive compensation plan to a 401(k) plan, once the maximum permissible amount is determined under the 401(k) nondiscrimination tests for the year. Thus, top management can maximize tax deferrals in the company 401(k) plan while maximizing total deferred compensation through the nonqualified plan. In addition, this arrangement will eliminate the potential administrative burden of having to return excess contributions to executives participating in the company 401(k).

While nonqualified deferred compensation plans may look to participants like a qualified plan, it is quite different in a number of respects. Plans must be "unfunded" for ERISA purposes, limited to a select group of management, and are treated differently from qualified plans for tax purposes. The limitations imposed by qualified plan contribution limits and testing have caused a significant increase in nonqualified deferred compensation plans implemented by employers. Nonqualified plans can be an effective strategy to restore benefits for highly compensated executives wishing to defer the taxation of salary, bonus, incentives or stock option gains.

The table on the following page compares the key features of a qualified 401(k) plan with the features of a nonqualified deferred compensation plan.

COMPARISON OF KEY FEATURES OF QUALIFIED 401(k) PLAN AND NONQUALIFIED DEFERRED COMPENSATION PLAN

Feature	Qualified Plan	Nonqualified Plan
Funding of Benefits	Yes, in trust or insurance contract	No, unfunded contractual promise (can informally fund inside Rabbi Trust)
Benefits Protected from Creditors	Yes, funded in trust	No, unsecured creditor of employer
Participation	Broad based participation required	must limit to top hat group
Government Reporting	Significant annual reporting	No annual reporting if DOL letter filed
Pre-tax Employee Contributions	Yes	Yes
Vesting Requirements	Required Schedule (5-7 years)	Employer Determines Schedule
Dollar Limits on Contributions	$10,500 in 2000	No limit
Taxation of Benefits to Participant	When paid	When paid
Taxation of Employee/Employer Contributions	Deductible when contributions made	Deductible when benefits paid
IRS Approval Necessary	Yes	No

ADDENDUM – WEB SITES AND GOVERNMENT PUBLICATIONS

- ☐ **AICPA.**
  AICPA: http://www.aicpa.org

- ☐ **Government.** There are many government sites that are useful if you want to look up legislation, regulations, pending legislation, or statistics. The IRS also has a lot of business tax information.

  Here are some government sites:
  Thomas (Library of Congress): http://thomas.Ioc.gov
  U.S. Senate: http://www.senate.gov
  U.S. House of Representatives: http://www.house.gov
  White House Briefing Room: http://www.whitehouse.dol.gov/WH/briefroom
  Pension and Benefits Welfare Administration: http://www.dol.gov/dol/pwba
  Pension Benefit Guaranty Corporation: http://www.pbgc.gov
  Department of Labor: http://www.dol.gov
  Social Security Administration: http://www.ssa.gov
  Internal Revenue Service: http://irs.ustreas.gov
  Bureau of Labor Statistics: http://bls.gov
  Fedstats (statistics from various federal government sites): http://www.fedstats.gov
  Federal Register: http://www.access.gpo.gov/su_docs/aces/aces140.html
  General Accounting Office: http://www.gao.gov
  Census Bureau: http://www.census.gov
  Financial Accounting Standard Board: http://raw.rutgers.edu/accounting/raw/fasb

- ☐ **Think tanks.** Think tanks look at retirement issues from time to time and occasionally have studies on retirement:

  Brookings Institute: http://www.brook.edu
  Rand: http://www.rand.org
  Center for Strategic and International Studies: http://www.csis.org
  Urban Institute: http://www.urban.org
  Hudson Institute: http://www.hudson.org

- ☐ **Policy forums and advisory boards.** These sites may provide useful retirement industry information:

  Social Security Advisory Council: http://www.ssa.gov/policy/adcouncil
  1998 Saver Summit: http://www.saversummit.org
  National Commission on Retirement Policy: http://www.csis.org/retire
  American Saving Education Council: http://www.asec.org

- ☐ **Nonprofit Groups.** These sites may be worth exploring:

  EBRI: http://www.ebri.org
  International Foundation of Employee Benefit Plans: http://www.ifebp.org
  Employers Council on Flexible compensation: http://www.ecfc.org
  Association of private pension and Welfare Plans: http://www.appwp.org
  Public Retirement Institute: http://www.pripension.org
  National Association of State Retirement: http://www.nasra.org

IRS Publication 560: Retirement Plans for Small Business (SEP, SIMPLE, and Keogh Plans)

IRS Publication 575: Pension and Annuity Income

IRS Publication 598: Tax on Unrelated Business Income of Exempt Organizations

IRS Publication 794: Favorable Determination Letter

IRS Publication 939: General Rule for Pensions and Annuities

IRS Publication 1004: Identification Numbers Under ERISA

IRS Publication 1488: Favorable Notification Letter

ADDENDUM OF IRS FORMS AND INSTRUCTIONS

The pages that follow consist of the following IRS forms and instructions:

1. Form 2848 Power of Attorney
2. Form 2848 Instructions
3. Schedule Q of Form 5300 Nondiscrimination Requirements
4. Schedule Q Instructions
5. Form 5307 Application for Determination for Adopters of Master or Prototype Regional Prototype or Volume Submitter Plans
6. Form 5307 Instructions
7. Form 5310 Application for Determination for Terminating Plan
8. Form 5310 Instructions
9. Form 6088 Distributable Benefits From Employee Pension Benefit Plans
10. Form 6088 Instructions
11. Form 8717 User Fee for Employee Plan Determination Letter Request
12. Form 8717 Instructions
13. Form W-4P Withholding Certificate for Pension or Annuity Payments
14. Form W-4P Instuctions
15. Form 5500 – Draft

NOTE

The forms on pages 246-284 are "FOR INFORMATION PURPOSES ONLY. DO NOT USE FOR FILING."

Form **2848** (Rev. December 1997) Department of the Treasury Internal Revenue Service

Power of Attorney and Declaration of Representative

▶ **See the separate instructions.**

OMB No. 1545-0150

For IRS Use Only
Received by:
Name ______
Telephone ______
Function ______
Date

Part I **Power of Attorney** (Please type or print.)

1 Taxpayer information (Taxpayer(s) must sign and date this form on page 2, line 9.)

Taxpayer name(s) and address	Social security number(s)	Employer identification number
	Daytime telephone number	Plan number (if applicable)

hereby appoint(s) the following representative(s) as attorney(s)-in-fact:

2 Representative(s) (Representative(s) must sign and date this form on page 2, Part II.)

Name and address	CAF No. ______ Telephone No. ______ Fax No. ______ Check if new: Address ☐ Telephone No. ☐
Name and address	CAF No. ______ Telephone No. ______ Fax No. ______ Check if new: Address ☐ Telephone No. ☐
Name and address	CAF No. ______ Telephone No. ______ Fax No. ______ Check if new: Address ☐ Telephone No. ☐

to represent the taxpayer(s) before the Internal Revenue Service for the following tax matters:

3 Tax matters

Type of Tax (Income, Employment, Excise, etc.)	Tax Form Number (1040, 941, 720, etc.)	Year(s) or Period(s)

4 Specific use not recorded on Centralized Authorization File (CAF). If the power of attorney is for a specific use not recorded on CAF, check this box. (See instruction for **Line 4 — Specific uses not recorded on CAF.**) . . . . ▶ ☐

5 Acts authorized. The representatives are authorized to receive and inspect confidential tax information and to perform any and all acts that I (we) can perform with respect to the tax matters described on line 3, for example, the authority to sign any agreements, consents, or other documents. The authority does not include the power to receive refund checks (see line 6 below), the power to substitute another representative unless specifically added below, or the power to sign certain returns (see instruction for **Line 5 — Acts authorized**).

List any specific additions or deletions to the acts otherwise authorized in this power of attorney: ______

______

______

Note: *In general, an unenrolled preparer of tax returns cannot sign any document for a taxpayer. See Revenue Procedure 81-38, printed as Pub. 470, for more information.*

Note: *The tax matters partner of a partnership is not permitted to authorize representatives to perform certain acts. See the instructions for more information.*

6 Receipt of refund checks. If you want to authorize a representative named on line 2 to receive, **BUT NOT TO ENDORSE OR CASH,** refund checks, initial here ______ and list the name of that representative below.

Name of representative to receive refund check(s) ▶

For Paperwork Reduction and Privacy Act Notice, see the separate instructions. Form **2848** (Rev. 12-97)

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7 Notices and communications. Original notices and other written communications will be sent to you and a copy to the first representative listed on line 2 unless you check one or more of the boxes below.

a If you want the first representative listed on line 2 to receive the original, and yourself a copy, of such notices or communications, check this box . . . ▶ ☐

b If you also want the second representative listed to receive a copy of such notices and communications, check this box . ▶ ☐

c If you do not want any notices or communications sent to your representative(s), check this box . . . ▶ ☐

8 Retention/revocation of prior power(s) of attorney. The filing of this power of attorney automatically revokes all earlier power(s) of attorney on file with the Internal Revenue Service for the same tax matters and years or periods covered by this document. If you **do not** want to revoke a prior power of attorney, check here . . . ▶ ☐
YOU MUST ATTACH A COPY OF ANY POWER OF ATTORNEY YOU WANT TO REMAIN IN EFFECT.

9 Signature of taxpayer(s). If a tax matter concerns a joint return, **both** husband and wife must sign if joint representation is requested, otherwise, see the instructions. If signed by a corporate officer, partner, guardian, tax matters partner, executor, receiver, administrator, or trustee on behalf of the taxpayer, I certify that I have the authority to execute this form on behalf of the taxpayer.

▶ **IF NOT SIGNED AND DATED, THIS POWER OF ATTORNEY WILL BE RETURNED.**

Signature	Date	Title (if applicable)

Print Name

Signature	Date	Title (if applicable)

Print Name

Part II Declaration of Representative

Under penalties of perjury, I declare that:

- I am not currently under suspension or disbarment from practice before the Internal Revenue Service;
- I am aware of regulations contained in Treasury Department Circular No. 230 (31 CFR, Part 10), as amended, concerning the practice of attorneys, certified public accountants, enrolled agents, enrolled actuaries, and others;
- I am authorized to represent the taxpayer(s) identified in Part I for the tax matter(s) specified there; and
- I am one of the following:
  - a Attorney — a member in good standing of the bar of the highest court of the jurisdiction shown below.
  - b Certified Public Accountant — duly qualified to practice as a certified public accountant in the jurisdiction shown below.
  - c Enrolled Agent — enrolled as an agent under the requirements of Treasury Department Circular No. 230.
  - d Officer — a bona fide officer of the taxpayer's organization.
  - e Full-Time Employee — a full-time employee of the taxpayer.
  - f Family Member — a member of the taxpayer's immediate family (i.e., spouse, parent, child, brother, or sister).
  - g Enrolled Actuary — enrolled as an actuary by the Joint Board for the Enrollment of Actuaries under 29 U.S.C. 1242 (the authority to practice before the Service is limited by section 10.3(d)(1) of Treasury Department Circular No. 230).
  - h Unenrolled Return Preparer — an unenrolled return preparer under section 10.7(c)(viii) of Treasury Department Circular No. 230.

▶ **IF THIS DECLARATION OF REPRESENTATIVE IS NOT SIGNED AND DATED, THE POWER OF ATTORNEY WILL BE RETURNED.**

Designation — Insert above letter **(a - h)**	Jurisdiction (state) or Enrollment Card No.	Signature	Date

STF FED4675F.2

Instructions for Form 2848

Department of the Treasury
Internal Revenue Service

(Rev. December 1997)

Power of Attorney and Declaration of Representative

Section references are to the Internal Revenue Code unless otherwise noted.

General Instructions

Purpose of Form

Use Form 2848 to grant authority to an individual to represent you before the IRS and to receive tax information. You may file this form ONLY if you want to name a person(s) to represent you and he or she is a "person recognized to practice before the Service." See Part II, Declaration of Representative, items **a - h.** Any person not listed in Part II is not authorized to practice before the IRS under the provisions of Treasury Department Circular No. 230 and cannot act as your representative. However, you can use **Form 8821,** Tax Information Authorization, to authorize any person or organization to receive and inspect confidential tax return information under the provisions of section 6103. For additional information about this or any other matter concerning practice before the IRS, get **Pub. 216,** Conference and Practice Requirements.

Fiduciaries

A fiduciary (trustee, executor, administrator, receiver, or guardian) stands in the position of a taxpayer and acts as the taxpayer. Therefore, a fiduciary does not act as a representative and should not file a power of attorney. **Form 56,** Notice Concerning Fiduciary Relationship, should be filed to notify the IRS of the existence of a fiduciary relationship. If a fiduciary wishes to authorize an individual to represent or perform certain acts on behalf of the entity, a power of attorney must be filed and signed by the fiduciary acting in the position of the taxpayer.

Authority Granted

This power of attorney authorizes the individual(s) named to perform any and all acts you can perform, such as signing consents extending the time to assess tax, recording the interview, or executing waivers agreeing to a tax adjustment. However, authorizing someone as your power of attorney does not relieve you of your tax obligations. Delegating authority or substituting another representative must be specifically stated on line 5. However, the authority granted to an unenrolled preparer may not exceed that allowed under Revenue Procedure 81-38, printed as **Pub. 470,** Limited Practice Without Enrollment.

The power to sign tax returns can only be granted in limited situations. See **Line 5 — Acts authorized** on page 2 for more information.

Filing the Power of Attorney

File the original, photocopy, or facsimile transmission (fax) of the power of attorney with each IRS office with which you deal. If the power of attorney is filed for a matter currently pending before an office of the IRS, such as an examination, file the power of attorney with that office. Otherwise, file it with the service center where the related return was, or will be, filed. Refer to the instructions for the related tax return for the service center addresses.

Substitute Form 2848

If you want to prepare and use a substitute Form 2848, get **Pub. 1167,** Substitute Printed, Computer-Prepared, and Computer-Generated Tax Forms and Schedules. If your substitute Form 2848 is approved, the form approval number must be printed in the lower left margin of each substitute Form 2848 you file with the IRS.

Specific Instructions

Part I — Power of Attorney

Taxpayer Information

Individuals. Enter your name, SSN (and/or EIN, if applicable), and street address in the space provided. If a joint return is involved, and you and your spouse are designating the same representative(s), also enter your spouse's name and SSN, and your spouse's address if different from yours.

Corporations, partnerships, or associations. Enter the name, EIN, and business address. If this form is being prepared for corporations filing a consolidated tax return (Form 1120), do not attach a list of subsidiaries to this form. Only the parent corporation information is required on line 1. Also, line 3 should only list Form 1120 in the Tax Form Number column. A subsidiary must file its own Form 2848 for returns that are required to be filed separately from the consolidated return, such as **Form 720,** Quarterly Federal Excise Tax Return, and **Form 941,** Employer's Quarterly Federal Tax Return.

Employee plan. Enter the plan name, EIN of the plan sponsor, three-digit plan number, and business address of the sponsor.

Trust. Enter the name, title, and address of the trustee, and the name and EIN of the trust.

Estate. Enter the name, title, and address of the decedent's executor/personal representative, and the name and identification number of the estate. The identification number for an estate includes both the EIN, if the estate has one, and the decedent's SSN.

Line 2 — Representative(s)

Enter the name of your representative(s). Only individuals may be named as representatives. Use the identical name on all submissions. If you want to name more than three representatives, indicate so on this line and attach a list of additional representatives to the form.

Enter the nine-digit Centralized Authorization File (CAF) number for each representative. If a CAF number has not been assigned, enter "None," and the IRS will issue one directly to your representative. The CAF number is a

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unique nine-digit identification number (not the SSN, EIN, or enrollment card number) that the IRS assigns to representatives. The CAF number is not an indication of authority to practice. The representative should use the assigned CAF number on all future powers of attorney. CAF numbers will not be assigned for employee plans and exempt organizations application requests (EP/EO).

Check the appropriate box to indicate if either the address or telephone number is new since a CAF number was assigned. Enter your representative's fax telephone number, if available.

If the representative is a former employee of the Federal Government, he or she must be aware of the postemployment restrictions contained in 18 U.S.C., section 207 and in Treasury Department Circular No. 230, section 10.26. Criminal penalties are provided for violation of the statutory restrictions, and the Director of Practice is authorized to take disciplinary action against the practitioner.

Line 3 — Tax Matters

You must enter the type of tax, the tax form number, and the year(s) or period(s) in order for the power of attorney to be valid. For example, you may list "income tax, Form 1040" for calendar year "1997" and "Excise tax, Form 720" for the "1st, 2nd, 3rd, and 4th quarters of 1997." A general reference to "All years," "All periods," or "All taxes" is **not** acceptable. Any power of attorney with a general reference will be returned.

You may list any tax years or periods that have already ended as of the date you sign the power of attorney. However, you may include on a power of attorney only future tax periods that end no later than 3 years after the date the power of attorney is received by the IRS. You must enter the type of tax, the tax form number, and the future year(s) or period(s).

If the matter relates to estate tax, enter the date of the taxpayer's death instead of the year or period. If the type of tax, tax form number, or years or periods does not apply to the matter (i.e., representation for a penalty or filing a ruling request or determination), specifically describe the matter to which the power of attorney pertains and enter "Not Applicable" in the appropriate column(s).

Line 4 — Specific Uses Not Recorded on CAF

Generally, the IRS records all powers of attorney on the CAF system. However, a power of attorney will not be recorded on the CAF if it does not relate to a specific tax period or it is for a specific issue. Examples of specific issues include but are not limited to the following:

- Civil penalty issues,
- Trust fund recovery penalty,
- Request for a private letter ruling,
- Application for an EIN,
- Claims filed on **Form 843,** Claim for Refund and Request for Abatement,
- Corporation dissolutions,
- A request to change accounting methods, and
- A request to change accounting periods.

Check the specific-use box on line 4 if the power of attorney is for a use that will not be listed on the CAF. If the box on line 4 is checked, the representative should bring a copy of the power of attorney to each meeting with the IRS. A specific-use power of attorney will not automatically revoke any prior powers of attorney.

Line 5 — Acts Authorized

If you want to modify the acts that your named representative(s) can perform, describe any specific additions or deletions in the space provided. The authority to substitute another representative or delegate authority must be specifically stated on line 5.

If you want to authorize your representative to sign an income tax return, this authorization must be specifically listed and the requirements of Regulations section 1.6012-1(a)(5) must be satisfied. In general, this regulation only permits a representative to sign your return if you are unable to make the return by reason of:

(a) Disease or injury,

(b) Continuous absence from the United States (including Puerto Rico), for a period of at least 60 days prior to the date required by law for filing the return, or

(c) Specific permission is requested of and granted by the district director for other good cause.

If you want to authorize a person other than a representative (an agent) to sign an income tax return, you must:

1. Complete the information on lines 1 - 3,

2. Check the box on line 4, and

3. Write the statement below on line 5 and insert reason **(a), (b),** or **(c)** (see above) in the statement where shown:

"This power of attorney is being filed pursuant to Regulations 1.6012(a)(5), by reason of [insert (a), (b), or (c)], which requires a power of attorney to be attached to a return if a return is signed by an agent. No other acts on behalf of the taxpayer are authorized."

The agent **does not** complete Part II, Declaration of Representative.

Unenrolled return preparer. An unenrolled return preparer is:

- An individual other than an attorney, CPA, enrolled agent, or enrolled actuary who prepares and signs a taxpayer's return.
- An individual who prepares but is not required (by the instructions to the return or regulations) to sign the return.

If any representative you name is an unenrolled return preparer, the acts that person can perform on your behalf are limited by Revenue Procedure 81-38. Generally, an unenrolled return preparer who signs a return as its preparer is:

1. Permitted to appear as your representative only before revenue agents and examining officers of the Examination Division and not before other offices such as the Collection Division or the Appeals Division of the IRS.

2. Limited to discuss tax issues for the taxable year or period covered by that return.

3. Not permitted to extend the statutory period, execute waivers, delegate authority, or substitute another representative.

Get Pub. 470 (Revenue Procedure 81-38), for more details.

Tax matters partner. The tax matters partner (TMP) (as defined in section 6231(a)(7)) is authorized to perform various acts on behalf of the partnership. The following are examples of acts performed by the TMP that **cannot** be delegated to the representative:

- Binding nonnotice partners to a settlement agreement under section 6224 and, under certain circumstances, binding all partners to a settlement agreement under Tax Court Rule 248;
- Filing a petition for readjustment of partnership items in the Tax Court, District Court, or Claims Court, under section 6226, based on the issuance of a notice of final partnership administrative adjustment by the IRS;
- Filing a request for administrative adjustment on behalf of the partnership under section 6227;
- Filing a petition for adjustment of partnership items with respect to an administrative request in the Tax Court, District Court, or Claims Court, under section 6228; and
- Extending the statute of limitations on assessment of any tax attributable to partnership items (and affected items) under section 6229.

Line 6 — Receipt of Refund Checks

If you want to authorize your representative to receive, but not endorse, refund checks on your behalf, you must initial and enter the name of that person in the space provided. Section 10.31 of Treasury Department Circular No. 230 prohibits an attorney, CPA, or enrolled agent, any of whom is an income tax return preparer, from endorsing or otherwise negotiating a tax refund check.

Line 7 — Notices and Communications

Original notices and other written communications will be sent to you and a copy to the first representative listed, unless you check one or more of the boxes. If you check:

1. Only box (a). The original will be sent to the first representative and a copy to you.

2. Only box (b). The original will be sent to you and copies to the first two listed representatives.

3. Both boxes (a) and (b). The original will be sent to the first representative and copies to you and the second representative listed.

4. Only box (c). The original will be sent to you. No copies will be sent to any representatives.

Line 8 — Retention/Revocation of Prior Power(s) of Attorney

If there is any existing power(s) of attorney you do not want to revoke, check the box on this line and attach a copy of the power(s) of attorney.

If you want to revoke an existing power of attorney and do not want to name a new representative, send a copy of the previously executed power of attorney to each IRS office where the power of attorney was filed. The copy of the power of attorney must have a current signature of the taxpayer under the signature already on line 9. Write "REVOKE" across the top of the form. If you do not have a copy of the power of attorney you want to revoke, send a statement to each IRS office where you filed the power of attorney. The statement of revocation must indicate that the authority of the power of attorney is revoked and must be signed by the taxpayer. Also, the name and address of each recognized representative whose authority is revoked must be listed.

A representative can withdraw from representation by filing a statement with each office of the IRS where the power of attorney was filed. The statement must be signed by the representative and identify the name and address of the taxpayer(s) and tax matter(s) from which the representative is withdrawing. Include your CAF No. on the statement if one has been assigned to you.

The filing of a Form 2848 **will not** revoke any Form 8821 that is in effect.

Line 9 — Signature of Taxpayer(s)

Individuals. You must sign and date the power of attorney. If a joint return has been filed and both husband and wife will be represented by the same individual(s), both must sign the power of attorney unless one spouse authorizes the other, in writing, to sign for both. In that case, attach a copy of the authorization. However, if a joint return has been filed and husband and wife will be represented by different individuals, each taxpayer must execute his or her own power of attorney on a separate Form 2848.

Corporations or associations. An officer having authority to bind the taxpayer must sign.

Partnerships. All partners must sign unless one partner is authorized to act in the name of the partnership. A partner is authorized to act in the name of the partnership if, under state law, the partner has authority to bind the partnership. A copy of such authorization must be attached. For purposes of executing Form 2848, the tax matters partner is authorized to act in the name of the partnership. For dissolved partnerships, see Regulations section 601.503(c)(6).

Other. If the taxpayer is a dissolved corporation, deceased, insolvent, or a person for whom or by whom a fiduciary (a trustee, guarantor, receiver, executor, or administrator) has been appointed, see Regulations section 601.503(d).

Part II — Declaration of Representative

The representative(s) you name must sign and date this declaration and enter the designation (i.e., items **a - h**) under which he or she is authorized to practice before the IRS. In addition, the representative(s) must list the following in the "Jurisdiction" column:

a Attorney — Enter the two-letter abbreviation for the state (e.g., "NY" for New York) in which admitted to practice.

b Certified Public Accountant — Enter the two-letter abbreviation for the state (e.g., "CA" for California) in which licensed to practice.

c Enrolled Agent — Enter the enrollment card number issued by the Director of Practice.

d Officer — Enter the title of the officer (i.e., President, Vice President, or Secretary).

e Full-Time Employee — Enter title or position (e.g., Comptroller or Accountant).

f Family Member — Enter the relationship to taxpayer (i.e., spouse, parent, child, brother, or sister).

g Enrolled Actuary — Enter the enrollment card number issued by the Joint Board for the Enrollment of Actuaries.

h Unenrolled Return Preparer — Enter the two-letter abbreviation for the state (e.g., "KY" for Kentucky) in which the return was prepared.

Note: *If the representation is outside the United States, conditions **a - h** do not apply.*

Privacy Act and Paperwork Reduction Act Notice. We ask for the information on this form to carry out the Internal Revenue laws of the United States. Form 2848 is provided by the IRS for your convenience and its use is voluntary. If you choose to designate a representative to act on your behalf, under section 6109 you must disclose your social security number (SSN) or your employer identification number (EIN). The principal purpose of this disclosure is to secure proper identification of the taxpayer. We also need this information to gain access to your tax information in our files and properly respond to your request. If you do not disclose this information, the IRS may suspend processing the power of attorney and may not be able to fill your request until you provide the number.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is: **Recordkeeping,** 20 min.; **Learning about the law or the form,** 29 min.; **Preparing the form,** 29 min.; **Copying, assembling, and sending the form to the IRS,** 35 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. You can write to the Tax Forms Committee, Western Area Distribution Center, Rancho Cordova, CA 95743-0001. **DO NOT** send this form to this address. Instead, see **Filing the Power of Attorney** on page 1.

SCHEDULE Q (Form 5300)
(Rev. 7-98)
Department of the Treasury
Internal Revenue Service

Nondiscrimination Requirements

▶ File as an attachment to Form 5300, 5303, 5307, or 5310.
See the instructions before completing this schedule.

OMB No. 1545-0197

Name of plan sponsor (employer, if single-employer plan) as shown on Form 5300, 5303, 5307, or 5310 | Employer identification number

Name of plan

Part I — Type of Plan (See page 1 of instructions)

Enter the appropriate letter ("A" through "I") that describes the type of plan: ▶

If you entered A or I, do not complete the rest of the schedule.

Part II — Participation, Coverage, and Nondiscrimination Requirements

		Yes	No
1	Are the qualified separate lines of business rules of section 414(r) being used in applying the requirements of section 401(a)(26) or section 410(b) to the employer's plan(s)? ▶ If yes, see the instructions for line 1 and attach Demo 1.		
2	Section 401(a)(26) participation requirements: **Note:** Defined contribution plans skip line 2 and go to line 3.		
a	Is this a plan that automatically satisfies section 401(a)(26)? If yes, see the instructions for additional information that must be submitted, and go to line 2i. Otherwise, continue with line 2b.		
b	If this plan is disaggregated, are additional schedules attached? (See instructions.)		
c	Enter the section 401(a)(26) test date (MMDDYYYY)		
d	Total number of employees on the test date (employer-wide)		
e	Number of excludable employees counted on line 2d		
f	Subtract line 2e from line 2d		
g	Number of benefiting employees on the test date		
h	See the Instructions for this line entry		
i	Is line 2g at least as great as line 2h, or, if you answered yes on line 2a, have you attached Demo 2 as required by the instructions? ▶		
	If you entered C, D, or E, in Part I, stop here. If you entered F or G in Part I, skip to line 5. If you entered H, continue with line 3.		
3	Is this a request for a determination that specified benefits, rights, or features meet the nondiscriminatory current availability requirement? ▶ If yes, see the instructions for line 3 and attach Demo 3.		
4	Is the plan restructured, mandatorily disaggregated, or permissively aggregated? (See instructions.) ▶ If yes, see the instructions for the demonstration that must be submitted and label it Demo 4.		
5	Section 410(b) coverage requirements (See instructions.):		
a	Is the plan is disaggregated into two or more separate plans, are additional coverage schedules attached?		
b	Does the employer receive services from any leased employees as defined in section 414(n)?		
c	Coverage of plan at (give date)		
d	Total number of employees (include self-employed individuals) (employer-wide)		
e	Statutory and regulatory exclusions under this plan (do not count an employee more than once):		
	(1) Number of employees excluded because of minimum age or years of service required		
	(2) Number of employees excluded because of inclusion in a collective bargaining unit		
	(3) Number of employees excluded because they terminated employment with less than 501 hours of service and were not employed on last day of plan year		
	(4) Number of employees excluded because employed by other qualified separate lines of business (QSLOBs)		
	(5) Number of employees excluded because they were nonresident aliens with no earned income from sources within the United States		
f	Total statutory and regulatory exclusions (add lines 5e(1) through (5))		
g	Nonexcludable employees (subtract line 5f from line 5d)		
h	Number of nonexcludable employees on line 5g who are highly compensated employees (HCEs)		
i	Number of nonexcludable HCEs on line 5h benefiting under the plan		
j	Number of nonexcludable employees who are nonhighly compensated employees (NHCEs) (subtract line 5h from line 5g)		
k	Number of nonexcludable NHCEs on line 5j benefiting under the plan		
l	Ratio percentage (See instructions.)		
m	Enter the ratio percentage for the following, if applicable:		
	(1) Section 401(k) part of the plan		
	(2) Section 401(m) part of the plan		
n	Are the results on line 5l or 5m based on the aggregated coverage of more than one plan?		

		Yes	No
o	Identify the coverage test being met by the plan by entering "A" for ratio percentage, "B" for average benefit, or "C" for pre-ERISA rules for certain nonelecting church plans. (See instructions.) ▶ ____ If you entered F in Part I, stop here. If you entered G in Part I, skip to Part III, line 12. Otherwise continue. **Answer line 6 only if the response on line 5o is "B."**		
6	Is this a request for a determination that the plan satisfies the average benefit test? ▶ If yes, see the instructions for line 6 and attach Demo 5. **If the plan consists solely of a section 401(k) plan and/or a section 401(m) plan (e.g., there are no nonelective contributions), skip to line 10. Otherwise, continue with line 7.**		
7	Is the plan intended to satisfy a design-based safe harbor? See instructions.) ▶ **Answer line 8 if the response to line 7 is yes. Skip to line 9 if line 7 is answered no.**		
8	Design-based nondiscrimination safe harbors:		
a	Does the plan provide for disparity in contributions or benefits that is intended to meet the permitted disparity requirements of section 401(l)? If yes, answer line 8b. Otherwise, skip to line 8c.		
b	Do the provisions of the plan ensure that the overall permitted disparity limits will not be exceeded?		
c	Enter the letter ("A" - "G") from the list below that identifies the safe harbor intended to be satisfied ▶ ____ A = Defined contribution plan with uniform allocation formula B = Target benefit plan E = Flat benefit fractional rule plan C = Unit credit defined benefit plan F = Insurance contract plan D = Unit credit fractional rule plan G = Cash balance plan		
d	List the plan sections that satisfy the safe harbor (including, if applicable, the permitted disparity requirements) here: ____ **Answer line 9 only if the response to line 7 is no.**		
9	Is this a request for a determination that the plan satisfies a nondesign-based safe harbor or a general test? ▶ If yes, see the instructions for line 9 and attach Demo 6. Also, enter the letter ("A" - "C") corresponding to the type of determination requested: ____ A = General test, involving "safety valve" rule in Regulations section 1.401(a)(4)-3(c)(3) (defined benefit plans only) B = General test, not involving "safety valve" rule C = Nondesign-based safe harbor		
10	Does a plan provision provide for pre-participation or imputed service or does a plan amendment or, for an initial determination, a plan provision, provide for a period of past service in excess of the safe harbor? ▶ If yes, see the instructions for line 10 and attach Demo 7.		
11	Is the plan part of a floor offset arrangement intended to satisfy the safe harbor in Regulations section 1.401(a)(4)-8(d)? ▶ If yes, see the instructions for line 11 and attach Demo 8. **Stop here if the response to line 7 is no.**		

Part III Nondiscriminatory Compensation and Employee Contributions

12	Are you required to show that a definition of compensation is nondiscriminatory? (See instructions.) ▶ If yes, see instructions and attach Demo 9. **If you entered G in Part I, stop here.**		
13	Is this a defined benefit plan with employee contributions not allocated to separate accounts? ▶ **If no, stop here.**		
14	Enter the letter ("A" - "E") corresponding to the method used to determine the employer-provided benefit: ▶ ____ **Method** A = Composition-of-workforce method B = Minimum benefit method (also enter the plan factor, if applicable (.4 or .6)) C = Grandfather rule D = Government plan method E = Cessation of employee contributions method If "A," see the instructions for line 14 and attach Demo 10. If applicable, list the plan provisions and indicate the plan factor here: ____ .		
15	Enter the letter (A, B, or C) corresponding to the method used to show that the employee-provided benefit is nondiscriminatory in amount: ▶ ____ **Method** A = Same rate of contributions B = Total benefits method C = Grandfather rule If "C," see the instructions for line 15 and attach Demo 11.		

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Instructions for Schedule Q (Form 5300)

Department of the Treasury
Internal Revenue Service

(Rev. July 1998)

Nondiscrimination Requirements

Section references are to the Internal Revenue Code unless otherwise noted.

General Instructions

Purpose of Schedule

The information requested on Schedule Q (Form 5300) relates to the manner in which your plan satisfies certain qualification requirements relating to minimum participation, coverage, and nondiscrimination. Depending on the design of your plan and other factors, it also allows you to indicate whether you wish certain of these requirements to be considered by the IRS in its review of your plan.

Who Must File

Filers of Form 5300, Form 5303, Form 5307, or Form 5310 must complete and file Schedule Q (Form 5300) with their application.

Specific Instructions

Changes To Note

- The Small Business Job Protection Act (SBJPA) amended the definition of a "highly compensated employee". See Code section 414(q) and Notice 97-45, 1997-33 I.R.B. 7.
- The SBJPA eliminated the "family aggregation rules" for years beginning after 1996. See Code section 414(q).
- Governmental plans should not complete Schedule Q.
- Only Defined Benefit Plans must complete Question 2.

Part I — Type of Plan

Enter in Part I the letter below that best describes the plan:

Enter A if the plan:

1. Benefits only collectively bargained employees as defined in Regulations section 1.410(b)-6(d)(2) (or employees treated as collectively bargained employees) and

2. No noncollectively bargained employees.

For this purpose, an employee covered under a collective bargaining agreement (CBA) is **NOT** considered a collectively bargained employee if more than 2% of the employees who are covered under the agreement are professional employees as defined in Regulations section 1.410(b)-9.

Enter B RESERVED

Enter C if the plan is a nonelecting church plan described in section 410(c)(1)(B) and you are applying for a determination letter that does not take into account the nondiscrimination regulations that are effective for the plan in plan years beginning after 1998.

Enter D if the plan does not benefit any highly compensated noncollectively bargained employees.

Enter E if the plan is maintained by an employer that does not employ any nonhighly compensated noncollectively bargained employees.

Enter F if the plan is a nonstandardized safe harbor M&P or regional prototype plan approved under Rev. Proc. 93-10, 1993-1 C.B. 476, that:

1. satisfies the coverage requirements without relying on the average benefit test;

2. is neither permissively aggregated with another plan to pass coverage, nor maintained by an employer that is treated as operating qualified separate lines of business; and

3. does not use a definition of compensation that must be tested for nondiscrimination under Regulations section 1.414(s)-1(d).

Enter G if the plan is a nonstandardized safe harbor M&P or regional prototype plan approved under Rev. Proc. 93-10 that would be described in the preceding paragraph except that it uses a definition of compensation that must be tested for nondiscrimination under Regulations section 1.414(s)-1(d).

Enter H if the plan is not described above and **I** does not apply.

Enter I if the plan is a standardized M&P or regional prototype plan. Also, explain in a cover letter the reason for filing the determination letter application.

What to Complete

If the plan is described in:

- A or I, complete only Part I.
- C, D, or E, complete Part I and only lines 1 and 2 of Part II.
- F, complete Part I and only lines 1, 2, and 5 of Part II.
- G, complete Part I and only lines 1, 2, and 5 of Part II and line 12 of Part III.
- H, complete all lines unless directed otherwise.

Note: *Applicants may be required to submit demonstrations showing how their plans satisfy the minimum participation, coverage, and nondiscrimination requirements, as explained in these instructions. However, information or computations that are used for more than one purpose or provided elsewhere in the application may be cross-referenced rather than repeated.*

Part II — Participation, Coverage, and Nondiscrimination Requirements

Line 1. If "Yes" is checked, attach a schedule labeled Demo 1 with the following information, as applicable:

1. The Code section(s) for which the employer is testing on a separate line of business basis (i.e., section 410(b) or section 401(a)(26)).

2. The separate lines of business that have employees benefitting under the plan,

3. A demonstration of how the plan meets the nondiscriminatory classification requirement of section 410(b)(5)(B) and Regulations section 1.414(r)-8(b)(2) on an employer-wide basis, and

4. If the requirements of section 410(b) or section 401(a)(26) are to be applied to this plan on an employer-wide basis under the special rules for employer-wide plans, a demonstration of how the plan meets the requirements of the applicable special rule in Regulations sections 1.414(r)-1(c)(2)(ii) or 1.414(r)-1(c)(3)(ii).

If a request for an administrative scrutiny determination on any separate line of business of the employer is pending with IRS, submit a copy of the confirmation receipt issued by IRS with the application.

Line 2. Additional Minimum Participation Requirements

Line 2a. A defined benefit plan must benefit at least the lesser of:

1. 50 employees of the employer, or

2. the greater of:

a. 40% of the employees of the employer, or

b. two employees, or if there is only one employee, that employee.

However, if the plan satisfies the minimum participation requirements of section 401(a)(26) because:

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- it meets one of the exceptions in Regulations section 1.401(a)(26)-1(b), or
- it is a frozen plan as described in Regulations section 1.401(a)(26)-2(b), answer "Yes" on lines 2a and 2i. Attach a demonstration labeled Demo 2 to identify the plan as a frozen plan or specify the particular exception that is met and to describe how the plan meets the requirements of that exception.

Line 2b. If you are required, or elect, to disaggregate the plan under any of the rules in Regulations section 1.401(a)(26)-2(d), answer "Yes", and complete lines 2c through 2i with respect to **one** disaggregated portion of the plan.

Attach additional schedules as necessary to identify the other disaggregated portions of the plan and to demonstrate how these portions of the plan separately satisfy section 401(a)(26).

Example: If this is a multiple employer plan, it is treated as separate plans, each of which is maintained by a separate employer and must separately satisfy section 401(a)(26) by reference only to that employer's employees.

Line 2c. Generally, a plan must satisfy section 401(a)(26) on each day of the year. A plan will be treated as satisfying this requirement if it satisfies the requirements of section 401(a)(26) on any single day during the plan year that is reasonably representative of the employer's workforce and the plan's coverage. Enter the eight-digit date for which data is given on line 2c (MMDDYYYY).

Example: March 31, 1998, would be 033198.

Line 2d. Include all employees of all entities combined under section 414(b), (c), (m), or (o). Also include all self-employed individuals, common law employees, and leased employees (as defined in section 414(n)) of any of the entities above, other than those excluded by section 414(n)(5). See the definition of an employee in Regulations section 1.410(b)-9.

Line 2e. Employees who are excludable are generally the same as those who are excludable for the purpose of performing the minimum coverage tests. See the instructions for lines 5e(1) through 5e(5).

Employees covered under a CBA may, at the employer's option, be treated as excludable employees for the purpose of testing the portion of the plan that benefits noncollective bargaining unit employees. (This rule may be applied separately to each CBA.)

Similarly, noncollective bargaining unit employees may, at the employer's election, be treated as excludable employees for purposes of testing the portion of the plan that benefits only collective bargaining unit employees. If more than 2 percent of the employees covered under a CBA are professional employees, all employees covered under the CBA are treated as noncollectively bargained employees. See Regulations section 1.401(a)(26)-6(b).

Line 2g. In general, an employee is considered benefiting under the plan for purposes of section 401(a)(26) if the employee is treated as benefiting for purposes of the minimum coverage requirements of section 410(b). See the instructions for line 5i for the meaning of **"benefiting"** for purposes of section 410(b). For rules regarding the effect of benefit offset arrangements, see Regulations section 1.401(a)(26)-5(a)(2).

Line 2h. Enter the lesser of:

1. 50, or

2. the greater of:

a. 40% of line 2f, or

b. two (or 1 if there is only one employee).

Line 3. Determination letters generally provide reliance that those benefits, rights, and features under a plan that are currently available to all employees in the plan's coverage group satisfy the nondiscriminatory current availability requirement of Regulations section 1.401(a)(4)-4(b) provided the applicant has demonstrated that the plan satisfies the coverage requirements of section 410(b).

Answer Yes" only if requesting a determination that any other specified benefit, right, or feature meets the nondiscriminatory current availability requirement of Regulations section 1.401(a)(4)-4(b).

If "Yes" is checked you must generally provide a separate demonstration for each other benefit, right, and feature you wish considered. Label this attachment Demo 3.

Also, see **Guidelines for Certain Demonstrations** on page 5.

Line 4. Check "Yes" and attach Demo 4 if, for purposes of satisfying the minimum coverage requirements of section 410(b) and the nondiscrimination requirements of section 401(a)(4), any of the following apply:

1. The plan includes an ESOP and a portion that is not an ESOP,

2. The employer applies section 410(b) separately to the portion of the plan that benefits only employees who satisfy age and service conditions under the plan that are lower than the greatest minimum age and service conditions permissible under section 410(a),

3. The plan benefits employees of more than one qualified separate line of business (unless the plan is tested under the special rule for employer-wide plans in Regulations section 1.414(r)-1(c)(2)(ii), or

4. The plan benefits the noncollectively bargained employees of more than one employer. See the mandatory disaggregation rules in Regulations sections 1.401(b)-7(c)(2), (3), and (4)(ii)(A) or (C).

Also check "Yes" if the plan is permissively aggregated with another plan under Regulations section 1.401(b)-7(d) or restructured into component plans under Regulations section 1.401(a)(4)-9.

If "Yes" is checked, attach a schedule labeled Demo 4 explaining the basis of the disaggregation, permissive aggregation, or restructuring, identifying the aggregated or separate disaggregated plans or component plans, and demonstrating how any restructured component plans satisfy section 410(b) as if they were separate plans.

Any other plan that has been permissively aggregated with this plan should be identified by:

- name,
- plan number, and
- file folder number, if available.

Describe the benefit or allocation formula of the other plan and indicate if that plan has received or been submitted for a determination letter.

If this plan is permissively aggregated with another plan, the information on Schedule Q should be answered with respect to the aggregate or combined plan.

Check "No" if the plan is disaggregated **solely** because of one or both of the following:

1. The plan benefits both collectively bargained and noncollectively bargained employees.

2. The plan consists of a section 401(k) plan and a portion that is not a section 401(k) plan, or the plan consists of a section 401(m) plan and a portion that is not a section 401(m) plan.

Also, see the instructions for lines 7 and 12 for additional information that may be required in Demo 4.

Line 5. Coverage

Note: *Do not complete lines 5a through 5n if the plan is a nonelecting church plan that satisfies section 401(a)(3) as in effect on September 1, 1974. See Regulations section 1.401(b)-2(e).* **However, line 5o must be completed.**

Line 5a. If "Yes" is checked on line 4 because the plan is disaggregated into two or more separate plans, complete lines 5b through 5o with respect to one disaggregated portion of the plan. Attach additional schedules as necessary to identify the other disaggregated portions of the plan and to provide the requested coverage information, in the same format as line 5, separately with respect to the other portions of the plan, or to otherwise show that the other portions of the plan separately satisfy section 410(b).

Example: If this plan benefits the employees of more than one qualified separate line of business (QSLOB), the portion of the plan benefiting the employees of each QSLOB is treated as a separate plan maintained by that QSLOB and must separately satisfy section 410(b) unless the employer-wide plan testing rule in Regulations section 1.414(r)-1(c)(2)(ii) applies.

Line 5c. If, for purposes of satisfying the minimum coverage requirements of section 410(b), you are applying the daily testing option in Regulations section 1.410(b)-8(a)(2) or the quarterly testing option in Regulations section 1.410(b)-8(a)(3), or, if you are using single-day "snapshot" testing as permitted under section 3 of Rev. Proc. 93-42, 1993-2 C.B. 540, enter the eight-digit date (MMDDYYYY) for which the coverage data is submitted.

If you are applying the annual testing option in Regulations section 1.410(b)-8(a)(4), enter the year for which the coverage data is submitted.

Line 5d. Include all employees of all entities combined under section 414(b), (c), (m), or (o). Also include all self-employed individuals, common law employees, and leased employees as defined in section 414(n) of any of the entities above, other than those excluded by section 414(n)(5). Certain individuals may also be required to be counted as employees. See the definition of employee in Regulations section 1.410(b)-9. Also see Regulations section 1.410(b)-6(i), which may permit the employer to exclude certain former nonhighly compensated employees.

Note: *(This* **note applies only** *to plans that include a qualified cash or deferred arrangement under section 401(k) or employee or matching contributions under section 401(m).)*

If there are any contributions under the plan that are ***not*** *subject to the special rule for section 401(k) plans and section 401(m) plans in Regulations section 1.401(a)(4)-1(b)(2)(ii)(B) (such as nonelective contributions), complete lines 5e through 5k with respect to the portion of the plan that includes these contributions and enter the ratio percentage for this portion of the plan on line 5l.*

Otherwise, complete lines 5e through 5k with respect to the section 401(k) part of the plan (or the section 401(m) plan if there is no section 401(k) arrangement) and leave line 5l blank. In ***all*** *cases, enter the ratio percentages for the section 401(k) and the section 401(m) parts of the plan, as applicable, on line 5m.*

Line 5e(1). Enter the number of employees who are excluded because they have not attained the lowest minimum age and service requirements for any employee under this plan. If the employer is separately testing the portion of a plan that benefits otherwise excludable employees, see the instructions for lines 4 and 5a.

Line 5e(2). Enter the number of employees who are excluded because they are collectively bargained employees as defined in Regulations section 1.410(b)-6(d)(2), regardless of whether those employees benefit under the plan. For this purpose, an employee covered under a CBA is not considered a collectively bargained employee if more than 2% of the employees who are covered under the agreement are professional employees as defined in Regulations section 1.410(b)-9.

Line 5e(3). Enter the number of employees who do not receive an allocation or accrue a benefit under the plan only because they do not satisfy a minimum hours of service requirement or a last day of the plan year requirement, provided they do not have more than 500 hours of service, and they are not employed on the last day of the plan year. Do not enter on this line any employees who have more than 500 hours of service, even if they are not employed on the last day of the plan year.

Line 5e(4). If this plan benefits the employees of one QSLOB, enter on this line the number of employees of the employer's other QSLOBs. This is not applicable if the plan is tested under the special rule for employer-wide plans in Regulations section 1.414(r)-1(c)(2)(ii). Also see the instructions for lines 4 and 5a.

Line 5e(5). Enter the number of employees who are nonresident aliens who receive no earned income (as defined in section 911(d)(2)) from the employer that constitutes income from sources within the United States (as defined in section 861(a)(3)).

Line 5h. Enter the number of employees on line 5g who are highly compensated employees (HCEs) as defined in section 414(q).

Line 5i. In general, an employee is treated as benefiting under the plan for coverage tests purposes only if the employee receives an allocation of contributions or forfeitures or accrues a benefit under the plan for the plan year. Certain other employees are treated as benefitting if they fail to receive an allocation of contributions and/or forfeitures, or to accrue a benefit, solely because they are subject to plan provisions that uniformly limit plan benefits, such as a provision for maximum years of service, maximum retirement benefits, application of offsets or fresh start wear-away formulas, or limits designed to satisfy section 415.

An employee is treated as benefiting under a plan to which elective contributions under section 401(k) or after-tax employee contributions and matching contributions under section 401(m) may be made if the employee is currently eligible to make such elective or after-tax employee contributions, or to receive a matching contribution, whether or not the employee actually makes or receives such contributions. However, do not apply this rule to determine if an employee is to be counted as benefiting for lines 5i and 5k if, in accordance with the note following the instruction for line 5d, the information provided in lines 5e through 5k relates to the portion of the plan that is not subject to the rule in Regulations section 1.401(a)(4)-1(b)(2)(ii)(B).

Line 5k. See the instructions for line 5i for the meaning of "benefiting under the plan."

Line 5l. To obtain the ratio percentage:

Step 1. Divide the number on line 5k (nonexcludable NHCEs benefiting under the plan) by the number on line 5j (nonexcludable NHCEs)

Step 2. Divide the number on line 5i (nonexcludable HCEs benefiting under the plan) by the number on line 5h (nonexcludable NHCEs)

Step 3. Divide the result from Step 1 by the result from Step 2.

Line 5m. See the **Note** following the instructions for line 5d. To determine the ratio percentages for the section 401(k) and section 401(m) portions of the plan, follow the steps described in the instructions for lines 5d through 5l, but treat an employee as benefiting under the special rules for section 401(k) plans and section 401(m) plans described in the instruction for line 5i.

Note: *If the ratio percentage entered on line 5l and/or line 5m is less than 70%, the plan does not satisfy the ratio percentage test. In this case, the plan must satisfy the average benefit test.*

Line 5n. If you have aggregated plans for purposes of section 410(b), also see the instructions for line 4.

Line 5o. Enter the letter (A, B, or C) that corresponds to the coverage test being met by the plan:

A. Ratio percentage test (Regulations section 1.410(b)-2(b)(2)).

B. Average benefit test (Regulations section 1.410(b)-2(b)(3)).

C. Section 401(a)(3) as in effect on September 1, 1974 (Regulations section 1.410(b)-2(e)) for certain nonelecting church plans).

Also enter **"B"** if the average benefit test is being used by any separate disaggregated plan.

Line 6. If "Yes" is checked, see **Demo 5 — Average Benefit Test,** under **Guidelines for Certain Demonstrations,** on page 5. Label this attachment Demo 5.

If "No" is checked, the determination letter issued with respect to this plan will indicate that, at your request, the letter does not consider and may not be relied on with respect to whether the plan satisfies the minimum coverage requirements of section 410(b).

If this is a terminating plan that is meeting coverage on the basis of the average benefit test, you must answer "Yes" on this line unless a favorable determination letter that considered the average benefit test was issued for the plan during the preceding three years and there has been no change in the material facts on which that determination was based.

Note: *If this plan benefits both collectively bargained employees as defined in Regulation section 1.410(b)-6(d)(2) (or employees treated as collectively bargained employees) and noncollectively bargained employees, answer the remaining questions on Schedule Q only with respect to the portion of the plan that benefits noncollectively bargained employees.*

Line 7. See line 8c for a list of the design-based nondiscrimination safe-harbor regulations. Leave this line blank **ONLY** if the plan is a section 401(k) plan and/or a section 401(m) plan as defined in Regulations section 1.410(b)-9. Otherwise, answer "Yes" or "No."

For purposes of this line, a plan is not a section 401(k) and/or a section 401(m) plan if the plan also provides for any contributions (such as nonelective contributions) that are not subject to the special rule in Regulation section 1.401(a)(4)-1(b)(2)(ii)(B).

If "Yes" is checked on line 4 because this plan has been disaggregated into separate plans or restructured into component plans, show on Demo 4 how each separate disaggregated plan or restructured component plan satisfies the nondiscrimination in amount requirement of Regulations section 1.401(a)(4)-1(b)(2). Check "No," or this line 7 if any separate disaggregated plan or restructured component plan relies on a nondesign-based safe harbor or a general test.

Line 8. Design-Based Nondiscrimination Safe Harbors

Line 8a. Check "Yes" if the plan is intended to satisfy the permitted disparity requirements of section 401(l).

Line 8b. To satisfy section 401(l), a plan must provide that the overall permitted disparity limits are not exceeded and specify how employer-provided contributions or benefits under the plan are adjusted, if necessary, to satisfy the overall permitted disparity limits. See Regulations section 1.401(l)-5.

Line 8c. Enter the letter shown on the form that corresponds to the design-based safe harbor that is intended to be satisfied by the plan. See Regulations sections 1.401(a)(4)-2(b), 1.401(a)(4)-3(b), 1.401(a)(4)-8(b), and 1.401(a)(4)-8(c).

Line 9. If "Yes" is checked, see **Demo 6** under **Guidelines For Certain Demonstrations** on pages 5, 6 and 7. Label this attachment Demo 6.

The demonstration must show that the plan satisfies either of the nondesign-based safe harbors described in Regulations section 1.401(a)(4)-2(b)(3) (safe harbor for uniform point plans) or Regulations section 1.401(a)(4)-3(b)(4)(i)(C)(3) (alternative safe harbor for flat benefit plans), or the contributions or benefits general test in Regulations section 1.401(a)(4)-2(c), 1.401(a)(4)-3(c), 1.401(a)(4)-8(b)(2), 1.401(a)(4)-8(c)(2), 1.401(a)(4)-8(c)(3)(iii)(C) or 1.401(a)(4)-9(b).

Also enter the letter in the space provided in line 9 that indicates if the determination requested relates to:

A. A DBP being tested under the general test in Regulations section 1.401(a)(4)-3(c) that involves a facts and circumstances determination under the "safety valve" rule in Regulations section 1.401(a)(4)-3(c)(3);

B. A plan being tested under a general test that does not involve a determination under the safety valve rule; or

C. A plan intended to satisfy a nondesign-based safe harbor.

If "No" is checked, the determination letter issued for this plan will indicate that, at your request, the letter does not consider and may not be relied on as to whether the plan is nondiscriminatory in the amount of contributions or benefits provided in the plan under section 401(a)(4).

If this is a terminating plan that is meeting the nondiscrimination in amounts requirement on the basis of a general test or a nondesign-based safe harbor, you must check "Yes," unless a favorable determination letter that considered such test or safe harbor was issued for the plan during the preceding three years and there has been no change in the material facts on which that determination was based.

Line 10. Check "Yes" is any plan provision provides for pre-participation or imputed service as defined in Regulations section 1.401(a)(4)-11(d)(3)(ii).

Also check "Yes" if a plan amendment or, in the case of an initial determination, a plan provision provides for a period of past service that exceeds the period set forth in the safe harbor in Regulations section 1.401(a)(4)-5(a)(3).

If "Yes" is checked, attach a schedule labeled Demo 7 that includes the following:

1. A description of the nature of the grant of past service or pre-participation or imputed service,

2. The location of the various plan provisions that provide for the granting of the service, and

3. In the case of pre-participation or imputed service, state if the service is being taken into account in determining if the plan satisfies Regulations section 1.401(a)(4)-1(b)(2).

Do not check "Yes" if past service, pre-participation service, or imputed service is credited under the plan solely to the extent required by one or more of the following:

1. The service crediting rules under section 410(a) (eligibility), 411(a) (vesting), 413 (collectively bargained plans), or 414(a) (service for predecessor employer),

2. The hour of service or elapsed time service-crediting methods under 29 CFR 2530.200b-2 and Regulations section 1.410(a)-7, and

3. The prohibition on double proration of service and compensation in 29 CFR section 2530.204-2(d).

Line 11. If "Yes" is checked, attach a schedule labeled Demo 8 giving the name, file folder number (if available), and plan type (e.g., defined benefit or profit sharing) of the other plan that is part of the arrangement.

Also indicate if the other plan has received a favorable determination letter or is requesting a determination letter simultaneously with this application. Also check "Yes" if any separate disaggregated or restructured component plan is part of a floor offset arrangement.

Part III — Nondiscriminatory Compensation and Employee Contributions

Line 12. Check "Yes" if:

a. The plan bases contributions or benefits on a definition of compensation that does not satisfy the requirements of Regulations section 1.414(s)-1(c)(2) or (3); or

b. The plan includes a section 401(k) and/or section 401(m) plan that incorporates an actual deferral percentage or actual contribution percentage test using a definition of compensation that does not satisfy the requirements of Regulations sections 1.414(s)-1(c)(2) or (3).

If line 4 is checked "Yes" because this plan has been disaggregated into separate plans or restructured into component plans, check this line "Yes" if any of the separate disaggregated plans or restructured component plans are described in **a.** or **b.** above. Also indicate on Demo 4 each disaggregated plan or component plan to which **a** or **b** applies.

Note: *Section 401(k) and 401(m) plans may not be restructured.*

Attach Demo 9 if you checked "Yes," and see **Demo 9 — Nondiscriminatory Compensation** on page 7 for guidelines in preparing the required demonstration that the definition of compensation in **a** or **b** satisfies Regulations section 1.414(s)-1(d).

Line 13. Also check "Yes" if any separate disaggregated plan or restructured component plan provides for employee contributions not allocated to separate accounts.

Line 14. Enter the letter shown on the form that corresponds to the method that is being used to determine the employer-provided benefit for purposes of Regulations section 1.401(a)(4)-6(b).

Note: *The composition-of-workforce and minimum benefit methods may only be used with plans that satisfy the unit credit safe harbor in Regulations section 1.401(a)(4)-3(b)(3).*

If you enter the letter "A," attach a demonstration showing that the eligibility requirements of Regulations section 1.401(a)(4)-6(b)(2)(ii) are satisfied. Label this attachment Demo 10. If applicable, also indicate the plan factor.

Line 15. Enter the letter that corresponds to the method used to show that the employee-provided benefit is nondiscriminatory in amount. See Regulations section 1.401(a)(4)-6(c).

If you enter the letter "C," attach a demonstration, if applicable, that the benefits on account of employee contributions at lower levels of compensation are comparable to those provided on account of employee contributions at higher levels of compensation, as required by Regulations section 1.401(a)(4)-6(c)(4)(ii)(D). Label this attachment Demo 11.

Guidelines For Certain Demonstrations

The following instructions describe additional information that should be included in Demo 3, Demo 5, Demo 6, and Demo 9 regarding:

1. The nondiscriminatory current availability of benefits, rights and features (Demo 3) for line 3;
2. The average benefit test (Demo 5) for line 6;
3. The general tests for nondiscrimination in amount of contributions or benefits (Demo 6) for line 9;
4. The safe harbor for uniform point plans (Demo 6) for line 9;
5. The alternative safe harbor for flat benefit plans (Demo 6) for line 9; and
6. The nondiscrimination test for compensation under Regulations section 1.414(s)-1(d) (Demo 9) for line 12.

Note: *Applicants are strongly encouraged to follow the guidelines in these instructions, to indicate in their demonstrations where the elements in the guidelines are addressed, and to briefly explain why any elements have not been addressed.*

Information or computations that are used for more than one purpose or provided elsewhere in the application may be cross-referenced rather than repeated.

Demo 3 — Nondiscriminatory Current Availability Of Benefits, Rights And Features

1. An applicant requesting a determination that a plan satisfies the nondiscriminatory current availability requirement of Regulations section 1.401(a)(4)-4(b) for any benefit, right, or feature ("BRF") specified by the applicant should ordinarily demonstrate the following for each BRF that the applicant wants considered:

a. Identify the specific BRF, including terms pertaining to the BRF, such as eligibility conditions, timing, election rights, etc.

b. Cite the plan provisions that describe the BRF and all terms relating to the BRF.

c. Describe any conditions on the availability of the BRF that were disregarded in determining current availability.

d. If the BRF is contingent on an unpredictable event, describe the contingency and determine current availability as if the event had occurred.

e. If applicable, describe how the special rule in Regulations section 1.401(a)(4)-4(d)(3), relating to early retirement window benefits, has been applied.

2. If the BRF is an optional form of benefit, ancillary benefit, or other right or feature that has been aggregated, for testing purposes, with another optional form or benefit, ancillary benefit, or other right or feature, respectively, show how the requirements of Regulations section 1.401(a)(4)-4(d)(4)(i)(A) and (B) are satisfied.

3. Describe the group of employees to whom the BRF is available and indicate if this group includes any nonexcludable employees with accrued benefits who are not currently benefiting ("frozen plan participants").

4. Demonstrate one of the following with respect to the specified BRF:

a. The group of employees to whom the benefit is currently available satisfies section 410(b).

b. The BRF has been prospectively eliminated and satisfies section 410(b) as of the elimination date.

c. The BRF is available only to an acquired group of employees and the requirements of Regulations sections 1.401(a)(4)-4(d)(1)(i)(A) and (B) are satisfied.

d. The plan is a permissively aggregated plan and the BRF is a spousal benefit described in Regulations section 1.401(a)(4)-4(d)(5).

e. The plan is an ESOP and the BRF is an investment diversification right or feature or distribution option available only to all qualified participants (as defined in section 401(a)(28)(B)(iii)) or the failure of the BRF to satisfy current availability results solely from the restrictions of section 409(n).

f. The plan is a permissively aggregated defined benefit/defined contributions (DB/DC) plan; the BRF is not a single sum benefit, loan, ancillary benefit, or benefit commencement date (including the availability of in-service withdrawals); the BRF is provided under only one type of plan; and the BRF is currently available to all NHCEs in all plans of the same type as the plan under which it is provided.

5. If the BRF is available to frozen plan participants, show how one of the requirements in Regulations sections 1.401(a)(4)-4(d)(2)(i) through (iv) is satisfied.

Demo 5 — Average Benefit Test

1. An applicant requesting a determination that a plan satisfies the average benefit test must demonstrate compliance with the nondiscriminatory classification test of Regulations section 1.410(b)-4, including, if applicable, the facts and circumstances determination under Regulations section 1.410(b)-4(c)(3).

2. The demonstration for the average benefit test should provide the actual benefit percentages for HCEs and NHCEs.

3. A plan that is deemed to satisfy the average benefit percentage test under the special rule in Regulations section 1.410(b)-5(f) should demonstrate that the plan would satisfy the ratio percentage test if the excludable employee and mandatory disaggregation rules for collectively bargained and noncollectively bargained employees did not apply.

4. In addition to the above information, the average benefit percentage demonstration should identify and describe the method used for determining employee benefit percentages (see Regulations sections 1.410(b)-5(d) and (e)), and include the information listed below, as applicable. However, the IRS may request that additional information be submitted if necessary.

Note: *Applicants are encouraged to submit examples clarifying the analysis of the average benefit percentage test in a particular plan for representative sample employees. Issues where this might be particularly appropriate are marked by an asterisk(*).*

All Plans

All plans using the average benefit test must also include the following information on Demo 5:

1. The testing period (see Regulations section 1.410(b)-5(e)(5) for an optional averaging rule).
2. The definition of testing service (including imputed and pre-participation service).
3. A description of the testing group (see Regulations section 1.410(b)-7(e)).
4. Whether the employee benefit percentages are determined on a contributions or benefits basis.
5. Whether permitted disparity under Regulations section 1.401(a)(4)-7 is imputed in determining employee benefit percentages.*
6. A demonstration of how allocation or accrual rates are grouped.
7. A description of how contributions or benefits are normalized, including actuarial assumptions used.*
8. The definition of section 414(s) compensation used in determining plan year compensation or average annual compensation and a demonstration showing the definition as nondiscriminatory. The demonstration for nondiscriminatory compensation is not

needed if plan year compensation or average annual compensation is determined using a definition of compensation that satisfies Regulations section 1.414(s)-1(c)(2) or (3). For guidance pertaining to this demonstration, see the guidelines under Demo 9 on page 7 pertaining to nondiscriminatory compensation.

9. A description of the method of determining compensation used in determining employee benefit percentages.

10. The testing age of employees (not applicable to defined contribution plans testing on a contribution basis).

Plans with Defined Benefits Plans in the Testing Group

Plans with DBP's in the testing group must also provide the following information if applicable.

11. Show if accruals after normal retirement age are taken into account and, if such accruals are disregarded as provided in Regulations section 1.401(a)(4)-3(f)(3), the basis on which they are disregarded.

12. Show if more valuable rates must be used under Regulations section 1.410(b)-5(d)(7), and, if so, show how those rates are determined.

13. Show if a defined benefit plan disregards offsets described in Regulations section 1.401(a)(4)-3(f)(9), give a description of such offsets, and show how they satisfy Regulations section 1.401(a)(4)-3(f)(9).

14. Show if any disability benefits are taken into account in determining employees' accrued benefits under Regulations section 1.401(a)(9)-3(f)(2), and, if so, cite the plan provisions that permit these disability benefits to be taken into account.

15. Show if any other special rules in testing a plan for nondiscrimination in amounts are applied, e.g., the rules applicable to the determination of benefits on other than a plan-year basis described in Regulations section 1.401(a)(4)-3(f)(6), the adjustments for certain plan distributions provided in Regulations section 1.401(a)(4)-3(f)(7), and the adjustment for certain qualified preretirement survivor annuity charges as provided in Regulations section 1.401(a)(4)-3(f)(8).

16. Plans with employee contributions not allocated to separate accounts: give a description of the method for determining the employer-provided accrued benefit under Regulations section 1.401(a)(4)-6(b) and the location of relevant plan provisions. If the method for determining the employer provided accrued benefit under Regulations section 1.401(a)(4)-6(b) and the location of relevant plan provisions. If the method for determining the employer-provided accrued benefit is the composition-of-workforce method, the demonstration must show that the eligibility requirements of Regulations section 1.401(a)(4)-6(b)(2)(ii) are satisfied; if the grandfather rule of Regulations section 1.401(a)(4)-6(b)(4) is used, the demonstration must show, if applicable, that the benefits provided on account of employee contributions at lower levels of compensation are comparable to those provided on account of employee contributions at higher levels of compensation.

Employee Benefit Percentages Determined Using Cross-Testing

17. Provide a description of the method used to determine equivalent allocations and benefits.*

Demo 6 — General Test

A request for a determination that a plan satisfies any of the general tests in Regulations sections 1.401(a)(4)-2(c), 1.401(a)(4)-3(c), 1.401(a)(4)-8(b)(2), 1.401(a)(4)-8(c)(2), 1.401(a)(4)-8(c)(3)(iii)(C) and 1.401(a)(4)-9(b) must include a demonstration showing that the plan passes the relevant general test, and should provide the information listed under **All Plans (unless otherwise noted),** and if applicable, under DBP's Only or Cross-Tested Plans Only. However, the IRS may request that additional information be submitted if necessary.

Note: *Applicants are encouraged to submit examples clarifying the analysis of the general test in a particular plan with respect to representative sample employees. Issues where this might be particularly appropriate are marked by an asterisk(*).*

All Plans (unless otherwise noted)

All plans must submit the information requested in items 1 through 10.

1. Identify each rate group under the plan and include a demonstration of how each rate group satisfies section 410(b). If the plan is a DBP that is being tested on the basis of the amount of benefits, rate groups must be determined on the basis of both normal and most valuable accrual rates which are expressed as a dollar amount or a percentage of compensation. If the most valuable accrual rate is determined in accordance with the special rule in Regulations section 1.401(a)(4)-3(d)(3)(iv) (floor on most valuable accrual rate), this must be indicated.

2. State whether the plan is being tested on a contributions or benefits basis.

3. Provide the plan year being tested.

4. Provide a description of the method of determining allocation or accrual rates, and if the plan is tested on a benefits basis, the measurement period and definition of testing service (including imputed and pre-participation service).*

5. State whether the plan is imputing permitted disparity under Regulations section 1.401(a)(4)-7.*

6. Provide a demonstration of how allocation or accrual rates are grouped.

7. Provide a demonstration of how benefits are normalized, including actuarial assumptions used (not applicable to defined contribution plans testing on a contributions basis).*

8. State the definition of section 414(s) compensation used in determining plan year compensation or average annual compensation and a demonstration showing the definition as nondiscriminatory. The demonstration for nondiscriminatory compensation is not needed if plan year compensation or average annual compensation is determined using a definition of compensation that satisfies Regulations sections 1.414(s)-1(c)(2) or (3).

See the guidelines under Demo 9 on page 7 pertaining to nondiscriminatory compensation for guidance pertaining to this demonstration.

9. Provide the method of determining average annual compensation used in testing the plan for nondiscrimination as defined in Regulations section 1.401(a)(4)-3(e)(2) or give a description of the period used in determining plan year compensation.

10. Provide the testing age of employees (not applicable to DCPs testing on a contributions basis).

Defined Benefit Plans Only

All DBP's must also provide the following information if applicable.

11. State whether accruals after normal retirement age are taken into account, and if such accruals are disregarded as provided in Regulations section 1.401(a)(4)-3(f)(3), provide the basis on which they are disregarded.

12. State whether early retirement window benefits are taken into account in determining accrual rates and whether such benefits are being disregarded under Regulations section 1.401(a)(4)-3(f)(4)(ii). Also provide the basis on which they are disregarded.

13. State whether any unpredictable contingent event benefits were taken into account in determining accrual rates under Regulations section 1.401(a)(4)-3(f)(5) and provide the basis on which they are taken into account.

14. State whether the plan disregards offsets described in Regulations section 1.401(a)(4)-3(f)(9), provide a description of such offsets, and show how they satisfy Regulations section 1.401(a)(4)-3(f)(9).

15. State whether any disability benefits are taken into account in determining employees' accrued benefits under Regulations section 1.401(a)(4)-3(f)(2), and if so, cite the plan provisions that permit these disability benefits to be taken into account.

16. State whether any other special rules in Regulations section 1.401(a)(4)-3(f) are applied in testing a plan for nondiscrimination in amount, for example:

- The rules applicable to the determination of benefits on other than a plan-year basis described in Regulations section 1.401(a)(4)-3(f)(6),

- The adjustment for certain plan distributions provided in Regulations section 1.401(a)(4)-3(f)(7), and
- The adjustment for certain qualified preretirement survivor annuity charges as provided in Regulations section 1.401(a)(4)-3(f)(8).

17. Plans with employee contributions not allocated to separate accounts should include:

- A description of the method for determining whether employee-provided accrued benefits are nondiscriminatory under Regulations section 1.401(a)(4)-6(c),
- The method for determining the employer-provided accrued benefit under Regulations section 1.401(a)(4)-6(b), and
- The location of relevant plan provisions.

If the method for determining the employer-provided accrued benefit is the composition-of-workforce method, the demonstration must show that the eligibility requirements of Regulations section 1.401(a)(4)-6(b)(2)(ii) are satisfied.

If the grandfather rule of Regulations section 1.401(a)(4)-6(b)(4) is used, the demonstration must show, if applicable, that the benefits provided on account of employee contributions at lower levels of compensation are comparable to those provided on account of employee contributions at higher levels of compensation.

18. If the plan would otherwise fail to satisfy the general test in Regulations section 1.401(a)(4)-3(c)(1), and a determination is being sought that the failure may be disregarded as permitted by the special rule in Regulations section 1.401(a)(4)-3(c)(3), describe the relevant facts and circumstances that support the use of this rule.

Cross-Tested Plans Only

19. Provide a description of the method used to determine equivalent allocations and benefits.*

Demo 6 — Safe Harbor for Uniform Points Plans

Each demonstration of the safe harbor for uniform points plans in Regulations section 1.401(a)(4)-2(b)(3) should include the following information:

1. Provide a description of the plan's allocation formula and the location of relevant plan provisions.

2. State the definition of section 414(s) compensation used in determining plan year compensation and give a demonstration showing the definition as nondiscriminatory. The demonstration for nondiscriminatory compensation is not needed if the plan determines plan year compensation using a definition of compensation that satisfies Regulations section 1.414(s)-1(c)(2) or (3). See the guidelines in Demo 9 below pertaining to nondiscriminatory compensation for guidance pertaining to this demonstration.

3. Show the average of the allocation rates (determined without imputing permitted disparity) for the highly compensated and for the nonhighly compensated employees benefiting under the plan.

Demo 6 — Alternative Safe Harbor for Flat Benefit Plans

Each demonstration of the alternative safe harbor for flat benefit plans in Regulations section 1.401(a)(4)-3(b)(4)(i)(C)(3) must set forth the average of the normal accrual rates for all nonhighly compensated nonexcludable employees and the average of the normal accrual rates for all highly compensated nonexcludable employees. In addition, the demonstration should provide the additional information described under "Demo 6 — General Test," relating to the determination of normal accrual rates, except for the information described in paragraphs numbered 1, 2, 6, 18, and 19.

Demo 9 — Nondiscriminatory Compensation

A demonstration that a definition of compensation is nondiscriminatory under the test in Regulations section 1.414(s)-1(d) should include the following information:

1. It should state if the demonstration relates to a definition used to determine contributions or benefits, or a definition used in a section 401(k) and/or section 401(m) plan's ADP and/or ACP test.

2. It should state the definition of compensation being tested (and cite the plan provision where applicable), and indicate whether the definition uses rate of compensation or includes prior-employer compensation or imputed compensation.

3. It should identify the period for which compensation data is given.

4. It should state whether the test is based on the compensation of all employees benefiting under the plan or all employees benefiting under all plans of the employer for which the same alternative definition of compensation is used to determine that the plan satisfies section 401(a)(4). It should also state whether all employees with zero total compensation have been excluded from the test. The demonstration should state the numbers of HCEs and NHCEs whose compensation is taken into account in the demonstration.

5. For both the highly compensated and nonhighly compensated groups of employees, it should state whether the test uses an aggregate, individual, or other reasonable method to calculate inclusion percentages. If an "other" method is used, this should be described.

6. With regard to the determination of total compensation and compensation included under the definition being tested, the demonstration should:

a. Specify the section 415(c)(3) definition of compensation used in determining total compensation;

b. Indicate if total compensation includes elective contributions and deferred compensation and, if applicable, if and how the adjustment required by Regulations section 1.414(s)-1(d)(3)(ii)(B) has been made; and

c. State if, for purposes of the test, compensation included under the definition being tested is limited to total compensation and if both total compensation and compensation included under the definition being tested are limited to amounts not in excess of the limit in section 401(a)(17).

7. The demonstration should show, for both groups of employees, the respective inclusion percentages, and also describe the manner in which such inclusion percentages are determined.

8. Finally, if the HCEs inclusion percentage is greater than the NHCEs inclusion percentage, the demonstration should set forth any facts relevant to whether the difference is de minimis.

< 5307 >
<Rev 7/98>

Department of the Treasury
Internal Revenue Service

Application for Determination for Adopters of Master or Prototype, Regional Prototype or Volume Submitter Plans

(Under sections 401(a) and 501(a) of the Internal Revenue Code)
Attach user fee and Schedule Q to this application. (See What To File.)

OMB No. 1545-0200

For IRS Use Only
File folder number ▶
Case number ▶

You must file the pink copy of page 1 and the duplicate page 1 of this application. The pink copy of page 1 is read by the comp uter and all the information filled in must be typed in either 10 pitch type, Elite type, Courier 12 type, or Titan 12 type. If you wish to comp uter generate this form, contact your key district office for more information.

Review the list of Procedural Requirements on page 3 before submitting this application.

1a Name of plan sponsor (employer if single employer plan)
< ______ >
1b Employer identification number
< ______ >

Number, street, and room or suite no. (If a P.O. box, see instructions.)
< ______ >
1c Employer's tax year ends—Enter (MM) ______

City < ______ > State < ____ > ZIP code < ______ >
1d Telephone number ( ) ______

2 Person to be contacted if more information is needed. (See Instructions.)
(If the same as line 1a, leave blank. Complete even if a Power of Attorney is attached.)

Name
< ______ >

Number, street, and room or suite no. (If a P.O. box, see instructions.)
< ______ >

City < ______ > State < ____ > ZIP code < ______ > Telephone number ( ) ______

3a Determination requested for (enter applicable number(s) at left and fill in required information.) (See instructions.)

< > Enter 1 for Initial Qualification—Date plan signed . . . . . . ______
< > Enter 2 for a request after Initial Qualification
Date amendment signed ______ Date amendment effective ______
< > Enter 3 for Standardized Plans (See instructions)

b Has the plan received a determination letter? (Submit a copy of the latest letter if one was **ever** received.). . . . . Yes < > No < >
If 3b is no, were required amendments made retroactively effective? . . . . . . Yes ___ No ___

c Have interested parties been given the required notification of this application? . . Yes < > No < >

d Does the plan have a cash or deferred arrangement, or employee or matching contributions (section 401(k) or (m))? . . . . . Yes < > No < >

4a Name of plan:
< ______ >
< ____ > **b** Enter plan number (3 digits) ______ **d** Enter year plan originally effective
< ____ > **c** Enter date plan-year ends (MMDD) < ______ > **e** Enter number of participants in plan

5a If this is a defined benefit plan, enter the appropriate number in box at left.
< > Enter 1 for unit benefit — Enter 3 for flat benefit
Enter 2 for fixed benefit — Enter 4 for other (Specify) ______

b If this is a defined contribution plan, enter the appropriate number in box at left.
< > Enter 1 for profit sharing — Enter 4 for target benefit
Enter 2 for stock bonus — Enter 5 for other (Specify) ______
Enter 3 for money purchase

6a Is the employer a member of an affiliated service group?
< > Enter 1 if "Yes" and see the instructions — Enter 2 if "No"

b Is the employer a member of a controlled group of corporations or a group of trades or businesses under common control?
< > Enter 1 if "Yes" and see the instructions — Enter 2 if "No"

7 Enter type of adopter.
< > Enter 1 if a master or prototype plan — Enter 3 if a District approved volume submitter plan
Enter 2 if a regional prototype plan

8 Enter type of plan.
< > Enter 1 if governmental plan — Enter 3 if collectively bargained plan — Enter 5 if other
Enter 2 if nonelecting church plan — Enter 4 if section 412(i) plan

Under penalties of perjury, I declare that I have examined this application, including accompanying statements, and to the best of my knowledge and belief it is true, correct, and complete. **Both copies of this page must be signed.**

Signature ▶ ______ **Title ▶** ______ **Date ▶** ______

For Paperwork Reduction Act Notice, see page 3 of separate instructions. Cat. No. 11832Y Form **5307** (Rev. 7-98)

	Yes	No
9a Do you maintain any other qualified plan(s)? (See instructions.)		
If "No," skip to line 9d.		
b Do you maintain another plan of the same type (i.e., both this plan and the other plan are defined contributions plans or both are defined benefit plans) that covers non-key employees who are also covered under this plan?		
If yes, when the plan is top-heavy, do the non-key employees covered under both plans receive the required top-heavy minimum contribution or benefit under:		
(1) This plan?		
(2) The other plan?		
c If this is a defined contribution plan, do you maintain a defined benefit plan (or if this is a defined benefit plan, do you maintain a defined contribution plan) that covers non-key employees who are also covered under this plan?		
If yes, when the plan is top-heavy, do non-key employees covered under both plans receive:		
(1) the top-heavy minimum benefit under the defined benefit plan?		
(2) at least a 5% minimum contribution under the defined contribution plan?		
(3) the minimum benefit offset by benefits provided by the defined contribution plan?		
(4) benefits under both plans that, using a comparability analysis, are at least equal to the minimum benefit? (See instructions.)		
d Does the plan prevent the possibility that the section 415 limitations will be exceeded for any employee who is (or was) a participant in this plan and any other plan of the employer? (See Regulations sections 1.415-7 and 1.415-8.).		

Miscellaneous

	N/A	Yes	No
10a Does any amendment to the plan reduce or eliminate any section 411(d)(6) protected benefit? (See instructions.)			
b Are trust earnings and losses allocated on the basis of account balances in a defined contribution plan? If "No," attach a statement explaining how they are allocated			
c Is this plan or trust currently under examination or is any issue related to this plan or trust currently pending before the Internal Revenue Service, the Department of Labor, the Pension Benefit Guaranty Corporation, or any court? If "Yes," attach a statement explaining the issues involved and who is considering them. Do not answer "Yes" because the plan has been considered under IRS's Voluntary Compliance Resolution Program			

Procedural Requirements

Use this list to see what MUST be included with Form 5307.

1 **Is Schedule Q (Form 5300)** attached? (not required by a governmental plan)

2 Is **Form 8717** and the appropriate user fee attached?

3 **Master or Prototype, Regional Prototype or Volume Submitters Plans**—Is a copy of the adoption agreement attached or in the case of a volume submitter plan, a copy of modifications? (See **What To File** in the instructions.)

4 Is a copy of the master or prototype, regional prototype or volume submitter letter attached? (See **What To File** in the instructions.)

5 Is a copy of the plan's latest determination letter attached? (Previously approved plans only, see **What To File** in the instructions.)

6 Are the appropriate demonstrations attached to Schedule Q?

7 Has page one been submitted in duplicate (one must be the pink copy)?

8 Are both copies of page one of the application signed?

9 Is the plan sponsor's (employer's if single-employer plan) 9-digit employer identification number entered on line 1b?

10 If appropriate, is **Form 2848**, or a privately designed authorization, attached? (See **Disclosure Request by Taxpayer** in the instructions.)

11 Is the year the plan was originally effective entered on line 4d?

12 **Affiliated Service Groups, Controlled Groups or Entities Under Common Control**—Is the information requested under **"What To File"** and the line 6 instructions attached?

13 **Volume Submitter Plans**—Is a copy of the plan and trust instrument attached? (See **What To File** in the instructions.)

ALL APPLICATIONS ARE SCREENED BY COMPUTER. FAILURE TO INCLUDE A REQUIRED ITEM WILL RESULT IN THE RETURN OF THIS APPLICATION TO YOU.

Instructions for Form 5307

Department of the Treasury
Internal Revenue Service

(Revised July 1998)

Application for Determination for Adopters, of Master or Prototype, Regional Prototype, or Volume Submitter Plans

Section references are to the Internal Revenue Code unless otherwise noted.

Public Inspection. Form 5307 is open to public inspection if there are more than 25 plan participants. Therefore, it is important that the total number of participants be shown on line 4e. See the instructions for line 4e for a definition of participant.

Disclosure Request by Taxpayer. The Tax Reform Act of 1976 allows a taxpayer to request the IRS to disclose and discuss the taxpayer's return and/or return information with any person(s) the taxpayer designates in a written request. Use **Form 2848,** Power of Attorney and Declaration of Representative, for this purpose.

Signature. The application must be signed by the employer, plan administrator, or an authorized representative.

How To Get Forms and Publications

By personal computer. Visit the IRS's Internet Web Site at **www.irs.ustreas.gov** to get:

- Forms and instructions
- Publications
- IRS press releases and fact sheets

You can also reach us using:

- Telnet at **iris.irs.ustreas.gov**
- File Transfer Protocol at **ftp.irs.ustreas.gov**
- Direct Dial (by modem)—Dial direct to the Internal Revenue Services (IRIS) by calling **703–321–8020** using your modem. IRIS is an on-line information service on FedWorld.

CD—ROM. A CD—ROM containing over 2,000 tax products (including many prior year forms) can be purchased from the Government Printing Office (GPO). To order the CD—ROM, call the Superintendent of Documents at **202–512–1800,** or go through GPO's Internet Web Site **(www.access.gpo.gov/su_docs).**

By phone and in person. To order forms and publications, call **1–800–TAX–FORM (1–800–829–3676)** between 7:30 a.m. and 5:30 p.m. on weekdays. You can also get most forms and publications at your local IRS office.

Note: *You must file the pink copy of page one, Form 5307, which can not be downloaded.*

General Instructions

A Change To Note

Governmental plans are not required to attach Schedule Q (Form 5300), Nondiscrimination Requirements.

Purpose of Form

Adopters of master or prototype, regional prototype, or volume submitter plans, use **Form 5307** to request a determination letter from the IRS for the qualification of a defined benefit or a defined contribution plan and the exempt status of any related trust.

Type of Plan

- A **Defined Contribution plan** (DCP) is a plan that provides an individual account for each participant and for benefits based only on the amount:
  1. Contributed to the participant's account,
  2. Any income, expenses, gains and losses, and any forfeitures of accounts of other participants which may be allocated to the participant's account.
- A **Defined Benefit plan** (DBP) is any plan that is not a DCP.

Note: *A qualified plan must satisfy section 401(a) including but not limited to participation, vesting, nondiscriminatory contributions or benefits, distributions, and contribution and benefit limitations.*

Completing the Application

Applications are screened for completeness. Incomplete applications may be returned to the applicant. For this reason, it is important that an appropriate response be entered for each line (unless instructed otherwise). In completing the application, pay careful attention to the following:

- N/A (not applicable) is accepted as a response **only** if an N/A block is provided.
- If a number is requested, a number must be entered.
- If an item provides a choice of boxes to check, check only one box unless instructed otherwise.
- If an item provides a box or boxes to check, written responses are not acceptable.
- If a governmental plan or nonelecting church plan, certain lines do not have to be completed. See **What To File** and **Specific Plans—Additional Requirements.**
- All applications must include the appropriate user fee and **Form 8717,** User Fee for Employee Plan Determination Letter Request. Please submit a separate check for each application. See **How To Get Forms and Publications** above to get Form 8717.
- The IRS may, at its discretion, require additional information any time it is deemed necessary.

Who May File

This form may be filed by an adopter of:

- A master or prototype plan that was approved by the IRS National Office;
- A regional prototype plan approved in a key district office; or
- A district approved volume submitter plan.

Standardized Plans. A plan sponsor who adopts a master or prototype or regional prototype standardized plan and has had another qualified plan, or who adopts another plan in addition to the standardized plan, other than a paired plan, must file an application for a determination letter in order to have reliance as to the qualified status of the plan.

Note: *Form 5307 may* **not** *be filed to request a determination letter for:*

- *A multiple employer plan (use* ***Form 5300,*** *Application for Determination for Employee Benefit Plan);*
- *An employee stock ownership plan (ESOP) (Attach* ***Form 5309,*** *Application for Determination of Employee Stock Ownership Plan, to Form 5300 or* ***Form 5303,*** *Application for Determination for Collectively Bargained Plans.);*
- *An individually designed plan (other than a District approved volume submitter plan) (Use Form 5300 or Form 5303, whichever applies.); or*
- *To determine if you are a member of an affiliated service group (use Form 5300).*

What To File

All plans must attach the following:

- Form 8717.
- Attach a duplicate copy of Form 5307, Page 1, to the pink copy of Form 5307. The duplicate copy may be a reproduction

Cat. No. 11833J

or carbon; however, the signature must be original.

- Schedule Q (Form 5300) and any additional schedules or demonstrations required by these instructions or the instructions for Schedule Q.

Note: *Schedule Q should not be filed for a governmental plan.*

- An Adoption Agreement must accompany all applications submitted by master or prototype plan, or regional prototype plans, **Do not** submit a copy of the plan or trust instruments unless the plan is a regional prototype plan which uses separate trust or custodial account documents, or a volume submitter plan, in which case such trust or custodial account documents must be submitted along with the application.
- All applications submitted by adopters of District approved volume submitter plans must be accompanied by a copy of the plan and trust instrument and a written representation, made by the volume submitter under penalty of perjury, which explains if the plan and trust instrument are or are not word-for-word identical to the District approved specimen plan and, if not identical describes the location, nature and effect of each difference from the language of the approved specimen plan.
- All applications submitted by adopters of district approved volume submitter plans must also be accompanied by any other information or material required by the District office.
- An Opinion, Notification, or Advisory Letter issued to the plan must accompany all applications for adopters of master or prototype, regional prototype, or volume submitter plans.
- All applications for plans that have at any time in the past received a favorable determination letter must include a copy of the plan's latest determination letter.
- Also, if the plan is a regional prototype plan, a certification must be attached to the application that indicates the plans notification letter has not been withdrawn and is still in effect, and that the plan has not changed.
- If this application is filed for a standardized plan because the adopting employer maintains or has ever maintained another plan that is not paired with this plan, complete only lines 1 through 5, 7 through 9, and 10c and d. See the instructions for Schedule Q (Form 5300) regarding the completion of Schedule Q by standardized plans. Explain in a cover letter why the application is being filed.

Specific Plans—Additional Requirements

For plans of **controlled groups of corporations, trades or businesses under common control,** and **affiliated service groups,** submit the statement specified in the instructions for line 6 below.

For a **governmental or nonelecting church plan,** file Form 5307 but skip line 10a. A nonelecting church plan is a plan for which an election under section 410(d) has not been made.

Schedule Q should not be filed by a governmental plan. Electing church plans must complete all of the form including line 10a.

File **Form 5310,** Application for Determination for Terminating Plan, to request a determination letter for the complete termination of a DBP or DCP.

File **Form 5310-A,** Notice of Merger, Consolidation, or Transfer of Plan Assets or Liabilities, 30 days prior to a merger, consolidation, or transfer of plan assets or liabilities.

Note: *If a CBP benefits employees other than collectively bargained employees, file Form 5303. **DO NOT** file Form 5307.*

Where To File

Internal Revenue Service,
P.O. Box 192,
Covington, KY 41012–0192.

Requests shipped by Express Mail or a delivery service should be sent to:

Internal Revenue Service,
201 West Rivercenter Blvd.,
Attn: Extracting Stop 312,
Covington, KY 41011.

Private Delivery Services. Applicants can use certain private delivery services designated by the the IRS, the IRS publishes a list of the designated private delivery services in September of each year. The list published in September 1997, includes only the following:

- Airborne Express (Airborne): Overnight Air Express Service, Next Afternoon Service, Secound Day Service.
- DHL Worldwide Express (DHL): DHL "Same Day" Service, DHL USA Overnight.
- Federal Express (FedEx): FedEx Priority Overnight, FedEx Standard Overnight, FedEX 2Day.
- United Parcel Service (UPS): UPS Next Day Air, UPS Next Day Air Saver, UPS 2nd Day Air, UPS 2nd Day Air A.M.

The private delivery service can tell you how to get written proof of the mailing date.

Specific Instructions

Line 1a. Enter the name, address, and telephone number of the plan sponsor/employer. A plan sponsor for:

1. A plan that covers the employees of one employer, is the employer;
2. A plan sponsored by two or more entities required to be combined under section 414(b), (c) or (m), is one of the members participating in the plan; or
3. A plan that covers the employees and/or partner(s) of a partnership, is the partnership.

The plan name of the sponsor should be the same name that was or will be used when the Form 5500 series return/reports are filed for the plan.

Address. Include the suite, room, or other unit number after the street address. If the Post Office does not deliver mail to the street address and the plan has a P.O. box, show the box number instead of the street address.

Line 1b. Employer identification number (EIN). Enter the 9-digit EIN assigned to the plan sponsor/employer. This should be the same EIN that was used or will be used when the Form 5500 series returns/reports are filed for the plan. (Do not use a social security number or the EIN of the trust.) Use **Form SS-4,** Application for Employer Identification Number, to apply for an EIN. Form SS-4 can be obtained at Social Security Administration (SSA) offices or by calling 1-800-TAX-FORM.

The plan of a group of entities required to be combined under section 414(b), (c), or (m), and which is sponsored by more than one of the entities required to be combined, should enter the EIN of one of the sponsoring members. This EIN must be used in all subsequent filings of determination letter requests and for filing annual returns/reports unless there is a change of sponsor.

Line 1c. Enter the 2 digits representing the month the employer's tax year ends. This is the employer whose EIN was entered on line 1b.

Line 2. The contact person will receive copies of all correspondence as authorized in a power of attorney or other written designation. This item must be completed as described; a reference such as "see attached" is not acceptable.

Line 3a. In the box in the left margin, enter the number(s) that correspond to the request(s) being made.

Enter 1 if IRS has not issued a determination letter for this plan.

Enter 2 if this application is for a plan for which the IRS has previously issued a determination letter.

In addition, enter the date the plan or amendment was signed. If a plan or amendment is proposed, enter 9/9/9999. Enter the effective date where requested. The term "Date amendment effective" means the date the amendment becomes operative or takes effect.

Enter 3 if this is a standardized plan (whether or not paired) and a determination is requested because the adopting employer maintains or has ever maintained another plan that is not paired with this plan.

If you enter 3, you **must** also enter a "1" or "2" and the appropriate dates in the space provided.

Line 3b. If you do not have a copy of the latest determination letter, explain this in the cover letter.

Line 3c. Section 3001 of ERISA requires the applicant to provide evidence that each employee who qualifies as an interestedpartyhasbeennotifiedofthe filingoftheapplication.If"Yes"is checked,itmeansthateachemployee hasbeennotifiedasrequiredbythe regulationsundersection7476oryou haveaone-personplan.

Rulesdefining"interestedparties"and theformofnotificationareinRegulations section1.7476-1.Foranexampleofan acceptableformat,seeRev.Proc.98-6, 1998-1I.R.B.183.If"No"ischecked,or thislineisblank,yourapplicationwillbe returned.

Note: *Rev. Proc. 98–6 is updated annually and can be found in the Internal Revenue Bulletin.*

Line3d. Check"Yes"ifyourplan containsprovisionsforacashordeferred arrangement(CODA)undersection 401(k),orforemployeeormatching contributionsdescribedinsection401(m), otherwise,check"No."

Line4a. Enteranamefortheplan.

Line4b. Assignandenterathree-digit number,beginningwith"001"and continuinginnumericalorderforeach planadopted.Thisnumberingwill differentiateyourplans.Thenumberthat isassignedtoaplanmustnotbechanged orusedforanyotherplan.

Line4c. "Planyear"meansthecalendar, policy,orfiscalyearonwhichtherecords oftheplanarekept.Enterfourdigitsin month-dayorder.

Example: March31wouldbe0331.

Line4d. Entertheyeartheplan **originally** becameeffective.

Line4e. Enter:

1.thetotalnumberofemployees participatingintheplan(include employeesunderasection401(k) qualifiedcashordeferredarrangement whoareeligible,butdonotmakeelective deferrals),

2.retireesorotherformeremployees whohaveanonforfeitablerighttobenefits undertheplan,and

3.abeneficiaryofadeceased employeewhoisreceivingorwillinthe futurereceivebenefitsundertheplan.

Thismeansonebeneficiaryforeach formeremployeeregardlessofthe numberofindividualsreceivingbenefits.

Example: Paymentofaformer employee'sbenefittothreechildrenis consideredasapaymenttoone beneficiary.

Line6 Iftheplansponsorisamember ofacontrolledgroupofcorporations, tradesorbusinessesundercommon control,oranaffiliatedservicegroup.All employeesofthegroupwillbetreatedas employedbyasingleemployerfor purposesofcertainqualification requirementssuchascoverage.

Attachastatementshowingindetailall membersofthegroup,theirrelationship totheplansponsor,thetypeofplans eachmemberhas,andtheplanscommón toallmembers.

Note: *If you want to apply for a determination letter to determine if you are a member of an affiliated service group, do not file this form. File Form 5300 instead.*

Line7.TypeofAdopter Intheboxinthe leftmargin,enterthenumberthat correspondstotherequestbeingmade.

Enter1 ifyouareadoptingamaster orprototypeplanhavinganopinionletter issuedbytheIRS.

Enter2 ifyouareadoptingaregional prototypeplanhavinganotificationletter issuedbytheIRS.

Enter3 ifyouareadoptingavolume submitterplanhavingafavorableletter identifyingtheplanasapprovedunderthe Districtvolumesubmitterprogram.

Line8.TypeofPlan Intheboxintheleft margin,enterthenumberthat correspondstotherequestbeingmade.

Enter1 ifagovernmentalplan.

Enter2 ifanonelectingchurchplan (i.e.,aplanforwhichanelectionunder section410(d)hasnotbeenmade).

Enter3 Ifacollectivelybargainedplan.

Enter4 ifasection412(i)plan.

Enter5 ifnotdescribedabove.Most planswillenter"5."

Line9a. Ifyoumaintainanyother qualifiedplan(s), **attach** alistforeach planwhichincludesthefollowing information:

1.nameofplan,

2.typeofplan,

3.formofplan(standardizedor nonstandardized),

4.plannumber,

5.whethertheplanhasreceiveda determinationletteroranapplicationfor aletterispendingwithIRS.

Alsoindicateiftheplanispaired(if paired,indicatetheletterserialnumber ofthepairedplan).

Line9band9c. SeeM-8,M-12,and M-14ofRegulationssection1.416-1.

Miscellaneous

Line10a. Section411(d)(6)protected benefitsinclude:

- Theaccruedbenefitofaparticipantas ofthelateroftheamendment'sadoption dateoreffectivedate;and
- Anyearlyretirementbenefit, retirement-typesubsidyoroptionalform ofbenefitforbenefitsfromservicebefore suchamendment.

Iftheansweris"Yes,"attachan explanationofhowtheamendment satisfiesoneoftheexceptionstothe prohibitiononreductionoreliminationof section411(d)(6)protectedbenefits.

PaperworkReductionActNotice. We askfortheinformationonthisformto carryouttheInternalRevenuelawsofthe UnitedStates.Ifyouwanttohaveyour planapprovedbytheIRS,youare requiredtogiveustheinformation.We needittodeterminewhetheryoumeetthe legalrequirementsforplanapproval.

Youarenotrequiredtoprovidethe informationrequestedonaformthatis subjecttothePaperworkReductionAct unlesstheformdisplaysavalidOMB controlnumber.Booksorrecordsrelating toaformoritsinstructionsmustbe retainedaslongastheircontentsmay becomematerialintheadministrationof anyInternalRevenuelaw.Generally,tax returnsandreturninformationare confidential,asrequiredbysection6103.

Thetimeneededtocompleteandfile thisformwillvarydependingonindividual circumstances.Theestimatedaverage timeis:

Recordkeeping	5hr.,16min.
Learningaboutthelawor theform	4hr.,10min.
Preparingtheform	8hr.,9min.
Copying,assembling,and sendingtheformtotheIRS.	1hr.,4min.

Ifyouhavecommentsconcerningthe accuracyofthesetimeestimatesor suggestionsformakingthisformsimpler, wewouldbehappytohearfromyou.You canwritetotheTaxFormsCommittee, WesternAreaDistributionCenter,Rancho Cordova,CA95743-0001.

DONOT sendthetaxformtothis office.Instead,see **WhereToFile** on page2.

< 5310 >
< REV 6/97 >
Department of the Treasury
Internal Revenue Service

Application for Determination for Terminating Plan

(Under section 401(a) of the Internal Revenue Code)

*You must attach user fee and Schedule Q to this application. (See **What To File.**)*

OMB No. 1545-0202

For IRS Use Only

You must file the pink shaded copy of page 1 and the duplicate page 1 of this application. The pink shaded copy of page 1 is read by the computer and all the information filled in must be typed in either 10 pitch type, Elite type, Courier 12 type, or Titan 12 type. If you wish to computer generate this form, contact the EP OCR Coordinator at (202) 622-7288 for more information.

Review the **Procedural Requirements** on page 6 before submitting this application.

1a Name of plan sponsor (employer if single-employer plan) < >
1b Employer identification number < >

Address (number, street, room or suite no. (If a P.O. box, see page 2 of the instructions.)) < >
1c Employer's tax year ends — N/A or (MM)

City < > State < > ZIP code < >
1d Telephone number

2 Person to contact if more information is needed. (See instructions, **Disclosure Request by Taxpayers.**) (If same as 1a, leave blank.) (Complete even if Power of Attorney is attached):

Name < >

Address (number and street) < >

City < > State < > ZIP code < > Telephone number

3a Have interested parties (as defined in Treasury Regulations section 1.7476-1) been given the required notification of this application? . . . . . Yes < > No < >

b If **3a** is "Yes," enter date of notification (MMDDYY) . . . . . Date < >

c Has the plan received a determination letter, or, if this plan is a standardized Master or Prototype or Regional Prototype plan, an opinion, or notification letter? If "Yes," attach a copy of the latest letter . . . . Yes < > No < >

d If **3c** is "Yes," has the plan been amended since the last letter was received? If "Yes," attach a copy of the amendment(s) in addition to a copy of the plan documents . . . . . . Yes < > No < >

e Does the plan have a cash or deferred arrangement (section 401(k)) or employee matching contributions (section 401(m))? . . . . . Yes < > No < >

4a Name of Plan (Plan name may not exceed 66 characters.):
< >

< > **b** Enter plan number (3 digits) ____ **d** Enter year plan originally effective

< > **c** Enter date plan year ends (MMDD) < > **e** Enter number of participants in plan

5a If this is a defined benefit plan, enter the appropriate number at left.

< > Enter 1 for unit benefit — Enter 3 for flat benefit
Enter 2 for fixed benefit — Enter 4 for other (specify) ____

b If this is a defined contribution plan, enter the appropriate number at left.

< > Enter 1 for profit sharing — Enter 4 for target benefit
Enter 2 for stock bonus — Enter 5 for ESOP
Enter 3 for money purchase — Enter 6 for other (specify) ____

6a Is the employer a member of an affiliated service group?

< > Enter 1 if "Yes" — Enter 2 if "No" — Enter 3 if "Not Certain"

b Is the employer a member of a controlled group of corporations or a group of trades or businesses under common control?

< > Enter 1 if "Yes" — Enter 2 if "No"

7 Enter type of plan:

< > Enter 1 if governmental plan — Enter 2 if nonelecting church plan
Enter 3 if multiple employer plan (described in section 413(c)). Enter number of participating employers ____
Enter 4 if section 412(i) plan — Enter 5 if other

8 Attach copies of records of all actions taken to terminate the plan (see instructions).

a Proposed date of plan termination (MMDDYY) < >

b Will funds be distributed as soon as administratively feasible? . . . . . Yes < > No < >

c Will any funds be, or have any funds been, returned to the employer? (See specific instructions.) . . . . . Yes < > No < >
If "Yes," enter the estimated amount ▶ < >

Under penalties of perjury, I declare that I have examined this application, including accompanying statements, and to the best of my knowledge and belief it is true, correct, and complete. **Both copies of this page must be signed.**

Signature ▶ Title ▶ Date ▶

For Paperwork Reduction Act Notice, see page 1 of the instructions. STF FED5518F.2 Form **5310** (Rev. 6-97)

		Yes	No	N/A
9a	If the plan has never received a determination or notification/opinion letter from IRS, attach a copy of the executed original plan document or joinder/adoption agreement, all plan amendments, trust agreement, group annuity contracts and custodial agreements. Do not complete **9b** through **9d.**			
b	Since the last letter, have any of the amendments altered the plan's vesting provisions?			
c	Since the last letter, have any of the amendments (including the termination) decreased plan benefits for any participant?			

d Last contribution to the plan:
(1) Date (MMDDYY) **(2)** Amount $ **(3)** For plan year ending (MMDDYY) ▶

10 Reason for termination. Check only one box to indicate primary reason for termination.
- **a** ☐ Change in ownership by merger
- **b** ☐ Liquidation or dissolution of employer
- **c** ☐ Change in ownership by sale or transfer
- **d** ☐ Adverse business conditions (see instructions and attach explanation)
- **e** ☐ Adoption of new plan (see instructions and attach explanation)
- **f** ☐ Other (specify) ▶

11 Indicate funding arrangement:
- **a** ☐ Trust (benefits provided in whole from trust funds)
- **b** ☐ Insurance contract plan described in Code section 412(i)
- **c** ☐ Trust or other arrangement providing benefits partially or exclusively through insurance and/or annuity contracts not included in **11b** above.
- **d** ☐ Custodial account described in Code section 401(f) and not included in **11b** or **11c** above
- **e** ☐ Other (specify) ▶

12a Name(s) of trustee(s) or custodian(s) **b** Telephone number

Address (number and street)

City or town, state, and ZIP code

13 Coverage (see instructions): Certain collectively bargained plans do not complete **13a** (see instructions).

a Complete the following for the two plan years immediately preceding the proposed year of plan termination (current year):
Did the plan satisfy the ratio percentage test of section 410(b)(1)(B)?

2nd preceding year		1st preceding year	
Yes	No	Yes	No

If the plan did not satisfy the ratio percentage test for either of the specified years, explain on a separate attachment how the plan met the minimum coverage requirements of section 410(b).

b Enter the total number of participants employed at any time during the current plan year and each of the 5 prior plan years on the schedule below. If all such participants were fully vested at all times during such period, do not complete lines **13b(1)** through **13b(5)** and enter -0- in each column next to line **13b(6).**

	19 ___	19 ___	19 ___	19 ___	19 ___	Current year 19 ___
(1) Number at beginning of plan year						
(2) Number added during the plan year						
(3) Total (add lines **(1)** and **(2)**)						
(4) Number dropped during the plan year						
(5) Number at end of plan year (subtract **(4)** from **(3)**)						
(6) Total number of participants in this plan separated from vesting service during the plan year without full vesting						

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		Total number	Amount of monthly benefits as of the most recent payment date
14	Summary of participants or claimants by category:		
a	Retirees and beneficiaries (including disability retirees) receiving benefits		
b	Active participants eligible for normal retirement		
c	Active participants eligible for early (but not normal) retirement		
d	Active participants vested before termination (other than normal or early retirement)		
e	All other active participants		
f	Participants separated from service with deferred vested benefits		
g	**Total** (Add lines **14a** through **14f**)		

		Yes	No	Not Applicable
15	Miscellaneous:			
a	As a result of the termination, are accrued benefits or account balances nonforfeitable as required under section 411(d)(3)?			
b	If annuity contracts are distributed on plan termination, are the applicable consent, present value, waiver and other rights and benefits protected by sections 401(a)(11) and 417 included in the annuity contracts?			
c	Do the accrued benefits for each participant upon termination include the subsidized benefits that the participant may become entitled to receive subsequent to the termination? (See instructions.)			
d	Were any funds contributed in the form of, or invested in, obligations or property of the employer or any controlled group of corporations or group of trades or businesses under common control?			
e	Will distribution include property other than cash?			
f	If a defined benefit or money purchase plan, do you estimate there will be an accumulated funding deficiency as of the end of the plan year during which the proposed termination date occurs if no additional plan contributions are made and no additional funding waiver is granted?			
	If "Yes," complete the following:			
	(1) Estimated accumulated funding deficiency $ ______________			
	(2) Was a Form 5330 filed?			
	(3) Was a funding waiver granted?			
	(4) Have you attached a copy of Form 5330 or a waiver ruling?			
g	**(1)** If there are unallocated funds which can be reallocated to participants without exceeding the limitations of section 415, have these funds been reallocated to participants?			
	(2) If **15g(1)** is "Yes," did the plan originally contain a provision allowing this reallocation?			
	(3) If **15g(2)** is "No," was the plan amended to provide for this reallocation?			
h	If any funds will be or have been returned to the employer, complete **15h(1)** through **15h(10)** below, if applicable.			
	(1) Has the terminating plan been involved in a spinoff or other transfer of assets or liabilities, subject to Code section 414(l), within 60 months preceding the proposed date of termination? If "Yes," attach a list and an explanation of the transaction(s) involved			
	(2) Was proper notice filed with the IRS on Form 5310-A?			
	(3) Was the only transaction in **15h(1)** above, a transfer of assets before any employer reversions?			
	(4) If **15h(1)** is "Yes," answer **(A)** and **(B)**:			
	(A) Are the accrued benefits of all participants, in the other plan(s) included in **15h(1)**, fully vested and nonforfeitable as of the date of this plan termination? (See instructions.)			

(Continued on page 4.)

		Yes	No	Not Applicable
15	(con't)			
	(B) Have cash distributions or guaranteed annuity contracts been provided for all accrued benefits, as of the date of this plan termination, of all participants in the other plan(s) included in **15h(1)**? (See instructions.)			
	Note: *Distributions generally may not be made to employed participants in nonterminating plans.*			
	(5) Have cash distributions or guaranteed annuity contracts been provided for all accrued benefits of all participants in this plan?			
	(6) Attach a statement providing the dates and amounts of these cash distributions or purchases of annuity contracts.			
	(7) If this is a defined benefit plan, is it intended, or is it a fact, that any or all of the participants in the terminating plan will be covered by a new or existing defined benefit plan of the employer?			
	(8) If "Yes," does the new plan give full prior service credit for vesting and entitlement purposes?			
	(9) If **15h(1)** or **15h(7)** is "Yes," then —			
	(A) Has a Form 5300 been submitted for a determination letter for the other plan(s) involved? If "Yes," attach plan numbers.			
	(B) Has the IRS granted approval for a change in funding method in connection with this termination for the other plan(s) involved? If "Yes," attach a copy of the approval letter(s).			
	(10) Did the employer previously receive a reversion of assets upon termination of a defined benefit plan in the past 15 years? If "Yes," attach explanation			
i	Is this plan or trust currently under examination or is any issue relating to this plan or trust currently pending before the Internal Revenue Service, the Department of Labor, the Pension Benefit Guaranty Corporation or any court? If "Yes," attach a statement naming the agency(s) and/or court and briefly describe the issues			
j	Did any plan participant during the current plan year or in the 5 prior plan years, receive a single-sum distribution (see instructions) or have an annuity contract purchased by the plan from an insurance company on his or her behalf?			
	If "Yes," state the largest amount so distributed or applied to purchase an annuity contract $______________			
k	**(1)** Does the value of plan assets at termination exceed the present value of a plan's liabilities within the meaning of section 401(a)(2)?			
	(2) If the answer to **15k(1)** is "Yes," is the excess value the result of a change in the plan provisions other than the mere termination of the plan?			
l	If the plan has been top-heavy, have top-heavy minimum benefits accrued or minimum contributions been made for non-key employees?			

16 For defined contribution plans enter the information for the current plan year and the 5 prior plan years on the following schedule:

	19____	19____	19____	19____	19____	Current year 19____
a Employer contributions						
b Forfeitures						

17 Indicate how distributions will be made on termination (check applicable (box(es)):

a ☐ Single-sum distribution **b** ☐ Participating annuity contract(s) **c** ☐ Non-participating annuity contract(s)

d ☐ Transfer of assets and liabilities to another plan **e** ☐ Other (specify) ▶

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18 Statement of net assets available to pay benefits as of the proposed date of plan termination.
All "Other" items must be fully explained in an attachment.

			At proposed date of termination
	Assets		
a	Total noninterest-bearing cash ▶	a	
b	Receivables:		
	(1) Employer contributions	b(1)	
	(2) Participant contributions	(2)	
	(3) Income	(3)	
	(4) Other. (Attach a detailed explanation.)	(4)	
	(5) Allowance for doubtful accounts	(5)	( )
	(6) **Total.** Add lines **18b(1)** through **18b(4)** and subtract **18b(5)** ▶	(6)	
c	General Investments:		
	(1) Interest-bearing cash (including money market funds)	c(1)	
	(2) Certificates of deposit	(2)	
	(3) U.S. Government securities	(3)	
	(4) Corporate debt instruments:		
	(A) Preferred	(4)(A)	
	(B) All other. (Attach a detailed explanation.)	(4)(B)	
	(5) Corporate stocks:		
	(A) Preferred	(5)(A)	
	(B) Common	(5)(B)	
	(6) Partnership/joint venture interests	(6)	
	(7) Real estate:		
	(A) Income-producing	(7)(A)	
	(B) Nonincome-producing	(7)(B)	
	(8) Loans (other than to participants) secured by mortgages:		
	(A) Residential	(8)(A)	
	(B) Commercial	(8)(B)	
	(9) Loans to participants:		
	(A) Mortgages	(9)(A)	
	(B) Other. (Attach a detailed explanation.)	(9)(B)	
	(10) Other loans	(10)	
	(11) Value of interest in registered investment companies	(11)	
	(12) Value of funds held in insurance company general account (unallocated contracts)	(12)	
	(13) Other. (Attach a detailed explanation.)	(13)	
	(14) **Total.** Add lines **18c(1)** through **18c(13)** ▶	(14)	
d	Employer-related investments:		
	(1) Employer securities ▶	d(1)	
	(2) Employer real property ▶	(2)	
e	Buildings and other property used in plan operation ▶	e	
f	**Total assets.** Add lines **18a, 18b(6), 18c(14), 18d(1), 18d(2),** and **18e** ▶	f	
	Liabilities		
g	Benefit claims payable	g	
h	Operating payables	h	
i	Acquisition indebtedness	i	
j	Other liabilities	j	
k	**Total liabilities.** Add lines **18g** through **18j** ▶	k	
	Net Assets		
l	**Net assets.** Subtract line **18k** from line **18f** ▶	l	

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Procedural Requirements

This list identifies certain forms and information required to process your application. These items MUST be included with your application.

1 Have you completed Schedule Q (Form 5300), Nondiscrimination Requirements?

2 Is the appropriate user fee and **Form 8717,** User Fee for Employee Plan Determination Letter Request, attached?

3 Is a copy of the plan attached?

4 Is a copy of the amendment(s), if any, and a statement explaining how the amendment(s) affect or change this or any other plan of the employer attached?

5 Is a copy of your plan's latest determination letter, if any, attached? If this plan is a standardized master or prototype or regional prototype plan, is a copy of your plan's latest opinion letter or notification letter attached?

6 Are both copies of page 1 of **Form 5310** signed?

7 Is the plan sponsor's/employer's 9-digit employer identification number entered on line 1b?

8 Is **Form 2848,** Power of Attorney and Declaration of Representative, attached? (See **Disclosure Request by Taxpayers,** on page 1 of the separate instructions.)

9 Is the year the plan was originally effective entered on line 4d?

10 Affiliated service groups — Is the information requested in the instructions for line 6a attached if applicable?

11 Are copies of all records of all actions taken to terminate the plan attached?

12 Is **Form 6088,** Distributable Benefits from Employee Pension Benefit Plans, attached if required?
Note: *Multiple-employer plans and certain collectively bargained plans may have to attach a Form 6088 for each employer that adopts the plan.*

ALL APPLICATIONS ARE SCREENED BY COMPUTER. FAILURE TO INCLUDE A REQUIRED ITEM WILL RESULT IN THE RETURN OF THIS APPLICATION TO YOU.

Department of the Treasury
Internal Revenue Service

Instructions for Form 5310

(Revised June 1997)

Application for Determination for Terminating Plan

Section references are to the Internal Revenue Code unless otherwise noted.

Paperwork Reduction Act Notice. — We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to determine whether you meet the legal requirements for plan approval.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file the forms listed below will vary depending on individual circumstances. The estimated average times are:

	Recordkeeping	Learning about the law or the form	Preparing, copying, assembling, and sending the form to the IRS
Form 5310	47 hr., 35 min.	4 hr., 35 min.	9 hr., 9 min.
Form 6088	5 hr., 44 min.	1hr., 5 min.	1 hr., 14 min.

If you have any comments concerning the accuracy of these time estimates or suggestions for making these forms simpler, we would be happy to hear from you. You can write to the Tax Forms Committee, Western Area Distribution Center, Rancho Cordova, CA 95743-0001.

DO NOT send these forms to this address. Instead, see the instructions for **Form 8717**.

Public Inspection

Form 5310 is open to public inspection if there are more than 25 plan participants. Therefore, it is important that the total number of participants be shown on line 4e. See the instructions for line 4e for a definition of participant.

Disclosure Request by Taxpayers. The Tax Reform Act of 1976 permits you to request the IRS to disclose and discuss your return and/or return information with any person(s) you designate in a written request. Use **Form 2848**, Power of Attorney and Declaration of Representative, for this purpose.

Signature. — The application must be signed by the employer, plan administrator or an authorized representative.

General Instructions

Note

All applicants must attach new **Schedule Q (Form 5300)**, Nondiscrimination Requirements. However, certain lines on Schedule Q may not have to be completed. See instructions for Schedule Q for more information.

Purpose of Form

Use Form 5310 to request an IRS determination as to the qualified status (under section 401(a) or section 403(a)) of a pension, profit-sharing, or other deferred compensation plan upon plan termination. A multiemployer plan covered by PBGC insurance must use **Form 5303**, Application for Determination for Collectively Bargained Plan, instead of Form 5310.

Completing the Application

Applications are screened for completeness. Incomplete applications may be returned to the applicant. For this reason, it is important that an appropriate response be entered for each line item (unless instructed otherwise). In completing the application, pay careful attention to the following:

- N/A (not applicable) is accepted as a response only if an N/A block is provided.
- If a number is requested, a number must be entered.
- If an item provides a choice of boxes to check, check only one box unless instructed otherwise.
- If an item provides a box to check, written responses are not acceptable.
- All applications must include **Schedule Q (Form 5300)**, Nondiscrimination Requirements. However, certain lines on Schedule Q may not have to be completed. See the Specific Instructions for Schedule Q for more information.
- All applications must include the appropriate use fee and **Form 8717**, User Fee for Employee Plan Determination Letter Request. Please submit a separate check for each application.
- The IRS may, at its discretion, require additional information any time it is deemed necessary.

Who May File

Any plan sponsor or administrator of any pension, profit-sharing or other deferred compensation plan (other than a multiemployer plan covered under PBGC insurance) may file this form to ask the IRS to make a determination on the plan's qualification status at the time of the plan's termination.

Note: *To request a determination as to the plan's qualification status for a partial termination, file* ***Form 5300,*** *Application for Determination for Employee Benefit Plan, or Form 5303, as applicable. Do NOT file Form 5310.*

Note: *Use Form 5300 or Form 5303 instead of Form 5310 if the plan sponsor or administrator is filing for a determination but will continue to maintain the trust after termination.*

What To File

An original Form 5310, page 1 MUST be submitted. The original is the pink shaded (scanable) product prepared by the Internal Revenue Service. Photocopies or black and white versions CANNOT be accepted as the original.

In addition, all plans must attach the following:

- **Form 8717,** User Fee for Employee Plan Determination Letter Request. For multiple employer plans, the fee is based on the number of participating employers. Please submit a separate

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check for each application. Form 8717 may be obtained by contacting your local IRS District Office or by calling 1-800-TAX-FORM (1-800-829-3676).

- Attach a duplicate copy of Form 5310, page 1 to the original Form 5310. The duplicate copy may be a reproduction or carbon; however, the signature must be original on both the original page 1 and the duplicate page 1.
- A copy of all required attachments.
- A copy of the plan document.
- A copy of all amendments made since the last determination letter.
- A statement explaining how the amendments affect or change this plan or any other plan maintained by the employer.
- Copies of all records of all actions taken to terminate the plan.
- A copy of the plan's latest determination letter, if any (or a copy of the latest opinion or notification letter for a standardized master or prototype or regional prototype plan).
- Schedule Q (Form 5300), Nondiscrimination Requirements, and any additional schedules required by these instructions or the instructions for Schedule Q.
- Form 6088, if required.

Note: *A multiple-employer plan must submit a Form 6088 for each employer who adopts the plan.*

Where To File

For information on where to file, see the instructions for **Form 8717**User Fee for Employee Plan Determination Letter Request. Form 8717 may be obtained by contacting your local IRS District Office or by calling 1-800-TAX-FORM (1-800-829-3676).

Specific Instructions

Line 1a. — Enter the name, address, and telephone number of the plan sponsor.

A plan sponsor for:

- A plan that covers the employees of one employer is the employer.
- A plan maintained by two or more employers (other than a plan sponsored by a group of entities required to be combined under section 414(b), (c), or (m)), is the association, committee, joint board of trustees or other similar group of representatives of those who established or maintain the plan.
- A plan sponsored by two or more entities required to be aggregated under section 414(b), (c), or (m) is one of the members participating in the plan.
- A plan that covers the employees and/or partner(s) of a partnership is the partnership.

The name of the plan sponsor/employer should be the same name that was or will be used when the Form 5500 series annual return/reports are filed for the plan.

Address. — Include the suite, room, or other unit number after the street address. If the Post Office does not deliver mail to the street address and the plan has a P.O. box, show the box number instead of the street address.

Line 1b. — **Employer identification number.** — Enter the 9-digit EIN assigned to the plan sponsor/employer. This should be the same EIN that was or will be used when the Form 5500 series annual returns/reports are filed for the plan. **Do not** use a social security number or the EIN of the trust. Use **Form SS-4,** Application for Employer Identification Number, to apply for an EIN. Form SS-4 can be obtained at most IRS or Social Security Administration (SSA) offices or by calling 1-800-TAX-FORM (1-800-829-3676).

The plan of a group of entities required to be combined under section 414(b), (c), or (m) whose sponsor is more than one of the entities required to be combined should only enter the EIN of one of the sponsoring members. This EIN must also be used in the annual returns/reports filed for the plan unless there is a change of sponsor.

Line 1c. — Enter the two digits representing the month the employer's tax year ends. This is the employer whose EIN was entered on line 1b. Enter "N/A" for plans of more than one employer.

Line 2. — The contact person will receive copies of all correspondence as authorized in a power of attorney or other written designation. This line item must be completed as described; a reference such as "see attached" is NOT acceptable.

Line 3a. — Section 3001 of ERISA requires the applicant to provide evidence that each employee who qualifies as an interested party has been notified of the filing of the application. If you check "Yes," it means that you have notified each employee as required by regulations under section 7476 or you have a one person plan. Rules defining "interested parties" and the form of notification are in Regulations section 1.7476-1. An example of an acceptable format is found in Rev. Proc. 97-6, 1997-1 IRB 153. If "No" is checked or this line is blank, your application will be returned.

Line 3c. — If a determination letter, or, if this plan is a standardized Master and Prototype or Regional Prototype plan, and an opinion or notification letter has been received, check "Yes" and attach a copy of the latest letter to this application. If you do not have a copy of the latest letter, explain this in the cover letter.

Line 3d. — If you check "Yes" also attach a statement explaining how the amendments affect or change this or any other plan of the employer.

Line 3e. — If your plan contains provisions for a cash or deferred arrangement (CODA) under section 401(k), or for employee or matching contributions described in section 401(m), check "Yes." Otherwise, check "No."

Line 4a. — Enter a name for your plan.

Line 4b. — Assign and enter a three-digit number, beginning with "001" and continuing in numerical order for each plan adopted. This numbering will differentiate your plans. The number assigned to a plan must not be changed or used for any other plan.

Line 4c. — Plan year means the calendar, policy, or fiscal year on which the records of the plan are kept. Enter the four digits in month-day order. For example, March 31 would appear as 0331.

Line 4d. — Enter the year the plan **originally** became effective.

Line 4e. — Enter on this line the total of: **(1)**the number of employees who are participating in the plan. Include employees under a section 401(k) qualified cash or deferred arrangement who are eligible, but do not make elective deferrals, **(2)** retirees and other former employees who have a nonforfeitable right to benefits under the plan, and **(3)**beneficiaries of deceased employees who are receiving or will in the future receive benefits under the plan. This means one beneficiary for each deceased employee regardless of the number of individuals receiving benefits. For example, payment of a deceased employee's benefit to three children is considered a payment to one beneficiary.

Line 5a. — If the plan is not described in 1, 2, or 3, enter 4 for "other" plan. For example, if this is a cash balance, enter 4 and write "Cash Balance" where noted. A cash balance plan is a defined benefit plan that defines an employee's benefit by reference to hypothetical allocations and interest adjustments.

Line 5b. — If this is a defined contribution plan, enter the number for the type of plan in the box at the left margin.

Line 6. — If the employer is a member of a controlled group of corporations (section 414(b)), trades or businesses under common control (section 414(c)), or an affiliated service group (section 414(m)), all employees of the group will be treated as employed by a single employer for purposes of certain qualification requirements such as coverage. If the employer is a member of such a group, attach a statement showing in detail all members of the group, their relationship to the employer, the type of plans each member has, and the plans common to all members.

Line 6a. — If you are not sure if you are a member of an affiliated service group, attach the following information:

1. A description of the nature of the business of the employer. Specifically state whether it is a service organization or an organization whose principal business is the performance of management functions for another organization, including the reason for performing the management function or service.

2. The identification of other members (or possible members) of the affiliated service group.

3. A description of the nature of the business of each member (or possible member) of the affiliated service group including the type of organization (corporation, partnership, etc.) and indicate whether such member is a service organization or an organization whose principal business is the performance of management functions for the other group member(s).

4. The ownership interests between the employer and the members (or possible members) of the affiliated service group (including ownership interests as described in section 414(m)(2)(B)(ii) or 414(m)(6)(B)).

5. A description of services performed for employers by the members (or possible members) of the affiliated service group, or vice versa. Include the percentage of each member's (or possible member's) gross receipts and service receipts provided by such services, if available, and data as to whether their services are a significant portion of the member's business and whether or not, as of December 13, 1980, it was unusual for the services to be performed by employees of organizations in that service field in the United States.

6. A description of how the employer and the members (or possible members) of the affiliated service group associate in performing services for other parties.

7. A description of management functions, if any, performed by the employer for the members (or possible members) of the affiliated service group, or received by the employer from any other members (or possible members) of the group (including data as to whether such management functions are performed on a regular and continuous basis) and whether or not it is unusual for such management functions to be performed by employees of organizations in the employer's business field in the United States.

8. If management functions are performed by the employer for the members (or possible members) of the affiliated service group, describe what part of the employer's business constitutes the performance of management functions for the members (or possible members) of the group (including the percentage of gross receipts derived from management activities as compared to the gross receipts from other activities).

9. A brief description of any other plan maintained by the members (or possible members) of the affiliated service group, if such other plan is designated as a unit for qualification purposes with the plan for which a determination letter has been requested.

10. A description of how the plan(s) satisfies the coverage requirements of section 410(b) if the members (or possible members) of the affiliated service group are considered part of an affiliated service group with the employer.

Line 7. — If more than one plan type applies to the plan, enter the numbers for all applicable plan types.

Enter **1** if this is a government plan.

Enter **2** if this is a nonelecting church plan. A nonelecting church plan is a plan for which an election under section 410(d) has not been made.

Enter **3** and also enter the number of employers adopting the plan if this is a multiple employer plan described in section 413(c). A multiple employer plan is a plan maintained by more than one employer, but which is NOT maintained according to a collective bargaining agreement. Under this plan type, contributions from each employer must be available to pay benefits of any participant, even if employed by another employer. Also enter the number of employers adopting the plan.

Enter **4** if this is a section 412(i) plan.

Enter **5** if this plan is not described above. Most plans will enter 5.

Line 8. — Attach copies of records of all actions taken to terminate the plan, such as board of directors' resolutions, notification to participants, notification to trustees, etc.

Line 8b. — Assets must be distributed as soon as administratively feasible after the date of termination. See Rev. Rul. 89-87, 1989-2 C.B. 81.

Line 8c. — Check "No" only if you are certain that there will be no reversion of plan assets to the employer.

Line 10. — Check the reason you are terminating your plan.

Line 10d. — If you checked adverse business conditions as the reason for filing for termination, attach an explanation detailing the conditions that require termination of the plan.

Line 10e. — If you checked adoption of a new plan as the reason for termination, attach an explanation describing the new plan.

Line 10f. — If you checked "other," as the reason for termination, attach an explanation.

Line 13. — Collectively bargained plans do not complete line 13a if, during the 2-year period specified on line 13a: **(a)** no employees who were not collectively bargained employees (within the meaning of Regulations section 1.410(b)-6(d)) benefited under the plan, and **(b)** not more than 2% of the employees covered by the plan were professional employees (within the meaning of Regulations section 1.410(b)-9).

Line 13a. — Enter an "X" to indicate whether or not your plan met the ratio percentage coverage test under section 410(b)(1)(B) in the 2 years specified on line 13a. If not, attach a separate explanation of how the plan satisfied section 410(b) in those years.

Line 13b. — Enter the date of the current plan year and the dates of the prior 5 plan years. Then enter the number of participants requested by lines (1) through (6). For this purpose, the phrase "participants employed" includes employees employed in service covered under the plan and inactive participants employed in noncovered service with the employer (including entities aggregated with the employer under section 414).

Line 13b(6). — Enter the number of employees separated from vesting service with less than 100% vesting in their accrued benefit or account balance. If more than 10, enter "10 plus." Attach a schedule with the following information for each employee who has separated from vesting service with less than 100% vesting: name, social security number, vesting percentage, years of participation, vesting at separation, date of hire and date of termination, account balance/accrued benefit at separation from service and reason for termination of participant.

If there is a 20% reduction in participants over 2 consecutive years (or less) explain why this would not constitute a partial termination.

Line 14. — Enter the number of participants or claimants as requested.

Line 15b. — Regulations section 1.401(a)-20, Q&A-2 provides, in part, that the requirements of sections 401(a)(11) and 417 apply to the payments under annuity contracts, not to the distributions of annuity contracts.

Line 15c. — The accrued benefits of a plan participant may not be reduced on plan termination. A plan amendment (including an amendment terminating a plan) that effectively eliminates or reduces an early retirement benefit or a retirement type subsidy for benefits attributable to pre-amendment service is treated as reducing the accrued benefit of a participant if subsequent to termination the participant could satisfy the conditions necessary to receive such benefits. See section 411(d)(6) and Regulations section 1.411(d)-3 and Rev. Rul. 85-6, 1985-1 C.B. 133.

Line 15d. — Answer "Yes" if any funds were contributed in the form of, or invested in, obligations or property of the employer (including any entity related to the employer under section 414(b) or 414(c)).

Line 15e. — Answer "Yes" if the distribution will include property other than cash, and attach an explanation.

Line 15g(1). —Answer "Yes" if you have unallocated funds that have been reallocated to participants.

Line 15g(2). — If you answer "Yes" to line 15g(1), complete line 15g(2).

Line 15g(3). — If you answer "No" to line 15g(2), complete line 15g(3).

Line 15h(1). — The attachment must include the names of the sponsor(s) involved; the employer identification number(s) of the sponsor(s); the plan administrator's name(s) and employer identification number(s), and the plan name(s) and plan numbers. Also provide a description of the transaction(s).

Line 15h(4)(A). —All plan liabilities must be satisfied before assets can revert to the employer upon termination of the plan. All liabilities will not be satisfied if the value of retirement-type subsidies are not provided participants who, after the date of the proposed termination, satisfy certain pre-termination conditions necessary to receive such benefits. See section 401(a)(2), Regulations section 1.401-2(a)(1) and Rev. Rul. 85-6.

Line 15h(4)(B). —The annuity contracts purchased must be guaranteed for each participant. However, in order to maintain qualification of a continuing pension plan, the contracts covering participants' accrued benefits in the plan must not be distributed except in accordance with Regulations section 1.401-1(b)(1)(i).

Line 15h(7). — Answer "Yes" if your plan is a defined benefit plan and you intend that any or all of your participants will be covered by a new or existing defined benefit plan of the employer.

Line 15h(10). — If the answer to this item is "Yes," attach a list that includes the name(s) of the plan sponsor(s), employer or sponsor's identification number(s); administrator's identification number(s), plan number(s) and an explanation of the termination(s) including the amount(s) of the reversion(s), the date(s) of termination and the reason(s) for termination.

Line 15i. —If the plan or trust is under examination or if there is an issue related to the plan or trust pending before the Internal Revenue Service, the Department of Labor or the Pension Benefit Guaranty Corporation, or any court, check "Yes" and attach an explanation detailing the specific nature of the matter. Also specify which agency or court is considering the matter. Otherwise, check "No." Do not answer this question "Yes" merely because the plan has been considered under the IRS's Voluntary Compliance Resolution Program.

Line 15j. —For this question only, "single-sum distribution" will mean a single payment of the value of a participant's benefits or a series of payments that do not provide substantially equal payments (either alone or in conjunction with other benefit payments) over the life of the participant.

Line 15l. — Code section 416 provides that plan participants in a top-heavy plan who are non-key employees must accrue a minimum benefit or receive a minimum contribution.

Line 16. —Complete this only for defined contribution plans. Enter the dates of the current plan year and the prior 5 plan years in the columns indicated.

Line 16a. — Enter the amount of employer contributions made for each of the plan years.

Line 16b. — Enter the amount of the forfeitures allocated for each of the plan years.

Line 17. — Check the box(es) that indicates the form(s) of distribution of benefits for your plan upon termination.

Line 18. — Complete the statement showing the estimated fair market value of the plan assets and liabilities as of the proposed date of termination.

Include and clearly identify all liabilities (other than liabilities for benefit payments due after the date of plan termination) that are unpaid as of the proposed termination date or that are paid or payable from plan assets after the proposed date of plan termination under the provisions of the plan. Liabilities include expenses, fees, other administrative costs, and benefit payments due and not paid before the proposed termination date.

Line 18c(4). — Include investment securities issued by a corporate entity at a stated interest rate repayable on a particular future date such as most bonds, debentures, convertible debentures, commercial paper and zero coupon bonds. Do not include debt securities of Governmental units or municipalities.

"Preferred" means any of the above securities that are publicly traded on a recognized securities exchange and the securities have a rating of "A" or above. If the securities are not "Preferred" they are listed as "Other."

Line 18c(7)(A). — Include the current value of real property owned by the plan which produces income from rentals, etc. Do not include this property in line 18e (buildings and other property used in plan operations).

Line 18c(7)(B). — Include the current value of real property owned by the plan which is not producing income or used in plan operations.

Line 18i. — **Acquisition Indebtedness.** — "Acquisition indebtedness," for debt-financed property other than real property, means the outstanding amount of the principal debt incurred:

1. by the organization in acquiring or improving the property;

2. before the acquisition or improvement of the property if the debt was incurred only to acquire or improve the property; or

3. after the acquisition or improvement of the property if the debt was incurred only to acquire or improve the property and was reasonably foreseeable at the time of such acquisition or improvement.

For more details, see Code section 514(c).

Form **6088**

(Rev. June 1997)

Department of the Treasury
Internal Revenue Service

Distributable Benefits From Employee Pension Benefit Plans

▶ Attach to application for determination — regarding a plan termination.

OMB No. 1545-0202

This Form Is NOT Open to Public Inspection

Name of employer | Employer identification number

(Money amounts should be in whole dollars. Round off to nearest dollar.)

Line No.	Participant's last name and initials (see instructions)	Check if highly compensated	Fill in columns: Years of participation (see instructions)	Fill in columns: Age at plan termination	Compensation (see instructions)	Accrued Benefit (see instructions)	Distributable Benefits (see instructions)			Defined contribution plans enter total account balances. Defined benefit plans (see instructions)
	(a)	(b)	(c)	(d)	(e)	(f)	(g) (1)	(2)	(3)	(h)
1										
2										
3										
4										
5										
6										
7										
8										
9										
10										
11										
12										
13										
14										
15										
16										
17										
18										
19										
20										
21										
22										
23										
24										
25										
26	Totals for above ▶									
27	Totals for all other participants not listed on lines 1 through 25 ▶									
28	Totals for lines 26 and 27 ▶									

For Paperwork Reduction Act Notice, see page 1 of the Instructions for Form 5310.

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Form **6088** (Rev. 6-97)

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form. —The Internal Revenue Service (IRS) uses the information on Form 6088 to analyze an application for a determination letter on the qualification of the plan upon termination.

Who Must File. —A plan sponsor or administrator of a defined benefit or an underfunded defined contribution plan that files an application for an IRS determination letter regarding a plan termination must attach Form(s) 6088 to **Form 5310**, Application for Determination for Terminating Plan, or **Form 5303**, Application for Determination for Collectively Bargained Plan, whichever applies.

A plan sponsor or administrator of a collectively bargained underfunded defined contribution plan must file Form 6088 only if the plan benefits employees who are not collectively bargained employees or more than 2% of the employees covered by the plan are professional employees. See Regulations section 1.41(b)-6(d) and 1.410(b)-9 for definitions of collectively bargained employee and professional employee. If this form is required for a collectively bargained underfunded plan that benefits noncollectively bargained employees, file a separate Form 6088 for each employer with noncollectively bargained employees benefiting under the plan as if such noncollectively bargained employees were benefiting under a separate plan. Do not file a Form 6088 for the portion of an underfunded defined contribution plan benefiting collectively bargained employees. If more than 2% of the employees covered by a collectively bargained plan are professional employees, file as if all employees covered by the plan were noncollectively bargained employees.

File a separate Form 6088 for each employer participating in a multiple employer defined benefit or underfunded defined contribution plan described in section 413(c) (all employers in each affiliated service group, controlled group corporations, or group of trades or businesses under common control are considered one employer).

Public Inspection. —Section 6104(a)(1)(B) provides generally that applications, filed for the qualification of a pension, profit-sharing, or stock bonus plan, will be opened to public inspection. However, section 6014(a)(1)(C) provides that information concerning the compensation of any participant will not be made available to the public, plan participants or other employees of the employer who established the plan.

Definitions

Participant. —For purposes of this form, participant means any individual who satisfied the plan participation requirements and is entitled to receive plan benefits. This includes employees with accrued nonvested benefits and individuals who are former employees at the time of plan termination who are entitled to future benefits under the plan.

Compensation. —Compensation, for purposes of completing columns (a) and (e) means section 415 compensation as defined in Regulations section 1.415-2(d).

Underfunded Defined Benefit Plan. —An underfunded defined benefit plan is a defined benefit plan under which, at the time of plan termination, the sum of the value of benefit liabilities for all participants exceeds the value of plan assets available to pay those benefit liabilities. Benefit liabilities include participants' accrued benefits, qualified preretirement survivor annuities and any other plan benefits payable on or after plan termination.

Underfunded Defined Contribution Plan. —An underfunded defined contribution plan is a defined contribution plan in which the sum of the account balances exceeds the plan's assets available to provide the benefits. (e.g., a money purchase plan terminates before a funding waiver has been fully amortized).

Specific Instructions

Prepare the participant census as of the date of plan termination or proposed date of plan termination,

For underfunded defined benefit plans (except those benefiting only collectively bargained employees of which not more than 2% are professional employees), provide the information in columns (a) through (h) for all participants. If there are more than 25 participants, attach additional sheets providing the information in the same format as Form 6088.

For defined benefit plans other than those subject to the preceding paragraph, complete all columns on Form 6088 except columns (g)(1), (g)(2), and (g)(3). If there are fewer than 25 participants, list all of the participants. Otherwise, submit only the first 25 who fall under the priorities specified in the instructions for column (a).

For underfunded defined contribution plans, complete only the columns (a), (b), (e), (g)(1), (g)(3), and (h). Provide this information for all participants. If there are more than 25 participants, attach additional sheets providing the information in the same format as the Form 6088.

Column (a). —First list any participant who at any time during the 5-year period prior to the date of plan termination or proposed plan termination owned directly or indirectly 5% or more of the voting stock or 5% or more of the business. Next list all the remaining participants in order of current compensation (see **Definitions** above and the instructions for column (e)) starting with the highest-paid participant followed by the next highest-paid and so on.

Column (b). —Check column (b) to indicate that a participant is a highly compensated employee under section 414(q). Enter "NA" if the participant is not a highly compensated employee.

Column (c). —(Defined benefit plans only.) List years of participation prior to the earliest of plan termination, retirement, or separation from employment.

Column (d). —Defined benefit plans only.) List the participant's age as of plan termination.

Column (e). — **Defined contribution plans:** Enter the participant's compensation for the current 12-month period. The current 12-month period can be the last calendar or plan year ending on or before plan termination. For participants who are no longer employed as of the date of plan termination, compensation is the compensation received for the applicable period immediately before the earlier of retirement or separation from employment.

Defined benefit plans: Enter the participant's average compensation for the high 3 years. Average compensation for the "high 3 years" means the participant's average compensation determined on an annual basis for the period of consecutive calender years (but not more than 3) during which the participant was both an active plan participant and had the greatest aggregate compensation from the employer (or earned income if the participant is self-employed or an owner-employee). For participants no longer employed as of the proposed termination date, use compensation and years of participation prior to the earliest of the proposed date of plan termination, retirement, or separation from employment.

Column (f) — (Defined benefit plans only.) List the accrued benefit as of the date of plan termination, of each participant (in the normal form payable at normal retirement age under the plan) excluding any benefits attributable to voluntary employee contributions (including rollovers). In lieu of providing the information in the proceeding sentence for participants in pay status, the accrued benefit in the form being paid may be entered with an asterisk and the form of the payout described on an attachment.

Column (g). — If the sum of the amounts in (g)(1), (g)(2), and (g)(3) does not equal line 18l of Form 5310, attach an explanation of the difference.

Defined contribution plans: Enter in column (g)(1) the total assets distributable to each participant attributable to mandatory and voluntary employee contributions and rollover contributions. Leave column (g)(2) blank and enter in column (g)(3) the total assets distributable to each participant attributable to employer contributions including elective deferrals to a qualified cash or deferred arrangement (section 401(k) plan) and employer matching contributions.

Underfunded defined benefit plans: Enter in column(g)(1) amounts allocated in accordance with section 4044(a)(1) and (2) of the Employee Retirement Income Security Act of 1974. In column (g)(2), enter amounts allocated in accordance with section 4044(a)(3) and (4)(A). In column (g)(3), enter all amounts allocated other than those entered in columns (g)(1) and (g)(2).

Column (h). — **Defined benefit plans:** Enter the present value of the participant's total benefit liabilities (whether or not nonforfeitable) at the date of distribution of the plan assets. Use the data of plan termination for plans to be trusted by the PBGC. For this purpose, present value is the single-sum distribution amount provided under the terms of the plan. However, if the plan does not provide for a single-sum distribution or the participant's benefits are provided by an annuity contract, present value is the cost (or estimated cost if actual cost is not available) of the annuity. Attach a statement explaining how the present values were determined. This statement should indicate the interest rates used to compute single-sum distributions.

Form **8717**
(Rev. September 1997)
Department of the Treasury
Internal Revenue Service

User Fee for Employee Plan Determination Letter Request

▶ **Attach to determination letter application.**

For IRS Use Only
Control number ____________
Amount paid ____________
User fee screener

1 Sponsor's name (employer if single-employer plan)	2 Sponsor's employer identification number
3 Plan name	4 Plan number

Request for Letter Covering Average Benefit Test and/or Any General Test

			Fee
5a ☐	Form 5300	5a	$1,250
b ☐	Form 5303	5b	1,250
c ☐	Form 5307	5c	1,000
d ☐	Form 5310	5d	375
e ☐	Multiple employer plans (Form 5300):		
(1)	☐ 2 to 10 employers	5e(1)	1,250
(2)	☐ 11 to 99 employers	5e(2)	2,000
(3)	☐ 100 to 499 employers	5e(3)	3,500
(4)	☐ Over 499 employers	5e(4)	6,500

Request for Letter Not Covering Average Benefit Test or Any General Test

			Fee
6a ☐	Form 5300	6a	$ 700
b ☐	Form 5303	6b	700
c ☐	Form 5307	6c	125
d ☐	Form 5310	6d	225
e ☐	Form 6406	6e	125
f ☐	Multiple employer plans (Form 5300):		
(1)	☐ 2 to 10 employers	6f(1)	700
(2)	☐ 11 to 99 employers	6f(2)	1,400
(3)	☐ 100 to 499 employers	6f(3)	2,800
(4)	☐ Over 499 employers	6f(4)	5,600
g ☐	Volume submitter specimen plan	6g	1,500
(1)	☐ Non-model amendments	6g(1)	400
h ☐	Form 4461 or Form 4461-A (regional prototype plan)	6h	1,500
(1)	☐ Non-model amendments	6h(1)	400
i ☐	Form 4461-B (adopter of mass submitter regional prototype plan)	6i	100
j ☐	Group trust	6j	750

Attach Check or Money Order Here

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Form **8717** (Rev. 9-97)

Instructions

The Omnibus Budget Reconciliation Act of 1990 requires payment of a user fee with each application for a determination letter. The user fees are listed on lines 5 and 6 on page 1. For more information, see Rev. Proc. 97-8, 1997-1 I.R.B. 187; Rev. Proc. 94-13, 1994-1 C.B. 566; and Rev. Proc. 95-12, 1995-1 C.B. 508.

Check the appropriate box on line 5 if your plan uses the average benefit test to satisfy minimum coverage requirements and/or any general test to show nondiscrimination in the amount of contributions or benefits, and you wish to receive a determination letter that covers these issues.

Check the appropriate box on line 6 if you do not wish to receive a determination letter that covers the average benefit test and/or any general test (i.e., the plan does not use these tests or you do not want these issues addressed even though the plan uses these tests). A general test plan is a plan that is other than a design-based safe harbor or nondesign-based safe harbor plan.

Attach to Form 8717 a check or money order payable to Internal Revenue Service for the full amount of the user fee. If you do not include the full amount, your application will be returned. Attach Form 8717 to your determination letter application.

If you have multiple plans (e.g., a profit-sharing plan and a money purchase plan), submit a separate determination letter application and Form 8717 for each plan.

Where To File

To avoid delays, send the determination letter application and Form 8717 to:

Internal Revenue Service
P.O. Box 192
Covington, KY 41012-0192

If you are using express mail or a delivery service, send the application and Form 8717 to:

Internal Revenue Service
201 West Rivercenter Blvd.
Attn: Extracting Stop 312
Covington, KY 41011

Form **W-4P**

Department of the Treasury
Internal Revenue Service

Withholding Certificate for Pension or Annuity Payments

OMB No. 1545-0415

2000

Purpose. This form is for U.S. citizens and residents who are recipients of pensions, annuities, including commercial annuities, and certain other deferred compensation. Use this form to tell payers whether you want any income tax withheld and on what basis. Your options depend on whether the payment is periodic, nonperiodic, or an eligible rollover distribution as explained on page 3.

You also may use this form to choose **(a)** not to have any income tax withheld from the payment (except for eligible rollover distributions or payments to U.S. citizens delivered outside the United States or its possessions) or **(b)** to have an additional amount of tax withheld.

What do I need to do? Complete lines A through G of the **Personal Allowances Worksheet.** Use the additional worksheets on page 2 to adjust your withholding allowances for itemized deductions, adjustments to income, or multiple pensions/more-than-one-income situations. If you do not want any income tax withheld, you can skip the worksheets and go directly to the Form W-4P below.

Sign this form. Form W-4P is not valid unless you sign it.

Personal Allowances Worksheet (Keep for your records.)

A Enter "1" for **yourself** if no one else can claim you as a dependent . . . . . A ______

B Enter "1" if:
- You are single and have only one pension; or
- You are married, have only one pension, and your spouse has no income subject to withholding; or
- Your income from a second pension or a job, or your spouse's pension or wages (or the total of all) is $1,000 or less.

. . . . . B ______

C Enter "1" for your **spouse.** But, you may choose to enter -0- if you are married and have either a spouse who has income subject to withholding or you have more than one source of income subject to withholding. (This may help you avoid having too little tax withheld.) . . . . . C ______

D Enter number of **dependents** (other than your spouse or yourself) you will claim on your return . . . . . D ______

E Enter "1" if you will file as **head of household** on your tax return . . . . . E ______

F **Child Tax Credit:**
- If your total income will be between $18,000 and $50,000 ($23,000 and $63,000 if married), enter "1" for each eligible child.
- If your total income will be between $50,000 and $80,000 ($63,000 and $115,000 if married), enter "1" if you have two eligible children, enter "2" if you have three or four eligible children, or enter "3" if you have five or more eligible children . . . . . F ______

G Add lines A through F and enter total here. **Note:** *This may be different from the number of exemptions you claim on your tax return* . . . . . ▶ G ______

For accuracy, complete all worksheets that apply.
- If you plan to **itemize or claim adjustments to income** and want to reduce your withholding, see the **Deductions and Adjustments Worksheet** on page 2.
- If you have more than one source of income subject to withholding or a spouse with income subject to withholding AND your combined income from all sources exceeds $34,000 ($60,000 if married filing jointly), see the **Multiple Pensions/More-Than-One-Income Worksheet** on page 2 to avoid having too little tax withheld.
- If **neither** of the above situations applies, **stop here** and enter the number from line G on line 2 of Form W-4P below.

------- **Cut here and give the certificate to the payer of your pension or annuity. Keep the top part for your records.** -------

Form **W-4P**

Department of the Treasury
Internal Revenue Service

Withholding Certificate for Pension or Annuity Payments

▶ **For Privacy Act and Paperwork Reduction Act Notice, see page 4.**

OMB No. 1545-0415

2000

Type or print your full name	Your social security number
Home address (number and street or rural route)	Claim or identification number (if any) of your pension or annuity contract
City or town, state, and ZIP code	

Complete the following applicable lines:

1 Check here if you **do not want** any Federal income tax withheld from your pension or annuity. (Do not complete line 2 or 3.) . . . . ▶ ☐

2 Total number of allowances and marital status you are claiming for withholding from each **periodic** pension or annuity payment. (You may also designate an additional dollar amount on line 3.) . . . . . ▶ ______ (Enter number of allowances.)
Marital status: ☐ Single ☐ Married ☐ Married, but withhold at higher Single rate

3 Additional amount, if any, you want withheld from each pension or annuity payment. **Note.** *For periodic payments, you cannot enter an amount here without entering the number (including zero) of allowances on line 2* . . . . . ▶ $ ______

Your signature ▶ ______ Date ▶ ______

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Deductions and Adjustments Worksheet

NOTE: *Use this worksheet only if you plan to itemize deductions or claim adjustments to income on your 2000 tax return.*

1. Enter an estimate of your 2000 itemized deductions. These include qualifying home mortgage interest, charitable contributions, state and local taxes, medical expenses in excess of 7.5% of your income, and miscellaneous deductions. (For 2000, you may have to reduce your itemized deductions if your income is over $128,950 ($64,475 if married filing separately). Get Pub. 919 for details.) . . . . **1** $
2. Enter: { $7,350 if married filing jointly or qualifying widow(er); $6,450 if head of household; $4,400 if single; $3,675 if married filing separately } . . . . **2** $
3. **Subtract** line 2 from line 1. If line 2 is greater than line 1, enter -0- . . . . **3** $
4. Enter estimate of your 2000 adjustments to income, including alimony, deductible IRA contributions, and student loan interest . . . . **4** $
5. **Add** lines 3 and 4 and enter the total . . . . **5** $
6. Enter an estimate of your 2000 income not subject to withholding (such as dividends or interest) . . . . . . **6** $
7. **Subtract** line 6 from line 5. Enter the result, but not less than zero . . . . **7** $
8. **Divide** the amount on line 7 by $3,000 and enter the result here. Drop any fraction **8**
9. Enter the number from the **Personal Allowances Worksheet,** line G, page 1 . . . . **9**
10. **Add** lines 8 and 9 and enter the total here. If you use the **Multiple Pensions/More-Than-One-Income Worksheet,** also enter this total on line 1 below. Otherwise, **stop here** and enter this total on Form W-4P, line 2, page 1 . . . . **10**

Multiple Pensions/More-Than-One-Income Worksheet

NOTE: *Complete only if the instructions under line G, page 1 direct you here. This applies if you (and your spouse if married filing a joint return) have more than one source of income subject to withholding (such as more than one pension, or a pension and a job, or you have a pension and your spouse works).*

1. Enter the number from line G, page 1 (or from line 10 above if you used the Deductions and Adjustments Worksheet) **1**
2. Find the number in **Table 1** below that applies to the **LOWEST** paying pension or job and enter it here . . . **2**
3. If line 1 is **MORE THAN OR EQUAL TO** line 2, subtract line 2 from line 1. Enter the result here (if zero, enter -0-) and on Form W-4P, line 2, page 1. **Do not** use the rest of this worksheet **3**

   Note: *If line 1 is* **LESS THAN** *line 2, enter -0- on Form W-4P, line 2, page 1. Complete lines 4-9 below to calculate the additional withholding amount necessary to avoid a year end tax bill.*
4. Enter the number from line 2 of this worksheet **4**
5. Enter the number from line 1 of this worksheet **5**
6. **Subtract** line 5 from line 4 . . . . **6**
7. Find the amount in **Table 2** below that applies to the **HIGHEST** paying pension or job and enter it here . . . **7** $
8. **Multiply** line 7 by line 6 and enter the result here. This is the additional annual withholding needed . . . . . **8** $
9. **Divide** line 8 by the number of pay periods remaining in 2000. For example, divide by 12 if you are paid every month and you complete this form in December 1999. Enter the result here and on Form W-4P, line 3, page 1. This is the additional amount to be withheld from each payment . . . . **9** $

Table 1: Multiple Pensions/More-Than-One-Income Worksheet

Married Filing Jointly				All Others	
If amounts from **LOWEST** paying pension or job is -	Enter on line 2 above	If amounts from **LOWEST** paying pension or job is -	Enter on line 2 above	If amounts from **LOWEST** paying pension or job is -	Enter on line 2 above
0 - $4,000	0	45,001 - 55,000	9	0 - $5,000	0
4,001 - 7,000	1	55,001 - 63,000	10	5,001 - 11,000	1
7,001 - 13,000	2	63,001 - 70,000	11	11,001 - 17,000	2
13,001 - 19,000	3	70,001 - 85,000	12	17,001 - 22,000	3
19,001 - 25,000	4	85,001 - 100,000	13	22,001 - 27,000	4
25,001 - 31,000	5	100,001 - 110,000	14	27,001 - 40,000	5
31,001 - 37,000	6	110,001 and over	15	40,001 - 50,000	6
37,001 - 41,000	7			50,001 - 65,000	7
41,001 - 45,000	8			65,001 - 80,000	8
				80,001 - 100,000	9
				100,001 - and over	10

Table 2: Multiple Pensions/More-Than-One-Income Worksheet

Married Filing Jointly		All Others	
If amounts from **HIGHEST** paying pension or job is -	Enter on line 7 above	If amounts from **HIGHEST** paying pension or job is -	Enter on line 7 above
0 - $50,000	$400	0 - $30,000	$400
50,001 - 100,000	780	30,001 - 60,000	780
100,001 - 130,000	870	60,001 - 120,000	870
130,001 - 250,000	1,000	120,001 - 270,000	1,000
250,001 and over	1,100	270,001 and over	1,100

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Additional Instructions

Section references are to the Internal Revenue Code.

When should I complete the form? Complete Form W-4P and give it to the payer as soon as possible. Get **Pub. 919,** How Do I Adjust My Tax Withholding?, to see how the dollar amount you are having withheld compares to your projected total tax for 2000.

Multiple pensions/more than one income. To figure the number of allowances you may claim, combine allowances and income subject to withholding from all sources on one worksheet. You may file a Form W-4P with each pension payer, but do not claim the same allowances more than once. Your withholding will usually be more accurate if you claim all allowances on the Form W-4P for the largest source of income subject to withholding.

Other income. If you have a large amount of income from other sources not subject to withholding (such as interest, dividends, or capital gains), consider making estimated tax payments using **Form 1040-ES,** Estimated Tax for Individuals. Call 1-800-TAX-FORM (1-800-829-3676) to get Form 1040-ES and **Pub. 505,** Tax Withholding and Estimated Tax. You can also get forms and publications at the IRS's Internet Web Site at **www.irs.gov.**

Note: *Social security and railroad retirement payments may be includible in income. See **Form W-4V,** Voluntary Withholding Request, for information on voluntary withholding on these payments.*

Withholding From Pensions and Annuities

Generally, Federal income tax withholding applies to the taxable part of payments made from pension, profit-sharing, stock bonus, annuity, and certain deferred compensation plans; from individual retirement arrangements (IRAs); and from commercial annuities. The method and rate of withholding depends on the kind of payment you receive. Also, because your tax situation may change from year to year, you may want to refigure your withholding each year. You can change the amount to be withheld by using lines 2 and 3 of Form W-4P.

Choosing not to have income tax withheld. You can also choose not to have income tax withheld from your payments by using line 1 of Form W-4P. However, you may **not** make this choice for eligible rollover distributions (discussed later). Also, this choice does not apply to certain recipients who have payments delivered outside the United States or its possessions. See **Payments Outside the United States** on page 4.

Caution: *There are penalties for not paying enough tax during the year, either through withholding or estimated tax payments. New retirees, especially, should see Pub. 505. It explains the estimated tax requirements and penalties in detail. You may be able to avoid quarterly estimated tax payments by having enough tax withheld from your pension or annuity using Form W-4P.*

Periodic payments. Withholding from periodic payments of a pension or annuity is figured in the same manner as withholding from wages. Periodic payments are made in installments at regular intervals over a period of more than 1 year. They may be paid annually, quarterly, monthly, etc.

If you want income tax to be withheld, you **must designate the number of withholding allowances on line 2 of Form W-4P.** You cannot designate a specific dollar amount to be withheld. However, you can designate an additional amount to be withheld on line 3. If you do not want any income tax withheld from your periodic payments, check the box on line 1 of Form W-4P, and submit the form to your payer.

Caution: *If you do not submit Form W-4P to your payer, the payer must withhold on **periodic** payments as if you are married claiming three withholding allowances. Generally, this means that tax will be withheld if your pension or annuity is at least $1,238 a month.*

If you submit a Form W-4P that does not contain your correct taxpayer identification number (TIN), the payer must withhold as if you are single claiming zero withholding allowances even if you choose not to have income tax withheld.

There are some kinds of periodic payments for which you **cannot** use Form W-4P because they are already defined as wages subject to income tax withholding. These payments include retirement pay for service in the U.S. Armed Forces and payments from certain nonqualified deferred compensation plans and state and local deferred compensation plans described in section 457. Your payer should be able to tell you whether Form W-4P applies.

For periodic payments, your Form W-4P stays in effect until you change or revoke it. Your payer must notify you each year of your right to choose not to have Federal income tax withheld or to revoke your election.

Nonperiodic payments—10% withholding. Your payer must withhold a flat 10% from nonperiodic payments (but see **Eligible rollover distribution—20% withholding** below) unless you choose not to have income tax withheld. Distributions from an IRA that are payable on demand are treated as nonperiodic payments. You can choose not to have income tax withheld from a nonperiodic payment by submitting Form W-4P (containing your correct TIN) to your payer and checking the box on line 1. Generally, your choice not to have income tax withheld will apply to any later payment from the same plan. You cannot use line 2 for nonperiodic payments. But you may use line 3 to specify an additional amount you want withheld.

Caution: *If you submit a Form W-4P that does not contain your correct TIN, the payer cannot honor your request not to have income tax withheld and must withhold 10%.*

Eligible rollover distribution—20% withholding. Distributions you receive from qualified pension or annuity plans (e.g., 401(k) pension plans) or tax-sheltered annuities that are eligible to be rolled over tax free to an IRA or qualified plan are subject to a flat 20% withholding. The 20% withholding is required, and you **cannot** choose not to have income tax withheld for eligible rollover distributions. See Pub. 505 for more details. However, the payer will not withhold income tax if the entire distribution is transferred by the plan administrator in a direct rollover to a traditional IRA, qualified pension plan, or tax-sheltered annuity. Do not give Form W-4P to your payer unless you want an additional amount withheld. Then, complete line 3 of Form W-4P, and submit the form to your payer.

Payments Outside the United States

If you are a U.S. citizen or resident alien receiving periodic or nonperiodic payments that are delivered outside the United States or its possessions, withholding is required. You **cannot** choose not to have income tax withheld on line 1 of Form W-4P.

Other recipients, such as nonresident aliens, who have these payments delivered outside the United States or its possessions may choose not to have income tax withheld only if an individual certifies to the payer that the individual is **not** **(a)** a U.S. citizen or resident alien or **(b)** an individual to whom section 877 applies (concerning expatriation to avoid tax). The certification must be made in a statement to the payer under penalties of perjury. A nonresident alien who chooses not to have income tax withheld under section 3405 is subject to withholding under section 1441.

Revoking Your "No Withholding" Choice

Periodic payments. If you previously chose not to have income tax withheld and you now want withholding, complete another Form W-4P and submit it to your payer. If you want income tax withheld at the rate set by law (married with three allowances), write "Revoked" next to the checkbox on line 1 of the form. If you want tax withheld at any different rate, complete line 2 on the form.

Nonperiodic payments. If you previously chose not to have income tax withheld and you now want withholding, write "Revoked" next to the checkbox on line 1 and submit Form W-4P to your payer.

Statement of Income Tax Withheld From Your Pension or Annuity

By January 31 of next year, your payer will furnish a statement to you showing the total amount of your pension or annuity payments and the total income tax withheld during the year on **Form 1099-R,** Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.

Privacy Act and Paperwork Reduction Act Notice

We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to provide this information only if you want to **(a)** request Federal income tax withholding from periodic pension or annuity payments based on your withholding allowances and marital status, **(b)** request additional Federal income tax withholding from your pension or annuity, **(c)** choose not to have income tax withheld, when permitted, or **(d)** change or revoke a previous Form W-4P. To do any of the aforementioned, you are required by sections 3405(e) and 6109 and their regulations to provide the information requested on this form. Failure to provide this information may result in inaccurate withholding on your payment(s).

Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation, and to cities, states, and the District of Columbia for use in administering their tax laws.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete this form will vary depending on individual circumstances. The estimated average time is:

Recordkeeping . . . . 40 min.
Learning about the law or the form . . . . 25 min.
Preparing and sending the form . . . . . 59 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. You can write to the Tax Forms Committee, Western Area Distribution Center, Rancho Cordova, CA 95743-0001. **DO NOT** send the tax form to this address. Instead, submit it to your payer.

Department of the Treasury
Internal Revenue Service

Department of Labor
Pension and Welfare Benefits Administration

Pension Benefit Guaranty Corporation

1999

Instructions for Form 5500

Annual Return/Report of Employee Benefit Plan

Code references are to the Internal Revenue Code.
ERISA refers to the Employee Retirement Income Security Act of 1974.

Changes To Note for 1999

• **New Streamlined Form 5500:**
This year's Form 5500 Series has been substantially revised and improved. We replaced the Form 5500, Form 5500-C, and Form 5500-R with *one* Form 5500 intended to streamline the report and the methods by which it is filed and processed. The revised form is patterned along the lines of tax returns familiar to individual and corporate taxpayers – a simple main form with basic identifying information and a checklist that guides each filer to more detailed schedules that are applicable to the filer's specific type of plan.

• **EFAST Processing System:**
There are several important changes that will benefit filers in particular. We developed a new computerized system to process Form 5500 return/reports called the ERISA Filing Acceptance System or "EFAST." For the first time you will file your Form 5500 with the U.S. Department of Labor's Pension and Welfare Benefits Administration **(PWBA)** rather than the Internal Revenue Service (see **Where To File** on page 5 for the new mailing and private delivery addresses).

You can choose a "machine print" format using computer software to complete the form. Machine print forms can be filed electronically or by mail (including certain private delivery services). We encourage filers to file machine print versions of the form and think most of you will find that to be the best option. For instance, the machine print forms can be easily printed out on computer printers and the computer software should help filers avoid common mistakes. Electronic filers will have to file a new EFAST form to get a digital signature and other codes needed to file an electronic return/report. Check the Department of Labor's Web Page at **www.efast.dol.gov** periodically, beginning in late March, 2000 for updates.

You can also use a "hand print" format that is completed by hand or typewriter. However, the hand print format can be filed only by mail (including certain private delivery services). The hand print version of the form is a "machine readable" form. As such, it must be printed using special paper, special green ink, and within precise specifications. Filers should not substitute a black and white or other reproduction of these hand print forms. A copy of the hand print forms is included in the **Package 5500**. You can get additional copies of the green ink forms 24 hours a day, 7 days a week, by calling **1-800-TAX-FORM** (1-800-829-3676).

• **Direct Filing Entities:**
All Direct Filing Entities (DFEs) must now use the Form 5500; however, a one-time **1999 Transition Rule** permits all DFEs with a fiscal year ending in 1999 to file on or before October 16, 2000 (see **When To File** on page 4).

Large plans participating in Common/Collective Trusts (CCTs) or Pooled Separate Accounts (PSAs) that are not DFEs (those that do not file a Form 5500) will have to allocate the underlying assets of such CCTs and PSAs and report the value on a line-by-line basis on the Schedule H (Form 5500) (see Schedule H, **Specific Instructions**). However, under a **1999 Transition Rule**, this requirement is deferred until plan years beginning in 2000.

About the Form 5500

The Annual Return/Report Form 5500 is used to report information concerning employee benefit plans, Direct Filing Entities (DFEs) and fringe benefit plans. See **Who Must File** on page 2, and **When To File** and **Where To File** on pages 4 and 5.

Any administrator or sponsor of an employee benefit plan subject to ERISA must file information about each plan every year (Code section 6058 and ERISA sections 104 and 4065). Every employer maintaining a specified fringe benefit plan as described in Code section 6039D (except Code sections 79, 105, 106, 120, and 129 plans) is also required to file each year.

The Internal Revenue Service (IRS), Department of Labor (DOL), and Pension Benefit Guaranty Corporation (PBGC) have consolidated their returns and report forms to minimize the filing burden for plan administrators and employers. The chart on pages 8 and 9 gives a brief guide to the annual return/report requirements for the 1999 Form 5500. Employers and administrators who comply with the instructions for the Form 5500 and schedules will generally satisfy the annual reporting requirements for the IRS and DOL. Plans covered by the PBGC have special additional requirements, including filing Annual Premium Payment (PBGC Form 1) and reporting certain transactions directly with that agency. See PBGC's Premium Package (Form 1).

Each Form 5500 must accurately reflect the characteristics and operations of the plan or arrangement being reported. The requirements for completing the Form 5500 vary according to the type of plan or arrangement. The section **Lines and Schedules To Complete** on page 6, summarizes what information must be reported for different types of plans and arrangements.

The Form 5500 and attachments are screened by a computer process for completeness. The filing may be rejected based upon this review. We urge all employers and plan administrators to provide complete and accurate information and otherwise comply fully with the filing requirements.

ERISA and the Code provide for the assessment or imposition of penalties for not submitting the required information when due. See **Penalties** on page 5.

Annual reports filed under Title I of ERISA must be made available by plan administrators to plan participants and by the Department of Labor to the public pursuant to ERISA sections 104 and 106.

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Telephone Assistance

If you have questions and/or need help completing this form, please call **1-877-829-5500**. This line has been established by the IRS to assist filers with certain questions pertaining to retirement plans (e.g., pension and profit-sharing plans (including 401(k) plans)), including questions on Schedules B, E, F, H, I, P, R, SSA, and T. This toll-free telephone service is available Monday through Friday from 8:00 a.m. to 9:30 p.m. EST.

How To Get IRS Forms and Publications

Personal Computer
You can access the IRS's Internet Web Site 24 hours a day, 7 days a week at **www.irs.gov** to:

- Download forms, instructions, and publications.
- See answers to frequently asked tax questions.
- Search publications on-line by topic or keyword.
- Send us comments or request help by e-mail.
- Sign up to receive local and national tax news by e-mail.

You can also reach us using file transfer protocol at **ftp.irs.gov**

By phone and in person.
You can order forms and publications 24 hours a day, 7 days a week, by calling **1-800-TAX-FORM** (1-800-829-3676). You can also get most forms and publications at your local IRS office.

General Instructions

Section 1: Who Must File

A return/report must be filed every year for every pension benefit plan, welfare benefit plan, fringe benefit plan, and Direct Filing Entity described below. (Code sections 6058, 6039D, and ERISA sections 104 and 4065).

Pension Benefit Plan

All pension benefit plans covered by ERISA are required to file a Form 5500 except as provided in **Pension and Welfare Plans Excluded From Filing** on page 3. The return/report is due whether or not the plan is qualified and even if benefits no longer accrue, contributions were not made this plan year, or contributions are no longer made. Pension benefit plans required to file include both defined benefit plans and defined contribution plans.

The following are among the pension benefit plans for which a return/report must be filed:

1. Profit-sharing, stock bonus, money purchase, 401(k) plans, etc.

2. Annuity arrangements under Code section 403(b)(1).

3. Custodial accounts established under Code section 403(b)(7) for regulated investment company stock.

4. Individual retirement accounts (IRAs) established by an employer under Code section 408(c).

5. Pension benefit plans maintained outside the United States primarily for nonresident aliens if the employer who maintains the plan is:

- a domestic employer, or
- a foreign employer with income derived from sources within the United States (including foreign subsidiaries of domestic employers) if contributions to the plan are deducted on its U.S. income tax return. For this type of plan, enter 3A on Form 5500, Part II, line 8a.

6. Church pension plans electing coverage under Code section 410(d). Church plans that elect should enter 813000 as the business code on Form 5500, Part II, line 2d.

7. Pension benefit plans that cover residents of Puerto Rico, the U.S. Virgin Islands, Guam, Wake Island, or American Samoa. This includes a plan that elects to have the provisions of section 1022(i)(2) of ERISA apply.

8. Plans that satisfy the Actual Deferral Percentage requirements of Code section 401(k)(3)(A)(ii) by adopting the "SIMPLE" provisions of section 401(k)(11).

See **Lines and Schedules To Complete** on page 6 and **Pension and Welfare Plans Excluded From Filing** on page 3 for more information about what must be completed for pension and welfare plans.

Special Rules for Certain Plans of Partnerships and Wholly Owned Trades or Businesses

A plan that provides deferred compensation solely for **(1)** an individual or an individual and his or her spouse who wholly own a trade or business, whether incorporated or unincorporated; or **(2)** partners or the partners and the partners' spouses in a partnership may generally file **Form 5500-EZ,** Annual Return of One-Participant (Owners and Their Spouses) Retirement Plan, rather than a Form 5500, provided that the plan:

1. Satisfies the minimum coverage requirements of Code section 410(b) without being combined with any other plan maintained by the employer;

2. Does not cover a business that is a member of a "controlled group"; or

3. Does not cover a business for which leased employees (as defined in Code section 414(n)(2)) perform services.

A plan that meets all of the above conditions is exempt from filing the Form 5500-EZ if the plan (and any other plans of the employer) had total assets of $100,000 or less at the end of every plan year beginning on or after 1/1/94.

For this purpose, a "controlled group" is a controlled group of corporations under Code section 414(b), a group of trades or businesses under common control under Code section 414(c), or an affiliated service group under Code section 414(m) that includes the business of the owner or partner covered by the plan.

Welfare Benefit Plan

All welfare benefit plans covered by ERISA are required to file a Form 5500 except as provided below in **Pension and Welfare Plans Excluded From Filing**. Welfare benefit plans provide benefits such as medical, dental, life insurance, apprenticeship and training, scholarship funds, severance pay, disability, etc.

See **Lines and Schedules To Complete** on page 6 for more information.

Reminder: *The administrator of an employee welfare benefit plan that provides benefits wholly or partially through a Multiple Employer Welfare Arrangement (MEWA) as defined in ERISA section 3(40) must file a Form 5500, unless otherwise exempt.*

Fringe Benefit Plan

Cafeteria plans described in Code section 125, educational assistance programs described in Code section 127, and adoption assistance programs described in Code section 137 are considered fringe benefit plans and are required to file the annual information specified by Code section 6039D. However, Code section 127 educational assistance programs that provide only job-related training which is deductible as an ordinary and necessary business expense under Code section 162 do not need to file Form 5500.

Note: *Fringe benefit plans often are associated with one or more welfare plans. A single Form 5500 may be filed for the fringe benefit plan and an associated welfare plan if all the required information is completed for both plans.*

See **Lines and Schedules To Complete** on page 6 for more information about what must be completed for fringe benefit plans.

Pension and Welfare Plans Excluded From Filing

Do Not File A Form 5500 For A Pension Benefit Plan That Is Any Of The Following:

- An unfunded excess benefit plan. See ERISA section 4(b)(5).
- An annuity or custodial account arrangement under Code section 403(b)(1) or (7) not established or maintained by an employer as described in 29 CFR 2510.3-2(f).
- A Savings Incentive Match Plan for Employees of Small Employers (SIMPLE) that involves SIMPLE IRAs under Code section 408(p).
- A simplified employee pension (SEP) or a salary reduction SEP described in Code section 408(k) that conforms to the alternative method of compliance in 29 CFR 2520.104-48 or 2520.104-49.
- A church plan not electing coverage under Code section 410(d).
- A pension plan that is a qualified foreign plan within the meaning of Code section 404A(e) that does not qualify for the treatment provided in Code section 402(e)(5).
- An unfunded pension plan for a select group of management or highly compensated employees that meets the requirements of 29 CFR 2520.104-23, including timely filing of a registration statement with the DOL.
- An unfunded dues financed pension benefit plan that meets the alternative method of compliance provided by 29 CFR 2520.104-27.
- An individual retirement account or annuity not considered a pension plan under 29 CFR 2510.3-2(d).
- A governmental plan.

Do Not File A Form 5500 For A Welfare Benefit Plan That is Any Of The Following:

CAUTION *The exemptions below do not apply to fringe benefit plans. A Form 5500 for a fringe benefit plan must be filed under Code section 6039D even if it is associated with a welfare benefit plan that is exempt from filing under one of the categories below.*

1. A welfare benefit plan that covered fewer than 100 participants as of the beginning of the plan year and is unfunded, fully insured, or a combination of insured and unfunded.

a. An *unfunded welfare benefit plan* has its benefits paid as needed directly from the general assets of the employer or employee organization that sponsors the plan.

Note: *Plans that are NOT unfunded include those plans that received employee (or former employee) contributions during the plan year and/or used a trust or separately maintained fund (including a Code section 501(c)(9) trust) to hold plan assets or act as a conduit for the transfer of plan assets during the year. However, a welfare plan with employee contributions that is associated with a fringe benefit plan under Code section 125 may be treated for annual reporting purposes as an unfunded welfare plan if it meets the requirements of DOL Technical Release 92-01, 57 Fed. Reg. 23272 (June 2, 1992).*

b. A *fully insured welfare benefit plan* has its benefits provided exclusively through insurance contracts or policies, the premiums of which must be paid directly to the insurance carrier by the employer or employee organization from its general assets or partly from its general assets and partly from contributions by its employees or members (which the employer or employee organization forwards within 3 months of receipt). The insurance contracts or policies discussed above must be issued by an insurance company or similar organization (such as Blue Cross, Blue Shield or a health maintenance organization) that is qualified to do business in any state.

c. A *combination unfunded/insured welfare plan* has its benefits provided partially as an unfunded plan and partially as a fully insured plan. An example of such a plan is a welfare benefit plan that provides medical benefits as in **a** above and life insurance benefits as in **b** above.

See 29 CFR 2520.104-20.

Note: *A "voluntary employees' beneficiary association," as used in Code section 501(c)(9) ("VEBA"), should not be confused with the employer or employee organization that sponsors the plan. See ERISA section 3(4).*

2. A welfare benefit plan maintained outside the United States primarily for persons substantially all of whom are nonresident aliens.

3. A governmental plan.

4. An unfunded or insured welfare plan for a select group of management or highly compensated employees which meets the requirements of 29 CFR 2520.104-24.

5. An employee benefit plan maintained only to comply with workers' compensation, unemployment compensation, or disability insurance laws.

6. A welfare benefit plan that participates in a group insurance arrangement that files a Form 5500 on behalf of the welfare benefit plan as specified in 29 CFR 2520.103-2. See 29 CFR 2520.104-43.

7. An apprenticeship or training plan meeting all of the conditions specified in 29 CFR 2520.104-22.

8. An unfunded dues financed welfare benefit plan exempted by 29 CFR 2520.104-26.

9. A church plan under ERISA section 3(33).

10. A welfare benefit plan solely for **(1)** an individual or an individual and his or her spouse, who wholly owns a trade or business, whether incorporated or unincorporated; or **(2)** partners or the partners and the partners' spouses in a partnership. See 29 CFR 2510.3-3(b).

Direct Filing Entity (DFE)

Some plans participate in certain trusts, accounts, and other investment arrangements that may file a Form 5500 as Direct Filing Entities (DFEs). These trusts, accounts, and arrangements include master trust investment accounts (MTIAs), common or collective trusts (CCTs), pooled separate accounts (PSAs), 103-12 investment entities (103-12 IEs), and group insurance arrangements (GIAs). For reporting purposes, an MTIA, CCT, PSA, 103-12 IE, or GIA is considered a DFE only when a Form 5500 and all required attachments are filed for it in accordance with the DFE instructions. The filing requirements for DFEs are described in **Lines and Schedules to Complete** on page 6 and in the instructions to the Schedule D.

Note: *Special requirements also apply to Schedules D and H attached to the Form 5500 filed by plans participating in MTIAs, CCTs, PSAs, and 103-12 IEs. See the instructions for these schedules.*

Common/Collective Trust (CCT) and Pooled Separate Account (PSA): A Form 5500 is not required to be filed for a CCT or PSA.

For reporting purposes, "common/collective trust" and "pooled separate account" are, respectively: **(1)** a trust maintained by a bank, trust company, or similar institution or **(2)** an account maintained by an insurance carrier, which are regulated, supervised, and subject to periodic examination by a state or Federal agency in the case of a CCT, or by a state agency in the case of a PSA, for the collective investment and reinvestment of assets contributed thereto from employee benefit plans maintained by more than one employer or controlled group of corporations as that term is used in Code section 1563. See 29 CFR 2520.103-3, 103-4, 103-5, and 103-9.

Note: *For reporting purposes, a separate account that is not considered to be holding plan assets pursuant to 29 CFR 2510.3-101(h)(1)(iii) does not constitute a pooled separate account.*

Master Trust Investment Account (MTIA): The administrator filing a Form 5500 for an employee benefit plan is required to file or have a designee file a Form 5500 for each MTIA in which the plan participated at any time during the plan year. For reporting purposes, a "master trust" is a trust for which a regulated financial institution (as defined below) serves as trustee or custodian (regardless of whether such institution exercises discretionary authority or control with respect to the management of assets held in the trust), and in which assets of more than one plan sponsored by a single employer or by a group of employers under common control are held. A "regulated financial institution" means a bank, trust company, or similar financial institution that is regulated, supervised, and subject to periodic examination by a state or Federal agency. "Common control" is determined on the basis of all relevant facts and circumstances (whether or not such employers are incorporated). The assets of a master trust are considered for reporting purposes to be held in one or more "investment accounts." A "master trust investment account" may consist of a pool of assets or a single asset. Each pool of assets held in a master trust must be treated as a separate master trust investment account if each plan that has an interest in the pool has the same fractional interest in each asset in the pool as its fractional interest in the pool, and if each such plan may not dispose of its interest in any asset in the pool without disposing of its interest in the pool. A master trust may also contain assets that are not held in such a pool. Each such asset must be treated as a separate MTIA.

Note: *If a master trust investment account consists solely of one plan's asset(s) during the reporting period, the plan may report the asset(s) either as an investment account on a DFE Form 5500, or as a plan asset(s) that is not part of the master trust (and therefore subject to all instructions pertaining to assets not held in a master trust).*

103-12 Investment Entity (103-12 IE): DOL Regulation 2520.103-12 provides an alternative method of reporting for plans that invest in an entity (other than an MTIA, CCT, or PSA), whose underlying assets include "plan assets" within the meaning of 29 CFR 2510.3-101 of two or more plans that are not members of a "related group" of employee benefit plans. Such an entity for which a Form 5500 is filed constitutes a "103-12 IE." A Form 5500 is not required to be filed for such entities; however, the instructions for the Schedule H (Form 5500) provide reporting relief that is not available to plans and DFEs participating in entities that are eligible to but do not file a Form 5500 as a 103-12 IE. For this reporting purpose, a "related group" of employee benefit plans consists of each group of two or more employee benefit plans **(1)** each of which receives 10% or more of its aggregate contributions from the same employer or from a member of the same controlled group of corporations (as determined under Code section 1563(a), without regard to Code section 1563(a)(4) thereof); or **(2)** each of which is either maintained by, or maintained pursuant to a collective-bargaining agreement negotiated by, the same employee organization or affiliated employee organizations. For purposes of this paragraph, an "affiliate" of an employee organization means any person controlling, controlled by, or under common control with such organization. See 29 CFR 2520.103-12.

Group Insurance Arrangement (GIA): Each welfare benefit plan that is part of a group insurance arrangement is exempted from the requirement to file a Form 5500 if a consolidated Form 5500 report for all the plans in the arrangement was filed in accordance with 29 CFR 2520.104-43. For reporting purposes, a "group insurance arrangement" provides benefits to the employees of two or more unaffiliated employers (not in connection with a multiemployer plan or a collectively-bargained multiple-employer plan), fully insures one or more welfare plans of each participating employer, uses a trust or other entity as the holder of the insurance contracts, and uses a trust as the conduit for payment of premiums to the insurance company.

When To File

Plans and GIAs. File 1999 return/reports for plan years that started in 1999. All required forms, schedules and attachments must be filed by the last day of the 7th calendar month after the end of the plan year (not to exceed 12 months in length) that began in 1999. If the plan year differs from the calendar year, fill in the fiscal year beginning and ending dates on the line provided at the top of the form.

DFEs other than GIAs. File 1999 return/reports no later than 9½ months after the end of the DFE year. A Form 5500 filed for a DFE must report information for the DFE year (not to exceed 12 months in length) that ends with or within the participating plan's year.

Short Years. For a short plan year, file the form and applicable schedules by the last day of the 7th month after the short plan year ends, and also check box B(4) in Part I. For purposes of this return/report, the short plan year ends on the date of the change in accounting period or upon the complete distribution of assets of the plan. Fill in the fiscal year beginning and ending dates on the line provided at the top of the form. Also see the instructions for **Final Return/Report** on page 6 to determine if box B(3) should be checked.

Special 1999 Transition Rule. The due date for a 1999 Form 5500 filed for a DFE with a fiscal year ending in 1999 is October 16, 2000.

Note: If the filing due date falls on a Saturday, Sunday, or Federal holiday, the return/report may be filed on the next day that is not a Saturday, Sunday, or Federal holiday.

Private Delivery Service

You can use certain private delivery services that have been designated by the IRS to meet the "timely mailing as timely filing/paying" rule for tax returns and payments. The August, 1999 list of designated private delivery services published by the IRS includes only the following:

- Airborne Express (Airborne): Overnight Air Express Service, Next Afternoon Service, Second Day Service.
- DHL Worldwide Express (DHL): DHL "Same Day" Service, DHL USA Overnight.
- Federal Express (FedEx): FedEx Priority Overnight, FedEx Standard Overnight, FedEx 2Day.
- United Parcel Service (UPS): UPS Next Day Air, UPS Next Day Air Saver, UPS 2nd Day Air, UPS 2nd Day Air A.M.

The private delivery service can tell you how to get written proof of the mailing date.

See **Where To File** below for the street address when using a private delivery service.

Extension of Time To File

Using Form 5558

A one-time extension of time to file Form 5500 (up to 2½ months) may be obtained by filing **Form 5558,** Application for Extension of Time To File Certain Employee Plan Returns, **before** the normal due date (not including any extensions) of the return. **You MUST file Form 5558 with the IRS**.

Approved copies of the Form 5558 will not be returned to the filer. However, a photocopy of the extension request that was filed must be attached to the Form 5500.

The addresses for where to file the Form 5558 are found in the instructions to the Form 5558.

Using Extension of Time To File Federal Income Tax Return

An automatic extension of time to file Form 5500 until the due date of the Federal income tax return of the employer will be granted if all of the following conditions are met: **(1)** the plan year and the employer's tax year are the same; **(2)** the employer has been granted an extension of time to file its Federal income tax return to a date later than the normal due date for filing the Form 5500; and **(3)** a copy of the application for extension of time to file the Federal income tax return is attached to the Form 5500. An extension granted by using this automatic extension procedure CANNOT be extended further by filing a Form 5558.

Note: *An extension of time to file the Form 5500 described above does not operate as an extension of time to file a Form 5500 filed for a DFE or the PBGC Form 1.*

Where To File

File the Form 5500, with any required schedules, statements, and attachments, at the address indicated below.

by mail:

PWBA
P.O. Box 7043
Lawrence, KS 66044-7043

by private delivery service:

PWBA / NCS
Attn: EFAST
3833 Greenway Drive
Lawrence, KS 66046-1290

Electronic Filing

You may file Form 5500 using 4mm DAT, 8mm DAT, 3½ inch diskette, CD-ROM, 3490 Tape or 9-Track Tape at the above address or via modem. Electronic filers must obtain an electronic and, if filing by modem, a transmission encryption key. For more information regarding electronic filing and how to obtain electronic signatures and transmission encryption keys, check the EFAST Web Page at **www.efast.dol.gov**

Paper Filing

Completion by Computer. If Electronic Filing is not used, print out the machine print version of the forms on standard 8½ by 11 inch paper using EFAST approved computer software.

Completion by Hand. Enter on the hand print version of the forms one letter or number within each green box without any overlapping of characters. If entering a negative number, enter a minus sign "–" in a box to the left of the number.

Completion by Typewriter. Ignore the green vertical lines on the hand print version of the forms and type directly through the boxes. Do NOT type more characters than the number of boxes. Do NOT use commas. See example below. If entering a negative number, enter a minus sign "–" within the boxes to the left of the number.

-345678901 2.00

123456789012 .00

Call **1-800-TAX-FORM** (1-800-829-3676) to order forms to be used for completion by hand or typewriter since these forms use special paper, special green drop-out ink, and are printed within precise specifications. This number is available 24 hours a day, 7 days a week.

Penalties

ERISA and the Code provide for the assessment or imposition of penalties for not giving complete information and for not filing statements and returns/reports. Certain penalties are administrative (i.e., they may be imposed or assessed by one of the governmental agencies delegated to administer the collection of the Form 5500 data). Others require a legal conviction.

Administrative Penalties

Listed below are various penalties for not meeting the Form 5500 filing requirements. One or more of the following administrative penalties may be assessed or imposed in the event of incomplete filings or filings received after the due date unless it is determined that your explanation for failure to file properly is for reasonable cause:

1. A penalty of up to $1,100 a day for each day a plan administrator fails or refuses to file a complete report. See ERISA section 502(c)(2) and 29 CFR 2560.502c-2.

2. A penalty of $25 a day (up to $15,000) for not filing returns for certain plans of deferred compensation, trusts and annuities, and bond purchase plans by the due date(s). See Code section 6652(e). This penalty also applies to returns required to be filed under Code section 6039D.

3. A penalty of $1 a day (up to $5,000) for each participant for whom a registration statement (Schedule SSA (Form 5500)) is required but not filed. See Code section 6652(d)(1).

4. A penalty of $1,000 for not filing an actuarial statement. See Code section 6692.

Other Penalties

1. Any individual who willfully violates any provision of Part 1 of Title I of ERISA shall be fined not more than $5,000 or imprisoned not more than 1 year, or both. See ERISA section 501.

2. A penalty up to $10,000, 5 years imprisonment, or both, may be imposed for making any false statement or representation of fact, knowing it to be false, or for knowingly concealing or not disclosing any fact required by ERISA. See section 1027, Title 18, U.S. Code, as amended by section 111 of ERISA.

Final Return/Report

If all assets under the plan (including insurance/ annuity contracts) have been distributed to the participants and beneficiaries or legally transferred to the control of another plan, and when all liabilities for which benefits may be paid under a welfare benefit plan have been satisfied, check the final return/report box (Part I, B(3)) at the top of the Form 5500. If a trustee is appointed for a terminated defined benefit plan pursuant to ERISA section 4042, the last plan year for which a return/report must be filed is the year in which the trustee is appointed.

Examples:

Mergers/Consolidations – A final return/report should be filed for the plan year (12 months or less) that ends when all plan assets were legally transferred to the control of another plan.

Master Trust Investment Account Final Report – A final report should be filed within 9½ months after the end of an MTIA year that ends when the account no longer holds the assets of more than one plan sponsored by a single employer or by a group of employers under common control.

Pension and Welfare Plans That Terminated Without Distributing All Assets – If the plan was terminated but all plan assets were not distributed, a return/report must be filed for each year the plan has assets. The return/report must be filed by the plan administrator, if designated, or by the person or persons who actually control the plan's assets/property.

Welfare Plans Still Liable To Pay Benefits – A welfare plan cannot file a final return/report if the plan is still liable to pay benefits for claims that were incurred prior to the termination date, but not yet paid. See 29 CFR 2520.104b-2(g)(2)(ii).

Signature and Date

The plan administrator must sign and date a Form 5500 filed for a pension or a welfare plan under ERISA sections 104 and/or 4065. Either the plan administrator or the employer may sign and date a Form 5500 filed for a pension plan under Code section 6058. Generally, a Form 5500 filed for a pension plan is filed under both ERISA section 104 and Code section 6058.

The employer must sign and date a Form 5500 filed for a fringe benefit plan under Code section 6039D.

When a joint employer-union board of trustees or committee is the plan sponsor or plan administrator, at least one employer representative and one union representative must sign and date the Form 5500.

Any representative authorized to sign on behalf of the DFE may sign the Form 5500 submitted for the DFE.

CAUTION *The administrator is required to maintain a copy of the annual report with all required signatures, as part of the plan's records, even if the annual report is filed electronically. See 29 CFR 2520.103-1.*

Change In Plan Year

Generally only defined benefit pension plans need to get approval for a change in plan year. (See Code section 412(c)(5).) However, under Rev. Proc. 87-27, 1987-1 C.B. 769, these pension plans may be eligible for automatic approval of a change in plan year. If a change in plan year for a pension or a welfare plan creates a short plan year, box B(4) in Part I must be checked and a Form 5500, with all required attachments, must be filed by the last day of the 7th calendar month after the end of the short plan year.

Amended Return/Report

To correct errors and/or omissions on a previously filed annual return/report for the 1999 plan year, submit a completed Form 5500 with an original signature and Part I, box B(2) checked. Attach and complete only those schedules and attachments being corrected. All amendments should be marked by circling the line numbers that have been changed since the prior submission. See the DOL Web Page at **www.efast.dol.gov** for information on electronic filing of amended return/reports. If you are filing a corrected annual return/report in response to correspondence received from the PWBA regarding processing of the annual return/report, do **not** check Part I, box B(2).

Section 2: Lines and Schedules To Complete

All lines on the Form 5500 must be completed unless otherwise specified. All applicable schedules and attachments must also be completed.

The Form 5500 reporting requirements vary depending on whether the Form 5500 is being filed for a "large plan," a "small plan," and/or a DFE, and on the particular type of plan or DFE involved (e.g., welfare plan, pension plan, fringe benefit plan, common/collective trust, pooled separate account, master trust investment account, 103-12 IE, or group insurance arrangement).

Generally, a return/report filed for a pension benefit plan or welfare benefit plan that covered fewer than 100 participants as of the beginning of the plan year should be completed following the requirements below for a **"small plan,"** and a return/report filed for a plan that covered 100 or more participants as of the beginning of the plan year should be completed following the requirements below for a **"large plan."**

Exceptions:

(1) 80-120 Participant Rule: *If the number of participants reported in Part II, line 6 is between 80 and 120, and a return/report was filed for the prior plan year, you may elect to complete the 1999 return/report in the same category ("large plan" or "small plan") as was filed for the prior return/report. Thus, if a Form 5500-C/R was filed for the 1998 plan year, and the number entered in Part II, line 6 of the 1999 Form 5500 is 100 to 120, you may elect to complete the 1999 Form 5500 and schedules in accordance with the instructions for a small plan.*

(2) Short Plan Year Rule: *If the plan had a short plan year of 7 months or less for either the prior plan year or, the plan year being reported on the 1999 Form 5500, an election can be made to defer filing the accountant's report in accordance with 29 CFR 2520.104-50. If such an election was made for the prior plan year, the 1999 Form 5500 must be completed following the requirements for a large plan, including the attachment of the Schedule H and the accountant's reports, regardless of the number of participants entered in Part II, line 6.*

Attachments

All attachments to the Form 5500 must be properly identified, and must include the name of the plan, plan sponsor's EIN, and plan number (PN) as found in lines 1a, 2b, and 1b, respectively. At the top of each attachment, indicate the schedule and line, if any (e.g., *Schedule H, Line 4i*) to which the attachment relates. When assembling the package for filing, you can place attachments to a schedule, either directly behind that schedule or at the end of the filing.

Pension Benefit Plan

Complete the Form 5500, including the signature block, and, except as provided in **Limited Pension Plan Reporting** on page 7, attach the following schedules and information:

SMALL PENSION PLAN

The following schedules (including any additional information required by the instructions to the schedules) must be attached to a Form 5500 filed for a **Small Pension Plan**:

1. Schedule A (as many as needed), to report insurance, annuity, and investment contracts held by the plan.

2. Schedule B, to report actuarial information, if applicable.

3. Schedule D, Part I, to list any CCTs, PSAs, MTIAs and 103-12 IEs in which the plan participated at any time during the plan year.

4. Schedule E, to report ESOP annual information, if applicable.

5. Schedule I, to report small plan financial information.

6. Schedule P (as many as needed), to report trust fiduciary information, if applicable.

7. Schedule R, to report retirement plan information, if applicable.

8. Schedule SSA (as many as needed), to report separated vested participant information, if applicable.

9. Schedule T (as many as needed), to report tax qualified pension plan coverage information, if applicable.

LARGE PENSION PLAN

The following schedules (including any additional information required by the instructions to the schedules) must be attached to a Form 5500 filed for a **Large Pension Plan**:

1. Schedule A (as many as needed), to report insurance, annuity, and investment contracts held by the plan.

2. Schedule B, to report actuarial information, if applicable.

3. Schedule C, to list the 40 most highly compensated service providers and, if applicable, any terminated accountants or actuaries.

4. Schedule D, Part I, to list any CCTs, PSAs, MTIAs and 103-12 IEs in which the plan invested at any time during the plan year.

5. Schedule E, to report ESOP annual information, if applicable.

6. Schedule G, to report loans or fixed income obligations in default or determined to be uncollectible as of the end of the plan year, leases in default or classified as uncollectible, and nonexempt transactions, i.e., file Schedule G if Schedule H (Form 5500) lines 4b, 4c, and/or 4d are checked "Yes."

7. Schedule H, to report financial information.

8. Schedule P (as many as needed), to report trust fiduciary information, if applicable.

9. Schedule R, to report retirement plan information, if applicable.

10. Schedule SSA, to report separated vested participant information, if applicable.

11. Schedule T (as many as needed), to report tax qualified pension plan coverage information, if applicable.

CAUTION *Attach the report of the independent qualified public accountant identified on Schedule H, line 3d, unless line 3b(2) is checked.*

Limited Pension Plan Reporting

The pension plans or arrangements described below are eligible for limited annual reporting:

1. **403(b) Arrangements:** A pension plan or arrangement using a tax deferred annuity arrangement under Code section 403(b)(1) and/or a custodial account for regulated investment company stock under Code section 403(b)(7) as the sole funding vehicle for providing pension benefits need complete only Form 5500 Part I and Part II, lines 1 through 5, and 8 (enter pension feature code 2L, 2M, or both).

Note: *The administrator of an arrangement described above is not required to engage an independent qualified public accountant, attach an accountant's opinion to the Form 5500, or attach any schedules to the Form 5500.*

2. **IRA Plans:** A pension plan utilizing individual retirement accounts or annuities (as described in Code section 408) as the sole funding vehicle for providing pension benefits need complete only Form 5500 Part I and Part II, lines 1 through 5, and 8 (enter pension feature code 2N).

3. **Fully Insured Pension Plan:** A pension benefit plan providing benefits exclusively through an insurance contract or contracts that are fully guaranteed and that meet all of the conditions of 29 CFR 2520.104-44(b)(2) during the entire plan year must complete all requirements listed for a **Pension Benefit Plan** on page 6, except that such a plan is exempt from attaching Schedule H, Schedule I, and an accountant's opinion, and from the requirement to engage an independent qualified public accountant.

A pension benefit plan that has insurance contracts of the type described in 29 CFR 2520.104-44 as well as other assets must complete all requirements for a pension benefit plan, except that the value of the plan's allocated contracts (see below) should not be reported in Part I of Schedule H or I. All other assets should be reported on Schedule H or Schedule I, and any other required schedules. If Schedule H is filed, attach an accountant's report in accordance with the Schedule H instructions.

Note: *For purposes of the annual return/report and the alternative method of compliance set forth in 29 CFR 2520.104-44, a contract is considered to be "allocated" only if the insurance company or organization that issued the contract unconditionally guarantees, upon receipt of the required premium or consideration, to provide a retirement benefit of a specified amount. This amount must be provided to each participant without adjustment for fluctuations in the market value of the underlying assets of the company or organization, and each participant must have a legal right to such benefits, which is legally enforceable directly against the insurance company or organization. For example, deposit administration, immediate participation guarantee, and guaranteed investment contracts are NOT allocated contracts for Form 5500 purposes.*

4. **Nonqualified pension benefit plans maintained outside the United States:** Nonqualified pension benefit plans maintained outside the United States primarily for nonresident aliens required to file a return/report (see **Who Must File** on page 2) must complete the Form 5500 (enter 3A in Part II, line 8a).

Welfare Benefit Plan

Complete the Form 5500, including the signature block, and attach the following schedules and information:

SMALL WELFARE PLANS

The following schedules (including any additional information required by the instructions to the schedules) must be attached to a Form 5500 filed for a **Small Welfare Plan**:

1. Schedule A (as many as needed), to report insurance contracts held by the plan.

2. Schedule D, Part I, to list any CCTs, PSAs, MTIAs and 103-12 IEs in which the plan participated at any time during the plan year.

3. Schedule I, to report small plan financial information.

LARGE WELFARE PLAN

The following schedules (including any additional information required by the instructions to the schedules) must be attached to a Form 5500 filed for a **Large Welfare Plan**:

1. Schedule A (as many as needed), to report insurance and investment contracts held by the plan.

2. Schedule C, if applicable, to list service providers and any terminated accountants or actuaries.

3. Schedule D, Part I, to list any CCTs, PSAs, MTIAs and 103-12 IEs in which the plan invested at any time during the plan year.

4. Schedule G, to report loans or fixed income obligations in default or determined to be uncollectible as of the end of the plan year, leases in default or classified as uncollectible, and nonexempt transactions, i.e., file Schedule G if Schedule H (Form 5500) lines 4b, 4c, and/or 4d are checked "Yes" or if a large welfare plan that is not required to file a Schedule H has nonexempt transactions.

5. Schedule H, to report financial information.

CAUTION *Attach the report of the independent qualified public accountant identified on Schedule H, line 3d, unless line 3b(2) is checked.*

Note: Neither Schedule H nor an accountant's opinion should be attached to a Form 5500 filed for an unfunded, fully insured or combination unfunded/insured welfare plan (as defined on page 3) that covered 100 or more participants as of the beginning of the plan year which meets the requirements of 29 CFR 2520.104-44 . However, Schedule G, Part III, must be attached to the Form 5500 to report any nonexempt transactions. A welfare benefit plan that uses a "voluntary employees' beneficiary association" (VEBA) under Code section 501(c)(9) is generally not exempt from the requirement of engaging an independent qualified public accountant. See ERISA section 3(4).

Fringe Benefit Plan

Complete the Form 5500, including the signature block, and attach Schedule F to report fringe benefit plan annual information.

Note: *Do not complete lines 6, 7, and 9 of Part II of a Form 5500 filed only for a fringe benefit plan.*

Welfare Plan And Fringe Benefit Plan Filing Together

If one Form 5500 is filed for both, you must check lines 8c and 10c of Part II of the Form 5500, attach Schedule F for the fringe benefit plan and complete the information and schedules (listed above) for the welfare plan.

Direct Filing Entity (DFE)

The term DFE, as defined on page 4, includes common/collective trusts (CCTs), pooled separate accounts (PSAs), group insurance arrangements (GIAs), master trust investment accounts (MTIAs), and 103-12 investment entities (103-12 IEs) for which a Form 5500 is properly filed. Only one Form 5500 should be filed for each DFE year for all plans participating in the DFE; however, the DFE Form 5500, including all required schedules and attachments, must report information for the DFE year (not to exceed 12 months in length) that ends with or within the participating plan's year. The DFE Form 5500 filing is an integral part of the annual report of each participating plan and the plan administrator may be subject to penalties for failing to file a complete annual report unless both the DFE Form 5500 and the plan's Form 5500 are properly filed.

The information required for a Form 5500 filed for a DFE varies according to the type of DFE. The following paragraphs provide specific guidance for the reporting requirements for each type of DFE.

Requirements for a Form 5500 filed for a common/collective trust (CCT) or pooled separate account (PSA).
A CCT or PSA Form 5500 must comply with the Form 5500 instructions for a **Large Pension Plan**, unless otherwise specified in the forms and instructions. Complete the Form 5500 including the appropriate letter, C or P, on Part I, line A(4) and the signature block. Do **not** complete Part I, line C, and Part II, lines 1c, 2d, 6 through 9, and 10a. The following schedules (including any additional information required by the instructions to the schedules) must be attached to a Form 5500 filed for a CCT or PSA:

1. Schedule D, Part I, to list all CCTs, PSAs, MTIAs and 103-12 IEs in which the CCT or PSA invested at any time during its year, and Part II, to list all plans that participated in the CCT or PSA during its year.

2. Schedule H to report financial information. Do **not** complete Part IV of Schedule H.

Note: *Special requirements also apply to Schedules D and H attached to the Form 5500 filed by plans participating in MTIAs, CCTs, PSAs, and 103-12 IEs. See the instructions for these schedules.*

Requirements for a Form 5500 filed for a master trust investment account (MTIA) or a 103-12 investment Entity (103-12 IE).
An MTIA or 103-12 IE Form 5500 must comply with the Form 5500 instructions for a **Large Pension Plan**, unless otherwise specified in the forms and instructions. Complete the Form 5500 including the appropriate letter, M or E, on Part I, line A(4) and the signature block. Do **not** complete Part I, line C, and Part II, lines 1c, 2d, 6 through 9, and 10a. The following schedules (including any additional information required by the instructions to the schedules) must be attached to a Form 5500 filed for an MTIA or 103-12 IE:

1. Schedule A (as many as needed), to report insurance, annuity and investment contracts held by the MTIA or 103-12 IE.

2. Schedule C, Parts I and II, to report service provider compensation information and any terminated accountants. Part II is not required if the Form 5500 is filed for an MTIA.

3. Schedule D, Part I, to list all CCTs, PSAs, MTIAs and 103-12 IEs in which the MTIA or 103-12 IE invested at any time during its year, and Part II, to list all plans that participated in the MTIA or 103-12 IE during its year.

Quick Reference Chart Form 5500 Schedules and Attachments[1]

	Large Pension Plan	Small Pension Plan	Large Welfare Plan	Small Welfare Plan	DFE	Fringe Benefit Plan
Schedule A (Insurance Information)	Must complete if plan has insurance contracts.	Must complete if plan has insurance contracts.	Must complete if plan has insurance contracts.	Must complete if plan has insurance contracts.	Must complete if MTIA, 103-12 IE or GIA has insurance contracts.	Not required.
Schedule B (Actuarial Information)	Must complete if defined benefit plan and subject to minimum funding standards.	Must complete if defined benefit plan and subject to minimum funding standards.	Not required.	Not required.	Not required.	Not required.
Schedule C (Service Provider Information)	Must complete if service provider was paid $5,000 or more and/or an accountant or actuary was terminated.	Not required.	Must complete if service provider was paid $5,000 or more and/or an accountant or actuary was terminated.	Not required.	MTIAs, GIAs and 103-12 IEs must complete Part I if service provider paid $5,000 or more. GIAs and 103-12 IEs must complete Part II if accountant was terminated.	Not required.
Schedule D (DFE/ Participating Plan Information)	Must complete Part I if plan participates in a CCT, PSA, MTIA, or 103-12 IE.	Must complete Part I if plan participates in a CCT, PSA, MTIA, or 103-12 IE.	Must complete Part I if plan participates in a CCT, PSA, MTIA, or 103-12 IE.	Must complete Part I if plan participates in a CCT, PSA, MTIA, or 103-12 IE.	All DFEs must complete Part II, and DFEs that invest in CCT, PSA, or 103-12 IE must also complete Part I.	Not required.

	Large Pension Plan	Small Pension Plan	Large Welfare Plan	Small Welfare Plan	DFE	Fringe Benefit Plan
Schedule E (ESOP Information)	Must complete if ESOP.	Must complete if ESOP.	Not required.	Not required.	Not required.	Not required.
Schedule F (Fringe Benefit Plan Information)	Not required.	Not required.	Not required.	Not required.	Not required.	Must complete.
Schedule G (Financial Schedules)	Must complete if Schedule H, lines 4b, 4c, or 4d are "Yes."[2]	Not required.	Must complete if Schedule H, lines 4b, 4c, or 4d are "Yes."[2, 3]	Not required.	MTIAs, GIAs and 103-12 IEs must complete if Schedule H, lines 4b, 4c, and 4d are "Yes."[2]	Not required.
Schedule H (Large Plan and DFE Financial Information)	Must complete.	Not required.	Must complete.[3]	Not required.	All DFEs must complete Parts I, II, and III. MTIAs, 103-12 IEs, and GIAs must also complete Part IV.	Not required.
Schedule I (Small Plan Financial Information)	Not required.	Must complete.	Not required.	Must complete.[3]	Not required.	Not required.
Schedule P (Annual Return of Fiduciary)	Must file to start running of statute of limitations under Code section 6501(a).	Must file to start running of statute of limitations under Code section 6501(a).	Not required.	Not required.	Not required.	Not required.
Schedule R (Retirement Plan Information)	Must complete unless plan is *neither* a defined benefit plan *nor* subject to Code section 412 or ERISA section 302 and no benefits were distributed during the plan year.	Must complete unless plan is *neither* a defined benefit plan *nor* subject to Code section 412 or ERISA section 302 and no benefits were distributed during the plan year.	Not required.	Not required.	Not required.	Not required.
Schedule SSA (Statement Identifying Separated Participants With Deferred Vested Benefits)	Must complete if plan had separated participants with deferred vested benefits to report.	Must complete if plan had separated participants with deferred vested benefits to report.	Not required.	Not required.	Not required.	Not required.
Schedule T (Qualified Pension Plan Information)	Must complete if qualified plan unless permitted to rely on coverage testing information for prior year.	Must complete if qualified plan unless permitted to rely on coverage testing information for prior year.	Not required.	Not required.	Not required.	Not required.
Accountant's Report	Must attach.	Not required.	Must attach.	Not required.	Must attach for a GIA or 103-12 IE.	Not required.

[1] This chart provides only general guidance. Not all rules and requirements are reflected. Refer to specific Form 5500 instructions for complete information on filing requirements (e.g., **Pension and Welfare Plans Excluded From Filing** on page 3 and **Lines and Schedules to Complete** on page 6).

[2] Schedules of assets and reportable (5%) transactions also must be filed with the Form 5500 if Schedule H, lines 4i or 4j are "Yes," but use of printed form not required.

[3] Unfunded, fully insured and combination unfunded/insured welfare plans covering fewer than 100 participants at the beginning of the plan year that meet the requirements of 29 CFR 2520.104-20 are exempt from filing an annual report. (See **Pension and Welfare Plans Excluded from Filing** on page 3.) Such a plan with 100 or more participants must file an annual report, but is exempt under 29 CFR 2520.104-44 from the accountant's report requirement and completing Schedule H, but MUST complete Schedule G, Part III, to report any nonexempt transactions. See ***Lines and Schedules To Complete*** on page 6.

4. Schedule G, to report loans or fixed income obligations in default or determined to be uncollectible as of the end of the MTIA or 103-12 IE year, leases in default or classified as uncollectible and nonexempt transactions, i.e., file Schedule G if Schedule H (Form 5500) lines 4b, 4c, and/or 4d are checked "Yes."

5. Schedule H, to report financial information.

CAUTION *Attach the report of the independent qualified public accountant identified on Schedule H, line 3d, unless line 3b(1) is checked.*

Requirements for a Form 5500 filed for a group insurance arrangement (GIA).
A GIA Form 5500 must comply with the Form 5500 instructions for a **Large Welfare Plan,** unless otherwise specified in the forms and instructions. Complete the Form 5500 including the letter G on Part I, line A(4), and the signature block. Do **not** complete Part I, line C, and Part II, line 2d. The following schedules (including any additional information required by the instructions to the schedules) must be attached to a Form 5500 filed for a GIA:

1. Schedule A (as many as needed), to report insurance and investment contracts held by the GIA.

2. Schedule C, Parts I and II, to report service provider compensation information, and any terminated accountants.

3. Schedule D, Part I, to list all CCTs, PSAs, and 103-12 IEs in which the GIA invested at any time during its year, and Part II, to list all plans participating in the GIA at any time during its year.

4. Schedule G, to report loans or fixed income obligations in default or determined to be uncollectible as of the end of the plan year, leases in default or classified as uncollectible, and nonexempt transactions, i.e., file Schedule G if Schedule H (Form 5500) lines 4b, 4c, and/or 4d are checked "Yes."

5. Schedule H, to report financial information.

CAUTION *Attach the report of the independent qualified public accountant identified on Schedule H, line 3d.*

Specific Instructions

Section 3: Form 5500 Line-by-Line Instructions

Answer all questions with respect to the plan or DFE year, unless otherwise explicitly stated in the line-by-line instructions or on the form itself. Therefore, responses usually apply to the year entered or printed at the top of the first page of the form.

"Yes" or "No" questions on the forms and schedules must be marked either "Yes" or "No," but not both. "N/A" cannot be used to respond to a "Yes" or "No" question unless specifically permitted by the forms, schedules or instructions.

Use black or blue ink. Check boxes should be filled in completely or clearly marked with an "X." If entering a negative number, enter a minus sign "–" in a box to the left of the number. Do not add dollar signs, commas, or use decimal points. Do not write on or near the barcode or in the upper right corner of the form as this will interfere with the processing of the forms.

The return/report must be completed in accordance with the following specific instructions.

Part I - Annual Report Identification Information

File Form 5500 with "1999" printed in the upper right hand corner for a plan year that began in 1999 or a DFE year that ended in 1999. If the plan year is not the 1999 calendar year, enter the dates in Part I. A form printed for a prior year may not be used to report for this plan year.

Kinds of Filers One Form 5500 is generally filed for each plan or entity described in the instructions to boxes A(1) through A(4) below.

Note: *A separate Form 5500, with box A(2) checked, must be filed by each employer participating in a plan or program of benefits in which the funds attributable to each employer are available to pay benefits only for that employer's employees, even if the plan is maintained by a controlled group.*

A "controlled group" is generally considered one employer for Form 5500 reporting purposes. A "controlled group" is a controlled group of corporations under Code section 414(b), a group of trades or businesses under common control under Code section 414(c), or an affiliated service group under Code section 414(m).

Box A(1). Multiemployer Plan. Check this box if the Form 5500 is filed for a multiemployer plan. A plan is a multiemployer plan if: **(1)** more than one employer is required to contribute, **(2)** the plan is maintained pursuant to one or more collective bargaining agreements, and **(3)** an election under Code section 414(f)(5) and ERISA section 3(37)(E) has not been made. Participating employers do not file individually for these plans. See 29 CFR 2510.3-37.

Box A(2). Single-Employer Plan. Check this box if the Form 5500 is filed for a single-employer plan. A single-employer plan is an employee benefit plan maintained by one employer or one employee organization.

Box A(3). Multiple-Employer Plan. Check this box if the Form 5500 is being filed for a multiple-employer plan. A multiple-employer plan is a plan that is maintained by more than one employer and is not one of the plans already described. Multiple-employer plans can be collectively bargained and collectively funded, but if covered by PBGC termination insurance, must have properly elected before September 27, 1981, not to be treated as a multiemployer plan under Code section 414(f)(5) or ERISA sections 3(37)(E) and 4001(a)(3). Participating employers do not file individually for these plans. *Do NOT check this box if the employers maintaining the plan are members of the same controlled group.*

Box A(4). Direct Filing Entity. Check this box and enter the correct letter from the chart below to indicate the type of entity in the space provided.

Type of entity ▼	Enter the letter ▼
Master Trust Investment account	M
Common/collective trust	C
Pooled separate account	P
103-12 Investment Entity	E
Group Insurance Arrangement	G

Box B(1). Check this box if an annual return/report has not been previously filed for this plan or DFE. For the purpose of completing box B(1), the Form 5500-EZ is not considered an annual return/report.

Box B(2). Check this box if this Form 5500 is being submitted to correct errors and/or omissions on a previously filed Form 5500 for the 1999 plan year.

Box B(3). Check this box if this Form 5500 is the last Form 5500 required to be submitted for this plan. (See **Final Return/Report** on page 6.)

Box B(4). Check this box if this Form 5500 is filed for a plan year of less than 12 months.

Note: *For purposes of completing boxes B(1) and B(3), check Form 5500, Part I, line B(3) and enter "4R" on Part II, line 8b, for a welfare plan that is not required to file a Form 5500 for the next plan year because the welfare plan has become eligible for an annual reporting exemption. For example, certain unfunded and insured welfare plans may be required to file the 1999 Form 5500 and be exempt from filing a Form 5500 for the plan year*

2000 if the number of participants covered as of the beginning of the 2000 plan year drops below 100. See ***Pension and Welfare Plans Excluded From Filing*** *on page 3. Should the number of participants covered by such a plan increase to 100 or more in a future year, the plan should check Form 5500, Part I, line B(1) on that year's Form 5500 and enter "4S" on Part II, line 8b. See 29 CFR 2520.104-20.*

Box C. Check box C when the contributions to the plan and/or the benefits paid by the plan are subject to the collective bargaining process (even if the plan is not established and administered by a joint board of trustees and even if only some of the employees covered by the plan are members of a collective bargaining unit that negotiates contributions and/or benefits). The contributions and/or benefits do not have to be identical for all employees under the plan.

Box D. Check this box if you filed for an extension of time to file this form. Attach a photocopy of either the completed and signed **Form 5558,** Application for Extension of Time To File Certain Employee Plan Returns you filed, or if you are using the automatic extension of time to file Form 5500 until the due date of the Federal income tax return of the employer, a copy of the employer's extension of time to file the income tax return. See **Extension of Time To File** on page 5.

Part II - Basic Plan Information

Line 1a. Enter the formal name of the plan or DFE or enough information to identify the plan or DFE. Abbreviate if necessary.

Line 1b. Enter the three-digit plan or entity number (PN) the employer or plan administrator assigned to the plan or DFE. This three digit number, in conjunction with the employer identification number (EIN) entered on line 2b, is used by the IRS, DOL, and PBGC as a unique 12 digit number to identify the plan or DFE.

Start at 001 for plans providing pension benefits or DFEs as illustrated in the table below. Start at 501 for welfare or fringe benefit plans and GIAs. Do not use 888 or 999.

Once you use a plan or DFE number, continue to use it for that plan or DFE on all future filings with the IRS, DOL and PBGC. Do not use it for any other plan or DFE, even if the first plan or DFE is terminated.

For each Form 5500 with the same EIN (line 2b), when ▼	Assign PN ▼
Part II, box 8a is checked, or Part I, A(4) is checked and an M, C, P, or E is entered	001 to the first plan or DFE. Consecutively number others as 002, 003. . .
Part II, box 8b and/or 8c is checked and 8a is not checked, or Part I, A(4) is checked and a G is entered	501 to the first plan or GIA. Consecutively number others as 502, 503. . .

Exception: *If Part II, box 8a is checked and 333 (or a higher number in a sequence beginning with 333) was previously assigned to the plan, that number may be entered on line 1b.*

Line 1c. Enter the date the plan first became effective.

Line 2a. Enter the name and address of the plan sponsor or, in the case of a Form 5500 filed for a DFE, the name and address of the insurance company, financial institution or other sponsor of the DFE (e.g., the trust or other entity that holds the insurance contract for a group insurance arrangement). If the plan covers only the employees of one employer, enter the employer's name. If the Post Office does not deliver mail to the street address and the sponsor has a P.O. box, enter the box number with the street address.

The term "plan sponsor" means:

- The employer, for an employee benefit plan that a single employer established or maintains, and for a fringe benefit plan;
- The employee organization in the case of a plan of an employee organization; or
- The association, committee, joint board of trustees, or other similar group of representatives of the parties who establish or maintain the plan, if the plan is established or maintained jointly by one or more employers and one or more employee organizations, or by two or more employers.

Include enough information on line 2a to describe the sponsor adequately, e.g., "Joint Board of Trustees of Local 187 Machinists" rather than just "Joint Board of Trustees." A plan of a controlled group of corporations should enter the name of only one of the sponsoring members.

Line 2b. Enter the nine-digit employer identification number (EIN) assigned to the plan sponsor/employer/entity. For example, 00-1234567.

Employers and plan administrators who do not have an EIN should apply for one on Form SS-4, Application for Employer Identification Number as soon as possible. Form SS-4 can be obtained at most IRS or Social Security Administration (SSA) offices. The PWBA does NOT issue EINs.

A plan of a controlled group of corporations should use the EIN of one of the sponsoring members. The EIN must be used in all subsequent filings of the Form 5500 for the controlled group.

If the plan sponsor is a group of individuals, get a single EIN for the group. When you apply for a number, enter on line 1 of Form SS-4 the name of the group, such as "Joint Board of Trustees of the Local 187 Machinists' Retirement Plan." EINs may be obtained by filing Form SS-4 as explained above.

Note: *EINs for funds (trusts or custodial accounts) associated with plans are generally not required to be furnished on the Form 5500; the IRS will issue EINs for such funds for other reporting purposes. EINs may be obtained by filing Form SS-4 as explained above.*

Plan sponsors should use the trust EIN described in the **Note** above when opening a bank account or conducting other transactions for a trust that require an EIN.

Line 2d. Enter the six-digit business code that best describes the nature of the plan sponsor's business from the list of business codes on pages 17, 18, and 19. If more than one employer or employee organization is involved, enter the business code for the main business activity of the employers and/or employee organizations.

Line 3a. Enter the name and address of the plan administrator, unless **(a)** the administrator is the sponsor identified in item 2, or **(b)** Part I, box A(4) is checked because the Form 5500 is submitted as the report of a DFE. If (a) or (b) applies, the word "Same" should be entered on line 3a and lines 3b and 3c should be blank. Plan administrator means:

- The person or group of persons specified as the administrator by the instrument under which the plan is operated;
- The plan sponsor/employer if an administrator is not so designated; or
- Any other person prescribed by regulations if an administrator is not designated and a plan sponsor cannot be identified.

Line 3b. Enter the plan administrator's nine-digit EIN. A plan administrator must have an EIN for Form 5500 reporting purposes. If the plan administrator does not have an EIN, apply for one as explained in the instructions for line 2b. One EIN should be entered for a group of individuals who are, collectively, the plan administrator.

Note: *Employees of the plan sponsor who perform administrative functions for the plan are generally not the plan administrator unless specifically designated in the plan document. If an employee of the plan sponsor is designated as the plan administrator, that employee must get an EIN.*

Line 4. If the plan sponsor's name and EIN have changed since the last return/report was filed for this plan enter the plan sponsor's name, EIN, and the plan number as it appeared on the last return/report filed for this plan.

Line 5. *(Optional)* You may use this line to designate the person or entity that is principally responsible for the preparation of the annual return/report.

Lines 6 and 7. The description of "participant" in the instructions below is only for purposes of these lines.

For welfare plans, the number of participants should be determined by reference to 29 CFR 2510.3-3(d). Dependents are considered to be neither participants nor beneficiaries. A child who is an "alternate recipient" entitled to health benefits under a qualified medical child support order should not be counted as a participant for lines 6 and 7. For pension benefit plans, "alternate payees" entitled to benefits under a qualified domestic relations order are not to be counted as participants for these lines.

"Participant" means any individual who is included in one of the categories below.

1. Active participants include any individuals who are currently in employment covered by a plan and who are earning or retaining credited service under a plan. This category includes any individuals who are eligible to elect to have the employer make payments to a Code section 401(k) qualified cash or deferred arrangement. Active participants also include any nonvested individuals who are earning or retaining credited service under a plan. This category does not include **(a)** nonvested former employees who have incurred the break in service period specified in the plan or **(b)** former employees who have received a "cash-out" distribution or deemed distribution of their entire nonforfeitable accrued benefit.

2. Retired or separated participants receiving benefits are any individuals who are retired or separated from employment covered by the plan and who are receiving benefits under the plan. This includes former employees who are receiving group health continuation coverage benefits pursuant to Part 6 of ERISA and who are covered by the employee welfare benefit plan. This category does not include any individual to whom an insurance company has made an irrevocable commitment to pay all the benefits to which the individual is entitled under the plan.

3. Other retired or separated participants entitled to future benefits are any individuals who are retired or separated from employment covered by the plan and who are entitled to begin receiving benefits under the plan in the future. This category does not include any individual to whom an insurance company has made an irrevocable commitment to pay all the benefits to which the individual is entitled under the plan.

4. Deceased individuals who had one or more beneficiaries who are receiving or are entitled to receive benefits under the plan. This category does not include an individual if an insurance company has made an irrevocable commitment to pay all the benefits to which the beneficiaries of that individual are entitled under the plan.

Line 7g. Enter the number of participants included on line 7f (total participants at the end of the plan year) who have account balances. For example, for a Code section 401(k) plan the number entered on line 7g should be the number of participants counted on line 7f who have made a contribution to the plan for this plan year or any prior plan year. Defined benefit plans should leave line 7g blank.

Line 7h. Include any individual who terminated employment during this plan year, whether or not he or she **(a)** incurred a break in service, **(b)** received an irrevocable commitment from an insurance company to pay all the benefits to which he or she is entitled under the plan, and/or **(c)** received a cash distribution or deemed cash distribution of his or her nonforfeitable accrued benefit. Multiemployer plans and multiple-employer plans that are collectively bargained do not have to complete line 7h.

Line 7i. If a number is entered on line 7i, you must file Schedule SSA (Form 5500) as an attachment to the Form 5500.

CAUTION *Code section 6057(e) provides that the plan administrator must give each participant a statement showing the same information reported on Schedule SSA for that participant.*

Line 8 - Benefits Provided Under the Plan. Check 8a, 8b and/or 8c, as appropriate. In addition, enter in the boxes provided all applicable plan characteristic codes from the table on page 13 that describe the characteristics of the plan being reported.

Line 9 - Funding and Benefit Arrangements. Check all boxes that apply to indicate the funding and benefit arrangements used during the plan year. The "funding arrangement" is the method for the receipt, holding, investment, and transmittal of plan assets prior to the time the plan actually provides benefits. The "benefit arrangement" is the method by which benefits were actually provided to participants by the plan. For the purposes of line 9:

"Insurance" means the plan has an account, contract, or policy with an insurance company, insurance service, or other similar organization (such as Blue Cross, Blue Shield, or a health maintenance organization) during the plan or DFE year. (This includes investments with insurance companies such as guaranteed investment contracts (GICs).) Do not check "insurance" if the sole function of the insurance company was to provide administrative services.

"Code section 412(i) insurance contracts" are contracts that provide retirement benefits under a plan which are guaranteed by an insurance carrier. In general, such contracts must provide for level premium payments over the individual's period of participation in the plan (to retirement age), premiums must be timely paid as currently required under the contract, no rights under the contract may be subject to a security interest and no policy loans may be outstanding. If a plan is funded exclusively by the purchase of such contracts, the otherwise applicable minimum funding requirements of section 412 of the Code and section 302 of ERISA do not apply for the year and a Schedule B is not required to be filed.

"Trust" includes any fund or account that receives, holds, transmits, or invests plan assets other than an account or policy of an insurance company.

"General assets of the sponsor" means the plan either had no assets or some assets were commingled with the general assets of the plan sponsor prior to the time the plan actually provided the benefits promised.

Example: If the plan held all its assets invested in registered investment companies and other non-insurance company investments until it purchased annuities to pay out the benefits promised under the plan, box 9a(3) should be checked as the funding arrangement and box 9b(1) should be checked as the benefit arrangement.

Note: *An employee benefit plan that checks boxes 9a(1), 9a(2), 9b(1), and/or 9b(2) must attach a Schedule A (Form 5500), Insurance Information, to provide information pertaining to each contract year ending with or within the plan year. See the instructions to the Schedule A and enter the number of Schedules A on line 10b(3), if applicable.*

PLAN CHARACTERISTICS CODES FOR LINES 8a AND 8b

CODE	Defined Benefit Pension Features
1A	Benefits are primarily pay related
1B	Benefits are primarily flat dollar (includes dollars per year of service)
1C	Cash balance or similar plan - Plan has a "cash balance" formula. For this purpose, a "cash balance" formula is a benefit formula in a defined benefit plan by whatever name (e.g., personal account plan, pension equity plan, life cycle plan, cash account plan, etc.) that rather than, or in addition to, expressing the accrued benefit as a life annuity commencing at normal retirement age, defines benefits for each employee in terms more common to a defined contribution plan such as a single sum distribution amount (e.g., 10 percent of final average pay times years of service, or the amount of the employee's hypothetical account balance).
1D	Offset arrangement - Plan benefits are subject to offset for retirement benefits provided in another plan or arrangement of the employer.
1E	Code section 401(h) arrangement - Plan contains separate accounts under Code section 401(h) to provide employee health benefits.
1F	Code section 414(k) arrangement - Benefits are based partly on the balance of the separate account of the participant (also include appropriate defined contribution pension feature codes).
1G	Covered by PBGC - Plan is covered under the PBGC insurance program (see ERISA section 4021).
1H	Plan covered by PBGC that was terminated and closed out for PBGC purposes - Before the end of the plan year (or a prior plan year), (1) the plan terminated in a standard (or distress) termination and completed the distribution of plan assets in satisfaction of all benefit liabilities (or all ERISA Title IV benefits for distress termination); or (2) a trustee was appointed for a terminated plan pursuant to ERISA section 4042.

CODE	Defined Contribution Pension Features
2A	Allocations based upon age, service, or age and service
2B	Target benefit plan
2C	Money purchase (other than target benefit)
2D	Offset plan - Plan benefits are subject to offset for retirement benefits provided in another plan or arrangement of the employer.
2E	Profit-sharing
2F	ERISA section 404(c) Plan - This plan, or any part of it is intended to meet the conditions of 29 CFR 2550.404c-1.
2G	Total participant-directed account plan - Participants have the opportunity to direct the investment of all the assets allocated to their individual accounts, regardless of whether 29 CFR 2550.404c-1 is intended to be met.
2H	Partial participant-directed account plan - Participants have the opportunity to direct the investment of a portion of the assets allocated to their individual accounts, regardless of whether 29 CFR 2550.404c-1 is intended to be met.
2I	Stock bonus
2J	Code section 401(k) feature - A cash or deferred arrangement described in Code section 401(k) that is part of a qualified defined contribution plan that provides for an election by employees to defer part of their compensation or receive these amounts in cash.
2K	Code section 401(m) arrangment - Employee contributions are allocated to separate accounts under the plan or employer contributions are based, in whole or in part, on employee deferrals or contribtions to the plan. Not applicable if plan is 401(k) plan with only QNECs and/or QMACs. Also not applicable if Code section 403(b)(1), 403(b)(7) or 408 arrangements/accounts/annuities.
2L	Code section 403(b)(1) arrangement - See instructions for Code section 403(b)(1) arrangements for certain exempt organizations.
2M	Code section 403(b)(7) accounts - See instructions for Code section 403(b)(7) custodial accounts for regulated investment company stock for certain exempt organizations.
2N	Code section 408 accounts and annuities - See the instructions for pension plan utilizing individual Code section 408 retirement accounts or annuities as the funding vehicle for providing benefits.
2O	ESOP other than a leveraged ESOP - A completed Schedule E must be attached to a Form 5500 filed for an Employee Stock Ownership Plan (ESOP).
2P	Leveraged ESOP - An ESOP that acquires employer securities with borrowed money or other debt-financing techniques. A completed Schedule E must be attached to a Form 5500 filed for an ESOP.

CODE	Other Pension Benefit Features
3A	Non-U.S. plan - Pension plan maintained outside the United States primarily for nonresident aliens.
3B	Plan covering Self-Employed individuals.
3C	Plan not intended to be qualified - A plan not intended to be qualified under Code sections 401, 403, or 408.
3D	Master plan - A pension plan that is made available by a sponsoring organization for adoption by employers; that is the subject of a favorable opinion letter under Revenue Procedure 89-9, 1989-1 C.B. 780, as modified by Rev. Proc. 90-21, 1990-1 C.B. 499; and for which a single funding medium (for example, a trust or custodial account) is established for the joint use of all adopting employers.
3E	Prototype plan - A pension plan that is made available by a sponsoring organization for adoption by employers; that is the subject of a favorable opinion letter under Revenue Procedures 90-21, 1990-1 C.B. 780, as modified by Rev. Proc. 90-21, 1990-1 C.B. 499; and under which a separate funding medium (for example, a separate trust or custodial account) is established for each adopting employer. See the preceding paragraph regarding the meaning of "sponsoring organization."
3F	Regional prototype plan - A pension plan that is made available by a regional sponsor for adoption by employers and that is the subject of a favorable notification letter under Rev. Proc. 89-13, 1989-1 C.B. 801, as modified by Rev. Proc. 90-21, 1990-1 C.B. 499. For this purpose, regional sponsors include individuals and organizations, other than organizations that are permitted to sponsor master or prototype plans.
3G	One-participant plan - A plan without employees as defined in 29 CFR 2510.3-3(b).
3H	Plan sponsor(s) is (are) a member(s) of a controlled group (Code sections 414(b), (c), or (m)).

CODE	Welfare Benefit Features
4A	Health (other than dental or vision)
4B	Life insurance
4C	Supplemental unemployment
4D	Dental
4E	Vision
4F	Temporary disability (accident and sickness)
4G	Prepaid legal
4H	Long-term disability
4I	Severance pay
4J	Apprenticeship and training
4K	Scholarship (funded)
4L	Death benefits (include travel accident but not life insurance)
4P	Taft-Hartley Financial Assistance for Employee Housing Expenses
4Q	Other
4R	Unfunded, fully insured, or combination unfunded/insured welfare plan that will not file a Form 5500 for next plan year pursuant to 29 CFR 2520.104-20.
4S	Unfunded, fully insured, or combination unfunded/insured welfare plan that stopped filing Form 5500s in an earlier plan year pursuant to 29 CFR 2520.104-20.

Examples:

1. A Form 5500 filed for a qualified defined benefit pension plan covered by the PBGC which provides a benefit of 2% of average annual compensation per year of service with an offset arrangement should check box 8a and enter the codes "1A", "1D" and "1G" in the boxes under box 8a as illustrated below:

a [X] Pension benefits (check this box if the plan provides pension benefits and enter the applicable pension feature codes from the List of Plan Characteristics Codes (printed in the instructions) below).

1A	1D	1G							

2. A Form 5500 filed for a welfare plan providing health insurance, life insurance, dental insurance, and eye examinations should check box 8b and enter the codes "4A", "4B", "4D", and "4E" in the boxes under box 8b as illustrated below:

b [X] Welfare benefits (check this box if the plan provides welfare benefits and enter the applicable welfare feature codes from the List of Plan Characteristics Codes (printed in the instructions) below).

4A	4B	4D	4E						

3. A Form 5500 filed for a prototype profit-sharing plan with 401(k) features, providing participant direction with voluntary employee contributions and regular employer matching contributions which is intended to meet ERISA section 404(c), and which provides ancillary life insurance, should check boxes 8a and 8b and enter the codes "2E", "2F", "2J", "2K", "3E" and "4B" in the boxes under 8a and 8b as illustrated below:

a [X] Pension benefits (check this box if the plan provides pension benefits and enter the applicable pension feature codes from the List of Plan Characteristics Codes (printed in the instructions) below).

2E	2F	2J	2K	3E					

b [X] Welfare benefits (check this box if the plan provides welfare benefits and enter the applicable welfare feature codes from the List of Plan Characteristics Codes (printed in the instructions) below).

4B									

Form 5500 Schedules

Line 10. All attachments to the Form 5500, including schedules, must include both the EIN and the plan number entered on lines 2b and 1b of the Form 5500. Check the boxes on line 10 to indicate the schedules being filed and, where applicable, enter the number of schedules attached on the space provided. The schedules are described below.

Pension Benefit Schedules

Schedule R (Retirement Plan Information) must be completed if the Form 5500 is being filed for a pension benefit plan unless the plan is neither a defined benefit plan nor subject to Code section 412 or ERISA section 302 *and* no benefits were distributed during the plan year, or unless otherwise specified under **Limited Pension Plan Reporting** on page 7. For additional information, see the Schedule R instructions.

Schedule T (Qualified Pension Plan Coverage Information) generally must be completed for a pension benefit plan that is intended to be qualified under Code section 401(a) or section 403(a). However, Schedule T may not be required every year. For additional information, see the Schedule T instructions.

Schedule B (Actuarial Information) is required for most defined benefit pension plans and for defined contribution pension plans that currently amortize a waiver of the minimum funding specified the instructions for the Schedule B. For additional information, see the instructions for the Schedules B and R.

Schedule E (ESOP Annual Information) is required for all pension benefit plans with ESOP benefits. For additional information, see the Schedule E instructions.

Schedule SSA (Annual Registration Statement Identifying Separated Participants With Deferred Vested Benefits) may be needed to report separated participants. For additional information, see the Schedule SSA instructions.

Financial Schedules

Schedule H (Financial Information) must be attached to a Form 5500 filed for pension benefit plans and welfare benefit plans that covered 100 or more participants as of the beginning of the plan year, and to a Form 5500 filed for a MTIA, CCT, PSA, 103-12, or GIA. Employee benefit plans, 103-12 IEs, and GIAs filing the Schedule H are generally required to engage an independent qualified public accountant and attach a report of the accountant pursuant to ERISA section 103(a)(3)(A). These plans and DFEs are also generally required to attach to the Form 5500 a **"Schedule of Assets Held For Investment Purposes," "Schedule of Assets Acquired and Disposed of Within the Plan Year,"** and, if applicable, a **"Schedule of Reportable Transactions."** For additional information, see the Schedule H instructions for lines 4i and 4j and the Form 5500 instructions for **Direct Filing Entity (DFE)** on page 4.

Exceptions: *Insured, unfunded, or combination unfunded/insured welfare plans as described in 29 CFR 2520.104-44(b)(1), and fully insured pension plans as described in 29 CFR 2520.104-44(b)(2) and under **Limited Pension Plan Reporting** on page 7, are exempt from completing the Schedule H. Also, if a Form 5500-C/R was filed for the plan for the 1998 plan year and the plan covered fewer than 121 participants as of the beginning of the 1999 plan year, the Schedule I may be completed instead of the Schedule H.*

Schedule I (Financial Information - Small Plan) is required for all pension benefit plans and welfare benefit plans filing as "small plans," unless the plan is exempt as an insured, unfunded, or combination insured/unfunded welfare plan as described in 29 CFR 2520.104-20, or a fully insured pension plan as described in 29 CFR 2520.104-44(b)(2) and under **Limited Pension Plan Reporting** on page 7. For additional information, see the Schedule I instructions.

Schedule A (Insurance Information) is required if any benefits under an employee benefit plan are provided by an insurance company, insurance service or other similar organization (such as Blue Cross, Blue Shield, or a health maintenance organization). (This includes investment contracts with insurance companies, such as guaranteed investment contracts and pooled separate accounts.) For additional information, see the Schedule A instructions.

Note: *Do not file Schedule A for Administrative Services Only (ASO) contracts. Do not file Schedule A if a Schedule A is filed for the contract as part of the Form 5500 filed directly by a master trust investment account or 103-12 IE. Do not file Schedule A if the plan covers only:* **(1)** *an individual or an individual and his or her spouse who wholly own a trade or business, whether incorporated or unincorporated; or* **(2)** *partners, or partners and one or more of the partner's spouses in a partnership.*

Schedule C (Service Provider Information) is required when the Form 5500 is filed for a large plan, MTIA, 103-12 IE, or GIA and **(1)** any service provider who rendered services to the plan or DFE during the plan or DFE year received $5,000 or more in compensation, directly or indirectly from the plan or DFE or **(2)** an accountant and/or actuary has been terminated. For additional information, see the Schedule C instructions.

Schedule D (DFE/Participating Plan Information). *Part I* is required when the Form 5500 is filed for a plan or DFE that invested or participated in any MTIAs, 103-12 IEs, CCTs, and/or PSAs to provide information about these entities. *Part II* is required when the Form 5500 is filed for a DFE to provide information about the investing or participating plans. For additional information, see the Schedule D instructions.

Schedule G. (Financial Transaction Schedules) is required when the Form 5500 is filed for a large plan, MTIA, 103-12 IE, or GIA and Schedule H (Financial Information) lines 4b, 4c, and/or 4d are checked "Yes." Part I of the Schedule G reports loans or fixed income obligations in default or classified as uncollectible. Part II of the Schedule G reports leases in default or classified as uncollectible. Part III of the Schedule G reports non-exempt transactions. For additional information, see the Schedule G instructions.

CAUTION *An unfunded, fully insured, or combination unfunded/insured welfare plan with 100 or more participants exempt under 29 CFR 2520.104-44 from Schedule H must still complete Schedule G, Part III, to report nonexempt transactions.*

Schedule P (Annual Return of Fiduciary of Employee Benefit Trust) may be filed to satisfy the requirements under Code section 6033(a) for an annual information return from every section 401(a) organization exempt from tax under section 501(a). Filing this form will start the statute of limitations under section 6501(a) for any trust described in section 401(a), which is exempt from tax under section 501(a).

Fringe Benefit Schedule

Schedule F (Fringe Benefit Plan Annual Information) must be attached to the Form 5500 for all fringe benefit plans. For additional information, see the Schedule F instructions.

ERISA COMPLIANCE QUICK CHECKLIST

Compliance with the Employee Retirement Income Security Act (ERISA) begins with knowing the rules. Plan administrators and other plan officials can use this checklist as a quick diagnostic tool for assessing a plan's compliance with certain important ERISA rules; it is not a complete description of all ERISA's rules and it is not a substitute for a comprehensive compliance review. Use of this checklist is voluntary, and it should not be filed with your Form 5500.

If you answer "No" to any of the questions below, you should review your plan's operations because you may not be in full compliance with ERISA's requirements.

1. Have you provided plan participants with a summary plan description, summaries of any material modifications of the plan, and annual summary financial reports?
2. Do you maintain copies of plan documents at the principal office of the plan administrator for examination by participants and beneficiaries?
3. Do you respond to written participant inquires for copies of plan documents and information within 30 days?
4. Does your plan include written procedures for making benefit claims and appealing denied claims, and are you complying with those procedures?
5. Is your plan covered by a fidelity bond against losses due to fraud or dishonesty?
6. Are the plan's investments diversified so as to minimize the risk of large losses?
7. If the plan permits participants to select the investments in their plan accounts, has the plan provided them with enough information to make informed decisions?
8. Has a plan official determined that the investments are prudent and solely in the interest of the plan's participants and beneficiaries, and evaluated the risks associated with plan investments before making the investments?
9. Did the employer or other plan sponsor send participant contributions to the plan on a timely basis?
10. Did the plan pay participant benefits on time and in the correct amounts?

If you answer "Yes" to any of the questions below, you should review your plan's operations because you may not be in full compliance with ERISA's requirements.

1. Has the plan engaged in any financial transactions with persons related to the plan or any plan official, for example, has the plan made a loan to or participated in an investment with the employer?
2. Has the plan official used the assets of the plan for his/her own interest?
3. Have plan assets been used to pay expenses that were not authorized in the plan document, were not necessary to the proper administration of the plan, or were more than reasonable in amount?

If you need help answering these questions or want additional guidance about ERISA requirements, a plan official should contact the U.S. Department of Labor Pension and Welfare Benefits Administration office in your region or consult with the plan's legal counsel or professional employee benefit advisor.

Forms 5500 and 5500-EZ

Codes for Principal Business Activity

This list of principal business activities and their associated codes is designed to classify an enterprise by type of activity in which it is engaged. These principal activity codes are based on the North American Industry Classification System.

Agriculture, Forestry, Fishing and Hunting

Code

Crop Production

111100 Oilseed & Grain Farming
111210 Vegetable & Melon Farming (including potatoes & yams)
111300 Fruit & Tree Nut Farming
111400 Greenhouse, Nursery, & Floriculture Production
111900 Other Crop Farming (including tobacco, cotton, sugarcane, hay, peanut, sugar beet & all other crop farming)

Animal Production

112111 Beef Cattle Ranching & Farming
112112 Cattle Feedlots
112120 Dairy Cattle & Milk Production
112210 Hog & Pig Farming
112300 Poultry & Egg Production
112400 Sheep & Goat Farming
112510 Animal Aquaculture (including shellfish & finfish farms & hatcheries)
112900 Other Animal Production

Forestry and Logging

113110 Timber Tract Operations
113210 Forest Nurseries & Gathering of Forest Products
113310 Logging

Fishing, Hunting and Trapping

114110 Fishing
114210 Hunting & Trapping

Support Activities for Agriculture and Forestry

115110 Support Activities for Crop Production (including cotton ginning, soil preparation, planting, & cultivating)
115210 Support Activities for Animal Production
115310 Support Activities For Forestry

Mining

211110 Oil & Gas Extraction
212110 Coal Mining
212200 Metal Ore Mining
212310 Stone Mining & Quarrying
212320 Sand, Gravel, Clay, & Ceramic & Refractory Minerals Mining & Quarrying
212390 Other Nonmetallic Mineral Mining & Quarrying
213110 Support Activities for Mining

Utilities

221100 Electric Power Generation, Transmission & Distribution
221210 Natural Gas Distribution
221300 Water, Sewage & Other Systems

Construction

Code

Building, Developing, and General Contracting

233110 Land Subdivision & Land Development
233200 Residential Building Construction
233300 Nonresidential Building Construction

Code

Heavy Construction

234100 Highway, Street, Bridge, & Tunnel Construction
234900 Other Heavy Construction

Special Trade Contractors

235110 Plumbing, Heating, & Air-Conditioning Contractors
235210 Painting & Wall Covering Contractors
235310 Electrical Contractors
235400 Masonry, Drywall, Insulation, & Tile Contractors
235500 Carpentry & Floor Contractors
235610 Roofing, Siding, & Sheet Metal Contractors
235710 Concrete Contractors
235810 Water Well Drilling Contractors
235900 Other Special Trade Contractors

Manufacturing

Food Manufacturing

311110 Animal Food Mfg
311200 Grain & Oilseed Milling
311300 Sugar & Confectionery Product Mfg
311400 Fruit & Vegetable Preserving & Specialty Food Mfg
311500 Dairy Product Mfg
311610 Animal Slaughtering and Processing
311710 Seafood Product Preparation & Packaging
311800 Bakeries & Tortilla Mfg
311900 Other Food Mfg (including coffee, tea, flavorings & seasonings)

Beverage and Tobacco Product Manufacturing

312110 Soft Drink & Ice Mfg
312120 Breweries
312130 Wineries
312140 Distilleries
312200 Tobacco Manufacturing

Textile Mills and Textile Product Mills

313000 Textile Mills
314000 Textile Product Mills

Apparel Manufacturing

315100 Apparel Knitting Mills
315210 Cut & Sew Apparel Contractors
315220 Men's & Boys' Cut & Sew Apparel Mfg
315230 Women's & Girls' Cut & Sew Apparel Mfg
315290 Other Cut & Sew Apparel Mfg
315990 Apparel Accessories & Other Apparel Mfg

Leather and Allied Product Manufacturing

316110 Leather & Hide Tanning & Finishing
316210 Footwear Mfg (including rubber & plastics)
316990 Other Leather & Allied Product Mfg

Wood Product Manufacturing

321110 Sawmills & Wood Preservation
321210 Veneer, Plywood, & Engineered Wood Product Mfg

Code

321900 Other Wood Product Mfg

Paper Manufacturing

322100 Pulp, Paper, & Paperboard Mills
322200 Converted Paper Product Mfg

Printing and Related Support Activities

323100 Printing & Related Support Activities

Petroleum and Coal Products Manufacturing

324110 Petroleum Refineries (including integrated)
324120 Asphalt Paving, Roofing, & Saturated Materials Mfg
324190 Other Petroleum & Coal Products Mfg

Chemical Manufacturing

325100 Basic Chemical Mfg
325200 Resin, Synthetic Rubber, & Artificial & Synthetic Fibers & Filaments Mfg
325300 Pesticide, Fertilizer, & Other Agricultural Chemical Mfg
325410 Pharmaceutical & Medicine Mfg
325500 Paint, Coating, & Adhesive Mfg
325600 Soap, Cleaning Compound, & Toilet Preparation Mfg
325900 Other Chemical Product & Preparation Mfg

Plastics and Rubber Products Manufacturing

326100 Plastics Product Mfg
326200 Rubber Product Mfg

Nonmetallic Mineral Product Manufacturing

327100 Clay Product & Refractory Mfg
327210 Glass & Glass Product Mfg
327300 Cement & Concrete Product Mfg
327400 Lime & Gypsum Product Mfg
327900 Other Nonmetallic Mineral Product Mfg

Primary Metal Manufacturing

331110 Iron & Steel Mills & Ferroalloy Mfg
331200 Steel Product Mfg from Purchased Steel
331310 Alumina & Aluminum Production & Processing
331400 Nonferrous Metal (except Aluminum) Production & Processing
331500 Foundries

Fabricated Metal Product Manufacturing

332110 Forging & Stamping
332210 Cutlery & Handtool Mfg
332300 Architectural & Structural Metals Mfg
332400 Boiler, Tank, & Shipping Container Mfg
332510 Hardware Mfg
332610 Spring & Wire Product Mfg
332700 Machine Shops; Turned Product; & Screw, Nut, & Bolt Mfg
332810 Coating, Engraving, Heat Treating, & Allied Activities
332900 Other Fabricated Metal Product Mfg

Machinery Manufacturing

333100 Agriculture, Construction, & Mining Machinery Mfg
333200 Industrial Machinery Mfg
333310 Commercial & Service Industry Machinery Mfg
333410 Ventilation, Heating, Air-Conditioning, & Commercial Refrigeration Equipment Mfg
333510 Metalworking Machinery Mfg
333610 Engine, Turbine & Power Transmission Equipment Mfg

Code

333900 Other General Purpose Machinery Mfg

Computer and Electronic Product Manufacturing

334110 Computer & Peripheral Equipment Mfg
334200 Communications Equipment Mfg
334310 Audio & Video Equipment Mfg
334410 Semiconductor & Other Electronic Component Mfg
334500 Navigational, Measuring, Electromedical, & Control Instruments Mfg
334610 Manufacturing & Reproducing Magnetic & Optical Media

Electrical Equipment, Appliance, and Component Manufacturing

335100 Electric Lighting Equipment Mfg
335200 Household Appliance Mfg
335310 Electrical Equipment Mfg
335900 Other Electrical Equipment & Component Mfg

Transportation Equipment Manufacturing

336100 Motor Vehicle Mfg
336210 Motor Vehicle Body & Trailer Mfg
336300 Motor Vehicle Parts Mfg
336410 Aerospace Product & Parts Mfg
336510 Railroad Rolling Stock Mfg
336610 Ship & Boat Building
336990 Other Transportation Equipment Mfg

Furniture and Related Product Manufacturing

337000 Furniture & Related Product Manufacturing

Miscellaneous Manufacturing

339110 Medical Equipment & Supplies Mfg
339900 Other Miscellaneous Manufacturing

Wholesale Trade

Wholesale Trade, Durable Goods

421100 Motor Vehicle & Motor Vehicle Parts & Supplies Wholesalers
421200 Furniture & Home Furnishing Wholesalers
421300 Lumber & Other Construction Materials Wholesalers
421400 Professional & Commercial Equipment & Supplies Wholesalers
421500 Metal & Mineral (except Petroleum) Wholesalers
421600 Electrical Goods Wholesalers
421700 Hardware, & Plumbing & Heating Equipment & Supplies Wholesalers
421800 Machinery, Equipment, & Supplies Wholesalers
421910 Sporting & Recreational Goods & Supplies Wholesalers
421920 Toy & Hobby Goods & Supplies Wholesalers
421930 Recyclable Material Wholesalers
421940 Jewelry, Watch, Precious Stone, & Precious Metal Wholesalers
421990 Other Miscellaneous Durable Goods Wholesalers

Code	
Wholesale Trade, Nondurable Goods	
422100	Paper & Paper Product Wholesalers
422210	Drugs & Druggists' Sundries Wholesalers
422300	Apparel, Piece Goods, & Notions Wholesalers
422400	Grocery & Related Product Wholesalers
422500	Farm Product Raw Material Wholesalers
422600	Chemical & Allied Products Wholesalers
422700	Petroleum & Petroleum Products Wholesalers
422800	Beer, Wine, & Distilled Alcoholic Beverage Wholesalers
422910	Farm Supplies Wholesalers
422920	Book, Periodical, & Newspaper Wholesalers
422930	Flower, Nursery Stock, & Florists' Supplies Wholesalers
422940	Tobacco & Tobacco Product Wholesalers
422950	Paint, Varnish, & Supplies Wholesalers
422990	Other Miscellaneous Nondurable Goods Wholesalers

Retail Trade

Motor Vehicle and Parts Dealers	
441110	New Car Dealers
441120	Used Car Dealers
441210	Recreational Vehicle Dealers
441221	Motorcycle Dealers
441222	Boat Dealers
441229	All Other Motor Vehicle Dealers
441300	Automotive Parts, Accessories, & Tire Stores
Furniture and Home Furnishings Stores	
442110	Furniture Stores
442210	Floor Covering Stores
442291	Window Treatment Stores
442299	All Other Home Furnishings Stores
Electronics and Appliance Stores	
443111	Household Appliance Stores
443112	Radio, Television, & Other Electronics Stores
443120	Computer & Software Stores
443130	Camera & Photographic Supplies Stores
Building Material and Garden Equipment and Supplies Dealers	
444110	Home Centers
444120	Paint & Wallpaper Stores
444130	Hardware Stores
444190	Other Building Material Dealers
444200	Lawn & Garden Equipment & Supplies Stores
Food and Beverage Stores	
445110	Supermarkets and Other Grocery (except Convenience) Stores
445120	Convenience Stores
445210	Meat Markets
445220	Fish & Seafood Markets
445230	Fruit & Vegetable Markets
445291	Baked Goods Stores
445292	Confectionery & Nut Stores
445299	All Other Specialty Food Stores
445310	Beer, Wine, & Liquor Stores
Health and Personal Care Stores	
446110	Pharmacies & Drug Stores
446120	Cosmetics, Beauty Supplies, & Perfume Stores
446130	Optical Goods Stores
446190	Other Health & Personal Care Stores
Gasoline Stations	
447100	Gasoline Stations (including convenience stores with gas)
Clothing and Clothing Accessories Stores	
448110	Men's Clothing Stores
448120	Women's Clothing Stores
448130	Children's & Infants' Clothing Stores
448140	Family Clothing Stores
448150	Clothing Accessories Stores
448190	Other Clothing Stores
448210	Shoe Stores
448310	Jewelry Stores
448320	Luggage & Leather Goods Stores
Sporting Goods, Hobby, Book, and Music Stores	
451110	Sporting Goods Stores
451120	Hobby, Toy, & Game Stores
451130	Sewing, Needlework, & Piece Goods Stores
451140	Musical Instrument & Supplies Stores
451211	Book Stores
451212	News Dealers & Newsstands
451220	Prerecorded Tape, Compact Disc, & Record Stores
General Merchandise Stores	
452110	Department stores
452900	Other General Merchandise Stores
Miscellaneous Store Retailers	
453110	Florists
453210	Office Supplies & Stationery Stores
453220	Gift, Novelty, & Souvenir Stores
453310	Used Merchandise Stores
453910	Pet & Pet Supplies Stores
453920	Art Dealers
453930	Manufactured (Mobile) Home Dealers
453990	All Other Miscellaneous Store Retailers (including tobacco, candle, & trophy shops)
Nonstore Retailers	
454110	Electronic Shopping & Mail-Order Houses
454210	Vending Machine Operators
454311	Heating Oil Dealers
454312	Liquefied Petroleum Gas (Bottled Gas) Dealers
454319	Other Fuel Dealers
454390	Other Direct Selling Establishments (including door-to-door retailing, frozen food plan providers, party plan merchandisers, & coffee-break service providers)

Transportation and Warehousing

Air, Rail, and Water Transportation	
481000	Air Transportation
482110	Rail Transportation
483000	Water Transportation
Truck Transportation	
484110	General Freight Trucking, Local
484120	General Freight Trucking, Long-distance
484200	Specialized Freight Trucking
Transit and Ground Passenger Transportation	
485110	Urban Transit Systems
485210	Interurban & Rural Bus Transportation
485310	Taxi Service
485320	Limousine Service
485410	School & Employee Bus Transportation
485510	Charter Bus Industry
485990	Other Transit & Ground Passenger Transportation
Pipeline Transportation	
486000	Pipeline Transportation
Scenic & Sightseeing Transportation	
487000	Scenic & Sightseeing Transportation
Support Activities for Transportation	
488100	Support Activities for Air Transportation
488210	Support Activities for Rail Transportation
488300	Support Activities for Water Transportation
488410	Motor Vehicle Towing
488490	Other Support Activities for Road Transportation
488510	Freight Transportation Arrangement
488990	Other Support Activities for Transportation
Couriers and Messengers	
492110	Couriers
492210	Local Messengers & Local Delivery
Warehousing and Storage	
493100	Warehousing & Storage (except lessors of miniwarehouses & self-storage units)

Information

Publishing Industries	
511110	Newspaper Publishers
511120	Periodical Publishers
511130	Book Publishers
511140	Database & Directory Publishers
511190	Other Publishers
511210	Software Publishers
Motion Picture and Sound Recording Industries	
512100	Motion Picture & Video Industries (except video rental)
512200	Sound Recording Industries
Broadcasting and Telecommunications	
513100	Radio & Television Broadcasting
513200	Cable Networks & Program Distribution
513300	Telecommunications (including paging, cellular, satellite, & other telecommunications)
Information Services and Data Processing Services	
514100	Information Services (including news syndicates, libraries, & on-line information services)
514210	Data Processing Services

Finance and Insurance

Depository Credit Intermediation	
522110	Commercial Banking
522120	Savings Institutions
522130	Credit Unions
522190	Other Depository Credit Intermediation
Nondepository Credit Intermediation	
522210	Credit Card Issuing
522220	Sales Financing
522291	Consumer Lending
522292	Real Estate Credit (including mortgage bankers & originators)
522293	International Trade Financing
522294	Secondary Market Financing
522298	All Other Nondepository Credit Intermediation
Activities Related to Credit Intermediation	
522300	Activities Related to Credit Intermediation (including loan brokers)
Securities, Commodity Contracts, and Other Financial Investments and Related Activities	
523110	Investment Banking & Securities Dealing
523120	Securities Brokerage
523130	Commodity Contracts Dealing
523140	Commodity Contracts Brokerage
523210	Securities & Commodity Exchanges
523900	Other Financial Investment Activities (including portfolio management & investment advice)
Insurance Carriers and Related Activities	
524140	Direct Life, Health, & Medical Insurance & Reinsurance Carriers
524150	Direct Insurance & Reinsurance (except Life, Health & Medical) Carriers
524210	Insurance Agencies & Brokerages
524290	Other Insurance Related Activities
Funds, Trusts, and Other Financial Vehicles	
525100	Insurance & Employee Benefit Funds
525910	Open-End Investment Funds (Form 1120-RIC)
525920	Trusts, Estates, & Agency Accounts
525930	Real Estate Investment Trusts (Form 1120-REIT)
525990	Other Financial Vehicles

Real Estate and Rental and Leasing

Real Estate	
531110	Lessors of Residential Buildings & Dwellings
531120	Lessors of Nonresidential Buildings (except Miniwarehouses)
531130	Lessors of Miniwarehouses & Self-Storage Units
531190	Lessors of Other Real Estate Property
531210	Offices of Real Estate Agents & Brokers
531310	Real Estate Property Managers
531320	Offices of Real Estate Appraisers
531390	Other Activities Related to Real Estate
Rental and Leasing Services	
532100	Automotive Equipment Rental & Leasing
532210	Consumer Electronics & Appliances Rental
532220	Formal Wear & Costume Rental
532230	Video Tape & Disc Rental
532290	Other Consumer Goods Rental
532310	General Rental Centers
532400	Commercial & Industrial Machinery & Equipment Rental & Leasing
Lessors of Nonfinancial Intangible Assets (except copyrighted works)	
533110	Lessors of Nonfinancial Intangible Assets (except copyrighted works)

Professional, Scientific, and Technical Services

Legal Services	
541110	Offices of Lawyers
541190	Other Legal Services
Accounting, Tax Preparation, Bookkeeping, and Payroll Services	
541211	Offices of Certified Public Accountants
541213	Tax Preparation Services
541214	Payroll Services
541219	Other Accounting Services
Architectural, Engineering, and Related Services	
541310	Architectural Services
541320	Landscape Architecture Services
541330	Engineering Services
541340	Drafting Services
541350	Building Inspection Services

Code
541360 Geophysical Surveying & Mapping Services
541370 Surveying & Mapping (except Geophysical) Services
541380 Testing Laboratories

Specialized Design Services
541400 Specialized Design Services (including interior, industrial, graphic, & fashion design)

Computer Systems Design and Related Services
541511 Custom Computer Programming Services
541512 Computer Systems Design Services
541513 Computer Facilities Management Services
541519 Other Computer Related Services

Other Professional, Scientific, and Technical Services
541600 Management, Scientific, & Technical Consulting Services
541700 Scientific Research & Development Services
541800 Advertising & Related Services
541910 Marketing Research & Public Opinion Polling
541920 Photographic Services
541930 Translation & Interpretation Services
541940 Veterinary Services
541990 All Other Professional, Scientific, & Technical Services

Management of Companies (Holding Companies)
551111 Offices of Bank Holding Companies
551112 Offices of Other Holding Companies

Administrative and Support and Waste Management and Remediation Services

Administrative and Support Services
561110 Office Administrative Services
561210 Facilities Support Services
561300 Employment Services
561410 Document Preparation Services
561420 Telephone Call Centers
561430 Business Service Centers (including private mail centers & copy shops)
561440 Collection Agencies
561450 Credit Bureaus
561490 Other Business Support Services (including repossession services, court reporting, & stenotype services)

Code
561500 Travel Arrangement & Reservation Services
561600 Investigation & Security Services
561710 Exterminating & Pest Control Services
561720 Janitorial Services
561730 Landscaping Services
561740 Carpet & Upholstery Cleaning Services
561790 Other Services to Buildings & Dwellings
561900 Other Support Services (including packaging & labeling services, & convention & trade show organizers)

Waste Management and Remediation Services
562000 Waste Management & Remediation Services

Educational Services
611000 Educational Services (including schools, colleges, & universities)

Health Care and Social Assistance

Offices of Physicians and Dentists
621111 Offices of Physicians (except mental health specialists)
621112 Offices of Physicians, Mental Health Specialists
621210 Offices of Dentists

Offices of Other Health Practitioners
621310 Offices of Chiropractors
621320 Offices of Optometrists
621330 Offices of Mental Health Practitioners (except Physicians)
621340 Offices of Physical, Occupational & Speech Therapists, & Audiologists
621391 Offices of Podiatrists
621399 Offices of All Other Miscellaneous Health Practitioners

Outpatient Care Centers
621410 Family Planning Centers
621420 Outpatient Mental Health & Substance Abuse Centers
621491 HMO Medical Centers
621492 Kidney Dialysis Centers
621493 Freestanding Ambulatory Surgical & Emergency Centers
621498 All Other Outpatient Care Centers

Medical and Diagnostic Laboratories
621510 Medical & Diagnostic Laboratories

Home Health Care Services
621610 Home Health Care Services

Code

Other Ambulatory Health Care Services
621900 Other Ambulatory Health Care Services (including ambulance services & blood & organ banks)

Hospitals
622000 Hospitals

Nursing and Residential Care Facilities
623000 Nursing & Residential Care Facilities

Social Assistance
624100 Individual & Family Services
624200 Community Food & Housing, & Emergency & Other Relief Services
624310 Vocational Rehabilitation Services
624410 Child Day Care Services

Arts, Entertainment, and Recreation

Performing Arts, Spectator Sports, and Related Industries
711100 Performing Arts Companies
711210 Spectator Sports (including sports clubs & racetracks)
711300 Promoters of Performing Arts, Sports, & Similar Events
711410 Agents & Managers for Artists, Athletes, Entertainers, & Other Public Figures
711510 Independent Artists, Writers, & Performers

Museums, Historical Sites, and Similar Institutions
712100 Museums, Historical Sites, & Similar Institutions

Amusement, Gambling, and Recreation Industries
713100 Amusement Parks & Arcades
713200 Gambling Industries
713900 Other Amusement & Recreation Industries (including golf courses, skiing facilities, marinas, fitness centers, & bowling centers)

Accommodation and Food Services

Accommodation
721110 Hotels (except casino hotels) & Motels
721120 Casino Hotels
721191 Bed & Breakfast Inns
721199 All Other Traveler Accommodation
721210 RV (Recreational Vehicle) Parks & Recreational Camps
721310 Rooming & Boarding Houses

Code

Food Services and Drinking Places
722110 Full-Service Restaurants
722210 Limited-Service Eating Places
722300 Special Food Services (including food service contractors & caterers)
722410 Drinking Places (Alcoholic Beverages)

Other Services

Repair and Maintenance
811110 Automotive Mechanical & Electrical Repair & Maintenance
811120 Automotive Body, Paint, Interior, & Glass Repair
811190 Other Automotive Repair & Maintenance (including oil change & lubrication shops & car washes)
811210 Electronic & Precision Equipment Repair & Maintenance
811310 Commercial & Industrial Machinery & Equipment (except Automotive & Electronic) Repair & Maintenance
811410 Home & Garden Equipment & Appliance Repair & Maintenance
811420 Reupholstery & Furniture Repair
811430 Footwear & Leather Goods Repair
811490 Other Personal & Household Goods Repair & Maintenance

Personal and Laundry Services
812111 Barber Shops
812112 Beauty Salons
812113 Nail Salons
812190 Other Personal Care Services (including diet & weight reducing centers)
812210 Funeral Homes & Funeral Services
812220 Cemeteries & Crematories
812310 Coin-Operated Laundries & Drycleaners
812320 Drycleaning & Laundry Services (except Coin-Operated)
812330 Linen & Uniform Supply
812910 Pet Care (except Veterinary) Services
812920 Photofinishing
812930 Parking Lots & Garages
812990 All Other Personal Services

Religious, Grantmaking, Civic, Professional, and Similar Organizations
813000 Religious, Grantmaking, Civic, Professional, & Similiar Organizations

1999 – *Insurance Information*
Instructions for Schedule A (Form 5500)

General Instructions

Who Must File

Schedule A, Insurance Information, must be attached to the Form 5500 filed for every defined benefit pension plan, defined contribution pension plan, and welfare benefit plan if any benefits under the plan are provided by an insurance company, insurance service, or other similar organization (such as Blue Cross, Blue Shield, or a health maintenance organization). (This includes investments with insurance companies such as guaranteed investment contracts (GICs).)

For example, if Form 5500 lines 9a(1), 9a(2), 9b(1), or 9b(2) is checked, indicating that either the plan funding arrangement or plan benefit arrangement includes an account, policy, or contract with an insurance company (or similar organization), at least one Schedule A (Form 5500) would be required to be attached to the Form 5500 filed for a pension or welfare plan to provide information concerning the contract year ending with or within the plan year.

In addition, Schedules A must be attached to a Form 5500 filed for GIAs, MTIAs, and 103-12 IEs for each insurance or annuity contract held in the MTIA, or 103-12 IE or by the GIA. See the Form 5500 instructions for specific requirements for GIAs, MTIAs, and 103-12 IEs.

Do not file Schedule A if: **(1)** the contract is an Administrative Services Only (ASO) contract; **(2)** the Form 5500 is being filed for a plan participating in an MTIA or 103-12 IE for which a Form 5500 is being filed that reports the contract on a Schedule A filed with the MTIA or 103-12 IE Form 5500; or **(3)** the Form 5500 is being filed for a plan that covers only: **(A)** an individual or an individual and his or her spouse who wholly own a trade or business, whether incorporated or unincorporated; or **(B)** partners, or partners and one or more of the partner's spouses in a partnership.

Check the Schedule A box on the Form 5500 (Part II, line 10b(3)), and enter the number attached in the space provided if one or more Schedules A are attached to the Form 5500.

Important Reminder: *The insurance company (or similar organization) is required to provide the plan administrator with the information needed to complete the return/report, pursuant to ERISA section 103(a)(2). If you do not receive this information in a timely manner, contact the insurance company (or similar organization). If information is missing on Schedule A (Form 5500) due to a refusal to provide this information, note this on the Schedule A.*

Specific Instructions

Information entered on Schedule A (Form 5500) should pertain to the insurance contract or policy year ending with or within the plan year (for reporting purposes, a year cannot exceed 12 months).

Example: If an insurance contract year begins on July 1 and ends on June 30, and the plan year begins on January 1, and ends on December 31, the information on the Schedule A attached to the 1999 Form 5500 should be for the insurance contract year ending on June 30,1999.

Exception: *If the insurance company maintains records on the basis of a plan year rather than a policy or contract year, the information entered on Schedule A (Form 5500) may pertain to the plan year instead of the policy or contract year.*

Include only the contracts issued to the plan, GIA, MTIA or 103-12 IE for which the Form 5500 is being filed.

Lines A, B, C, and D. This information should be the same as reported in Part II of the Form 5500 to which this Schedule A is attached.

Part I - Information Concerning Insurance Contract Coverage, Fees, and Commissions

Line 1(c). Enter the code number assigned by the National Association of Insurance Commissioners (NAIC) to the insurance company. If none has been assigned, enter zeros (-0-) in the spaces provided.

Line 1(d). If individual policies with the same carrier are grouped as a unit for purposes of this report, and the group does not have one identification number, you may use the contract or identification number of one of the individual contracts provided this number is used consistently to report these contracts as a group and the plan administrator maintains the records necessary to disclose all the individual contract numbers in the group upon request. Use separate Schedules A to report individual contracts that cannot be grouped as a unit.

Line 1(e). Since plan coverage may fluctuate during the year, the administrator should estimate the number of persons that were covered by the contract at the end of the policy or contract year. Where contracts covering individual employees are grouped, compute entries as of the end of the plan year.

Lines 1(f) and (g). Enter the beginning and ending dates of the policy year for the contract identified in 1(d). Enter "N/A" in 1(f) if separate contracts covering individual employees are grouped.

Line 2. Additional pages may be necessary to list all persons. You can get additional green ink copies by calling **1-800-TAX-FORM** (1-800-829-3676).

Totals. Enter the total of all commissions and fees paid to persons listed on line 2.

Complete a separate item (elements **(a)** through **(e)**) for each person. Enter the name and address of the person identified in element **(a)** and complete elements **(b)** through **(e)** for each person as specified below.

Element (b). Report all sales commissions regardless of the identity of the recipient. Do not report override commissions, salaries, bonuses, etc., paid to a general agent or manager for managing an agency, or for performing other administrative functions.

Element (c). Fees to be reported represent payments by insurance carriers to agents, brokers and other persons for items other than commissions (e.g., service fees, consulting fees, and finders fees). Fees paid by insurance carriers to persons other than agents and brokers should be reported here, **NOT** in Parts II and III on Schedule A as acquisition costs, administrative charges, etc. For plans, GIAs, MTIAs and 103-12 IEs required to file Part I of Schedule C, fees paid by employee benefit plans or these DFEs to agents, brokers, and other persons are also to be reported on Schedule C (Form 5500), unless the only compensation in relation to the plan or DFE consists of insurance fees and commissions listed on the Schedule A.

Note: *For purposes of line 2, commissions and fees include amounts paid by an insurance company on the basis of the aggregate value (e.g., policy amounts, premiums) of contracts or policies (or classes thereof) placed or retained. The amount (or pro rata share of the total) of such commissions or fees attributable to the contract or policy placed with or retained by the plan must be reported in element **(b)** or **(c)**, as appropriate.*

Element (e). Enter the most appropriate code

Code	**Type of Organization**
1	Banking, Savings & Loan Association, Credit Union or other similar financial institution
2	Trust Company
3	Insurance Agent or Broker
4	Agent or Broker other than insurance
5	Third party administrator
6	Investment Company/Mutual Fund
7	Investment Manager/Adviser
8	Labor Union
9	Foreign entity (e.g., an agent or broker, bank, insurance company, etc., not operating within the jurisdictional boundaries of the United States)
0	Other

Part II - Investment and Annuity Contract Information

Line 3. Enter the current value of the plan's interest at year end in the contract identified on line 6, e.g., deposit administration (DA), immediate participation guarantee (IPG), or guaranteed investment contracts (GIC).

Exception: *Contracts reported on line 6 need not be included on line 3 if* ***(1)*** *the Schedule A is filed for a defined benefit pension plan and the contract was entered into before March 20, 1992, or* ***(2)*** *the Schedule A is filed for a defined contribution pension plan and the contract is a fully benefit-responsive contract, i.e., it provides a liquidity guarantee by a financially responsible third party of principal and previously accrued interest for liquidations, transfers, loans, or hardship withdrawals initiated by plan participants exercising their rights to withdraw, borrow, or transfer funds under the terms of a defined contribution plan that do not include substantial restrictions to participants' access to plan funds.*

Line 5a. The rate information called for here may be furnished by attaching the appropriate schedules of current rates filed with the appropriate state insurance department or by providing a statement regarding the basis of the rates. Enter "see attached" if appropriate.

Lines 6a through 6f. Report contracts with unallocated funds. Do not include portions of these contracts maintained in separate accounts. Show deposit fund amounts rather than experience credit records when both are maintained.

Part III - Welfare Benefit Contract Information

Line 7i. Report a stop-loss insurance policy that is an asset of the plan.

Note: *Employers sponsoring welfare plans may purchase a stop loss insurance policy with the employer as the insured to facilitate the employer in managing its risk associated with its liabilities under the plan. These employer contracts with premiums paid exclusively out of the employer's general assets without any employee contributions generally are not plan assets and are not reportable on Schedule A.*

1999 – *Actuarial Information*
Instructions for Schedule B (Form 5500)

General Instructions

Who Must File

The employer or plan administrator of a defined benefit plan that is subject to the minimum funding standards (see Code section 412 and Part 3 of Title I of ERISA) must file this schedule as an attachment to the Form 5500 or Form 5500-EZ. The Schedule B does not have to be filed if Form 5500-EZ is not required to be filed (in accordance with the instructions for Form 5500-EZ); however, the funding standard account for the plan must continue to be maintained, even if the Schedule B is not filed.

Check the Schedule B box on the Form 5500 (Part II, line 10a(3)) if a Schedule B is attached to the Form 5500.

Lines A through E and G (most recent enrollment number) **must** be completed for ALL plans. If the Schedule B is attached to a Form 5500, lines A, B, C and D should include the same information as reported in Part II of the Form 5500.

Check the box in line F if the plan has 100 or fewer participants in the prior plan year. A plan has 100 or fewer participants in the prior plan year only if there were 100 or fewer participants (both active and nonactive) on each day of the preceding plan year, taking into account participants in all defined benefit plans maintained by the same employer (or any member of such employer's controlled group) who are also employees of that employer or member. Nonactive participants include vested terminated and retired employees.

All defined benefit plans, regardless of size or type, **must** complete and file Part I. Part II **must** be filed for all plans other than those specified in **1** and **2** below:

1. Part II should not be filed for multiemployer plans for which box 2 in line E is checked.

2. Part II should not be filed for plans that have 100 or fewer participants in the prior plan year as described above.

In addition, please note that "TRA '97" refers to the Taxpayer Relief Act of 1997, "RPA '94" refers to the Retirement Protection Act of 1994 and that "OBRA '87 " refers to the Omnibus Budget Reconciliation Act of 1987.

Note: *(1) For split-funded plans, the costs and contributions reported on Schedule B should include those relating to both trust funds and insurance carriers. (2) For plans with funding standard account amortization charges and credits see the instructions for lines 9c, 9j, 12j, and 13i, as applicable, regarding attachment.*

Statement by Enrolled Actuary

An enrolled actuary must sign Schedule B. The signature of the enrolled actuary may be qualified to state that it is subject to attached qualifications. See Income Tax Regulations section 301.6059-1(d) for permitted qualifications. If the actuary has not fully reflected any final or temporary regulation, revenue ruling or notice promulgated under the statute in completing the Schedule B, check the box on the last line of page 1. If this box is checked, indicate on an attachment whether an accumulated funding deficiency or a contribution that is not wholly deductible would result if the actuary had fully reflected such regulation, revenue ruling or notice. A stamped or machine produced signature is not acceptable. The most recent enrollment number must be entered in line G. In addition, the actuary may offer any other comments related to the information contained in Schedule B.

Attachments

All attachments to the Schedule B must be properly identified, and must include the name of the plan, plan sponsor's EIN, and plan number. Put "Schedule B" and the line item to which the schedule relates at the top of each attachment. When assembling the package for filing, you can place attachments for a schedule, either directly behind that schedule or at the end of the filing.

Specific Instructions for Part I

Line 1. All entries must be reported as of the valuation date.

Line 1a. Actuarial Valuation Date. The valuation for a plan year may be as of any date in the plan year, including the first or last day of the plan year. Valuations must be performed within the period specified by ERISA section 103(d) and Section 412(c)(9).

Line 1b(1). Current Value of Assets. Enter the current value of assets as of the valuation date. The current value is the same as the fair market value. Do not adjust for items such as the existing credit balance or the outstanding balances of certain amortization bases. Contributions designated for 1999 should not be included in this amount. Note that this entry may be different than the entry in line 2a. Such a difference may result, for example, if the valuation date is not the first day of the plan year, or if insurance contracts are excluded from assets reported on line 1b(1) but not on line 2a.

Rollover amounts or other assets held in individual accounts that are not available to provide defined benefits under the plan should not be included on line 1(b)(1) regardless of whether they are reported on the 1999 Schedule H (Form 5500) (line 1l, column (a)) or Schedule I (Form 5500) (line 1c, column (a)), or, alternatively, the 1999 Form 5500-EZ (line 11a, column (a): total assets at the beginning of the year). Additionally, asset and liability amounts must be determined in a consistent manner. Therefore, if the value of any insurance contracts have been excluded from the amount reported on line 1b(1), liabilities satisfied by such contracts should also be excluded from the liability values reported on lines 1c(1), 1c(2), 1d(2), and 1d(3).

Line 1b(2). Actuarial Value of Assets. Enter the value of assets determined in accordance with Code section 412(c)(2) or ERISA section 302(c)(2). Do not adjust for items such as the existing credit balance or the outstanding balances of certain amortization bases, and do not include contributions designated for 1999 in this amount.

Line 1c(1). Accrued Liability for Immediate Gain Methods. Complete this line only if you use an immediate gain method (see Rev. Rul. 81-213, 1981-2 C.B. 101, for a definition of immediate gain method).

Lines 1c(2)(a), (b), and (c). Information for Plans Using Spread Gain Methods. Complete these lines only if you use a spread gain method (see Rev. Rul. 81-213 for a definition of spread gain method).

Line 1c(2)(a). Unfunded Liability for Methods with Bases. Complete this line only if you use the frozen initial liability or attained age normal cost method.

Lines 1c(2)(b) and (c). Entry Age Normal Accrued Liability and Normal Cost. For spread gain methods, the full funding limitation is calculated using the entry age normal method (see Rev. Rul. 81-13, 1981-1 C.B. 229).

Line 1d(1). Amount Excluded from Current Liability. In computing current liability for purposes of Code section 412(l) (but not for purposes of section 412(c)(7)), certain service is disregarded under Code section 412(l)(7)(D) and ERISA section 302(d)(7)(D). If the plan has participants to whom those provisions apply, only a percentage of the years of service before such individuals became participants in the plan is taken into account. Enter the amount excluded from "RPA '94" current liability. If an employer has made an election under section 412(l)(7)(D)(iv) not to disregard such service, enter zero. Note that such an election, once made, cannot be revoked without the consent of the Secretary of the Treasury.

Lines 1d(2)(a) and 1d(3)(a). "RPA '94" Current Liability and "OBRA '87" Current Liability. All plans regardless of the number of participants must provide the information indicated in accordance with these instructions. The interest rate used to compute the "RPA '94" current liability must be in accordance with guidelines issued by the IRS, using the 90% to 105% interest rate corridor of Code section 412(l)(7)(C)(i) for plan years beginning in 1999.

The "RPA '94" current liability must be computed using the 1983 G.A.M. mortality table for non-disabled lives published in Rev. Rul. 95-28, 1995-1 C.B. 74, and may be computed taking into account the mortality tables for disabled lives published in Rev. Rul. 96-7, 1996-1 C.B. 59. The "OBRA '87" current liability is the current liability as defined in Code section 412(l)(7), but computed without regard to the limitation on the interest rate and prescribed mortality tables provided in section 412(l)(7)(C) as enacted by "RPA '94." See Q&A-9(1) of Rev. Rul. 96-21, 1996-1 C.B. 64, for the specific circumstances under which the "OBRA '87" current liability interest rate may be different from the "RPA '94" current liability interest rate.

Each other actuarial assumption used in calculating the "RPA '94" and "OBRA '87" current liabilities must be the same assumptions used for calculating other costs for the funding standard account. See Notice 90-11, 1990-1 C.B. 319. The actuary must take into account rates of early retirement and the plan's early retirement and turnover provisions as they relate to benefits, where these would significantly affect the results. Regardless of the valuation date, "RPA '94" and "OBRA '87" current liabilities are computed taking into account only credited service through the end of the prior plan year. No salary scale projections should be used in these computations. Do not include the expected increase in current liability due to benefits accruing during the plan year reported in lines 1d(2)(b) and 1d(3)(b) in these computations.

Lines 1d(2)(b) and 1d(3)(b). Expected Increase in Current Liability. Enter the amounts by which the "RPA '94" and "OBRA '87" current liabilities are expected to increase due to benefits accruing during the plan year on account of credited service and/or salary changes for the current year. One year's salary scale may be reflected.

Line 1d(2)(c). Current Liability Computed at Highest Allowable Interest Rate. Enter the current liability computed using the highest allowable interest rate (105% of the weighted average interest rate for plan years beginning in 1999). All other assumptions used should be identical to those used for lines 1d(2)(a) and (b). It is not necessary to complete line 1d(2)(c) if the plan is a multiemployer plan or if the plan had 100 or fewer participants in the prior plan year. Whether or not a plan had 100 or fewer participants in the prior plan year is determined in accordance with the instructions under **Who Must File**. This line need not be completed if the actuarial value of assets (line 1b(2)) divided by the "RPA '94" current liability (line 1d(2)(a)) is greater than or equal to 90%. However, if this line is not completed, sufficient records should be retained so that the current liability amount that would otherwise have been entered on this line can be computed at a later time if required.

Lines 1d(2)(d) and 1d(3)(c). Do not complete these lines if Code section 412(l) does not apply to the plan for this plan year under Code sections 412(l)(1), 412(l)(6), or 412(l)(9).

Line 1d(2)(d). Expected Release from "RPA '94" Current Liability for the Plan Year. If applicable, enter the expected release from "RPA '94" current liability on account of disbursements (including single sum distributions) from the plan expected to be paid after the valuation date but prior to the end of the plan year (see also Q&A-7 of Rev. Rul. 96-21). This line is applicable if the employer has elected the Transition Rule of Code section 412(l)(11) for the plan year.

Line 1d(3)(c). Expected Release from "OBRA '87" Current Liability for the Plan Year. If applicable, enter the expected release from "OBRA '87" current liability on account of disbursements (including single sum distributions) from the plan expected to be paid after the valuation date but prior to the end of the plan year (see also Q&A-7 of Rev. Rul. 96-21).

Line 1d(4). Expected Plan Disbursements. Enter the amount of plan disbursements expected to be paid for the plan year (plans for which the Transition Rule of section 412(l)(11) is being elected, see also Q&A-8 of Rev. Rul. 96-21).

Line 2. *All entries must be reported as of the beginning of the* 1999 plan year. Lines 2a and 2b should include all assets and liabilities under the plan except for assets and liabilities attributable to: **(1)** rollover amounts or other amounts in individual accounts that are not available to provide defined benefits, or **(2)** benefits for which an insurer has made an irrevocable commitment as defined in 29 CFR 4001.2.

Line 2a. Current Value of Assets. Enter the current value of net assets as of the first day of the plan year. Except for plans with excluded assets as described above, this entry should be the same as reported on the 1999 Schedule H (Form 5500) (line 1l, column (a)) or Schedule I (Form 5500) (line 1c, column (a)), or, alternatively, the 1999 Form 5500-EZ (line 11a, column (a): total assets at the beginning of the year). Note that contributions designated for the 1999 plan year are not included on those lines.

Line 2b. "RPA '94" Current Liability (beginning of plan year). Enter the "RPA '94" current liability as of the first day of the plan year. Do not include the expected increase in current liability due to benefits accruing during the plan year. See the instructions for lines 1d(2)(a) and 1d(3)(a) for actuarial assumptions used in determining "RPA '94" current liability.

Column (1)—Enter the number of participants and beneficiaries as of the beginning of the plan year. If the current liability figures are derived from a valuation that follows the first day of the plan year, the participant and beneficiary count entries should be derived from the counts used in that valuation in a manner consistent with the derivation of the current liability reported in columns (2) and (3).

Column (2)—Include only the portion of the current liability attributable to vested benefits.

Column (3)—Include the current liability attributable to all benefits, both vested and nonvested.

Line 2c. This calculation is required under ERISA section 103(d)(11). Do not complete if line 2a divided by line 2b(4), column (3), is 70% or greater.

Line 3. Contributions Made to Plan. Show all employer and employee contributions for the plan year. Include employer contributions made not later than 2½ months (or the later date allowed under Code section 412(c)(10) and ERISA section 302(c)(10)) after the end of the plan year. Show only contributions actually made to the plan by the date Schedule B is signed. Certain employer contributions must be made in quarterly installments. See Code section 412(m). Note that contributions that are made to meet the liquidity requirement of Code section 412(m)(5) should be reported.

Add the amounts in both columns (b) and (c) and enter both results on the total line. All contributions must be credited toward a particular plan year.

Line 4a. Quarterly Contributions. In accordance with" RPA '94", only plans that have a funded current liability percentage (as provided in Rev. Rul. 95–31, 1995-1 C.B. 76) for the preceding plan year of less than 100 percent are subject to the quarterly contribution requirement of Code section 412(m) and ERISA section 302(e). For 1999, the funded current liability percentage for the preceding plan year is equal to line 1b(2) (actuarial value of assets) divided by line 1d(2)(a) (" RPA '94" current liability), both lines as reported on the 1998 Schedule B (Q&A-3, 4 and 5 of Rev. Rul. 95-31, also provide guidance on this computation).

Line 4b. Multiemployer plans, plans with funded current liability percentages (as provided in Code section 412(m)(1)) of 100 percent or more for the preceding plan year, and plans that on every day of the preceding plan year had 100 or fewer participants (as defined under **Who Must File**) are not subject to the liquidity requirement of Code section 412(m)(5) and ERISA section 302(e)(5) and should not complete this line. See Q&A's 7 through 17 of Rev. Rul. 95-31 for guidance on the liquidity requirement. Note that a certification by the enrolled actuary must be attached if the special rule for nonrecurring circumstances is used (see Code section 412(m)(5)(E)(ii)(II) and Q&A-13 of Rev. Rul. 95-31).

If the plan has a liquidity shortfall for any quarter of the plan year (see Q&A-10 of Rev. Rul. 95-31), enter the amount of the liquidity shortfall for each such quarter. If the plan was subject to the liquidity requirement, but did not have a liquidity shortfall, enter zero. File **Form 5330**, Return of Excise Taxes Related to Employee Benefit Plans, with the IRS to pay the 10% excise tax(es) if there is a failure to pay the liquidity shortfall by the required due date, unless a waiver of the 10% tax under Code section 4971(f) has been granted.

Line 5. Actuarial Cost Method. Enter only the primary method used. If the plan uses one actuarial cost method in one year as the basis of establishing an accrued liability for use under the frozen initial liability method in subsequent years, answer as if the frozen initial liability method was used in all years. The projected unit credit method is included in the "Accrued benefit (unit credit)" category of line 5c. If a method other than a method listed in lines 5a through 5g is used, check the box for line 5h and specify the method. For example, if a modified individual level premium method for which actuarial gains and losses are spread as a part of future normal cost is used, check the box for 5h and describe the cost method. For the shortfall method, check the appropriate box for the underlying actuarial cost method used to determine the annual computation charge.

Changes in funding methods include changes in actuarial cost method, changes in asset valuation method, and changes in the valuation date of plan costs and liabilities or of plan assets. Changes in the funding method of a plan include not only changes to the overall funding method used by the plan but also changes to each specific method of computation used in applying the overall method. Generally, these changes require IRS approval. If the change was made pursuant to Rev. Proc. 95-51, 1995-2 C.B. 430 (as modified by Rev. Proc. 98-10, 1998-2 I.R.B. 35 and Rev. Proc. 99-45, 1999-49 I.R.B. 603), check "yes" in line 5j. If approval was granted by either an individual ruling letter or a class ruling letter for this plan, enter the date of the applicable ruling letter in line 5k. Note that the plan sponsor's agreement to a change in funding method (made pursuant to Rev. Proc. 95-51 or a class ruling letter) should be reported on line 7 of Schedule R (Form 5500).

Line 6. Actuarial Assumptions. If gender-based assumptions are used in developing plan costs, enter those rates where appropriate in line 6. Note that requests for gender-based cost information do not suggest that gender-based benefits are legal. If unisex tables are used, enter the values in both "Male" and "Female" lines. Complete all blanks. Check "N/A" if not applicable.

Attach a statement of actuarial assumptions (if not fully described by line 6), and actuarial methods used to calculate the figures shown in lines 1 and 9 (if not fully described by line 5).

Also attach a summary of the principal eligibility and benefit provisions on which the valuation was based, an identification of benefits not included in the valuation, a description of any significant events that occurred during the year, a summary of any changes in principal eligibility or benefit provisions since the last valuation, a description (or reasonably representative sample) of plan early retirement factors, and any change in actuarial assumptions or cost methods and justifications for any such change (see section 103(d) of ERISA).

Also, include any other information needed to fully and fairly disclose the actuarial position of the plan.

Line 6a(1). "RPA '94" Current Liability Interest Rate. Enter the interest rate used to determine "RPA '94" current liability. For plan years beginning in 1999, the interest rate used must not fall outside the corridor of 90% to 105% of the weighted average interest rate (See Code section 412(l)(7)(C)(i)). The rate used must be in accordance with the guidelines issued by the IRS. See Notice 90-11 and Rev. Rul. 96-21. Enter rate to the nearest .01 percent.

Line 6a(2). "OBRA '87" Current Liability Interest Rate. Enter the interest rate used to determine "OBRA '87" current liability. The interest rate used must not fall outside the corridor of 90% to 110% of the weighted average interest rate. The rate used must be in accordance with the guidelines issued by the IRS. See Notice 90-11 and Rev. Rul. 96-21. Enter rate to the nearest .01 percent.

Line 6b. Weighted Average Retirement Age. If each participant is assumed to retire at his/her normal retirement age, enter the age specified in the plan as normal retirement age. If the normal retirement age differs for individual participants, enter the age that is the weighted average normal retirement age; do not enter "NRA." Otherwise, enter the assumed retirement age. If the valuation uses rates of retirement at various ages, enter the nearest whole age that is the weighted average retirement age. On an attachment to Schedule B, list the rate of retirement at each age and describe the methodology used to compute the weighted average retirement age, including a description of the weight applied at each potential retirement age.

Line 6c. Check "Yes," if the rates in the contract were used (e.g., purchase rates at retirement).

Line 6d. Mortality Table. The 1983 G.A.M. mortality table published in Rev. Rul. 95-28 must be used in the calculation of "RPA '94 " current liability for non-disabled lives. The mortality tables published in Rev. Rul. 96-7 may be used in the calculation of "RPA '94" current liability for disabled lives. Enter the mortality table code for non-disabled lives used for "OBRA '87" current liability (see instructions for lines 1d(2)(a) and 1d(3)(a)) and for valuation purposes as follows:

Mortality Table	Code
1951 Group Annuity	1
1971 Group Annuity Mortality (G.A.M.)	2
1971 Individual Annuity Mortality (I.A.M.)	3
UP-1984	4
1983 I.A.M.	5
1983 G.A.M.	6
1983 G.A.M. (solely per Rev. Rul. 95-28)	7
UP-1994	8
Other	9
None	0

Code 6 includes all sex-distinct versions of the 1983 G.A.M. table other than the table published in Rev. Rul. 95-28. Thus, for example, Code 6 also would include the 1983 G.A.M. male-only table used for males, where the 1983 G.A.M. male-only table with a 6-year setback is used for females. Code 9 includes mortality tables other than those listed in Codes 1 through 8, including any unisex version of the 1983 G.A.M. table including the table published by the Service in Rev. Rul. 95-6, 1995-1 C.B. 80.

Where an indicated table consists of separate tables for males and females, add F to the female table (e.g., 1F). When a projection is used with a table, follow the code with "P" and the year of projection (omit the year if the projection is unrelated to a single calendar year); the identity of the projection scale should be omitted. When an age setback or set forward is used, indicate with "-" or "+" and the number of years. For example, if for females the 1951 Group Annuity Table with Projection C to 1971 is used with a 5-year setback, enter "1P71-5." If the table is not one of those listed, enter "9" with no further notation. If the valuation assumes a maturity value to provide the post-retirement income without separately identifying the mortality, interest and expense elements, under "post-retirement," enter on line 6d the value of $1.00 of monthly pension beginning at the age shown on line 6b, assuming the normal form of annuity for an unmarried person; in this case check "N/A" on lines 6e and 6f.

Line 6e. Valuation Liability Interest Rate. Enter the assumption as to the expected interest rate (investment return) used to determine all the calculated values with the exception of current liability and liabilities determined under the alternative funding standard account (see instructions for line 8b). If the assumed rate varies with the year, enter the weighted average of the assumed rate for 20 years following the valuation date. Enter rates to the nearest .01 percent.

Line 6f. Expense Loading. If there is no expense loading, enter -0-. For instance, there would be no expense loading attributable to investments if the rate of investment return on assets is adjusted to take investment expenses into account. If there is a single expense loading not separately identified as pre-retirement or post-retirement, enter it under pre-retirement and check "N/A" under post-retirement. Where expenses are assumed other than as a percentage of plan costs or liabilities, enter the assumed pre-retirement expense as a percentage of the plan's normal cost, and enter the post-retirement expense as a percentage of plan liabilities. If the normal cost of the plan is zero, enter the assumed pre-retirement expense as a percentage of the sum of the lines 9c(1) and 9c(2), minus line 9j. Enter rates to the nearest .1 percent.

Line 6g. Annual Withdrawal Rates. Enter rates to the nearest .01 percent. Enter the rate assumed for a new entrant to the plan at the age shown. Enter "S" before the rate if that rate is different for participants with the same age but longer service. Enter "U" before the rate if all participants of that age are assumed to experience the same withdrawal rates, regardless of service. Enter "C" before the rate if criteria other than service apply to the rates used.

Line 6h. Salary Scale. If a uniform level annual rate of salary increase is used, enter that annual rate. Otherwise, enter the level annual rate of salary increase that is equivalent to the rate(s) of salary increase used. Enter the annual rate as a percentage to the nearest .01 percent, used for a participant from age 25 to assumed retirement age. If the plan's benefit formula is not related to compensation, check "N/A".

Line 6i. Estimated Investment Return. Enter the estimated rate of return on the actuarial value of plan assets for the 1-year period ending on the valuation date. For this purpose, the rate of return is determined by using the formula $2I/(A + B - I)$, where I is the dollar amount of the investment return under the asset valuation method used for the plan, A is the actuarial value of the assets one year ago, and B is the actuarial value of the assets on the current valuation date. Enter rates to the nearest .1 percent. If entering a negative number, enter a minus sign "–" to the left of the number.

Note: *Use the above formula even if the actuary feels that the result of using the formula does not represent the true estimated rate of return on the actuarial value of plan assets for the 1-year period ending on the valuation date. The actuary may attach a statement showing both the actuary's estimate of the rate of return and the actuary's calculations of that rate.*

Line 7. New Amortization Bases Established. List all new amortization bases established in the current plan year (prior to the combining of bases, if bases were combined). Use the following table to indicate the type of base established, and enter the appropriate code under "Type of Base." List amortization bases and charges and/or credits as of the valuation date. Bases that are considered fully amortized because there is a credit for the plan year on line 9l(4) should be listed. If entering a negative number, enter a minus sign "–" to the left of the number.

Code	Type of Amortization Base
1	Experience gain or loss
2	Shortfall gain or loss
3	Change in unfunded liability due to plan amendment
4	Change in unfunded liability due to change in actuarial assumptions
5	Change in unfunded liability due to change in actuarial cost method
6	Waiver of the minimum funding standard
7	Switchback from alternative funding standard account
8	Initial unfunded liability (for new plan)
9	155% current liability full funding limitation base

Line 8a. Funding Waivers or Extensions. If a funding waiver or extension request is approved after the Schedule B is filed, an amended Schedule B should be filed with Form 5500 to report the waiver or extension approval (also see instructions for line 9m(1)).

Line 8b. Alternative Methods or Rules. Enter the appropriate code from the table below if one or more of the alternative methods or rules were used for this plan year.

Code	Method or Rule
1	Shortfall method
2	Alternative funding standard account (AFSA)
3	Shortfall method used with AFSA
4	Plan is in reorganization status
5	Shortfall method used when in reorganization status

Shortfall Method: Only certain collectively bargained plans may elect the shortfall funding method (see regulations under Code section 412). Advance approval from the IRS for the election of the shortfall method of funding is NOT required if it is first adopted for the first plan year to which Code section 412 applies. However, advance approval from the IRS is required if the shortfall funding method is adopted at a later time, if a specific computation method is changed, or if the shortfall method is discontinued.

Alternative Minimum Funding Standard Account: A worksheet must be attached if the alternative minimum funding standard account is used. The worksheet should show:

1. The prior year alternate funding deficiency (if any).

2. Normal cost.

3. Excess, if any, of the value of accrued benefits over the market value of assets.

4. Interest on **1**, **2**, and **3** above.

5. Employer contributions (total from columns (b) of line 3 of Schedule B.

6. Interest on **5** above.

7. Funding deficiency: if the sum of **1** through **4** above is greater than the sum of **5** and **6** above, enter the difference.

If the entry age normal cost method was not used as the valuation method, the plan may not switch to the alternative minimum funding standard account for this year. Additionally, in line **3** of the worksheet, the value of accrued benefits should exclude benefits accrued for the current plan year. The market value of assets should be reduced by the amount of any contributions for the current plan year.

Reorganization Status: Attach an explanation of the basis for the determination that the plan is in reorganization for this plan year. Also, attach a worksheet showing for this plan year:

1. The amounts considered contributed by employers,

2. Any amount waived by the IRS,

3. The development of the minimum contribution requirement (taking into account the applicable overburden credit, cash-flow amount, contribution bases and limitation on required increases on the rate of employer contributions), and

4. The resulting accumulated funding deficiency, if any, which is to be reported on line 9p.

Line 8c. All multiemployer plans check "No". Plans other than multiemployer plans check "Yes" only if the plan is covered by Title IV of ERISA.

If line 8c is "Yes" attach a schedule of the active plan participant data used in the valuation for this plan year. Use the same size paper as the Schedule B and the format shown on the next page and label the schedule **"Schedule B, Line 8c–Schedule of Active Participant Data."**

Expand this schedule by adding columns after the "5 to 9" column and before the "40 & up" column for active participants with total years of credited service in the following ranges: 10 to 14; 15 to 19; 20 to 24; 25 to 29; 30 to 34; and 35 to 39. For each column, enter the number of active participants with the specified number of years of credited service divided according to age group. For participants with partial years of credited service, round the total number of years of credited service to the next lower whole number.

Plans reporting 1,000 or more active participants on line 2b(3) must also provide average compensation data. For each grouping, enter the average compensation of the active participants in that group. For this purpose, compensation is the compensation taken into account for each participant under the plan's benefit formula, limited to the amount defined under section 401(a)(17) of the Code. Years of credited service are the years credited under the plan's benefit formula. Do not enter the

Schedule B, Line 8c—Schedule of Active Participant Data

Attained Age	YEARS OF CREDITED SERVICE Under 1 No.	Under 1 Avg. Comp.	1 to 4 No.	1 to 4 Avg. Comp.	5 to 9 No.	5 to 9 Avg. Comp.	40 & up No.	40 & up Avg. Comp.
Under 25								
25 to 29								
30 to 34								
35 to 39								
40 to 44								
45 to 49								
50 to 54								
55 to 59								
60 to 64								
65 to 69								
70 & up								

average compensation in any grouping that contains fewer than 20 participants.

If the plan is a multiple-employer plan, complete one or more schedules of active-participant data in a manner consistent with the computations for the funding requirements reported on line 9. See the specific instructions for **Lines 9a through 9q.** For example, if the funding requirements are computed as if each participating employer maintained a separate plan, attach a separate schedule for each participating employer in the multiple-employer plan.

Line 9. Shortfall Method. Under the shortfall method of funding, the normal cost in the funding standard account is the charge per unit of production (or per unit of service) multiplied by the actual number of units of production (or units of service) that occurred during the plan year. Each amortization installment in the funding standard account is similarly calculated.

Lines 9a through 9q. Multiple Employer Plans. If the plan is a multiple employer plan subject to the rules of Code section 413(c)(4)(A) for which minimum funding requirements are to be computed as if each employer were maintaining a separate plan, complete one Schedule B for the plan. Also submit an attachment completed in the same format as lines 9a through 9q showing, for this plan year, for each individual employer maintaining the plan, the development of the minimum contribution requirement (taking into account the applicable normal cost, amortization charges and credits, and all other applicable charges or credits to the funding standard account that would apply if the employer were maintaining a separate plan). Compute the entries on Schedule B, except for the entries on lines 9a, 9h, 9o, and 9p, as the sum of the appropriate individual amounts computed for each employer. Compute the entry on line 9a as the sum of the prior year's funding deficiency, if any, for each individual employer and the entry on line 9p as the sum of the separately computed funding deficiency, if any, for the current year for each employer. Credit balance amounts on lines 9h and line 9o are separately computed in the same manner. (Note that it is possible for the Schedule B to show both a funding deficiency and a credit balance for section 413(c) plans. This could not appear for other plans.)

Lines 9c and 9j. Amortization Charges and Credits. If there are any amortization charges or credits, attach a maintenance schedule of funding standard account bases. The attachment should clearly indicate the type of base (i.e., original unfunded liability, amendments, actuarial losses, etc.), the outstanding balance of each base, the number of years remaining in the amortization period, and the amortization amount. If bases were combined in the current year, the attachment should show information on bases both prior to and after the combining of bases.

The outstanding balance and amortization charges and credits must be calculated as of the valuation date for the plan year.

Line 9c(1). 155% Current Liability Full Funding Limitation Base. If a credit was entered on line 9l(5) on the prior year's Schedule B, establish a new base equal to the amount of the credit (increased with interest to the current valuation date at the valuation rate) and amortize the base over a 20-year period at the valuation rate.

Note: *For any such base remaining at the end of the 1998 plan year, the remaining amortization period is 20 years minus the number of years since the base was established.*

Line 9c(2). Amortization for funding waivers must be based on the interest rate provided in Section 412(d) ("mandated rate").

Line 9d. Interest as Applicable. Interest as applicable should be charged to the last day of the plan year. The mandated rates must be used when calculating interest on any amortization charges for funding waivers.

Line 9e. If the funded current liability percentage for the preceding year reported in line 4a is at least 100%, quarterly contributions are not required for the current plan year.

Interest is charged for the entire period of underpayment. Refer to IRS Notice 89-52, 1989-1 C.B. 692, for a description of how this amount is calculated.

Note: *Notice 89-52 was issued prior to the amendment of section 412(m)(1) by the Revenue Reconciliation Act of 1989. Rather than using the rate in the Notice, the applicable interest rate for this purpose is the greater of:*

1. *175% of the Federal mid-term rate at the beginning of the plan year, or*

2. *The rate used to determine the "RPA '94" current liability.*

All other descriptions of the additional interest charge contained in Notice 89-52 still apply.

Line 9f. Enter the required additional funding charge from line 12u. Enter "N/A" if line 12 is not applicable.

Line 9h. Note that the credit balance or funding deficiency at the end of "Year X" should be equal to the credit balance or funding deficiency at the beginning of "Year X+1." If such credit balances or funding deficiencies are not equal, attach an explanation. For example, if the difference is because contributions for a prior year which were not previously reported are received this plan year, attach a listing of the amounts and dates of such contributions.

Line 9l(1). ERISA Full Funding Limitation. Instructions for this line are reserved pending published guidance.

Line 9l(2). 155% Current Liability Full Funding Limitation. Instructions for this line are reserved pending published guidance.

Line 9l(3). "RPA '94" Override. Instructions for this line are reserved pending published guidance.

Line 9l(4). Full Funding Credit before reflecting "OBRA '87" Full Funding Limitation. Enter the excess of (1) the accumulated funding deficiency, disregarding the credit balance and contributions for the current year, if any, over (2) the greater of lines 9l(1) or 9l(3).

Line 9l(5). Additional Credit due to "OBRA '87 " Full Funding Limitation. Enter (1) the excess, if any, of the accumulated funding deficiency, disregarding the credit balance and contributions for the current plan year, over the greater of lines 9l(2) or 9l(3), minus (2) the amount in line 9l(4). If the result is negative, enter zero.

Line 9m(1). Waived Funding Deficiency Credit. Enter a credit for a waived funding deficiency for the current plan year (Code section 412(b)(3)(C)). If a waiver of a funding deficiency is pending, report a funding deficiency. If the waiver is granted after Form 5500 is filed, file Form 5500, page one only with an amended Schedule B to report the funding waiver.

Line 9m(2). Other Credits. Enter a credit in the case of a plan for which the accumulated funding deficiency is determined under the funding standard account if such plan year follows a plan year for which such deficiency was determined under the alternative minimum funding standard.

Line 9q. Reconciliation Account. The reconciliation account is made up of those components that upset the balance equation of Income Tax Regulations section 1.412(c)(3)-1(b). Valuation assets should not be adjusted by the reconciliation account balance when computing the required minimum funding.

Line 9q(1). The accumulation of additional funding charges for prior plan years must be included. Enter the sum of line 9q(1) (increased with interest at the valuation rate to the first day of the current plan year) and line 9f, both from the prior year's Schedule B (Form 5500).

Line 9q(2). The accumulation of additional interest charges due to late or unpaid quarterly installments for prior plan years must be included. Enter the sum of line 9q(2) (increased with interest at the valuation rate to the first day of the current plan year) and line 9e, both from the prior year's Schedule B (Form 5500).

Line 9q(3)(a). If a waived funding deficiency is being amortized at an interest rate that differs from the valuation rate, enter the prior year's "reconciliation waiver outstanding balance" increased with interest at the valuation rate to the current valuation date and decreased by the year end amortization amount based on the mandated interest rate. Enter the amounts as of the valuation date.

Line 9q(4). Enter the sum of lines 9q(1), 9q(2), and 9q(3)(b) (each adjusted with interest at the valuation rate to the current valuation date, if necessary).

Note: *The net outstanding balance of amortization charges and credits minus the prior year's credit balance minus the amount on line 9q(4) (each adjusted with interest at the valuation rate, if necessary) must equal the unfunded liability.*

Line 10. Contribution Necessary to Avoid Deficiency. Enter the amount from line 9p. However, if the alternative funding standard account is elected and the accumulated funding deficiency under that method is smaller than line 9p, enter such amount (also see instructions for line 8b). For multiemployer plans in reorganization, see the instructions for line 8b. File Form 5330 with the IRS to pay the 10% excise tax (5% in the case of a multiemployer plan) on the funding deficiency.

Line 11. In accordance with ERISA section 103(d)(3), attach a justification for any change in actuarial assumptions for the current plan year. The preceding sentence applies for all plans.

The following instructions are applicable only to changes in current liability assumptions for plans (other than multiemployer plans) subject to Title IV of ERISA which resulted in a decrease in the unfunded current liability (UCL). If the current liability assumptions (other than a change in the assumptions required under Code section 412(l)(7)(C)) were changed for the current plan year and such change resulted in a decrease in UCL, approval for such a change may be required. However, if one of the following three conditions is satisfied with respect to a change in assumptions for a plan year, then the plan sponsor is not required to obtain approval from the IRS for such change(s):

Condition 1: Aggregate Unfunded Vested Benefits

The aggregate unfunded vested benefits as of the close of the plan year preceding the year in which assumptions were changed (as determined under section 4006(a)(3)(E)(iii) of ERISA) for the plan, and all other plans maintained by contributing sponsors (as defined in section 4001(a)(13) of ERISA) and members of such sponsor's controlled group (as defined in section 4001(a)(14) of ERISA) which are covered by Title IV of ERISA (disregarding plans with no unfunded vested benefits) is less than or equal to $50 million.

Condition 2: Amount of Decrease in UCL

The change in assumptions (other than a change required under Code section 412(l)(7)(C)) resulted in a decrease in the UCL of the plan for the plan year in which the assumptions were changed of less than or equal to $5 million.

Condition 3: Amount of Decrease in UCL, and CL Before Change in Assumptions

Although the change in assumptions (other than a change required under Code section 412(l)(7)(C)) resulted in a decrease in the UCL of the plan for the plan year in which the assumptions were changed which was greater than $5 million and less than or equal to $50 million, the decrease was less than five percent of the current liability of the plan before such change.

If the current liability assumptions for the plan have been changed, and such change requires approval of the Service, enter on an attachment the date(s) of the ruling letter(s) granting approval.

If the current liability assumptions for the plan have been changed, and such change would have required approval in the absence of satisfaction of one of the conditions outlined above, enter on an attachment the number of the applicable condition and the plan year for which it applies. If condition 1 or 2 applies, also enter the amount of the decrease in UCL. Note that only one of the conditions needs to be entered.

Specific Instructions for Part II

Line 12. Additional Required Funding Charge. There is no additional funding charge for plans that have 100 or fewer participants in the prior plan year (as defined under **Who Must File**). Do not complete Part II for such plans.

Line 12a. A plan's "Gateway %" is equal to the actuarial value of assets (line 1b(2), unreduced by any credit balance) divided by the current liability computed with the highest allowable interest rate (line 1d(2)(c)). If line 1d(2)(c) is not completed in accordance with instructions for that line, use "RPA '94" current liability reported on line 1d(2)(a). There is no additional funding charge for plan years beginning in 1999 if the "Gateway %" is at least 90%. In such cases, enter -0- on line 12u. There is no additional funding charge for plan years beginning in 1999 if (a) the "Gateway %" (for 1999) is at least 80% but less than 90%, and (b) the "Gateway %" for the plan years beginning in 1998 and 1997 were at least 90%, or, the "Gateway %" for the plan years beginning in 1997 and 1996 were at least 90% (in such case, enter -0- on line 12u)

Note: *Section 1508 of TRA '97 provided transition rules for certain plans sponsored by companies engaged primarily in the interurban or interstate passenger bus service that have "Gateway" percentages that are greater than certain prescribed minimum percentages. These transition rules are effective for such plans for any plan year beginning after 1996 and before 2010. If one of these transition rules is used, line 12a should be completed, and, if appropriate, a zero should be entered in line 12u. Attach a demonstration of the use of this transition rule to the Schedule B.*

Line 12c. Enter the actuarial value of assets (line 1b(2)), reduced by the prior year's credit balance (line 9h). If line 9h was determined at a date other than the valuation date, adjust the credit balance for interest at the valuation rate to the current valuation date before subtracting. Do not add a prior year's funding deficiency to the assets.

Line 12d. Current Liability Percentage. Enter the actuarial value of the assets expressed as a percentage of "RPA '94" current liability. Enter the result to the nearest .01% (e.g., 28.72%).

Line 12f. Enter the liability for any unpredictable contingent event (other than events that occurred before the first plan year beginning after 1988) that was included in line 12b, whether or not such unpredictable contingent event has occurred.

Line 12g. Enter the outstanding balance of the unfunded old liability as of the valuation date. This is line 12(g) of the 1998 Schedule B reduced by the prior year's amortization amount, and adjusted for interest at the prior year's current liability interest rate from the prior year's valuation date to the current valuation date. The unfunded old liability (and therefore all its components) will be considered fully amortized in accordance with Q&A-7 of Rev. Rul. 96-20, 1996-1 C.B. 62.

Note: *In the case of a collectively bargained plan, this amount must be increased by the unamortized portion of any "unfunded existing benefit increase liability" in accordance with Code section 412(l)(3)(C).*

Line 12h. This amount is the unfunded new liability. It is recomputed each year. If a negative result is obtained, enter zero.

Line 12i. If the unfunded new liability is zero, enter zero for the unfunded new liability amount. If the unfunded new liability is greater than zero, first calculate the amortization percentage as follows:

1. If the funded current liability percentage (line 12d) is less than or equal to 60%, the amortization percentage is 30%.

2. If the current liability percentage exceeds 60%, the amortization percentage is determined by reducing 30% by the product of 40% and the amount of such excess. Enter the resulting amortization percentage to the nearest 0.01 percent.

The unfunded new liability amount is equal to the above-calculated percentage of the unfunded new liability.

Line 12j. Enter the amortization amount for line 12g based on the "RPA '94" current liability interest rate (line 6a(1)) in effect for the plan year and the following amortization period:

In general: For the 1999 plan year, the remaining amortization period is 8 years.

Special rule: In the case of a collectively bargained plan, the amortization amount must be increased by the amortization of any "unfunded existing benefit increase liability" in accordance with Code section 412(l)(3)(C)(ii). For any such amortization, the amortization period is equal to the remainder of the original 18-year period that applied when the amortization began.

Base maintenance: On a separate attachment, show the initial amount of each DRC amortization base (as defined in Rev. Rul. 96-20) being amortized under the general or special rule, the outstanding balance of each DRC amortization base, the number of years remaining in the amortization period, and the amortization amount (with the valuation date as the due date of the amortization amount). It is not necessary to separately list the unfunded old liability base and the additional unfunded old liability base. Do not enter base maintenance required for line 13 here. See instructions for line 13(i) only if applicable.

Line 12l. Enter the result determined by subtracting the amortization credits (line 9j) from the sum of the normal cost and the amortization charges (lines 9b, 9c(1) and 9c(2)). Use the valuation date as the due date for the amortization amounts. If entering a negative number, enter a minus sign "–" to the left of the number.

Note: *Any amortization installments established under Code section 412(b) for plan years beginning after December 31, 1987, and before January 1, 1993, by reason of nonelective changes under the frozen initial liability method shall not be included in the calculation of the offset for the first 5 plan years beginning after December 31, 1994.*

Line 12m. Unpredictable Contingent Event Amount. Line 12m does not apply to the unpredictable contingent event benefits (and related liabilities) for an event that occurred before the first plan year beginning after December 31, 1988.

Line 12m(1). Enter the total of all benefits paid during the plan year that were paid solely because an unpredictable event occurred.

Line 12m(5). Amortization of All Unpredictable Contingent Event Liabilities. Amortization should be based on the "RPA '94" current liability interest rate (line 6a(1)), using the valuation date as the due date. The initial amortization period for each base established in a plan year is generally 7 years, however see Code section 412(l)(5) for special rules.

Note: *An alternative calculation of an unpredictable contingent amount is available for the first year of amortization. Refer to Code section 412(l)(5)(D) for a description. If this alternative calculation is used, include an attachment describing the calculation.*

Line 12m(6). "RPA '94" Additional Amount. Subtract line 12g from line 12e. If the result is zero or less than zero, enter -0-. If the result is a positive number, multiply the result by the percentage used to calculate line 12i. Enter the excess, if any, of this amount over the amount on line 12i.

Line 12n. Preliminary charge. Adjust with interest using the "RPA '94" current liability interest rate.

Line 12o. Contributions needed to increase current liability percentage to 100%. This amount is calculated in the same manner as the "target amount " except that 100 percent is substituted for the "target percentage" (see Announcement 96-18, 1996-15 I.R.B. 15). Instructions for computing the target amount are provided at line 14c.

Lines 12q, 12r, and 12s. Complete only the one applicable line.

Line 12u. If the plan had 150 or more participants on each day of the preceding plan year, enter 100%. If the plan had less than 150 participants but more than 100 participants on each day of the preceding plan year, enter the applicable percentage. The same participant aggregation rule described in the instructions for line 12 applies. The applicable percentage is calculated as follows: **(1)** Determine the greatest number of participants on any day during the preceding plan year in excess of 100. **(2)** The applicable percentage is 2% times the number of such participants in excess of 100. The percentage should not exceed 100%. The amount on line 12u is also the amount entered on line 9f.

Line 13. Additional Funding Charge under Prior Law (for Use with the Optional and/or Transition Rules). The line is completed if the plan sponsor elected in 1995 to use the Optional rule under Code section 412(l)(3)(E) or is using the Transition rule under Code section 412(l)(11) in 1999. Do not complete line 13 for plans that are not subject to section 412(l) in 1999 (i.e., plans that entered zero on line 12u immediately after completing the Gateway % in line 12a). All calculations in line 13 must be done using the law pertaining to the additional funding charge as it existed prior to "RPA '94" (see Q&A-9 of Rev. Rul. 96-21).

Line 13a. Enter the "OBRA '87" current liability as of the valuation date.

Line 13b. Enter the actuarial value of assets (line 1b(2)), reduced by the prior year's credit balance (line 9h). If line 9h was determined at a date other than the valuation date, adjust the credit balance for interest at the valuation rate to the current valuation date before subtracting. Do not add a prior year's funding deficiency to the assets.

Line 13c. Enter the adjusted actuarial value of assets expressed as a percentage of current liability. Round off to two decimal places (e.g., 59.41%).

Line 13e. Enter the outstanding balance of the unfunded old liability as of the valuation date. To compute the outstanding balance, lines 13e and 13i from the 1998 Schedule B should be used.

Line 13f. Enter the liability for any unpredictable contingent event benefit that was included on line 13a, whether or not such event has occurred.

Computation of Target Percentage (line 14b)

If line 14a is...	Then enter on line 14b:
line 14a ≤ 63%	line 14a + 15%
63% < line 14a ≤ 66%	90% × line 14a + 21.3%
66% < line 14a ≤ 69%	81% × line 14a + 27.24%
69% < line 14a ≤ 72%	72.9% × line 14a + 32.83%
72% < line 14a ≤ 74.55%	65.61% × line 14a + 38.08%
74.55% < line 14a ≤ 75%	72.9% × line 14a + 32.64%
75% < line 14a ≤ 77.56%	65.61% × line 14a + 38.11%
77.56% < line 14a ≤ 80.30%	72.9% × line 14a + 32.46%
80.30% < line 14a ≤ 82.77%	81% × line 14a + 25.95%
82.77% < line 14a < 85%	90% × line 14a + 18.5%
85% ≤ line 14a	line 14a + 10%

Line 13g. This amount is the unfunded new liability. It will be recalculated each year. If the result is negative, enter -0-.

Line 13h. If the unfunded new liability is zero, enter -0- for the unfunded new liability amount. If the unfunded new liability is greater than zero, first calculate the amortization percentage as follows:

1. If the funded current liability percentage (line 13c) is less than or equal to 35%, the amortization percentage is 30%.

2. If the funded current liability percentage exceeds 35%, the amortization percentage is determined by reducing 30% by the product of 25% and the amount of such excess. Enter the resulting amortization percentage to the nearest 0.01 percent.

The unfunded new liability amount is equal to the above-calculated percentage of the unfunded new liability.

Line 13i. Enter the amortization of the outstanding balance of the unfunded old liability as of the valuation date (line 13e). In the case of a collectively bargained plan, the unfunded old liability amount to enter on line 13i must include the amortization of any unfunded existing benefit increase liability calculated in accordance with Code section 412(l)(3)(C)(ii). On a separate attachment, show the breakdown of the various liabilities being amortized, the outstanding balance of each liability, the number of years remaining in the amortization period, and the amortization amount.

Any such amortization amount must be determined based on:

1. The "OBRA '87" current liability interest rate in effect at the beginning of the plan year, and

2. The valuation date as the due date of the amortization payment.

The amortization period must be the remainder of the original 18-year period that applied when the amortization began.

Any such amortization amount must be redetermined each year based on the outstanding balance (line 13e). If the plan becomes fully funded on a current liability basis, the unfunded old liability (including any liability arising from collectively bargained plans) will be considered fully amortized (see Q&A-7 of Rev. Rul. 96-20).

Line 13j. Deficit Reduction Contribution. Enter the sum of lines 13h and 13i. This amount is the deficit reduction contribution at the valuation date.

Line 13k. When entering the net amortization amounts for certain bases include only charges (included on line 9c) and credits (included on line 9j) attributable to original unfunded liability, amendments, funding waivers, and charges resulting from a "switchback" from the alternative minimum account to the funding standard account.

If a base resulted from combining and/or offsetting pre-existing bases among which were bases not designated in the preceding paragraph, and such base was not uncombined in 1989 in accordance with Announcement 90-87, 1990-30 I.R.B. 23, then such resulting base may not be included in this line 13k.

Line 13l. Line 13l does not apply to the unpredictable contingent event benefits (and the attributable liabilities) for an event that occurred before the first plan year beginning after December 31, 1988.

Line 13l(1). Enter the total of all benefits paid during the plan year that were paid solely because the unpredictable contingent event occurred.

Line 13l(5). Amortization should be based on the "OBRA '87" current liability interest rate and should assume beginning of the year payments for a 7-year period.

Note: *Alternative calculation of an unpredictable contingent event amount is available for the first year of amortization. Refer to Code section 412(l)(5)(D) for a description. If this alternative calculation is used, include an attachment describing the calculation.*

Line 13p. Enter the applicable amount of interest, based on the "OBRA '87" current liability interest rate, to bring the additional funding charge (line 13o) to the end of the plan year.

Line 14. Transition Rule. The transition rule of Code section 412(l)(11) provides an alternative method of computing the additional required funding charge. The rule may be elected by the employer as part of Schedule R (Form 5500), line 8, in any year up to the year 2001. The charge for a year is the amount necessary to increase the funded current liability percentage to the target percentage preset for that year, with adjustments to meet the two following conditions: **(1)** the charge must not be less than the additional funding charge under the law as it existed prior to "RPA '94", and **(2)** in any event, the charge under the Transition rule must not be greater than the charge under present law (ignoring the effect of the Transition rule).

The transition rule of Code section 412(l)(11) may only be elected by the employer sponsoring an "eligible plan" (see Q&A-2 of Rev. Rul. 96-21).

Note: *In accordance with Q&A-2 of Rev. Rul. 96-21, a plan that was not in existence in 1995 is not eligible to use the Transition rule.*

Line 14b. Transition Rule Target Percentage. To compute the target percentage, refer to the table above and enter the appropriate percentage on line 14b.

Line 14c. Target Amount. The target amount is the additional amount necessary to increase the funded current liability percentage to the "target percentage" of line 14b . The target amount is equal to the excess, if any, of the product of line 14b and the "adjusted current liability", over the "adjusted assets." The adjusted current liability is computed in accordance with Q&A-7 of Rev. Rul. 96-21, and is equal to the excess of (1) the sum of lines 1d(2)(a) and 1d(2)(b), over (2) line 1d(2)(d), each adjusted to the end of the plan year using the "RPA '94" current liability interest rate. The adjusted assets are computed in accordance with Q&A-8 of Rev. Rul. 96-21.

1999 – *Service Provider Information* Instructions for Schedule C (Form 5500)

General Instructions

Who Must File

The Schedule C (Form 5500) must be attached to a Form 5500 filed for a large pension or welfare benefit plan and to a Form 5500 filed for a MTIA, 103-12, or GIA to report information concerning service providers. See the instructions to the Form 5500 for **Form 5500 Schedules** and **Direct Filing Entity (DFE).**

Check the Schedule C box on the Form 5500 (Part II, line 10b(4)) if a Schedule C is attached to the Form 5500. Multiple Schedule C pages must be attached to the Form 5500 if necessary to report the required information.

Lines A, B, C, and D. This information should be the same as reported in Part II of the Form 5500 to which this Schedule C is attached.

Line 1 of Part I Line 1 must be completed if line 2 of Part I is required to be completed as specified below.

Line 2 of Part I Line 2 of Part I must be completed to report contract administrators and persons receiving, directly or indirectly, $5,000 or more in compensation for all services rendered to the plan or DFE during the plan or DFE year except:

1. Employees of the plan whose only compensation in relation to the plan was less than $1,000 for each month of employment during the plan year;

2. Employees of the plan sponsor who did not receive direct or indirect compensation from the plan;

3. Employees of a business entity (e.g., corporation, partnership, etc.), other than the plan sponsor, who provided services to the plan; or

4. Persons whose only compensation in relation to the plan consists of insurance fees and commissions listed in a Schedule A attached to the Form 5500 filed for this plan.

Generally, indirect compensation would not include compensation that would have been received had the service not been rendered and that cannot be reasonably allocated to the services performed. Indirect compensation includes, among other things, payment of "finder's fees" or other fees and commissions by a service provider to an independent agent or employee for a transaction or service involving the plan.

Notes:

- *Either the cash or accrual basis may be used for the recognition of transactions reported on the Schedule C as long as you use one method consistently.*
- *The compensation listed should only reflect the amount of compensation received by the service provider from the plan or DFE filing the Form 5500, not the aggregate amount received for providing services to several plans or DFEs.*
- *The term "persons" on the Schedule C instructions includes individuals, trades and businesses (whether incorporated or unincorporated). See ERISA section 3(9).*

Specific Instructions

Part I - Service Provider Information

Line 1. Enter the total dollar amount of compensation received by all persons who provided services to the plan who are not listed in line 2 (except for those persons described in 2, 3, or 4 in the General Instructions).

Example: *A plan had service providers, A, B, C, and D, who received $12,000, $6,000, $4,500, and $430, respectively, from the plan. Service providers A and B must be identified separately in line 2 by name, EIN, official plan position, etc. As service providers C and D each received less than $5,000, the amount they received must be combined and $4,930 entered in line 1.*

Line 2. List up to 40 service providers, including the contract administrator, as specified below.

First, list the contract administrator, if any, on the first item (complete elements **(a)** through **(g)**) on line 2 where indicated. A contract administrator is any individual, trade or business (whether incorporated or unincorporated) responsible for managing the clerical operations of the plan on a contractual basis (e.g., handling membership rosters, claims payment, maintaining books and records), except for salaried staff or employees of the plan or banks or insurance carriers.

Next, complete a separate item for each person required to be reported in line 2 in the order of compensation received. Start with the most highly compensated and end with the lowest compensated. Enter in element **(a)** the person's name and complete elements **(b)** through **(g)** as specified below. Additional pages may be necessary to list all service providers. You can get additional green ink copies by calling **1-800-TAX-FORM** (1-800-829-3676).

Element (b). An EIN must be entered. If the name of an individual is entered in element **(a)**, the EIN to be entered in element **(b)** should be the EIN of the individual's employer.

Element (c). Enter, for example, employee, trustee, accountant, attorney, etc.

Element (d). Enter, for example, employee, vice-president, union president, etc.

Elements (e) and (f).

Plan Filers. Include the plan's share of compensation for services paid during the year to an MTIA or 103-12 IE trustee and to persons providing services to the MTIA or 103-12 IE, if such compensation is **not** subtracted from the total income in determining the net income (loss) reported on the MTIA or 103-12 IE's Schedule H, line 2k.

Include brokerage commissions or fees only if the broker is granted some discretion (see 29 CFR 2510.3-21 paragraph (d), regarding "discretion"). Include all other commissions and fees on investments, whether or not the they are capitalized as investment costs.

MTIA and 103-12 IEs. Include compensation for services paid by the MTIA or 103-12 IE during its fiscal year to persons providing services to the MTIA or 103-12 IE if such compensation is subtracted from the total income in determining the net income (loss) reported by the MTIA or 103-12 IE on Schedule H, line 2k.

Element (g). Select and enter all codes that describe the nature of services provided from the list below. If more than one service was provided, list the code for the primary service first. If necessary, use a properly identified attachment to list all applicable service codes.

Note: *Do not list PBGC or IRS as a service provider on Part I of Schedule C.*

Code	Service
10	Accounting (including auditing)
11	Actuarial
12	Contract Administrator
13	Administration
14	Brokerage (real estate)
15	Brokerage (stocks, bonds, commodities)
16	Computing, tabulating, ADP, etc.
17	Consulting (general)
18	Custodial (securities)
19	Insurance agents and brokers
20	Investment advisory
21	Investment management
22	Legal
23	Printing and duplicating
24	Recordkeeping
25	Trustee (individual)
26	Trustee (corporate)
27	Pension insurance advisor
28	Valuation services (appraisals, asset valuations, etc.)
29	Investment evaluations
30	Medical
31	Legal services to participants
99	Other (specify)

Part II - Termination Information on Accountants and Enrolled Actuaries
Complete Part II if there was a termination in the appointment of an accountant or enrolled actuary. In case the service provider is not an individual (i.e., when the service provider is a legal entity such as a corporation, partnership, etc.), report when the service provider (not the individual) has been terminated.

Provide an explanation of the reasons for the termination of an accountant or enrolled actuary. Include a description of any material disputes or matters of disagreement concerning the termination, even if resolved prior to the termination. If an individual is listed, the EIN to be entered should be the EIN of the individual's employer. The plan administrator must also provide the terminated accountant or enrolled actuary with a copy of the explanation for the termination provided in Part II of the Schedule C, with a completed copy of the notice below.

Notice To Terminated Accountant
Or Enrolled Actuary

I, as plan administrator, verify that the explanation that is reproduced below or attached to this notice is the explanation concerning your termination reported on the Schedule C (Form 5500) attached to the 1999 Annual Return/Report Form 5500 for the ______________________________ (enter name of plan). This Form 5500 is identified in line 2b by the nine-digit EIN ___- __________ (enter sponsor's EIN), and in line 1b by the three-digit PN ________ (enter plan number).

You have the opportunity to comment to the Department of Labor concerning any aspect of this explanation. Comments should include the name, EIN, and PN of the plan and be submitted to: Office of Enforcement, Pension and Welfare Benefits Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210.

Signed
Dated

1999 – *DFE/Participating Plan Information* Instructions for Schedule D (Form 5500)

General Instructions

Who Must File

Employee Benefit Plans: Schedule D must be attached to a Form 5500 filed for an employee benefit plan that participated or invested in one or more common/collective trusts (CCTs), pooled separate accounts (PSAs), master trust investment accounts (MTIAs), or 103-12 Investment Entities (103-12 IEs) at any time during the plan year.

Direct Filing Entities: Schedule D must be attached to a Form 5500 filed for a CCT, PSA, MTIA, 103-12 IE or Group Insurance Arrangement (GIA), as a Direct Filing Entity (i.e., when Form 5500 Part I, line A(4) is checked). For more information, see instructions for **Direct Filing Entity (DFE)** on pages 4 and 8 of the instructions for the Form 5500.

Check the Schedule D box on the Form 5500 (Part II, line 10b(5)) if a Schedule D is attached to the Form 5500. Multiple Schedule D pages must be attached to the Form 5500 if necessary to report the required information. You can get additional green ink copies by calling **1-800-TAX-FORM** (1-800-829-3676).

Purpose of Schedule

When the Form 5500 is filed for a plan or DFE that invested or participated in any MTIAs, 103-12 IEs, CCTs and/or PSAs, Part I provides information about these entities. When the Form 5500 is filed for a DFE, Part II provides information about plans participating in the DFE.

Lines A, B, C, and D. The information entered on these lines should be the same as the information entered on the Form 5500 to which this Schedule D is attached (Part II, lines 1a, 1b, 2a, and 2b, respectively).

Specific Instructions For Part I

Use as many pages as necessary to enter the information specified below for all MTIAs, CCTs, PSAs, and 103-12 IEs in which the plan or DFE filing the Form 5500 participated at any time during the plan or DFE year.

Complete a separate item (elements **(a)** through **(e)** for each MTIA, CCT, PSA, or 103-12 IE.

Element (a). Enter the name of the MTIA, CCT, PSA, or 103-12 IE in which the plan or DFE filing the Form 5500 participated at any time during the plan or DFE year.

Element (b). Enter the sponsoring organization (financial institution, insurance company, etc.) of the MTIA, CCT, PSA, or 103-12 IE named in (a).

Element (c). Enter the nine-digit employer identification number (EIN) and three-digit plan/entity number (PN) for each MTIA, CCT, PSA, or 103-12 IE named in (a). This **must** be the same EIN/PN as reported on lines 2b and 1b of the Form 5500 filed for the DFE. If a Form 5500 was **not** filed for a CCT or PSA named in element **(a)**, enter the EIN for the CCT or PSA and enter 000 for the PN.

Element (d). Enter an M, C, P, or E, as appropriate, (see table below) to identify the type of entity (MTIA, CCT, PSA, or 103-12 IE).

Type of entity ▼	Enter in (d) ▼
MTIA	M
CCT	C
PSA	P
103-12 IE	E

Element (e). Enter the value of the plan's or DFE's interest as of the end of the year. If the plan or DFE for which this Schedule D is filed had no interest in the MTIA, CCT, PSA, or 103-12 IE listed at the end of the year, enter "0".

Example for Part I: If a plan participates in an MTIA, the MTIA is named in element **(a)**; the MTIA's sponsoring financial institution is named in element **(b)**; the MTIA's EIN and PN is entered in element **(c)** (such as: 12-3456789-001); an "M" is entered in element **(d)**; and the dollar value of the plan's interest in the MTIA as of the end of the plan year is entered in element **(e)**. If the plan also participates in a CCT for which a Form 5500 was **not** filed, the CCT is named in another element **(a)**; the name of the CCT sponsor is named in element **(b)**, the nine-digit number EIN for the CCT, followed by 000 is entered in element **(c)** (such as: 99-8765432-000); a "C" is entered in element **(d)**; and the dollar value of the plan's interest in the CCT is entered in element **(e)**. If the plan also participates in a PSA for which a Form 5500 **was** filed, the PSA is named in a third element **(a)**; the name of the PSA sponsor is named in element **(b)**, the PSA's EIN and PN is entered in element **(c)** (such as: 98-7655555-001); a "C" is entered in element **(d)**; and the dollar value of the plan's interest in the CCT is entered in element **(e)**.

See the filled-in example for Part I on the following page.

Specific Instructions For Part II

Use as many pages as necessary to enter the information specified below for all plans that invested or participated in the DFE at any time during the DFE year.

Complete a separate item (elements **(a)** through **(c)**) for each plan.

Element (a). Enter the name of each plan that invested or participated in the DFE at any time during the DFE year. GIAs need not complete element **(a)**.

Element (b). Enter the sponsor of each investing or participating plan.

Element (c). Enter the nine-digit EIN and three-digit PN for each plan named in element **(a)**. This is the EIN and PN entered on lines 2b and 1b of the plan's Form 5500. GIAs should enter the EIN of the sponsor listed in element **(b)**.

See the filled-in example for Part II on the following page.

Filled-in Example for Part I

(a) Name of MTIA, CCT, PSA, or 103-12 IE	(b) Name of Sponsor	(c) EIN/PN of entity listed in (a)	(d) Entity Code	(e) Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year
Master Trust For Plans of XYZ Corporation	Trustee Bank for Master Trust	12-3456789-001	M	1,250,000
AAA Bank CCT	AAA Bank of North America	99-8765432-000	C	250,000
BBB insurance Company PSA	BBB insurance Company	98-7655555-001	P	275,000

Filled-in Example for Part II

Examples for Part II: A Schedule D filed for a DFE (other than a GIA) should be completed as in the following example ▼

(a) Plan Name	(b) Name of Plan Sponsor	(c) EIN/PN of plan named in (a)
ABC Widget Profit Sharing Plan	ABC Widget Company	12-3456789-001
ABC Widget Pension Plan	ABC Widget Company	12-3456789-002
ABC Sister Company Profit Sharing Plan	ABC Sister Company	12-3456799-001
ABC Sister Company Pension Plan	ABC Sister Company	12-3456799-002

A Schedule D filed for a GIA may be completed as above or as in the following example ▼

(a) Plan Name	(b) Name of Plan Sponsor	(c) EIN/PN of plan
	ABC Widget Company	12-3456789
	AAA Shoe Company	98-7654321
	XYZ Corporation	88-7712342

1999 – *ESOP Annual Information* Instructions for Schedule E (Form 5500)

General Instructions

Purpose of Form

Use this schedule to satisfy the requirements under Code section 6047(e) for an annual information return for an employee stock ownership plan (ESOP).

Who Must File

Every employer or plan administrator of a pension benefit plan that contains ESOP benefits must file a Schedule E (Form 5500).

How To File

File Schedule E (Form 5500) annually as an attachment to Form 5500 or 5500-EZ. If more than one securities acquisition loan (see specific instructions for lines 6 through 11) is outstanding, you must file one Schedule E (Form 5500) and an attachment for each additional securities acquisition loan. Each attachment must provide answers to questions 6 through 11, be in a similar format to, and on the same size paper as the Schedule E.

Check the Schedule E box on the Form 5500 (Part II, line 10a(4)) if a Schedule E is attached to the Form 5500.

Note: *The Small Business Job Protection Act repealed the partial interest exclusion of Code section 133 effective, in general, with respect to loans made after August 20, 1996. However, Schedule E (Form 5500) must be filed for securities acquisition loans made to ESOPs before August 21, 1996, loans made pursuant to a written binding contract in effect before June 10, 1996, and at all times thereafter before the loan was made, and certain loans made after August 20, 1996, to refinance a securities acquisition loan originally made on or before August 20, 1996.*

Specific Instructions

Lines A, B, C, and D. This information should be the same as reported in Part II of the Form 5500 to which this Schedule E is attached.

Line 3. If the schedule does not provide enough space, enter "ATTACHED" and provide the required formula as an attachment to Schedule E.

Lines 6 through 11. A "securities acquisition loan" is an exempt loan to an ESOP to the extent that the proceeds are used to acquire employer securities for the plan.

Line 6. A "back to back loan" is a securities acquisition loan from a lender to an employer corporation followed by a loan from the corporation to the ESOP maintained by the employer corporation. A "back to back loan" constitutes a "securities acquisition loan" under Code section 133 if the following requirements are satisfied:

1. The loan from the employer corporation to the ESOP qualifies as an exempt loan under Excise Tax Regulations sections 54.4975-7 and 54.4975-11;

2. The repayment terms of the loan from the corporation to the ESOP are "substantially similar" (as defined in Temporary Income Tax Regulations section 1.133-1T) to the repayment terms of the loan from the corporation to the lender; and

3. If the loan from the corporation to the ESOP provides for more rapid repayment of principal and interest, the allocations under the ESOP attributable to such repayments do not discriminate in favor of highly compensated employees (within the meaning of Code section 414(q)).

Line 7. An immediate allocation loan is any loan to an employer corporation to the extent that, within 30 days, employer securities are transferred to the ESOP maintained by the corporation in an amount equal to the proceeds of the loan and the securities are allocable to the accounts of plan participants within one year of the date of the loan. (See Code section 133(b)(1)(B).)

Line 8c. The transition rules of Act section 7301(f)(2) through (6) of the Omnibus Budget Reconciliation Act of 1989 (OBRA), P.L. 101-239, provide that the amendments made to Code section 133 by OBRA will not apply to certain loans that satisfy the requirements of those paragraphs. In general, the amendments made by OBRA will not apply to:

1. Loans made pursuant to a binding written commitment in effect on June 6, 1989, and at all times thereafter before the loan was made, or pursuant to a written binding contract (or tender offer registered with the Securities and Exchange Commission (SEC)) in effect on June 6, 1989, and at all times thereafter before such securities were acquired.

2. If subparagraph 1 does not apply, loans made pursuant to a binding written commitment in effect on July 10, 1989, and at all times thereafter before the loan was made, but only to the extent that the proceeds were used to acquire employer securities pursuant to a certain binding written contract (or tender offer registered with the SEC) in effect on July 10, 1989, and at all times thereafter before the securities are acquired.

3. Any loan made on or before July 10, 1992, pursuant to a written agreement entered into before July 10, 1989, if the agreement evidences the intent of the borrower to enter, on a periodic basis, into securities acquisition loans described in Code section 133(b)(1)(B) (as in effect before December 19, 1989). This rule applies only if one or more securities acquisition loans were made to the borrower on or before July 10, 1989.

See Act section 7301(f)(2) to determine the specific requirements of the transition rules described above. See Act section 7301(f)(3) through (6) for additional transition rules on refinancings, collective-bargaining agreements, filings with the United States, and the 30% test for certain loans.

Line 9. If the loan is a back to back loan or an immediate allocation loan, enter the amount of interest paid by the employer corporation to the lender(s) during the plan year.

Line 11b. The repeal of Code section 133 by Act section 1602 of SBJPA 1996 does not apply to a refinancing of an ESOP securities acquisition loan made after August 20, 1996 or pursuant to a binding contract in effect before June 10, 1996, if:

1. The refinancing loan meets the requirements of Code section 133 in effect on August 20, 1996,

2. The outstanding principal amount of the loan is not increased, and

3. The term of the original loan is not extended.

Line 15(d). In determining the dividend rate for a class of common stock, use the percentage of the average dividends paid on the class of common stock during the plan year over the average value of the class of common stock during the plan year.

In determining the dividend rate for a class of preferred stock, use the dividend rate stated in the terms of the stock, or if a dividend rate is not stated, use the percentage of the average dividends paid on the class of preferred stock during the plan year over the par value of the class of preferred stock.

1999 – *Fringe Benefit Plan Annual Information Return*
Instructions for Schedule F (Form 5500)

General Instructions

Purpose of Schedule

Schedule F must be attached to the Form 5500 filed for every fringe benefit plan required to file under Code section 6039D. This includes:

- A cafeteria plan described in Code section 125,
- An educational assistance program described in Code section 127, and
- An adoption assistance program described in Code section 137.

Note: *If an employer offers an adoption assistance program as a benefit under a cafeteria plan, file one Schedule F for the cafeteria plan. If one Schedule F is filed for both a Code section 125 plan and a Code section 137 plan, check both the 125 box and the 137 box. Do not file Schedule F for an educational assistance program that provides only job-related training, which is deductible as an ordinary and necessary business expense under Code section 162.*

Check the Schedule F box on the Form 5500 (Part II, line 10c if a Schedule F is attached to the Form 5500.

Specific Instructions

Lines A, B, C, and D. This information should be the same as reported in Part II of the Form 5500 to which this Schedule F is attached.

Fringe benefit plans filing only to satisfy the requirements of Code section 6039D(a) must complete the following items on Form 5500: Boxes A, B, D, and lines 1 through 5, 8c, and 10c. The completed Form 5500 and the attached Schedule F are filed as the plan's information return.

Line 4. For reporting purposes under Code section 6039D, the term "employees participating in the plan" means any employee who, for a plan year, has had at least $1 excluded from gross income by reason of Code section 125, 127, or 137.

Line 5. The total cost of the fringe benefit plan includes:

- For a Code section 125 cafeteria plan, the amount employees elect to have an employer contribute to provide for the benefits under the plan.
- Administrative expenses including any legal, accounting, or consulting fees attributable to the plan, whether paid directly by the employer or through the plan. Overhead expenses such as utilities and photocopying costs are not to be included for this reporting purpose.

Note: *For a Code section 125 cafeteria plan, enter the amount of the salary reductions and other employer contributions. Other employer contributions include nonelective contributions and flexible credits. Nonelective contributions and flexible credits are the employer's portion of the cost or premium contributed as employer-provided coverage under a cafeteria plan arrangement. Do not subtract benefits paid out from the plan and amounts forfeited.*

Line 6. Do not complete this line if the return/report is being filed for both a welfare benefit plan and a fringe benefit plan and both have terminated during this plan year and are filing a final return/report. Enter the termination information in Form 5500, Part I, line B(3) and lines 4k and 5a of the Schedule H or lines 4j and 5a of the Schedule I, as applicable.

1999 – *Financial Transaction Schedules* Instructions for Schedule G (Form 5500)

General Instructions

Who Must File

The Schedule G (Form 5500) must be attached to a Form 5500 filed for a plan, MTIA, 103-12 IE, or GIA to report loans or fixed income obligations in default or determined to be uncollectible as of the end of the plan year, leases in default or classified as uncollectible, and nonexempt transactions. See Schedule H (Form 5500) lines 4b, 4c, and/or 4d.

Check the Schedule G box on the Form 5500 (Part II, line 10b(6)) if a Schedule G is attached to the Form 5500. Multiple Schedule G pages must be attached to the Form 5500 if necessary to report the required information. You can get additional green ink copies by calling **1-800-TAX-FORM** (1-800-829-3676).

The Schedule G consists of three parts. Part I of the Schedule G reports any loans or fixed income obligations in default or determined to be uncollectible as of the end of the plan year. Part II of the Schedule G reports any leases in default or classified as uncollectible. Part III of the Schedule G reports nonexempt transactions.

Specific Instructions

Lines A, B, C, and D. This information should be the same as reported in Part II of the Form 5500 to which this Schedule G is attached.

Part I - LOANS OR FIXED INCOME OBLIGATIONS IN DEFAULT OR CLASSIFIED AS UNCOLLECTIBLE

List all loans by the plan or fixed income obligations in default or determined to be uncollectible as of the end of the plan year, or the fiscal year of the GIA, MTIA, or 103-12 IE. Include:

- Obligations where the required payments have not been made by the due date;
- Fixed income obligations that have matured, but have not been paid, for which it has been determined that payment will not be made; and
- Loans by the plan that were in default even if renegotiated later during the plan year.

Identify in (a) each obligator known to be a party-in-interest to the plan.

Provide, on a separate attachment, an explanation of what steps have been taken or will be taken to collect overdue amounts for each loan listed.

The due date, payment amount and conditions for determining default in the case of a note or loan are usually contained in the documents establishing the note or loan. A loan by the plan is in default when the borrower is unable to pay the obligation upon maturity. Obligations that require periodic repayment can default at any time. Generally loans and fixed income obligations are considered uncollectible when payment has not been made and there is little probability that payment will be made. A fixed income obligation has a fixed maturity date at a specified interest rate.

Do not report in Part I participant loans under an individual account plan with investment experience segregated for each account, that are made in accordance with 29 CFR 2550.408b-1, and that are secured solely by a portion of the participant's vested accrued benefit. Report all other participant loans in default or classified as uncollectible on Part I, and list each such loan individually.

Part II - LEASES IN DEFAULT OR CLASSIFIED AS UNCOLLECTIBLE

List any leases in default or classified as uncollectible. A lease is an agreement conveying the right to use property, plant or equipment for a stated period. A lease is in default when the required payment(s) has not been made. An uncollectible lease is one where the required payments have not been made and for which uncollectible lease is one where the required payments have not been made and for which there is little probability that payment will be made. Provide, on a separate attachment, an explanation of what steps have been taken or will be taken to collect overdue amounts for each lease listed.

Part III - NONEXEMPT TRANSACTIONS

All nonexempt party-in-interest transactions must be reported, regardless of whether disclosed in the accountant's report, unless the nonexempt transaction is:

1. Statutorily exempt under Part 4 of Title I of ERISA;

2. Administratively exempt under ERISA; section 408(a);

3. Exempt under Code sections 4975(c) or 4975(d);

4. The holding of participant contributions for a welfare plan that meets the conditions of ERISA Technical Release 92-01; or

5. A transaction of a 103-12 IE with parties other than the plan.

Nonexempt transactions with a party-in-interest include any direct or indirect:

A. Sale or exchange, or lease, of any property between the plan and a party-in-interest.

B. Lending of money or other extension of credit between the plan and a party-in-interest.

C. Furnishing of goods, services, or facilities between the plan and a party-in-interest.

D. Transfer to, or use by or for the benefit of, a party-in-interest, of any income or assets of the plan.

E. Acquisition, on behalf of the plan, of any employer security or employer real property in violation of Code section 407(a).

F. Dealing with the assets of the plan for a fiduciary's own interest or own account.

G. Acting in a fiduciary's individual or any other capacity in any transaction involving the plan on be half of a party (or represent a party) whose interests are adverse to the interests of the plan or the interests of its participants or beneficiaries.

H. Receipt of any consideration for his or her own personal account by a party-in-interest who is a fiduciary from any party dealing with the plan in connection with a transaction involving the income or assets of the plan.

Note: *Amounts paid by a participant or beneficiary to an employer and/or withheld by an employer for contribution to the plan are participant contributions that become plan assets as of the earliest date on which such contributions can reasonably be segregated from the employer's general assets (see 29 CFR 2510.3-102). An employer holding these assets after that date commingled with its general assets, will have engaged in a prohibited use of plan assets for purposes of the nonexempt transactions described above (see ERISA section 406). See above for reporting by welfare plans that meet the conditions of ERISA Technical Release 92-01.*

If you are unsure as to whether a transaction is exempt or not, you should consult with either the plan's independent qualified public accountant or legal counsel or both.

You may indicate that an application for an administrative exemption is pending.

If the plan is a qualified pension plan and a nonexempt prohibited transaction occurred with respect to a disqualified person, a **Form 5330,** Return of Excise Taxes Related to Employee Benefit Plans, should be filed with IRS to pay the excise tax on the transaction.

For purposes of this form, party-in-interest is deemed to include a disqualified person see Code section 4975(e)(2). The term "party-in-interest" means, as to an employee benefit plan:

A. Any fiduciary (including, but not limited to, any administrator, officer, trustee or custodian), counsel, or employee of the plan;

B. A person providing services to the plan;

C. An employer, any of whose employees are covered by the plan;

D. An employee organization, any of whose members are covered by the plan;

E. An owner, direct or indirect, of 50% or more of: **(1)** the combined voting power of all classes of stock entitled to vote, or the total value of shares of all classes of stock of a corporation, **(2)** the capital interest or the profits interest of a partnership, or **(3)** the beneficial interest of a trust or unincorporated enterprise that is an employer or an employee organization described in C or D;

F. A relative of any individual described in A , B, C, or E;

G. A corporation, partnership, or trust or estate of which (or in which) 50% or more of: **(1)** the combined voting power of all classes of stock of such corporation, **(2)** the capital interest or profits interest of such partnership, or **(3)** the beneficial interest of such trust or estate is owned directly or indirectly, or held by, persons described in A, B, C, D, or E;

H. An employee, officer, director (or an individual having powers or responsibilities similar to those of officers or directors), or a 10% or more shareholder, directly or indirectly, of a person described in B, C, D, E, or G, or of the employee benefit plan; or

I. A 10% or more (directly or indirectly in capital or profits) partner or joint venturer of a person described in B, C, D, E, or G.

1999 – *Financial Information*
Instructions for Schedule H (Form 5500)

General Instructions

Who Must File

The Schedule H (Form 5500) must be attached to a Form 5500 filed for a pension benefit plan or a welfare benefit plan that covered 100 or more participants as of the beginning of the plan year and a Form 5500 filed for a MTIA, CCT, PSA, 103-12 IE, or GIA. See the instructions to the Form 5500 for **Direct Filing Entity (DFE).**

Exceptions: **(1)** Insured, unfunded, or a combination of unfunded/insured welfare plans and fully insured pension plans that meet the requirements of 29 CFR 2520.104-44 are exempt from completing the Schedule H. **(2)** If a Form 5500-C/R was filed for the plan for the 1998 plan year and the plan covered fewer than 121 participants as of the beginning of the 1999 plan year, the Schedule I may be completed instead of a Schedule H. See page 6 of the Form 5500 instructions for **Lines and Schedules To Complete.**

Check the Schedule H box on the Form 5500 (Part II, line 10b(1)) if a Schedule H is attached to the Form 5500. Do not attach both a Schedule H and a Schedule I to the same Form 5500.

Specific Instructions

Lines A, B, C, and D. This information should be the same as reported in Part II of the Form 5500 to which this Schedule H is attached.

Note: *Do not mark through the printed line descriptions on the Schedule H and insert your own description as this may cause additional correspondence due to a computerized review of the Schedule H.*

The cash, modified cash, or accrual basis may be used for recognition of transactions in Parts I and II, as long as you use one method consistently. Round off all amounts reported on the Schedule H to the nearest dollar. Any other amounts are subject to rejection. Check all subtotals and totals carefully.

If the assets of two or more plans are maintained in a fund that is not a DFE, a registered investment company, or the general account of an insurance company under an unallocated contract, complete by entering the plan's allocable part of each line item in Parts I and II of the Schedule H. (See the instructions for lines 1c(9) through 1c(14), including the **1999 Transition Rule** for CCTs and PSAs.)

Exception: When completing the Schedule H for a plan or DFE that participates in a CCT or PSA for which a Form 5500 has not been filed, do not allocate the income of the CCT or PSA and expenses that were subtracted from the gross income of the CCT or PSA in determining their net investment gain (loss). Instead, enter the CCT or PSA net gain (loss) on line 2b(6) or (7) in accordance with the instructions for these lines.

If assets of one plan are maintained in two or more trust funds, report the combined financial information in Parts I and II.

Current value means fair market value where available. Otherwise, it means the fair value as determined in good faith under the terms of the plan by a trustee or a named fiduciary, assuming an orderly liquidation at time of the determination. See ERISA section 3(26).

Part I - ASSET AND LIABILITY STATEMENT

Columns (a) and (b). Enter the current value on each line as of the beginning and end of the plan year.

Note: *Amounts reported in column (a) must be the same as reported for the end of the plan year for corresponding line items on the 1998 return/report for the plan. Do not include contributions designated for the 1999 plan year in column (a).*

Line 1a. Total noninterest bearing cash includes, among other things, cash on hand or cash in a noninterest bearing checking account.

Line 1b(1). Noncash basis filers should include contributions due the plan by the employer but not yet paid. Do not include other amounts due from the employer such as the reimbursement of an expense or the repayment of a loan.

Line 1b(2). Noncash basis filers should include contributions withheld by the employer from participants and amounts due directly from participants that have not yet been received by the plan. Do not include the repayment of participant loans.

Line 1b(3). Noncash basis filers should include amounts due to the plan which are not includable in lines 1b(1) or 1b(2). These amounts may include investment income earned but not yet received by the plan and other amounts due to the plan such as amounts due from the employer or another plan for expense reimbursement or from a participant for the repayment of an overpayment of benefits.

Line 1c(1). Include all assets that earn interest in a financial institution account such as interest bearing checking accounts, passbook savings accounts, or in money market accounts.

Line 1c(2). Include securities issued or guaranteed by the U.S. Government or its designated agencies such as U.S. Savings Bonds, Treasury bonds, Treasury bills, FNMA, and GNMA.

Line 1c(3). Include investment securities (other than employer securities defined in 1d(1) below) issued by a corporate entity at a stated interest rate repayable on a particular future date such as most bonds, debentures, convertible debentures, commercial paper and zero coupon bonds. Do not include debt securities of governmental units that should be reported on line 1c(2) or 1c(15).

"Preferred" means any of the above securities that are publicly traded on a recognized securities exchange and the securities have a rating of "A" or above. If the securities are not "Preferred" they are listed as "Other."

Line 1c(4)(A). Include stock issued by corporations (other than employer securities defined in 1d(1) below) which is accompanied by preferential rights such as the right to share in distributions of earnings at a higher rate or which has general priority over the common stock of the same entity. Include the value of warrants convertible into preferred stock.

Line 1c(4)(B). Include any stock (other than employer securities defined in 1d(1) below) that represents regular ownership of the corporation and is not accompanied by preferential rights. Include the value of warrants convertible into common stock.

Line 1c(5). Include the value of the plan's participation in a partnership or joint venture if the underlying assets of the partnership or joint venture are not considered to be plan assets under 29 CFR 2510.3-101. Do not include the value of a plan's interest in a partnership or joint venture that is a 103-12 IE. Include the value of a 103-12 IE in 1c(12).

Line 1c(6). Include the current value of both income and non-income producing real property owned by the plan. Do not include the value of property that is employer real property or property used in plan operations which should be reported on lines 1d and 1e, respectively.

Line 1c(7). Enter the current value of all loans made by the plan, except participant loans reportable on line 1c(8). Include the sum of the value of loans for construction, securities loans, commercial and/or residential mortgage loans that are not subject to Code section 72(p) (either by making or participating in the loans directly or by purchasing loans originated by a third party), and other miscellaneous loans.

Line 1c(8). Enter the current value of all loans to participants including residential mortgage loans that are subject to Code section 72(p). Include the sum of the value of the unpaid principal balances, plus accrued but unpaid interest, if any, for participant loans made under an individual account plan with investment experience segregated for each account, that are made in accordance with 29 CFR 2550.408b-1 and secured solely by a portion of the participant's vested accrued benefit. When applicable, combine this amount with the current value of any other participant loans. Do not include in column (b) a participant loan that has been deemed distributed during the plan year or any prior plan year under the provisions of Code section 72(p) and proposed IRS regulation section 1.72(p)-1, if both of the following circumstances apply:

1. Under the plan, the participant loan is treated as a directed investment solely of the participant's individual account; and

2. As of the end of the plan year, the participant is not continuing repayment under the loan.

If the deemed distributed participant loan is included in column (a) and both of these circumstances apply, report the loan as a deemed distribution on line 2g. However, if either of these circumstances does not apply, the current value of the participant loan (including interest accruing thereon after the deemed distribution) should be included in column (b) without regard to the occurrence of a deemed distribution.

Note: *For a Form 5500 that is filed for any plan year after the 1999 plan year, the entry on line 1c(8), column (b), of Schedule H (participant loans - end of year) or on line 1a, column (b), of Schedule I (plan assets - end of year) must include the current value of any participant loan that was reported as a deemed distribution on line 2g for any earlier year if, the participant resumes repayment under the loan during the plan year. In addition, the amount to be entered on line 2g must be reduced by the amount of the participant loan that was reported as a deemed distribution on line 2g for the earlier year.*

After a participant loan that has been deemed distributed is reported on line 2g, it is no longer to be reported as an asset on Schedule H or Schedule I unless, in a later year, the participant resumes repayment under the loan. However, such a loan (including interest accruing thereon after the deemed distribution) that has not been repaid is still considered outstanding for purposes of applying Code section 72(p)(2)(A) to determine the maximum amount of subsequent loans. The loan is also considered outstanding for other purposes, such as the qualification requirements of Code section 401, including, for example, the determination of top-heavy status under Code section 416. See Q & As 12 and 19 of proposed IRS regulation section 1.72(p)-1.

Lines 1c(9), (10), (11), and (12). Enter the total current value of the plan's interest in DFEs on the appropriate lines as of the beginning and end of the plan year. The value of the plan's interest in each DFE at the end of the plan year must be reported on the Schedule D (Form 5500).

CAUTION *For plan and DFE years beginning on or after January 1, 2000, the plan's or DFE's interest in CCTs and PSAs for which a Form 5500 has not been filed may **not** be included on lines 1c(9) or 1c(10). The plan's or DFE's interest in the underlying assets of such CCTs and PSAs **must** be allocated and reported in the appropriate categories on a line-by-line basis on Part I of the Schedule H.*

1999 Transition Rule *- When completing the 1999 Schedule H for a plan or DFE that participates in a CCT or PSA for which a Form 5500 has not been filed, you may enter the current value of the plan's interest in all CCTs and PSAs on line 1c(9) or (10), as appropriate.*

Note: *For reporting purposes, a separate account that is not considered to be holding plan assets pursuant to 29 CFR 2510.3-101(h)(1)(iii) does not constitute a pooled separate account.*

Line 1c(14). Use the same method for determining the value of the insurance contracts reported here as you used for line 3 of Schedule A (Form 5500), or, if line 3 is not required, line 6.

Line 1c(15). Include all other investments not includable in lines 1c(1) through (14), such as options, index futures, repurchase agreements, state and municipal securities, collectibles, and other personal property.

Line 1d(1). An employer security is any security issued by an employer (including affiliates) of employees covered by the plan. These may include common stocks, preferred stocks, bonds, zero coupon bonds, debentures, convertible debentures, notes and commercial paper.

Line 1d(2). The term "employer real property" means real property (and related personal property) that is leased to an employer of employees covered by the plan, or to an affiliate of such employer. For purposes of determining the time at which a plan acquires employer real property for purposes of this line, such property shall be deemed to be acquired by the plan on the date on which the plan acquires the property or on the date on which the lease to the employer (or affiliate) is entered into, whichever is later.

Line 1e. Include the current (not book) value of the buildings and other property used in the operation of the plan. Buildings or other property held as plan investments should be reported in 1c(6) and 1d(2).

Do not include the value of future pension payments on lines 1g, h, i, j or k.

Line 1g. Noncash basis plans should include the total amount of benefit claims that have been processed and approved for payment by the plan. Welfare plans should also include "incurred but not reported" benefit claims.

Line 1h. Noncash basis plans should include the total amount of obligations owed by the plan which were incurred in the normal operations of the plan and have been approved for payment by the plan but have not been paid.

Line 1i. "Acquisition indebtedness", for debt-financed property other than real property, means the outstanding amount of the principal debt incurred:

1. By the organization in acquiring or improving the property;

2. Before the acquisition or improvement of the property if the debt was incurred only to acquire or improve the property; or

3. After the acquisition or improvement of the property if the debt was incurred only to acquire or improve the property and was reasonably foreseeable at the time of such acquisition or improvement. For further explanation, see Code section 514(c).

Line 1j. Noncash basis plans should include amounts owed for any liabilities that would not be classified as benefit claims payable, operating payables, or acquisition indebtedness.

Line 1l. The entry in column (b) must equal the sum of the entry in column (a) plus lines 2k, 2l(1), and 2l(2).

Part II - INCOME AND EXPENSE STATEMENT

Line 2a. Include the total cash contributions received and/or (for accrual basis plans) due to be received.

Note: *Plans using the accrual basis of accounting should not include contributions designated for years before the 1999 plan year on line 2a.*

Line 2a(1)(B). For welfare plans, report all employee contributions, including all elective contributions under a cafeteria plan (Code section 125). For pension plans, participant contributions, for purposes of this item, also include elective contributions under a qualified cash or deferred arrangement (Code section 401(k)).

Line 2a(2). Use the current value, at date contributed, of securities or other noncash property.

Line 2b(1)(A). Enter interest earned on interest-bearing cash, including earnings from sweep accounts, STIF accounts, money market accounts, certificates of deposit, etc. This is the interest earned on the investments that are reported on line 1c(1).

Line 2b(1)(B). Enter interest earned on U.S. Government Securities. This is the interest earned on the investments that are reported on line 1c(2).

Line 2b(1)(C). Generally, this is the interest earned on securities that are reported on lines 1(c)(3)(A) and (B) and 1d(1).

Line 2b(2). Generally, the dividends are for investments reported on line 1c(4)(A) and (B) and 1d(1). For accrual basis plans, include any dividends declared for stock held on the date of record, but not yet received as of the end of the plan year.

Line 2b(3). Generally, rents represent the income earned on the real property that is reported in items 1c(6) and 1d(2). Rents should be entered as a "Net" figure. Net rents are determined by taking the total rent received and subtracting all expenses directly associated with the property. If the real property is jointly used as income producing property and for the operation of the plan, that portion of the expenses attributable to the income producing portion of the property should be netted against the total rents received.

Line 2b(4). Enter in column (b), the total of net gain (loss) on sale of assets. This equals the sum of the net realized gain (or loss) on each asset held at the beginning of the plan year which was sold or exchanged during the plan year, and on each asset that was both acquired and disposed of within the plan year.

Note: *As current value reporting is required for the Form 5500, assets are revalued to current value at the end of the plan year. For purposes of this form, the increase or decrease in the value of assets since the beginning of the plan year (if held on the first day of the plan year) or their acquisition date (if purchased during the plan year) is reported in line 2b(5) below, with two exceptions: **(1)** the realized gain (or loss) on each asset that was disposed of during the plan year is reported in 2b(4) (NOT on line 2b(5)), and **(2)** the net investment gain (or loss) from CCTs, PSAs, MTIAs, 103-12 IEs, and registered investment companies is reported in lines 2b(6) through (10).*

The sum of the realized gain (or loss) of assets sold or exchanged during the plan year is to be calculated as follows:

1. Enter in 2b(4)(A), column (a), the sum of the amount received for these former assets;

2. Enter in 2b(4)(B), column (a), the sum of the current value of these former assets as of the beginning of the plan year and the purchase price for assets both acquired and disposed of during the plan year; and

3. Enter in 2b(4)(C), column (b), the result obtained when 2b(4)(B) is subtracted from 2b(4)(A). If entering a negative number, enter a minus sign "–" to the left of the number.

Note: *Bond write-offs should be reported as realized losses.*

Line 2b(5). Subtract the current value of assets at the beginning of the year plus the cost of any assets acquired during the plan year from the current value of assets at the end of the year to obtain this figure. If entering a negative number, enter a minus sign "–" to the left of the number. Do not include the value of assets reportable in lines 2b(4) and 2b(6) through 2b(10).

Lines 2b(6), (7), (8), and (9). Report all earnings, expenses, gains or losses, and unrealized appreciation or depreciation that were included in computing the net investment gain (or loss) from all CCTs, PSAs, MTIAs, and 103-12 IEs here. If some plan funds are held in any of these entities and other plan funds are held in other funding media, complete all applicable subitems of line 2 to report plan earnings and expenses relating to the other funding media. The net investment gain (or loss) allocated to the plan for the plan year from the plan's investment in these entities is equal to:

1. The sum of the current value of the plan's interest in each entity at the end of the plan year,

2. Minus the current value of the plan's interest in each entity at the beginning of the plan year,

3. Plus any amounts transferred out of each entity by the plan during the plan year, and

4. Minus any amounts transferred into each entity by the plan during the plan year.

Enter the net gain as a positive number or the net loss as a negative number.

Note: *Enter the combined net investment gain or loss from all CCTs and PSAs, regardless of whether a DFE Form 5500 was filed for the CCTs and PSAs.*

Line 2b(10). Enter net investment gain (loss) from registered investment companies here. Compute in the same manner as discussed above for lines 2b(6) through (9).

Line 2c. Include all other plan income earned that is not included in 2a or 2b. Do not include transfers from other plans that should be reported in line 2l.

Line 2e(1). Include the current value of all cash, securities, or other property at the date of distribution. Include all eligible rollover distributions as defined in Code section 401(a)(31)(C) that have been paid at the participant's election to an eligible retirement plan (including an IRA within the meaning of section 401(a)(31)(D)).

Line 2e(2). Include payments to insurance companies and similar organizations such as Blue Cross, Blue Shield, and health maintenance organizations for the provision of plan benefits (e.g., paid-up annuities, accident insurance, health insurance, vision care, dental coverage, stop-loss insurance whose claims are paid to the plan (or which is otherwise an asset of the plan)), etc.

Line 2e(3). Include all payments made to other organizations or individuals providing benefits. Generally, these are individual providers of welfare benefits such as legal services, day care services, training and apprenticeship services.

Line 2f. Include on this line all distributions paid during the plan year of excess deferrals under Code section 402(g)(2)(A)(ii), excess contributions under section 401(k)(8), and excess aggregate contributions under section 401(m)(6). Include allocable income distributed. Also include on this line any elective deferrals and employee contributions that were distributed or returned to employees during the plan year in accordance with section 1.415-6(b)(6)(iv) of the Income Tax Regulations, as well as any attributable gains that were also distributed.

Line 2g. Report on line 2g a participant loan that is included in line 1c(8), column (a) (participant loans - beginning of year) and that has been deemed distributed during the plan year or any prior plan year under the provisions of Code section 72(p) and proposed IRS regulation section 1.72(p)-1 only if both of the following circumstances apply:

1. Under the plan, the participant loan is treated as a directed investment solely of the participant's individual account; and

2. As of the end of the plan year, the participant is not continuing repayment under the loan.

If either of these circumstances does not apply, a deemed distribution of a participant loan should not be reported on line 2g. Instead, the current value of the participant loan (including interest accruing thereon after the deemed distribution) should be included on line 1c(8), column (b) (participant loans - end of year), without regard to the occurrence of a deemed distribution.

Note: *For a Form 5500 that is filed for any plan year after the 1999 plan year, the amount to be reported on line 2g of Schedule H or Schedule I must be reduced if, during the plan year, a participant resumes repayment under a participant loan that was reported as a deemed distribution on line 2g for any earlier year. The amount of the required reduction is the amount of the participant loan that was reported as a deemed distribution on line 2g for the earlier year. If entering a negative number, enter a minus sign "–" to the left of the number. The current value of the participant loan must then be included in line 1c(8), column (b), of Schedule H (participant loans - end of year) or in line 1a, column (b), of Schedule I (plan assets - end of year).*

Although certain participant loans that are deemed distributed are to be reported on line 2g of the Schedule H or Schedule I, and are not to be reported on the Schedule H or Schedule I as an asset thereafter (unless the participant resumes repayment under the loan in a later year), they are still considered outstanding loans and are not treated as actual distributions for certain purposes. See Q&As 12 and 19 of proposed IRS regulation section 1.72(p)-1.

Line 2h. Interest expense is a monetary charge for the use of money borrowed by the plan. This amount should include the total of interest paid or to be paid (for accrual basis plans) during the plan year.

Line 2i. Report all administrative expenses (by specified category) paid by or charged to the plan, including those that were not subtracted from the gross income of CCTs, PSAs, MTIAs, and 103-12 IEs in determining their net investment gain(s) or loss(es). Expenses incurred in the general operations of the plan are classified as administrative expenses.

Line 2i(1). Include the total fees paid (or in the case of accrual basis plans costs incurred during the plan year but not paid as of the end of the plan year) by the plan for outside accounting, actuarial, legal, and valuation/appraisal services. Include fees for the annual audit of the plan by an independent qualified public accountant; for payroll audits; for accounting/bookkeeping services; for actuarial services rendered to the plan, and to a lawyer for rendering legal opinions, litigation, and advice (but not for providing legal services as a benefit to plan participants).

Include the fee(s) for valuations or appraisals to determine the cost, quality, or value of an item such as real property, personal property (gemstones, coins, etc.), and for valuations of closely held securities for which there is no ready market. Do not include amounts paid to plan employees to perform bookkeeping/accounting functions which should be included in 2i(4).

Line 2i(2). Enter the total fees paid (or in the case of accrual basis plans, costs incurred during the plan year but not paid as of the end of the plan year) to a contract administrator for performing administrative services for the plan. For purposes of the return/report, a contract administrator is any individual, partnership or corporation, responsible for managing the clerical operations (e.g., handling membership rosters, claims payments, maintaining books and records) of the plan on a contractual basis. Do not include salaried staff or employees of the plan or banks or insurance carriers.

Line 2i(3). Enter the total fees paid (or in the case of accrual basis plans, costs incurred during the plan year but not paid as of the end of the plan year) to an individual, partnership or corporation (or other person) for advice to the plan relating to its investment portfolio. These may include fees paid to manage the plan's investments, fees for specific advice on a particular investment, and fees for the evaluation of the plan's investment performance.

Line 2i(4). Other expenses are those that cannot be included in 2i(1) through 2i(3). These may include plan expenditures such as salaries and other compensation and allowances (e.g., payment of premiums to provide health insurance benefits to plan employees), expenses for office supplies and equipment, cars, telephone, postage, rent, expenses associated with the ownership of a building used in the operation of the plan, all miscellaneous expenses and trustees' fees and reimbursement of expenses associated with trustees such as lost time, seminars, travel, meetings, etc.

Line 2l. Include in these reconciliation figures the value of all transfers of assets or liabilities into or out of the plan resulting from, among other things, mergers and consolidations. A transfer of assets or liabilities occurs when there is a reduction of assets or liabilities with respect to one plan and the receipt of these assets or the assumption of these liabilities by another plan. A transfer is not a shifting of one plan's assets or liabilities from one investment to another. A transfer is not a distribution of all or part of an individual participant's account balance that is reportable on Form 1099-R (see the instructions for line 2e). Transfers out at the end of the year should be reported as occurring during the plan year.

Note: *If this Schedule H is filed for a DFE, report the value of all asset transfers to the DFE, including those resulting from contributions to participating plans on line 2l(1), and report the total value of all assets transferred out of the DFE, including assets withdrawn for disbursement as benefit payments by participating plans, on line 2l(2). Contributions and benefit payments are considered to be made to/by the plan (not to/by a DFE).*

Part III - ACCOUNTANT'S OPINION

Line 3. The administrator of an employee benefit plan who files a Schedule H (Form 5500) generally must engage an independent qualified public accountant pursuant to ERISA 103(a)(3)(A) and 29 CFR 2520.103-1(b). This requirement also applies to a Form 5500 filed for a 103-12 IE and for a GIA (see 29 CFR 2520.103-12 and 29 CFR 2520.103-2). The accountant's report must be attached to the Form 5500 when a Schedule H (Form 5500) is attached unless line 3b(1) or 3b(2) on the Schedule H is checked.

29 CFR 2520.103-1(b) requires that any separate financial statements prepared in order for the independent qualified public accountant to form the opinion and notes to these financial statements must be attached to the Form 5500. Any separate statements must include the information required to be disclosed in Parts I and II of the Schedule H; however, they may be aggregated into categories in a manner other than that used on the Schedule H. The separate statements should be either typewritten or printed and consist of reproductions of Parts I and II or statements incorporating by references Parts I and II. See ERISA section 103(a)(3)(A), and the DOL regulations 29 CFR 2520.103-1(a)(2) and (b), 2520.103-2, and 2520.104-50.

If the required accountant's report is not attached to the Form 5500, the filing is subject to rejection as incomplete and penalties may be assessed.

CAUTION *Plans that are NOT unfunded include those plans that received employee (or former employee) contributions during the plan year and/or used a trust or separately maintained fund (including a Code section 501(c)(9) trust) to hold plan assets or act as a conduit for the transfer of plan assets during the plan year. See page 6 of the Form 5500 instructions under **Lines and Schedules To Complete.***

Lines 3a(1) through 3a(4). These boxes identify the type of opinion offered by the accountant. Enter the name and EIN of the accountant (or accounting firm) in the space provided on line 3d.

Line 3a(1). Check if an unqualified opinion was issued. Generally, an unqualified opinion is issued when the independent qualified public accountant concludes that the plan's financial statements present fairly, in all material respects, the financial status of the plan as of the end of the period audited and the changes in its financial status for the period under audit in conformity with generally accepted accounting principles.

Line 3a(2). Check if a qualified opinion was issued. Generally a qualified opinion is issued by an independent qualified public accountant when the plan's financial statements present fairly, in all material respects, the financial status of the plan as of the end of the audit period and the changes in its financial status for the period under audit in conformity with generally accepted accounting principles, except for the effects of one or more matters that are described in the opinion.

Line 3a(3). Check if a disclaimer of opinion was issued. A disclaimer of opinion is issued when the independent qualified public accountant does not express an opinion on the financial statements because he or she has not performed an audit sufficient in scope to enable him or her to form an opinion on the financial statements.

Line 3a(4). Check if the plan received an adverse accountant's opinion. Generally an adverse opinion is issued by an independent qualified public accountant when the plan's financial statements do not present fairly, in all material respects, the financial status of the plan as of the end of the audit period and the changes in its financial status for the period under audit in conformity with generally accepted accounting principles.

Line 3b(1). Check this box only if the Schedule H is being filed for a CCT, PSA, or MTIA.

Line 3b(2). Check this box if the plan has elected to defer attaching the accountant's opinion for the first of 2 consecutive plan years, one of which is a short plan year of 7 months or less. The Form 5500 for the first of the 2 years must be complete and accurate, with all attachments except for the accountant's report; and the Form 5500 for the second year must include: **(a)** financial schedules and statements for both plan years; **(b)** a report of an independent qualified public accountant with respect to the financial schedules and statements for each of the 2 plan years (regardless of the number of participants covered at the beginning of each plan year); and **(c)** a statement identifying any material differences between the unaudited financial information submitted with the first Form 5500 and the audited financial information submitted with the second Form 5500. See 29 CFR 2520.104-50.

Note: *Do not check the box on line 3a(2) if the Form 5500 is filed for a 103-12 IE or a GIA. A deferral of the accountant's opinion is not permitted for a 103-12 IE or a GIA. If an E or G is entered on Form 5500, Part I, line A(4), an accountant's opinion must be attached to the Form 5500 and the type of opinion must be reported on Schedule H line 3a.*

Line 3c. Check this box only if the scope of the plan's audit was limited pursuant to DOL regulations 29 CFR 2520.103-8 and 2520.103-12(d) because the examination and report of an independent qualified accountant did not extend to: **(a)** information prepared and certified to by a bank or similar institution or by an insurance carrier which is regulated and supervised and subject to periodic examination by a state or Federal agency, or **(b)** information included with the Form 5500 filed for a 103-12 IE. See 29 CFR 2520.103-8 and 2520.103-12(d).

Note: *These regulations do not exempt the plan administrator from engaging an accountant or from attaching the accountant's report to the Form 5500.*

Part IV - TRANSACTIONS DURING PLAN YEAR

Plans with assets held in a CCT, PSA, MTIA, or 103-12 IE should complete Part IV and report their investment in these entities, but not the investments made by these entities. Plans with all of their funds held in a master trust should check "No" on Schedule H, lines 4b, c, i , and j. CCTs and PSAs filing as DFEs are not required to complete Part IV, or any schedules required by Part IV.

Line 4a. Amounts paid by a participant or beneficiary to an employer and/or withheld by an employer for contribution to the plan are participant contributions that become plan assets as of the earliest date on which such contributions can reasonably be segregated from the employer's general assets (see 29 CFR 2510.3-102). An employer holding these assets after that date commingled with its general assets will have engaged in a prohibited use of plan assets (see ERISA section 406). If such a nonexempt prohibited transaction occurred with respect to a disqualified person (see Code section 4975(e)(2)), file Form 5330 with the IRS to pay any applicable excise tax on the transaction. If no participant contributions were received or withheld by the employer during the plan year, answer "No."

Line 4b. Plans that check "Yes" must enter the amount and complete Part I of Schedule G. The due date, payment amount and conditions for determining default in the case of a note or loan are usually contained in the documents establishing the note or loan. A loan by the plan is in default when the borrower is unable to pay the obligation upon maturity. Obligations that require periodic repayment can default at any time. Generally loans and fixed income obligations are considered uncollectible when payment has not been made and there is little probability that payment will be made. A fixed income obligation has a fixed maturity date at a specified interest rate. Do not include participant loans made under an individual account plan with investment experience segregated for each account that were made in accordance with 29 CFR 2550.408b-1 and secured solely by a portion of the participant's vested accrued benefit.

Line 4c. Plans that check "Yes" must enter the amount and complete Part II of Schedule G. A lease is an agreement conveying the right to use property, plant or equipment for a stated period. A lease is in default when the required payment(s) has not been made. An uncollectible lease is one where the required payments have not been made and for which there is little probability that payment will be made.

Line 4d. Plans that check "Yes" must enter the amount and complete Part III of Schedule G. Check "Yes" if any nonexempt transaction with a party-in-interest occurred regardless of whether the transaction is disclosed in the accountant's report, unless the transaction is: **(1)** statutorily exempt under Part 4 of Title I of ERISA; **(2)** administratively exempt under ERISA section 408(a) or exempt under Code sections 4975(c) and 4975(d); **(3)** a transaction of a 103-12 IE with parties other than the plan; or **(4)** the holding of participant contributions in the employer's general assets for a welfare plan that meets the conditions of ERISA Technical Release 92-01.

Note: *See the instructions for Part III of the Schedule G (Form 5500) concerning non-exempt transactions and party-in-interest.*

You may indicate that an application for an administrative exemption is pending. If you are unsure as to whether a transaction is exempt or not, you should consult with either the plan's independent qualified public accountant or legal counsel or both.

Line 4e. Plans that check "Yes" must enter the aggregate amount of coverage for all claims. Check "Yes" only if the plan itself (as opposed to the plan sponsor or administrator) is a named insured under a fidelity bond covering plan officials and if the plan is protected as described in 29 CFR 2580.412-18.

Generally, every plan official of an employee benefit plan who "handles" funds or other property of such plan must be bonded. Generally, a person shall be deemed to be "handling" funds or other property of a plan, so as to require bonding, whenever his or her other duties or activities with respect to given funds are such that there is a risk that such funds could be lost in the event of fraud or dishonesty on the part of such person, acting either alone or in collusion with others. Section 412 of ERISA and DOL regulations 29 CFR 2580 provide the bonding requirements, including the definition of "handling" (29 CFR 2580.412-6), the permissible forms of bonds (29 CFR 2580.412-10), the amount of the bond (29 CFR 2580, subpart C), and certain exemptions such as the exemption for unfunded plans, certain banks and insurance companies (ERISA section 412), and the exemption allowing plan officials to purchase bonds from surety companies authorized by the Secretary of the Treasury as acceptable reinsurers on Federal bonds (29 CFR 2580.412-23).

Note: *Plans are permitted under certain conditions to purchase fiduciary liability insurance. These policies do not protect the plan from dishonest acts and are not bonds which should be reported in line 4e.*

Line 4f. Check "Yes," if the plan had suffered or discovered any loss as a result of any dishonest or fraudulent act(s) even if the loss was reimbursed by the plan's fidelity bond or from any other source. If "Yes" is checked enter the full amount of the loss. If the full amount of the loss has not yet been determined, provide and disclose that the figure is an estimate, such as "@ $1000."

Note: *Willful failure to report is a criminal offense. See ERISA section 501.*

Lines 4g and 4h. *Current value* means fair market value where available. Otherwise, it means the fair value as determined in good faith under the terms of the plan by a trustee or a named fiduciary, assuming an orderly liquidation at time of the determination. See ERISA section 3(26).

An accurate assessment of fair market value is essential to a pension plan's ability to comply with the requirements set forth in the Code (e.g., the exclusive benefit rule of Code section 401(a)(2), the limitations on benefits and contributions under Code section 415, and the minimum funding requirements under Code section 412) and must be determined annually.

Examples of assets that may not have a readily determinable value on an established market (e.g., NYSE, AMEX, over the counter, etc.) include real estate, nonpublicly traded securities, shares in a limited partnership, and collectibles. Do not check "Yes" on line 4g if the plan is a defined contribution plan and the only assets the plan holds, that do not have a readily determinable value on an established market, are: **(1)** participant loans not in default, or **(2)** assets over which the participant exercises control within the meaning of section 404(c) of ERISA.

Although the current value of plan assets must be determined each year, there is no requirement that the assets (other than certain nonpublicly traded employer securities held in ESOPs) be valued every year by independent third-party appraisers.

Enter in the amount column the fair market value of the assets referred to on line 4g whose value was not readily determinable on an established market and which were not valued by an independent third-party appraiser in the plan year. Generally, as it relates to these questions, an appraisal by an independent third party is an evaluation of the value of an asset prepared by an individual or firm who knows how to judge the value of such assets and does not have an ongoing relationship with the plan or plan fiduciaries except for preparing the appraisals.

Line 4i. Check "Yes" if the plan had any assets held for investment purposes, and attach a schedule of assets held for investment purposes at end of year, a schedule of assets held for investment purposes that were both acquired and disposed of within the plan year, or both, as applicable. The schedules must use the format set forth below or a similar format and the same size paper as the Form 5500. See 29 CFR 2520.103-11.

Assets held for investment purposes shall include:

- Any investment asset held by the plan on the last day of the plan year; and

The following schedule must be clearly labeled **"Schedule of Assets Held for Investment Purposes At End of Year."**

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value	(d) Cost	(e) Current value

• Any investment asset purchased during the plan year and sold before the end of the plan year except:

1. Debt obligations of the U.S. or any U.S. agency.

2. Interests issued by a company registered under the Investment Company Act of 1940 (e.g., a mutual fund).

3. Bank certificates of deposit with a maturity of one year or less.

4. Commercial paper with a maturity of 9 months or less if it is valued in the highest rating category by at least two nationally recognized statistical rating services and is issued by a company required to file reports with the Securities and Exchange Commission under section 13 of the Securities Exchange Act of 1934.

5. Participations in a bank common or collective trust.

6. Participations in an insurance company pooled separate account.

7. Securities purchased from a broker-dealer registered under the Securities Exchange Act of 1934 and either: (1) listed on a national securities exchange and registered under section 6 of the Securities Exchange Act of 1934, or (2) quoted on NASDAQ.

Assets held for investment purposes shall not include any investment that was not held by the plan on the last day of the plan year if that investment is reported in the annual report for that plan year in any of the following:

1. The schedule of loans or fixed income obligations in default required by Schedule G, Part I;

2. The schedule of leases in default or classified as uncollectible required by Schedule G, Part II;

3. The schedule of non-exempt transactions required by Schedule G, Part III; and

4. The schedule of reportable transactions required by Schedule H, line 4j.

The first schedule required to be attached to the Form 5500 is a schedule of all assets held for investment purposes at the end of the plan year, aggregated and identified by issue, maturity date, rate of interest, collateral, par or maturity value, cost and current value, and, in the case of a loan, the payment schedule. The schedule must use the format shown above (or similar format) and the same size paper as the Form 5500. The schedule must be clearly labeled **"Schedule of Assets Held for Investment Purposes At End of Year."**

Note: *In column (a), place an asterisk (*) on the line of each identified person known to be a party-in-interest to the plan. In column (c), include any restriction on transferability of corporate securities. (Include lending of securities permitted under Prohibited Transactions Exemption 81-6.)*

Special rule for the following two schedules of assets for certain participant-directed transactions. *Column (d) cost information may be omitted when reporting transactions of an individual account plan that a participant or beneficiary directed with respect to assets allocated to his or her account (including a negative election authorized under the terms of the plan).*

The second schedule required to be attached to the Form 5500 is a schedule of investment assets that were both acquired and disposed of within the plan year. This schedule must be clearly labeled **"Schedule of Investment Assets Both Acquired and Disposed of Within the Plan Year."**

Note: *Participant loans under an individual account plan with investment experience segregated for each account, that are made in accordance with 29 CFR 2550.408b-1 and that are secured solely by a portion of the participant's vested accrued benefit, may be aggregated for reporting purposes in item 4i. Under identity of borrower enter "Participant loans," under rate of interest enter the lowest rate and the highest rate charged during the plan year (e.g., 8%-10%), under the cost and proceeds columns enter zero, and under current value enter the total amount of these loans.*

Line 4j. Check "Yes" and attach to the Form 5500 the following schedule if the plan had any reportable transactions (see 29 CFR 2520.103-6 and the examples provided in the regulation). The schedule must use the format set forth below or a similar format and the same size paper as the Form 5500. See 29 CFR 2520.103-11.

A *reportable transaction* includes:

1. A single transaction within the plan year in excess of 5% of the current value of the plan assets;

2. Any series of transactions with or in conjunction with the same person, involving other property other than securities, which amount in the aggregate within the plan year (regardless of the category of asset and the gain or loss on any transaction) to more than 5% of the current value of plan assets;

3. Any transaction within the plan year involving securities of the same issue if within the plan year any series of transactions with respect to such securities amount in the aggregate to more than 5% of the current value of the plan assets; and

4. Any transaction within the plan year with respect to securities with, or in conjunction with, a person if any prior or subsequent single transaction within the plan year with such person, with respect to securities, exceeds 5% of the current value of plan assets.

The 5% figure is determined by comparing the current value of the transaction at the transaction date with the current value of the plan assets at the beginning of the plan year.

If the assets of two or more plans are maintained in one trust, the plan's allocable portion of the transactions of the trust shall be combined with the other transactions of the plan, if any, to determine which transactions (or series of transactions) are reportable (5%) transactions.

This does not apply to investments in common/collective trusts, pooled separate accounts, master trust investment accounts, 103-12 IEs and registered investment companies, whose current value was reported in lines 1c(9) through 1c(13). Instead, for investments in these entities, determine the 5% figure by the comparing the transaction date value of the acquisition and/or disposition of units of participation or shares in the entity with the current value of the plan assets at the beginning of the plan year. If the Schedule H is attached to a

The following schedule must be clearly labeled **"Schedule of Investment Assets Both Acquired and Disposed of Within the Plan Year."**

(a) Identity of issue, borrower, lessor, or similar party	(b) Description of investment including maturity date, rate of interest, collateral, par, or maturity value	(c) Costs of acquisitions	(d) Proceeds of dispositions

The schedule must be clearly labeled **"Schedule of Reportable Transactions."**

(a) Identity of party involved	(b) Description of asset (include interest rate and maturity in case of a loan)	(c) Purchase price	(d) Selling price	(e) Lease rental	(f) Expense incurred with transaction	(g) Cost of asset	(h) Current value of asset on transaction date	(i) Net gain or (loss)

Form 5500 filed for a plan with all plan funds held in a master trust, check "No" on line 4j. Plans with assets in a master trust which have other transactions should determine the 5% figure by subtracting the current value of plan assets held in the master trust from the current value of all plan assets at the beginning of the plan year and check "Yes" or "No," as appropriate. Do not include individual transactions of investment arrangements reported in items 1c(9) through 1c(13).

In the case of a purchase or sale of a security on the market, do not identify the person from whom purchased or to whom sold.

Special rule for certain participant-directed transactions. *Transactions under an individual account plan that a participant or beneficiary directed with respect to assets allocated to his or her account (including a negative election authorized under the terms of the plan) should not be taken into account for purposes of preparing the Schedule of Reportable Transactions. The current value of all assets of the plan, including these transactions, should be included in determining the 5% figure for all other transactions.*

The schedule must be clearly labeled **"Schedule of Reportable Transactions."**

Line 4k. Check "Yes" if all the plan assets (including insurance/annuity contracts) were distributed to the participants and beneficiaries, legally transferred to the control of another plan, or brought under the control of the PBGC.

Check "No" for a welfare benefit plan that is still liable to pay benefits for claims that were incurred prior to the termination date, but not yet paid. See 29 CFR 2520.104b-2(g)(2)(ii).

Note: *If "Yes" was checked on line 4k because all plan assets were distributed to participants and/or beneficiaries, you are encouraged to complete Schedule SSA (Form 5500), listing each participant reported on a previous Schedule SSA (Form 5500) who has received all of his/her plan benefits, and therefore, is no longer entitled to receive deferred vested benefits. This will ensure that SSA's records are correct, and help eliminate confusion for participants and plan administrators in the future. See the instructions to the Schedule SSA (Form 5500) for greater detail.*

Line 5a. Check "Yes" if a resolution to terminate the plan was adopted during this or any prior plan year, unless the termination was revoked and no assets reverted to the employer. If "Yes" is checked, enter the amount of plan assets that reverted to the employer during the plan year in connection with the implementation of such termination. Enter "-0-" if no reversion occurred during the current plan year.

Caution: *A Form 5500 must be filed for each year the plan has assets, and, in the case of a welfare benefit plan, if the plan is still liable to pay benefits for claims that were incurred prior to the termination date, but not yet paid. See 29 CFR 2520.104b-2(g)(2)(ii).*

Line 5b. Enter information concerning assets and/or liabilities transferred from this plan to another plan(s) (including spin-offs) during the plan year. A transfer of assets or liabilities occurs when there is a reduction of assets or liabilities with respect to one plan and the receipt of these assets or the assumption of these liabilities by another plan. Enter the name, PN, and EIN of the other plan(s) involved on lines 5b(1), (2) and (3).

Note: *A distribution of all or part of an individual participant's account balance that is reportable on* ***Form 1099-R*** *should not be included on line 5b.*

Caution: ***Form 5310-A****, Notice of Merger or Consolidation, Spinoff, or Transfer of Plan Assets or Liabilities; Notice of Qualified Separate Lines of Business, must be filed at least 30 days before any plan merger or consolidation or any transfer of plan assets or liabilities to another plan. There is a penalty for not filing Form 5310-A on time. In addition, a transfer of benefit liabilities involving a plan covered by PBGC insurance may be reportable to the PBGC (see PBGC Form 10 and Form 10-Advance).*

1999 – *Financial Information – Small Plan* Instructions for Schedule I (Form 5500)

General Instructions

Who Must File

The Schedule I (Form 5500) must be attached to a Form 5500 filed for pension benefit plans and welfare benefit plans that covered fewer than 100 participants as of the beginning of the plan year.

Exception: If a Form 5500-C/R was filed for the plan for the 1998 plan year **and** the plan covered fewer than 121 participants as of the beginning of the 1999 plan year, the Schedule I may be completed instead of a Schedule H.

Note: *Certain insured, unfunded or combination unfunded/insured welfare plans are exempt from filing the Form 5500 and the Schedule I. In addition, certain fully insured pension plans are exempt from completing the Schedule I. See the Form 5500 instructions for* ***Pension and Welfare Plans Excluded From Filing*** *on page 3 and* ***Limited Pension Plan Reporting*** *on page 7 for more information.*

Check the Schedule I box on the Form 5500 (Part II, line 10b(2)) if a Schedule I is attached to the Form 5500. Do not attach both a Schedule I and a Schedule H to the same Form 5500.

Specific Instructions

Lines A, B, C, and D. This information should be the same as reported in Part II of the Form 5500 to which this Schedule I is attached.

Note: *Do not mark through the printed line descriptions on the Schedule I and insert your own description as this may cause additional correspondence due to a computerized review of the Schedule I.*

Use either the cash, modified cash, or accrual basis for recognition of transactions, as long as you use one method consistently. Round off all amounts reported on the Schedule I to the nearest dollar. Any other amounts are subject to rejection. Check all subtotals and totals carefully.

If the assets of two or more plans are maintained in one fund, such as when an employer has two plans that are funded through a single trust (except a DFE), complete Parts I and II by entering the plan's allocable part of each line item.

If assets of one plan are maintained in two or more trust funds, report the combined financial information in Part I.

Current value means fair market value where available. Otherwise, it means the fair value as determined in good faith under the terms of the plan by a trustee or a named fiduciary, assuming an orderly liquidation at time of the determination. See ERISA section 3(26).

Part I - Small Plan Financial Information

Total plan assets at the beginning of the plan year plus the net income (loss) and any net transfers for the plan year must equal the total plan assets at the end of the plan year.

PLAN ASSETS AND LIABILITIES

Amounts reported on line 1a, 1b, and 1c for the beginning of the plan year must be the same as reported for the end of the plan year for corresponding lines on the 1998 return/report.

Do not include contributions designated for the 1999 plan year in column (a).

Line 1a. A plan with assets held in common/collective trusts, pooled separate accounts, master trust investment accounts, and/or 103-12 IEs must also attach Schedule D (Form 5500).

Use the same method for determining the value of the plan's interest in an insurance company general account (unallocated contracts) which you used for line 3 of Schedule A (Form 5500), or, if line 3 is not required, line 6.

Note: *Do not include in column (b) a participant loan that has been deemed distributed during the plan year or any prior plan year under the provisions of Code section 72(p) and proposed IRS regulation section 1.72(p)-1, if both of the following circumstances apply:*

1. *Under the plan, the participant loan is treated as a direct investment solely of the participant's individual account; and*

2. *As of the end of the plan year, the participant is not continuing repayment under the loan.*

If the deemed distributed participant loan is included in column **(a)** *and both of these circumstances apply, report the loan as a deemed distribution on line 2g. However, if either of these circumstances does not apply, the current value of the participant loan (including interest accruing thereon after the deemed distribution) should be included in column* **(b)** *without regard to the occurrence of a deemed distribution.*

For a Form 5500 that is filed for any plan year after the 1999 plan year, the entry on line 1a, column (b), of Schedule I (plan assets - end of year) or on line 1c(8), column (b), of Schedule H (participant loans - end of year) must include the current value of any participant loan that was reported as a deemed distribution on line 2g for any earlier year if, during the plan year, the participant resumes repayment under the loan. In addition, the amount to be entered on line 2g must be reduced by the amount of the participant loan that was reported as a deemed distribution on line 2g for the earlier year.

After a participant loan that has been deemed distributed is reported on line 2g, it is no longer to be reported as an asset on Schedule H or Schedule I unless, in a later year, the participant resumes repayment under the loan. However, such a loan (including interest accruing thereon after the deemed distribution) that has not been repaid is still considered outstanding for purposes of applying Code section 72(p)(2)(A) to determine the maximum amount of subsequent loans. The loan is also considered outstanding for other purposes, such as the qualification requirements of Code section 401, including, for example, the determination of top-heavy status under Code section 416. See Q&As 12 and 19 of proposed IRS regulation section 1.72(p)-1.

Line 1b. Enter the total liabilities at the beginning and end of the plan year. Liabilities to be entered here do not include the value of future pension payments to plan participants; however, the amount to be entered in line 1b for accrual basis filers includes, among other things:

1. Benefit claims that have been processed and approved for payment by the plan but have not been paid (including all incurred but not reported welfare benefit claims);

2. Accounts payable obligations owed by the plan that were incurred in the normal operations of the plan but have not been paid; and

3. Other liabilities such as acquisition indebtedness and any other amount owed by the plan.

Line 1c. Enter the net assets as of the beginning and end of the plan year. (Subtract line 1b from 1a.)

INCOME, EXPENSES, AND TRANSFERS FOR THIS PLAN YEAR

Line 2a. Include the total cash contributions received and/or (for accrual basis plans) due to be received.

Line 2a(1). Plans using the accrual basis of accounting should not include contributions designated for years before the 1999 plan year on line 2a(1).

Line 2a(2). For welfare plans, report all employee contributions, including all elective contributions under a cafeteria plan (Code section 125). For pension plans, participant contributions, for purposes of this item, also include elective contributions under a qualified cash or deferred arrangement (Code section 401(k)).

Line 2b. Use the current value, at date contributed, of securities or other noncash property.

Line 2d. Enter the total of all cash contributions (line 2a(1) through (3)), noncash contributions (line 2b), and other plan income during the plan year. If entering a negative number, enter a minus sign "–" to the left of the number. Plan income received and/or receivable may include, among other things:

1. Interest on investments (including money market accounts, sweep accounts, STIF accounts, etc.).

2. Dividends. (Accrual basis plans should include dividends declared for all stock held by the plan even if the dividends have not been received as of the end of the plan year.)

3. Rents from income-producing property owned by the plan.

4. Royalties.

5. Net gain or loss from the sale of assets.

6. Other income such as unrealized appreciation (depreciation) in plan assets. To compute this amount subtract the current value of all assets at the beginning of the year plus the cost of any assets acquired during the plan year from the current value of all assets at the end of the year minus assets disposed of during the plan year.

Line 2e. Include: **(1)** payments made (and for accrual basis filers payments due) to or on behalf of participants or beneficiaries in cash, securities, or other property (including rollovers of an individual's accrued benefit or account balance). Include all eligible rollover distributions as defined in Code section 401(a)(31)(C) that have been paid at the participant's election to an eligible retirement plan (including an IRA within the meaning of section 401(a)(31)(D)).; **(2)** payments to insurance companies and similar organizations such as Blue Cross, Blue Shield, and health maintenance organizations for the provision of plan benefits (e.g., paid-up annuities, accident insurance, health insurance, vision care, dental coverage, etc.); and **(3)** payments made to other organizations or individuals providing benefits. Generally, these payments discussed in (3) are made to individual providers of welfare benefits such as legal services, day care services, and training and apprenticeship services. If securities or other property are distributed to plan participants or beneficiaries, include the current value on the date of distribution.

Line 2f. Include all distributions paid during the plan year of excess deferrals under Code section 402(g)(2)(A)(ii), excess contributions under section 401(k)(8), and excess aggregate contributions under section 401(m)(6), allocable income distributed, and any elective deferrals and employee contributions that were distributed or returned to employees during the plan year in accordance with section 1.415-6(b)(6)(iv) of the Income Tax Regulations, as well as any attributable gains that were also distributed.

Line 2g. Report on line 2g a participant loan that is included in line 1a, column (a) (participant loans - beginning of year) and that has been deemed distributed during the plan year or any prior plan year under the provisions of Code section 72(p) and proposed IRS regulation section 1.72(p)-1 only if both of the following circumstances apply:

1. Under the plan, the participant loan is treated as a directed investment solely of the participant's individual account; and

2. As of the end of the plan year, the participant is not continuing repayment under the loan.

If either of these circumstances does not apply, a deemed distribution of a participant loan should not be reported on line 2g. Instead, the current value of the participant loan (including interest accruing thereon after the deemed distribution) should be included on line 1a, column (b) plan assets - end of year), without regard to the occurrence of a deemed distribution.

Note: *For a Form 5500 that is filed for any plan year after the 1999 plan year, the amount to be reported on line 2g of Schedule H or Schedule I must be reduced if, during the plan year, a participant resumes repayment under a participant loan that was reported as a deemed distribution on line 2g for any earlier year. The amount of the required reduction is the amount of the participant loan that was reported as a deemed distribution on line 2g for the earlier year. If entering a negative number, enter a minus sign "–" to the left of the number. The current value of the participant loan must then be included in line 1c(8), column (b), of Schedule H (participant loans - end of year) or in line 1a, column (b), of Schedule I (plan assets - end of year).*

Although certain participant loans that are deemed distributed are to be reported on line 2g of the Schedule H or Schedule I, and are not to be reported on the Schedule H or Schedule I as an asset thereafter (unless the participant resumes repayment under the loan in a later year), they are still considered outstanding loans and are not treated as actual distributions for certain purposes. See Q&As 12 and 19 of proposed IRS regulation section 1.72(p)-1.

Line 2h. Other expenses (paid and/or payable) may include, among others:

1. Salaries to employees of the plan;

2. Expenses for accounting, actuarial, legal, and investment services.

3. Fees and expenses for trustees including reimbursement for travel, seminars, and meeting expenses;

4. Fees paid for valuations and appraisals, and

5. Other administrative and miscellaneous expenses paid by or charged to the plan, including those that were not subtracted from the gross income of master trust investment accounts and 103-12IEs in determining their net investment gain(s) or loss(es).

Line 2i. Enter the total of all benefits paid or due as reported on lines 2e, 2f, and 2g and all other plan expenses (line 2h) during the year.

Line 2k. Enter the net value of all assets transferred to and from the plan during the plan year including those resulting from mergers and spin-offs. A transfer of assets or liabilities occurs when there is a reduction of assets or liabilities with respect to one plan and the receipt of these assets or the assumption of these liabilities by another plan. Transfers out at the end of the year should be reported as occurring during the plan year.

Note: *A distribution of all or part of an individual participant's account balance that is reportable on Form 1099-R should not be included on line 2k but must be included in benefit payments reported on line 2e.*

SPECIFIC ASSETS

Lines 3a through 3g. Check "Yes" and enter the amount or "No" as specified below. Do not include the plan's interest in CCTs, PSAs, MTIAs, and 103-12 IEs. (See instructions for **Direct Filing Entity (DFE)** on page 4 of the instructions for the Form 5500.)

Line 3a. Enter the value of the plan's participation in a partnership or joint venture, unless the partnership or joint venture is a 103-12 IE.

Line 3b. The term "employer real property" means real property (and related personal property) that is leased to an employer of employees covered by the plan, or to an affiliate of such employer. For purposes of determining the time at which a plan acquires employer real property for purposes of this line, such property shall be deemed to be acquired by the plan on the date on which the plan acquires the property or on the date on which the lease to the employer (or affiliate) is entered into, whichever is later.

Line 3d. An employer security is any security issued by an employer (including affiliates) of employees covered by the plan. These may include common stocks, preferred stocks, bonds, zero coupon bonds, debentures, convertible debentures, notes and commercial paper.

Line 3e. Enter the current value of all loans to participants including residential mortgage loans that are subject to Code section 72(p). Include the sum of the value of the unpaid principal balances, plus accrued but unpaid interest, if any, for participant loans made under an individual account plan with investment experience segregated for each account, that are made in accordance with 29 CFR 2550.408b-1 and secured solely by a portion of the participant's vested accrued benefit. When applicable, combine this amount with the current value of any other participant loans. Do not include any amount of a participant loan that has been deemed distributed during this or any prior plan year under the provisions of Code section 72(p) and proposed IRS regulation section 1.72(p)-1.

Note: *After participant loans have been deemed distributed and reported on line 2g of the Schedule I or H, they are no longer required to be reported as assets on the Schedule I or H.*

However, such loans (including interest accruing thereon after the deemed distribution) that have not been repaid are still considered outstanding for purposes of applying Code section 72(p)(2)(A) to determine the maximum amount of subsequent loans.

Line 3f. Enter the current value of all loans made by the plan, except participant loans reportable on line 3e. Include the sum of the value of loans for construction, securities loans, commercial and/or residential mortgage loans that are not subject to Code section 72(p) (either by making or participating in the loans directly or by purchasing loans originated by a third party), and other miscellaneous loans.

Line 3g. Include all property that has concrete existence and is capable of being processed, such as goods, wares, merchandise, furniture, machines, equipment, animals, automobiles, etc. This includes collectibles, such as works of art, rugs, antiques, metals, gems, stamps, coins, alcoholic beverages, musical instruments, and historical objects (documents, clothes, etc.). Do not include the value of a plan's interest in property reported on lines 3a through 3f, or intangible property, such as patents, copyrights, goodwill, franchises, notes, mortgages, stocks, claims, interests, or other property that embodies intellectual or legal rights.

Part II - Transactions During Plan Year

Plans with assets held in a CCT, PSA, MTIA, or 103-12 IE should complete Part I and report their investment in these entities, but not the investments made by these entities. Plans with all of their funds held in a master trust should check "No" on Schedule I, lines 4b, c, and i.

Line 4a. Amounts paid by a participant or beneficiary to an employer and/or withheld by an employer for contribution to the plan are participant contributions that become plan assets as of the earliest date on which such contributions can reasonably be segregated from the employer's general assets (see 29 CFR 2510.3-102). An employer holding these assets after that date commingled with its general assets will have engaged in a prohibited use of plan assets (see ERISA section 406). If such a nonexempt prohibited transaction occurred with respect to a disqualified person (see Code section 4975(e)(2)), file Form 5330 with the IRS to pay any applicable excise tax on the transaction. If no participant contributions were received or withheld by the employer during the plan year, answer "No."

Line 4b. Plans that check "Yes" must enter the amount. The due date, payment amount and conditions for determining default in the case of a note or loan are usually contained in the documents establishing the note or loan. A loan by the plan is in **default** when the borrower is unable to pay the obligation upon maturity. Obligations that require periodic repayment can default at any time. Generally, loans and fixed income obligations are considered **uncollectible** when payment has not been made and there is little probability that payment will be made. A fixed income obligation has a fixed maturity date at a specified interest rate. Do not include participant loans made under an individual account plan with investment experience segregated for each account that were made in accordance with 29 CFR 2550.408b-1 and secured solely by a portion of the participant's vested accrued benefit.

Line 4c. Plans that check "Yes" must enter the amount. A lease is an agreement conveying the right to use property, plant or equipment for a stated period. A lease is in default when the required payment(s) has not been made. An uncollectible lease is one where the required payments have not been made and for which there is little probability that payment will be made.

Line 4d. Plans that check "Yes" must enter the amount. Check "Yes" if any non exempt transaction with a party-in-interest occurred, unless the transaction is: **(1)** statutorily exempt under Part 4 of Title I of ERISA, **(2)** administratively exempt under ERISA section 408(a) or exempt under Code sections 4975(c) and 4975(d), **(3)** a transaction of a 103-12 IE with parties other than the plan; or **(4)** the holding of participant contributions for a welfare plan that meets the conditions of ERISA Technical Release 92-01. You may indicate that an application for an administrative exemption is pending. If you are unsure as to whether a transaction is exempt or not, you should consult with either a qualified public accountant, legal counsel or both. If the plan is a qualified pension plan and a nonexempt prohibited transaction occurred with respect to a disqualified person, a Form 5330 should be filed with IRS to pay the excise tax on the transaction.

Party-in-Interest. For purposes of this form, party-in-interest is deemed to include a disqualified person see Code section 4975(e)(2). The term "party-in-interest" means, as to an employee benefit plan:

A. Any fiduciary (including, but not limited to, any administrator, officer, trustee or custodian), counsel, or employee of the plan;

B. A person providing services to the plan;

C. An employer, any of whose employees are covered by the plan;

D. An employee organization, any of whose members are covered by the plan;

E. An owner, director indirect, of 50% or more of the combined voting power of all classes of stock entitled to vote, or the total value of shares of all classes of stock of a corporation, (2) the capital interest or the profits interest of a partnership, or (3) the beneficial interest of a trust or unincorporated enterprise that is an employer or an employee organization described in C or D;

F. A relative of any individual described in A, B, C, or E;

G. A corporation, partnership, or trust or estate of which (or in which) 50% or more of: (1) the combined voting power of all classes of stock entitled to vote or the total value of shares of all classes of stock of such corporation, (2) the capital interest or profits interest of such

H. An employee, officer, director (or an individual having powers or responsibilities similar to those of officers or directors), or a 10% or more shareholder, directly or indirectly, of a person described in B, C, D, E, or G, or of the employee benefit plan; or

I. A 10% or more (directly or indirectly in capital or profits) partner or joint venturer of a person described in B, C, D, E, or G.

Nonexempt transactions with a party-in-interest include any direct or indirect:

A. Sale or exchange, or lease, of any property between the plan and a party-in-interest.

B. Lending of money or other extension of credit between the plan and a party-in-interest.

C. Furnishing of goods, services, or facilities between the plan and a party-in-interest.

D. Transfer to, or use by or for the benefit of, a party-in-interest, of any income or assets of the plan.

E. Acquisition, on behalf of the plan, of any employer security or employer real property in violation of Code section 407(a).

F. Dealing with the assets of the plan for a fiduciary's own interest or own account.

G. Acting in a fiduciary's individual or any other capacity in any transaction involving the plan on behalf of a party (or represent a party) whose interests are adverse to the interests of the plan or the interests of its participants or beneficiaries.

H. Receipt of any consideration for his or her own personal account by a party-in-interest who is a fiduciary from any party dealing with the plan in connection with a transaction involving the income or assets of the plan.

Note: *Amounts paid by a participant or beneficiary to an employer and/or withheld by an employer for contribution to the plan are participant contributions that become plan assets as of the earliest date on which such contributions can reasonably be segregated from the employer's general assets (see 29 CFR 2510.3-102). An employer holding these assets after that date commingled with its general assets will have engaged in a prohibited use of plan assets for purposes of the nonexempt transactions described above (see ERISA section 406).*

Line 4e. Plans that check "Yes" must enter the aggregate amount of coverage for all claims. Check "Yes" only if the plan itself (as opposed to the plan sponsor or administrator) is a named insured under a fidelity bond covering plan officials and if the plan is protected as described in 29 CFR 2580.412-18. Generally, every plan official of an employee benefit plan who "handles" funds or other property of such plan must be bonded. Generally, a person shall be deemed to be "handling" funds or other property of a plan, so as to require bonding, whenever his or her other duties or activities with respect to given funds are such that there is a risk that such funds could be lost in the event of fraud or dishonesty on the part of such person, acting either alone or in collusion with others. Section 412 of ERISA and DOL regulations 29 CFR 2580 provide the bonding requirements, including the definition of "handling" (29 CFR 2580.412-6), the permissible forms of bonds (29 CFR 2580.412-10), the amount of the bond (29 CFR 2580, subpart C), and certain exemptions such as the exemption for unfunded plans, certain banks and insurance companies (ERISA section 412), and the exemption allowing plan officials to purchase bonds from surety companies authorized by the Secretary of the Treasury as acceptable reinsurers on Federal bonds (29 CFR 2580.412-23).

Note: *Plans are permitted under certain conditions to purchase fiduciary liability insurance. These policies do not protect the plan from dishonest acts and are not bonds which should be reported in line 4e*

Line 4f. Check "Yes," if the plan had suffered or discovered any loss as a result of any dishonest or fraudulent act(s) even if the loss was reimbursed by the plan's fidelity bond or from any other source. If "Yes" is checked enter the full amount of the loss. If the full amount of the loss has not yet been determined, provide and disclose that the figure is an estimate, such as "@ $1000."

Note: *Willful failure to report is a criminal offense. See ERISA section 501.*

Lines 4g and 4h. *Current value* means fair market value where available. Otherwise, it means the fair value as determined in good faith under the terms of the plan by a trustee or a named fiduciary, assuming an orderly liquidation at time of the determination. See ERISA section 3(26).

An accurate assessment of fair market value is essential to a pension plan's ability to comply with the requirements set forth in the Code (e.g., the exclusive benefit rule of Code section 401(a)(2), the limitations on benefits and contributions under Code section 415, and the minimum funding requirements under Code section 412) and must be determined annually.

Examples of assets that may not have a readily determinable value on an established market (e.g., NYSE, AMEX, over the counter, etc.) include real estate, nonpublicly traded securities, shares in a limited partnership, and collectibles. Do not check "Yes" on line 4g if the plan is a defined contribution plan and the only assets the plan holds, that do not have a readily determinable value on an established market, are: (1) participant loans not in default, or (2) assets over which the participant exercises control within the meaning of section 404(c) of ERISA.

Although the current value of plan assets must be determined each year, there is no requirement that the assets (other than certain nonpublicly traded employer securities held in ESOPs) be valued every year by independent third-party appraisers.

Enter in the amount column the fair market value of the assets referred to on line 4g whose value was not readily determinable on an established market and which were not valued by an independent third-party appraiser in the plan year. Generally, as it relates to these questions, an appraisal by an independent third party is an evaluation of the value of an asset prepared by an individual or firm who knows how to judge the value of such assets and does not have an ongoing relationship with the plan or plan fiduciaries except for preparing the appraisals.

Line 4i. Include as a single security all securities of the same issue. An example of a single issue is a certificate of deposit issued by the XYZ Bank on July 1, 1998, which matures on June 30, 1999, and yields 5.5%. For the purposes of line 4i, do not check "Yes" for securities issued by the U.S. Government or its agencies.

Line 4j. Check "Yes" if all the plan assets (including insurance/annuity contracts) were distributed to the participants and beneficiaries, legally transferred to the control of another plan, or brought under the control of the PBGC.

Check "No" for a welfare benefit plan that is still liable to pay benefits for claims that were incurred prior to the termination date, but not yet paid. See 29 CFR 2520.104b-2(g)(2)(ii).

Note: *If "Yes" was checked on line 4k because all plan assets were distributed to participants and/or beneficiaries, you are encouraged to complete Schedule SSA (Form 5500), listing each participant reported on a previous Schedule SSA (Form 5500) who has received all of his/her plan benefits, and therefore, is no longer entitled to receive deferred vested benefits. This will ensure that SSA's records are correct, and help eliminate confusion for participants and plan administrators in the future. See the instructions to the Schedule SSA (Form 5500) for greater detail.*

Line 5a. Check "Yes" if a resolution to terminate the plan was adopted during this or any prior plan year, unless the termination was revoked and no assets reverted to the employer. If "Yes" is checked, enter the amount of plan assets that reverted to the employer during the plan year in connection with the implementation of such termination. Enter "-0-" if no reversion occurred during the current plan year.

Caution: *A Form 5500 must be filed for each year the plan has assets, and, in the case of a welfare benefit plan, if the plan is still liable to pay benefits for claims that were incurred prior to the termination date, but not yet paid. See 29 CFR 2520.104b-2(g)(2)(ii).*

Line 5b. Enter information concerning assets and/or liabilities transferred from this plan to another plan(s) (including spin-offs) during the plan year. A transfer of assets or liabilities occurs when there is a reduction of assets or liabilities with respect to one plan and the receipt of these assets or the assumption of these liabilities by another plan. Enter the name, PN, and EIN of the other plan(s) involved on lines 5b(1), 5b(2) and 5b(3).

Note: *A distribution of all or part of an individual participant's account balance that is reportable on* ***Form 1099-R*** *should not be included on line 5b.*

Caution: ***Form 5310-A,*** *Notice of Merger or Consolidation, Spinoff, or Transfer of Plan Assets or Liabilities; Notice of Qualified Separate Lines of Business, must be filed at least 30 days before any plan merger or consolidation or any transfer of plan assets or liabilities to another plan. There is a penalty for not filing Form 5310- A on time. In addition, a transfer of benefit liabilities involving a plan covered by PBGC insurance may be reportable to the PBGC (see PBGC Form 10 and Form 10-Advance).*

1999 – *Annual Return of Fiduciary of Employee Benefit Trust*
Instructions for Schedule P (Form 5500)

General Instructions

Purpose of Form

You may use this schedule to satisfy the requirements under Code section 6033(a) for an annual information return from every section 401(a) organization exempt from tax under section 501(a). The statute of limitations under section 6501(a) for any trust described in section 401(a), which is exempt from tax under section 501(a), will not start to run until you file this schedule.

Who May File

Every trustee of a trust created as part of an employee benefit plan as described in Code section 401(a), and every custodian of a custodial account described in Code section 401(f).

How To File

File Schedule P for the trust year ending with or within any participating plan's plan year. Attach it to the Form 5500 or 5500-EZ filed by the plan for that plan year. A separately filed Schedule P will not be accepted. If the trust or custodial account is used by more than one plan, file one Schedule P. If a plan uses more than one trust or custodial account for its funds, file one Schedule P for each trust or custodial account.

Check the Schedule P box on the Form 5500 (Part II, line 10b(7)), and enter the number attached in the space provided if one or more Schedules P are attached to the Form 5500.

Trust's Employer Identification Number

Enter the trust employer identification number (EIN) assigned to the employee benefit trust or custodial account, if one has been issued to you. The trust EIN should be used for transactions conducted for the trust. If you do not have a trust EIN, enter the EIN you would use on **Form 1099-R**, Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc., to report distributions from employee benefit plans and on **Form 945**, Annual Return of Withheld Federal Income Tax, to report withheld amounts of income tax from those payments.

Note: *Trustees who do not have an EIN may apply for one on* ***Form SS-4****, Application for Employer Identification Number. You must be consistent and use the same EIN for all trust reporting purposes.*

Signature

The fiduciary (trustee or custodian) must sign this schedule. If there is more than one fiduciary, the fiduciary authorized by the others may sign.

Other Returns and Forms That May Be Required

Form 990-T. For trusts described in Code section 401(a), a tax is imposed on income derived from business that is unrelated to the purpose for which the trust received a tax exemption. Report this income and tax on **Form 990-T**, Exempt Organization Business Income Tax Return. (See Code sections 511 through 514 and the related regulations.)

Form 1099-R. If you made payments or distributions to individual beneficiaries of a plan, report those payments on Form 1099-R. (See the Instructions for Forms 1099, 1098, 5498, and W-2G.)

Form 945. If you made payments or distributions to individual beneficiaries of a plan, you may be required to withhold income tax from those payments. Use Form 945 to report taxes withheld from nonpayroll items. (See **Circular E**, Employer's Tax Guide (Pub. 15), for more information.)

1999 – *Retirement Plan Information* Instructions for Schedule R (Form 5500)

General Instructions

Purpose of Schedule

The Schedule R reports certain information on plan distributions, and funding, and the adoption of amendments increasing the value of benefits in a defined benefit pension plan.

Who Must File

The Schedule R (Form 5500) must be attached to a Form 5500 filed for both tax qualified and nonqualified pension benefit plans. The parts of the Schedule R that must be completed depend on whether the plan is subject to the minimum funding standards of Code section 412 or ERISA section 302.

Exceptions: (1) The Schedule R should not be completed when the Form 5500 is filed for a pension plan that uses, as the sole funding vehicle for providing benefits, a tax deferred annuity arrangement under Code section 403(b)(1), a custodial account for regulated investment company stock under Code section 403(b)(7), and/or individual retirement accounts or annuities (as described in Code section 408). See the Form 5500 instructions for **Limited Pension Plan Reporting** on page 7 for more information.

(2) The Schedule R also should not be completed if the plan is not a defined benefit plan or otherwise subject to the minimum funding standards of Code section 412 or ERISA section 302 *and* no plan benefits were distributed during the plan year.

Check the Schedule R box on the Form 5500 (Part II, line 10a(1)) if a Schedule R is attached to the Form 5500.

Specific Instructions

Lines A, B, C, and D. This information should be the same as reported in Part II of the Form 5500 to which this Schedule R is attached.

Part I - Distributions

"Distribution" includes only payments of benefits during the plan year, in cash, in kind, or by purchase for the distributee of an annuity contract from an insurance company. It does not include corrective distributions of excess deferrals, excess contributions, or excess aggregate contributions. It does not include a loan treated as a distribution under Code section 72(p).

"Participant" means any present or former employee who at any time during the plan year had an accrued benefit (account balance in a defined contribution plan) in the plan.

Line 1. Enter the total value of all distributions made during the year (regardless of when the distribution began) in any form other than cash, annuity contracts issued by an insurance company, or publicly traded employer securities.

Line 2. Enter the EIN(s) of any payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the plan year. If more than two payors made such payments during the year, enter the EINs of the two payors who paid the greatest dollar amounts during the year. For purposes of this line 2, include all payments made in cash, regardless of when the payments began. Include payments from an insurance company under an annuity only in the year the contract was purchased. Do not include distributions in kind reported on line 1.

Line 3. Enter the number of living or deceased participants whose benefits under the plan were distributed during the plan year in the form of a single sum distribution. For this purpose, a distribution of a participant's benefits will not fail to be a single sum distribution merely because, after the date of the distribution, the plan makes a supplemental distribution as a result of earnings or other adjustments made after the date of the single sum distribution. Also include any participants whose benefits were distributed in the form of a direct rollover to the trustee or custodian of a qualified plan or individual retirement account.

Part II - Funding Information

Complete Part II if the plan is subject to the minimum funding requirements of Code section 412 or ERISA section 302.

All qualified defined benefit and defined contribution plans are subject to the minimum funding requirements of Code section 412 unless they are described in the exceptions listed under section 412(h). These exceptions include profit- sharing or stock bonus plans, insurance contract plans described in section 412(i), and certain plans to which no employer contributions are made.

Nonqualified employee pension benefit plans are subject to the minimum funding requirements of ERISA section 302 unless specifically exempted under ERISA sections 4(a) or 301(a).

The employer or plan administrator of a defined benefit plan that is subject to the minimum funding requirements must file Schedule B as an attachment to Form 5500. Schedule B is not required to be filed for a money purchase defined contribution plan that is subject to the minimum funding requirements unless the plan is currently amortizing a waiver of the minimum funding requirements.

Line 4. Check "yes" if, for purposes of computing the minimum funding requirements for the plan year, the plan administrator is making an election intended to satisfy the requirements of Code section 412(c)(8) or ERISA section 302(c)(8). Under Code section 412(c)(8) and ERISA section 302(c)(8), a plan administrator may elect to have any amendment that is adopted after the beginning of the plan year for which it applies treated as having been made on the first day of the plan year if all of the following requirements are met:

1. The amendment is adopted no later than two and one-half months after the close of such plan year (two years for a multiemployer plan);

2. The amendment does not reduce the accrued benefit of any participant determined as of the beginning of such plan year; and

3. The amendment does not reduce the accrued benefit of any participant determined as of the adoption of the amendment unless the plan administrator notified the Secretary of the Treasury of the amendment and the Secretary either approved the amendment or failed to disapprove the amendment within 90 days after the date the notice was filed.

Line 5. If a money purchase defined contribution plan has received a waiver of the minimum funding standard, and the waiver is currently being amortized, lines 3, 9, and 10 of Schedule B must be completed. The Schedule B must be attached to Form 5500 but it need not be signed by an enrolled actuary.

Line 6a. The minimum required contribution for a money purchase defined contribution plan for a plan year is the amount required to be contributed for the year under the formula set forth in the plan document. If there is an accumulated funding deficiency for a prior year that has not been waived, that amount should also be included as part of the contribution required for the current year.

Line 6b. Include all contributions for the plan year that are made not later than 8½ months after the end of the plan year. Show only contributions actually made to the plan by the date the form is filed, i.e., do not include receivable contributions for this purpose.

Line 6c. If this amount is greater than zero there is an accumulated funding deficiency for the plan year and Form 5330 should be filed with the IRS to pay the excise tax on the deficiency. There is a penalty for not filing Form 5330 on time.

Line 7. A revenue procedure providing for automatic approval for a change in funding method for a plan year generally does not apply unless the plan administrator or an authorized representative of the plan sponsor explicitly agrees to the change. If a change in funding method that is made pursuant to such a revenue procedure (or a class ruling letter) is to be applicable for the current plan year, this line generally must be checked "Yes." In certain situations, however, the requirement that the plan administrator or an authorized representative of the plan sponsor agree to the change in funding method will be satisfied if the plan administrator or an authorized representative of the plan sponsor is made aware of the change. In these situations, this line must be checked "N/A." See Section 4.02 of Rev. Proc. 99-45, 1999-49 I.R.B. 603.

Line 8. The transition rule of Code section 412(l)(11) and ERISA section 302(d)(11) provides an alternative method of computing the additional required funding charge. For such an election to apply for the current plan year check "yes" for this line.

Part III - Amendments

Line 9. Check "Yes" if an amendment was adopted during the plan year that increased the value of benefits in any way. This includes an amendment providing for an increase in the amount of benefits or rate of accrual, more generous lump sum factors, cost of living adjustments, more rapid vesting, additional payment forms, and earlier eligibility for some benefits.

1999 – *Annual Registration Statement Identifying Separated Participants With Deferred Vested Benefits*
Instructions for Schedule SSA (Form 5500)

General Instructions

Purpose of Form

Use Schedule SSA to report all participants with deferred vested benefit rights who separated from your company during the plan year. Also use Schedule SSA to correct information previously reported concerning participants with deferred vested benefits. The information reported on this schedule is given to the Social Security Administration which in turn provides it to participants when they file for Social Security benefits. Check the Schedule SSA box on the Form 5500 (Part II, line 10a(5)) if a Schedule SSA is attached to the Form 5500.

Who Must File

The plan administrator is responsible for filing Schedule SSA. Plans that cover only owners and their spouses do not have to file this schedule.

Note: *Government, church, or other plans that elect to voluntarily file the Schedule SSA **must** check the appropriate box on the schedule **and** complete lines 2 through 3c.*

What To File

File this schedule and complete all line items. All attachments to Schedule SSA should have entries only on the front of the page. If you need more space, use either: **(1)** additional copies of Schedule SSA, or **(2)** additional sheets the same size as the schedule containing all the information requested on the schedule. The information required in line 4 boxes (a) through (j) should be listed in the same format as line 4 on Schedule SSA.

You may send a machine-generated computer listing showing the information required on line 4 instead of completing line 4 on the schedule. Use the same format as line 4 on Schedule SSA. Complete A through D on Schedule SSA and enter on line 4 a statement that a list is attached. On each page of the computer listing, enter all the information from A through D.

When to Report a Separated Participant

In general, ***for a plan to which only one employer contributes,*** a participant must be reported on Schedule SSA if:

1. The participant separates from service covered by the plan in a plan year, and

2. The participant is entitled to a deferred vested benefit under the plan.

The separated participant must be reported no later than on the Schedule SSA filed for the plan year following the plan year in which separation occurred. However, you can report the separation in the plan year in which it occurs, if you want to report earlier. Do not report a participant more than once unless you wish to revise or update a prior Schedule SSA (see instructions for line 4, box (a), under codes B, C, or D).

In general, ***for a plan to which more than one employer contributes,*** a participant must be reported on Schedule SSA if:

1. The participant incurs two successive 1-year breaks in service (as defined in the plan for vesting purposes), and

2. The participant is (or may be) entitled to a deferred vested benefit under the plan.

The participant must be reported no later than on the Schedule SSA filed for the plan year in which the participant completed the second of the two consecutive 1-year breaks in service. The participant may be reported earlier (i.e., on the Schedule SSA filed for the plan year in which he or she separated from service or completed the first 1-year break in service).

When NOT to Report a Participant

A participant is not required to be reported on Schedule SSA if, before the date the Schedule SSA is required to be filed (including any extension of time for filing), the participant:

1. Is paid some or all of the deferred vested retirement benefit (see the **Caution** below), or

2. Returns to service covered by the plan and/or accrues additional retirement benefits under the plan, or

3. Forfeits all the deferred vested retirement benefit.

Caution: *If payment of the deferred vested retirement benefit ceases before **ALL** of the benefit to which the participant is entitled is paid to the participant, information relating to the deferred vested retirement benefit to which the participant remains entitled shall be filed on the Schedule SSA filed for the year **following** the last plan year within which a portion of the benefit is paid to the participant.*

Separation of a Re-Employed Employee

If the deferred vested benefit of a separated employee is different from that previously reported, you may use code B (see below) to report that employee's total vested benefit.

Revising Prior Report

You may use Schedule SSA to report revisions to pension information for a participant you reported on a previous Schedule SSA. This will ensure that SSA's records are correct. This is important since SSA provides Schedule SSA information that it has on file to participants when they file for Social Security benefits. If this information is not up-to-date, the participant may contact the plan administrator to resolve the difference.

You are encouraged to report changes or corrections to previously reported information (such as plan number), as this allows the Social Security Administration to provide accurate information to participants or their beneficiaries. You do not need to report changes in the value of the employees' accounts, since that is likely to change. However, you may report these changes if you want.

Split Plan Mergers

There are conditions where some employees covered by an existing plan are transferred to a different plan, or all of the employees of an existing plan are split between two or more different plans. The new administrator for each group of employees should complete a code C entry (see below) for each employee previously reported on a Schedule SSA for the other plan.

Where and How to File

File as an attachment to Form 5500.

Caution: *A penalty may be assessed if Schedule SSA (Form 5500) is not timely filed.*

Specific Instructions

Line D. Enter the sponsor's employer identification number (EIN) shown on Form 5500, line 2b.

Line 2. If the Post Office does not deliver mail to the street address and you have a P.O. box, enter the box number instead of the street address.

Line 4, box (a). From the following list, select the code that applies and enter that code in line 4, box (a).

Code A — Use this code for a participant not previously reported. Also complete boxes (b) through (h).

Code B — Use this code for a participant previously reported under the plan number shown on this schedule to modify some of the previously reported information. Enter all the current information for boxes (b) through (h).

Code C — Use this code for a participant previously reported under another plan number who will now be receiving his/her future benefit from the plan reported on this schedule. Also complete boxes (b), (c), (i), and (j).

Code D — Use this code for a participant previously reported under the plan number shown on this schedule who is no longer entitled to those deferred vested benefits. Also complete boxes (b) and (c). If you wish, you may also use this code to report those participants who are already receiving benefits as previously reported.

Line 4, box (b). Enter the exact social security number (SSN) of each participant listed. If the participant is a foreign national employed outside the United States who does not have an SSN, enter the word "FOREIGN."

Line 4, box (c). Enter each participant's name exactly as it appears on the participant's social security card.

Line 4, box (d). From the following list, select the code that describes the type of annuity that will be provided for the participant. Enter the code that describes the type of annuity that normally accrues under the plan at the time of the participant's separation from service covered by the plan (or for a plan to which more than one employer contributes at the time the participant incurs the second consecutive 1-year break in service under the plan).

Type of Annuity Code

A A single sum
B Annuity payable over fixed number of years
C Life annuity
D Life annuity with period certain
E Cash refund life annuity
F Modified cash refund life annuity
G Joint and last survivor life annuity
M Other

Line 4, box (e). From the following list, select the code that describes the benefit payment frequency during a 12-month period.

Type of Payment Code

A Lump sum
B Annually
C Semiannually
D Quarterly
E Monthly
M Other

Line 4, box (f). For a defined benefit plan, enter the amount of the periodic payment that a participant is entitled to receive under line 4, box (f).

For a plan to which more than one employer contributes, if the amount of the periodic payment cannot be accurately determined because the plan administrator does not maintain complete records of covered service, enter an estimated amount.

Line 4, box (g). For a defined contribution plan, if the plan states that a participant's share of the fund will be determined on the basis of units, enter the number of units credited to the participant.

If, under the plan, participation is determined on the basis of shares of stock of the employer, enter the number of shares and add the letters "SH" to indicate shares. A number without the "SH" will be interpreted to mean units.

Line 4, box (h). For defined contribution plans, enter the value of the participant's account at the time of separation.

Line 4, boxes (i) and (j). Show the EIN and plan number of the plan under which the participant was previously reported.

Signature. This form must be signed by the plan administrator. If more than one Schedule SSA is filed for one plan, only page one should be signed.

1999 – *Qualified Pension Plan Coverage Information*
Instructions for Schedule T (Form 5500)

General Instructions

Purpose of Schedule

Schedule T (Form 5500) is used by certain qualified pension benefit plans to provide information concerning the plan's compliance with the minimum coverage requirements of Code section 410(b).

Substantiation Guidelines

Revenue Procedure 93-42, 1993-2 C.B. 540, provides guidelines designed to reduce the burdens of substantiating compliance with the coverage and nondiscrimination requirements that apply to qualified pension benefit plans. Generally, Rev. Proc. 93-42 sets forth guidelines for: **(1)** the quality of data used in substantiating compliance with the coverage and nondiscrimination rules, **(2)** the timing of coverage and nondiscrimination testing, **(3)** the testing cycle of a plan, and (4) the qualified separate lines of business (QSLOB) rules. The substantiation guidelines may be used in completing Schedule T, if applicable.

Who Must File

The Schedule T (Form 5500) must generally be attached to the Form 5500 to report coverage information for a pension benefit plan (including profit-sharing and stock bonus plans) that is intended to be qualified under Code section 401(a) or 403(a). More than one Schedule T may be required. See the specific instructions for lines 1 and 2.

Schedule T may not be required every year. Check the Schedule T box on the Form 5500 (Part II, line 10a(2)), and enter the number attached in the space provided, **ONLY** if one or more Schedules T are attached to the Form 5500. If a Schedule T is not attached to the Form 5500 because the employer is using the three-year testing cycle rule in Revenue Procedure 93-42, and relying on the fact that the plan satisfied coverage in an earlier year, do not check the Schedule T box on Form 5500. Instead, enter in the space provided on Form 5500 line 10a(2) the year on which the employer is relying. See the instructions under **When to File** below. If the plan benefits the employees of more than one employer or if the employer operates QSLOBs, also see the instructions for lines 1 and 2.

When to File

Employers using the three-year testing cycle rule in Revenue Procedure 93-42 must file Schedule T for the first year in the plan's testing cycle. Schedule T need not be filed for the second or third year in the cycle if the employer is permitted to rely on the earlier year's testing. If the employer does not or cannot use the three-year testing rule, the Schedule T must be filed annually.

Specific Instructions

Lines A, B, C, and D. This information should be the same as reported in Part II of the Form 5500 to which this Schedule T is attached.

Note: *For purposes of the Schedule T (Form 5500), all employers that are members of the same controlled group (that is, they are aggregated under Code section 414(b), (c), or (m)) are treated as a single employer. For purposes of the Schedule T (Form 5500), "employee" includes any self-employed individual, common-law employee, or leased employee (within the meaning of Code section 414(n)) of any member of the controlled group.*

Line 1. If a plan benefits the employees of more than one employer and all the employers are members of the same controlled group, file only one Schedule T, treating all the employers as a single employer. However, if a plan benefits the employees of more than one employer and any of the employers are not members of the same controlled group, file as follows. File separate Schedules T for each controlled group and each other employer that have noncollectively bargained employees benefiting under the plan, as if the portions of the plan benefiting each controlled group's employees and each other employer's employees constituted separate plans. For this purpose, none of the employees benefiting under a plan are considered collectively bargained employees if more than 2% of the employees covered by the plan are professional employees. (See Regulations section 1.410(b)-6(d)(2) for the definition of collectively bargained employee and Regulations section 1.410(b)-9 for the definition of professional employee.) Schedule T need not be filed, however, for any controlled group or other employer that is permitted to rely on an earlier year's testing, as explained under **When to File** above. Instead, attach a list showing each controlled group and other employer that is relying on prior year testing, including name, employer identification number, and the testing year being relied on.

For purposes of Schedule T, each controlled group and each other employer that have employees benefiting under a plan that benefits the employees of more than one employer are referred to as "participating employers" in a plan "maintained by more than one employer." If applicable, enter on lines 1a and 1b the name and employer identification number of the participating employer to which the coverage information in lines 3 and 4 relates. Otherwise, leave lines 1a and 1b blank.

Alternatively, where two or more participating employers meet any of the exceptions in line 3, attach a list of such participating employers, including each participating employer's name and employer identification numbers and the line (3a, 3b, 3d, or 3e) that describes the exception that applies to that participating employer. This list may be combined with the list of participating employers that are relying on prior year testing, if applicable. Under this alternative, file separate Schedules T only for those participating employers that do not satisfy any of the exceptions in line 3 and are not relying on prior year testing.

Line 2. See Income Tax Regulations section 1.414(r). Do not complete lines 2a through 2d unless the employer maintaining the plan operates QSLOBs.

Line 2c. See Regulations sections 1.414(r)-1(c) and 1.414(r)-8.

Line 2d. If the plan benefits the employees of more than one QSLOB, and the employer applies the minimum coverage requirements on a QSLOB basis, file a separate Schedule T for each QSLOB that has employees benefiting under the plan for which the Form 5500 is being filed, as if each portion of the plan that benefits the employees of a particular QSLOB constituted a separate plan. Identify on line 2d the particular QSLOB to which the coverage information in lines 3 and 4 relates. Otherwise, leave line 2d blank. (Schedule T need not be filed, however, for any QSLOB that is permitted to rely on a prior year's testing, as explained under **When To File** above. Instead, attach a list showing each QSLOB relying on prior year testing and the testing year being relied on.)

Line 3. Check box 3a, 3b, 3c, or 3d to indicate if you meet any of the exceptions they describe. If box 3a, 3b, 3c, or 3d is checked, skip line 4.

Box 3a. Check this box if, during the plan year, the employer employed only highly compensated employees (within the meaning of Code section 414(q)), excluding employees who were collectively bargained employees (within the meaning of Regulations section 1.410(b)-6(d)(2)).

Box 3b. Check this box if, during the plan year, the plan benefited no highly compensated employees (within the meaning of Code section 414(q)), excluding employees who were collectively bargained employees (within the meaning of Regulations section 1.410(b)-6(d)(2)). *See the instructions for* line 4c(5) for the definition of "benefiting." This line should also be checked if no employee received an allocation or accrued a benefit under the plan for the plan year.

Box 3c. Check this box if, during the plan year, the plan benefited only collectively bargained employees (within the meaning of Regulations section 1.410(b)-6(d)(2)). However, do not check this box if more than 2% of the employees covered by the plan were professional employees (within the meaning of Regulations section 1.410(b)-9).

Box 3d. Check this box if, during the plan year, the plan benefited 100% of the nonexcludable nonhighly compensated employees of the employer. The nonhighly compensated employees of the employer include all the self-employed individuals, common-law employees, and leased employees (within the meaning of Code section 414(n)) employed by the employer or any entity aggregated with the employer under Code section 414(b), (c) or (m) at any time during the plan year, excluding highly compensated employees (within the meaning of Code section 414(q)). Any such employee is a nonexcludable employee unless the employee is in one of the following categories:

1. Employees who have not attained the minimum age and service requirements of the plan.

2. Collectively bargained employees within the meaning of Regulations section 1.410(b)-6(d)(2).

3. Nonresident aliens who receive no U.S. source income.

4. Employees who fail to accrue a benefit solely because they: **(a)** fail to satisfy a minimum hour of service or a last day requirement under the plan; **(b)** do not have more than 500 hours of service for the plan year; and **(c)** are not employed on the last day of the plan year.

5. Employees of QSLOBs other than the one with respect to which this Schedule T is being filed.

Box 3e. Check this box if, for the plan year, the plan is treated as satisfying the minimum coverage requirements of Code section 410(b) under the "acquisition or disposition" rule in Code section 410(b)(6)(C).

Line 4. In general, a plan must satisfy the coverage requirements under one of three testing options. Under the daily testing option, the plan must satisfy the coverage requirements on each day of the plan year taking into account only employees who are employees on that day. A plan will satisfy the coverage requirements under the quarterly testing option if it satisfies them on at least one day in each quarter, taking into account only employees who are employees on that day, provided the quarterly testing dates reasonably represent the coverage of the plan over the entire plan year. Finally, a plan will satisfy the coverage requirements under the annual testing option if it satisfies them as of the last day of the plan year, taking into account all employees who were employees on any day during the plan year.

Rev. Proc. 93-42 also allows an employer to substantiate that a plan satisfies the coverage requirements on the basis of the employer's workforce on a single day during a plan year, taking into account only employees who are employees on that day, if that day is reasonably representative of the employer's workforce and the plan's coverage throughout the year. This is referred to as "snapshot" testing.

If a plan satisfies the coverage and nondiscrimination requirements for a plan year, the employer may generally rely on this for the two succeeding plan years and will not have to test the plan in those years, provided there have not been significant changes.

If the employer is using single day, "snapshot" testing, the data given on lines 4a through 4f should be for the most recent snapshot day.

Enter on line 4 the beginning date of the plan year with respect to which the data on lines 4a through 4f was gathered.

Line 4a. The definition of leased employee is in Code section 414(n).

Line 4b. Employers can satisfy coverage by aggregating generally any qualified plans that are not mandatorily disaggregated. See the instructions for lines 4c and 4e regarding mandatory disaggregation. The aggregated plans must also satisfy the nondiscrimination requirements of Code section 401(a)(4) on an aggregated basis. If the employer aggregates this plan with any other plan(s) for the coverage and nondiscrimination requirements, enter the information requested and complete the rest of line 4 for the plans, as aggregated.

Line 4c. Certain single plans must be disaggregated into two or more separate parts. Each of the disaggregated parts of the plan must then satisfy the coverage and nondiscrimination requirements as if it were a separate plan. Under the regulations, the following plans must be disaggregated:

1. A plan that includes a Code section 401(k) arrangement (a qualified cash or deferred arrangement) and a portion that is not a section 401(k) arrangement.

2. A plan that includes a Code section 401(m) feature (employee and matching contributions) and a portion that is not a Code section 401(m) feature.

3. A plan that includes an ESOP and a portion that is not an ESOP.

4. A plan that benefits both collectively bargained employees and noncollectively bargained employees. None of the employees benefiting under a plan are considered collectively bargained employees if more than 2% of the employees covered by the plan are professional employees. (See Regulations section 1.410(b)-6(d)(2) for the definition of collectively bargained employee and Regulations section 1.410(b)-9 for the definition of professional employee.)

If the plan is disaggregated solely because it benefits both collectively bargained employees and noncollectively bargained employees, complete lines 4c and 4d for the part of the plan that benefits noncollectively bargained employees. Do not complete line 4e. No information is required with respect to the part of the plan that benefits collectively bargained employees. If the plan is disaggregated for other reasons, complete lines 4c and 4d for one disaggregated part of the plan. Complete line 4e to report the ratio percentage(s) for the other disaggregated part(s) of the plan, regardless if identical to the entry on line 4d. For example, if the plan is a profit sharing plan that provides nonelective contributions, Code section 401(k) contributions, and Code section 401(m) contributions, you may complete lines 4c and 4d for the nonelective part of the plan and enter on line 4e the ratio percentages for the 401(k) and 401(m) parts of the plan.

Line 4c(1). Enter the total number of employees of the employer.

Line 4c(2). Enter the total number of excludable employees in the following categories:

1. Employees who have not attained the minimum age and service requirements of the plan.

2. Collectively bargained employees within the meaning of Regulations section 1.410(b)-6(d)(2).

3. Nonresident aliens who receive no U.S. source income.

4. Employees who fail to accrue a benefit solely because they: (a) fail to satisfy a minimum hour of service or a last day requirement under the plan; (b) do not have more than 500 hours of service for the plan year; and (c) are not employed on the last day of the plan year. See Regulations section 1.410(b)-6.

5. Employees of QSLOBs other than the one with respect to which this Schedule T is being filed.

Line 4c(4). The definition of highly compensated employee is contained in Code section 414(q) and its related regulations.

Line 4c(5). In general, an employee is "benefiting" if the employee receives an allocation of contributions or forfeitures, or accrues a benefit under the plan for the plan year. Certain other employees are treated as benefiting even if they fail to receive an allocation of contributions or forfeitures or to accrue a benefit solely because the employee is subject to plan provisions that limit plan benefits, such as a provision for maximum years of service, maximum retirement benefits, or limits designed to satisfy Code section 415. An employee is treated as benefiting under a plan (or portion of a plan) that provides for elective contributions under Code section 401(k) if the employee is eligible to make elective contributions to the Code section 401(k) arrangement even if he or she does not actually make elective contributions. Similarly, an employee is treated as benefiting under a plan (or portion of a plan) that provides for after-tax employee contributions or matching contributions under Code section 401(m) if the employee is eligible to make after-tax employee contributions or receive allocations of matching contributions even if none are actually made or received.

Line 4d. In general, to compute the ratio percentage, divide the number of nonexcludable employees who benefit under the plan and are not highly compensated by the total number of nonexcludable nonhighly compensated employees; put this result in the numerator (top of the fraction). Divide the number of nonexcludable employees who benefit under the plan and who are highly compensated by the total number of nonexcludable highly compensated employees; put this result in the denominator (bottom of the fraction). Divide the numerator by the denominator, multiply by 100, and enter the result in line 4d. Enter to the nearest 0.1%.

If the information on lines 4c and 4d pertains to one part of a disaggregated plan, identify, in the space provided, the disaggregated part of the plan to which the information on lines 4c and 4d pertains as follows: "nonelective," "401(k)," "401(m)," "ESOP," "non-ESOP."

Line 4e. See the instructions for line 4c. Calculate the ratio percentage for the other disaggregated part(s) of the plan as described above and enter on line 4e. If entering information on line 4e, identify the disaggregated part(s) of the plan as follows: "401(k)," "401(m)," "nonelective," "ESOP," "non-ESOP."

If there are more than three other disaggregated parts of the plan, provide their ratio percentages on an attachment in the same format as line 4(e).

Line 4f. If the ratio percentage for the plan, or any disaggregated part of the plan, entered on line 4d or line 4e is less than 70%, the plan does not satisfy the ratio percentage test. An employer that is using single day "snapshot" testing may, in certain circumstances, need to adjust the 70% figure to compensate for the fact that the substantiation quality data or snapshot population does not reflect employee turnover and may overstate the plan's coverage. See section 3 of Rev. Proc. 93-42. If the plan, or any disaggregated part of the plan, does not satisfy the ratio percentage test, the plan will satisfy the minimum coverage requirements of the Code only if it satisfies the average benefit test.

A plan satisfies the average benefit test if it satisfies both the nondiscriminatory classification test and the average benefit percentage test. A plan satisfies the nondiscriminatory classification test if the plan benefits such employees as qualify under a classification set up by the employer and found by the Secretary not to be discriminatory in favor of highly compensated employees. Under Regulations section 1.410(b)-4, a classification will be deemed nondiscriminatory if the ratio percentage for the plan is equal to or greater than the safe harbor percentage. The safe harbor percentage is 50%, reduced by ¾ of a percentage point for each percentage point by which the nonhighly compensated employee concentration percentage exceeds 60%. The nonhighly compensated employee concentration percentage is the percentage of all the employees of the employer who are not highly compensated employees.

In general, a plan satisfies the average benefit percentage test if the actual benefit percentage for nonhighly compensated employees is at least 70% of the actual benefit percentage for highly compensated employees. See Regulations section 1.410(b)-5. All qualified plans of the employer, including ESOPs, Code section 401(k) plans, and plans with employee or matching contributions (Code section 401(m) plans) are aggregated in determining the actual benefit percentages. Do not aggregate plans that may not be aggregated for purposes of satisfying the ratio percentage test, other than ESOPs and Code section 401(k) and 401(m) plans. In addition, all nonexcludable employees, including those with no benefit under any qualified plan of the employer, are included in determining the actual benefit percentages.

OMB Control Numbers

Agency	OMB Number	Agency	OMB Number
Pension and Welfare Benefits Administration	1210-0110 1210-0089	Pension Benefit Guaranty Corporation	1212-0057
Internal Revenue Service	1545-1610	Social Security Administration	0960-0606

Paperwork Reduction Act Notice

We ask for the information on this form to carry out the law as specified in ERISA and Code sections 6039D, 6047(e), 6057(b), and 6058(a). You are required to give us the information. We need it to determine whether the plan is operating according to the law.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books and records relating to a form or its instructions must be retained as long as their contents may become material in the administration of the Internal Revenue Code or are required to be maintained pursuant to Title I or IV or ERISA. Generally, the Form 5500 return/reports are open to public inspection. However, Schedules E, F, and SSA (Form 5500) are confidential, as required by Code section 6103.

The time needed to complete and file the forms listed below reflects the combined requirements of the Internal Revenue Service, Department of Labor, Pension Benefit Guaranty Corporation, and the Social Security Administration. These times will vary depending on individual circumstances. The estimated average times are:

	Pension Plans		Welfare Plans	
	Large	**Small**	**Large**	**Small**
Form 5500	1 hr., 44 min.	1 hr., 6 min.	1 hr., 38 min.	1 hr., 5 min.
Schedule A	1 hr., 41 min.	53 min.	8 hr., 10 min.	2 hr., 11 min.
Schedule B	6 hr., 38 min.	31 min.		
Schedule C	1 hr., 17 min.		52 min.	
Schedule D	10 hr.	10 hr.		
Schedule E	3 hr., 18 min.	3 hr., 18 min.		
Schedule F			45 min.	26 min.
Schedule G	11 hr., 58 min.		6 hr., 28 min.	
Schedule H	7 hr., 56 min.		3 hr., 22 min.	
Schedule I		1 hr., 28 min.		1 hr., 28 min.
Schedule P	13 min.	2 min.		
Schedule R	1 hr.	30 min.		
Schedule SSA	6 hr., 10 min.	1 hr., 42 min.		
Schedule T	4 hr., 40 min.	37 min.		

If you have comments concerning the accuracy of these time estimates or suggestions for making these forms simpler, we would be happy to hear from you. You can write to the Tax Forms Committee, Western Area Distribution Center, Rancho Cordova, CA 95743-0001. **DO NOT** send any of these forms or schedules to this address. Instead, see **Where To File** on page 5.

Index

Form **5500**

Department of the Treasury
Internal Revenue Service

Department of Labor
Pension and Welfare Benefits Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6039D, 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code).

▶ Complete all entries in accordance with the instructions to the Form 5500.

Official Use Only
OMB Nos. 1210 - 0110
1210 - 0089

1999

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For the calendar plan year 1999 or fiscal plan year beginning , and ending ,

A This return/report is for: (1) ☐ a multiemployer plan; (2) ☐ a single-employer plan (other than a multiple-employer plan); (3) ☐ a multiple-employer plan; (4) ☐ a DFE (specify) ________

B This return/report is: (1) ☐ the first return/report filed for the plan; (2) ☐ an amended return/report; (3) ☐ the final return/report filed for the plan; (4) ☐ a short plan year return/report (less than 12 months).

C If the plan is a collectively-bargained plan, check here ▶ ☐

D If you filed for an extension of time to file, check the box and attach a copy of the extension application ▶ ☐

Part II Basic Plan Information — enter all requested information.

1a Name of plan

1b Three-digit plan number (PN) ▶

1c Effective date of plan (mo., day, yr.)

2a Plan sponsor's name and address (employer, if for a single-employer plan)
(Address should include room or suite no.)

2b Employer Identification Number (EIN)

2c Sponsor's telephone number

2d Business code (see instructions)

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, and to the best of my knowledge and belief, it is true, correct, and complete.

Signature of plan administrator	Date	Typed or printed name of individual signing as plan administrator
Signature of employer/plan sponsor/DFE	Date	Typed or printed name of individual signing as employer, plan sponsor or DFE as applicable

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3a Plan administrator's name and address (If same as plan sponsor, enter "Same")	**3b** Administrator's EIN
	3c Administrator's telephone number

4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report below:	**b** EIN
a Sponsor's name	**c** PN
5 Preparer information (optional) **a** Name (including firm name, if applicable) and address	**b** EIN
	c Telephone no.

6 Total number of participants at the beginning of the plan year	**6**	
7 Number of participants as of the end of the plan year (welfare plans complete only lines **7a, 7b, 7c,** and **7d**)		
a Active participants	**7a**	
b Retired or separated participants receiving benefits	**7b**	
c Other retired or separated participants entitled to future benefits	**7c**	
d Subtotal. Add lines **7a, 7b,** and **7c**	**7d**	
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**7e**	
f Total. Add lines **7d** and **7e**	**7f**	
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**7g**	
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**7h**	
i If any participant(s) separated from service with a deferred vested benefit, enter the number of separated participants required to be reported on a Schedule SSA (Form 5500)	**7i**	

8 Benefits provided under the plan (complete **8a** through **8c**, as applicable)

a ☐ Pension benefits (check this box if the plan provides pension benefits and enter the applicable pension feature codes from the List of Plan Characteristics Codes (printed in the instructions)): ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐

b ☐ Welfare benefits (check this box if the plan provides welfare benefits and enter the applicable welfare feature codes from the List of Plan Characteristics Codes (printed in the instructions)): ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐

c ☐ Fringe benefits (check this box if the plan provides fringe benefits)

9a Plan funding arrangement (check all that apply)	**9b** Plan benefit arrangement (check all that apply)
(1) ☐ Insurance	**(1)** ☐ Insurance
(2) ☐ Section 412(i) insurance contracts	**(2)** ☐ Section 412(i) insurance contracts
(3) ☐ Trust	**(3)** ☐ Trust
(4) ☐ General assets of the sponsor	**(4)** ☐ General assets of the sponsor

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10 Schedules attached (Check all applicable boxes and, where indicated, enter the number attached. See instructions.)

a Pension Benefit Schedules

- **(1)** ☐ **R** (Retirement Plan Information)
- **(2)** ☐ _____ **T** (Qualified Pension Plan Coverage Information)
  If a Schedule T is not attached because the plan is relying on coverage testing information for a prior year, enter the year . . . . ▶ _____
- **(3)** ☐ **B** (Actuarial Information)
- **(4)** ☐ **E** (ESOP Annual Information)
- **(5)** ☐ **SSA** (Separated Vested Participant Information)

b Financial Schedules

- **(1)** ☐ **H** (Financial Information)
- **(2)** ☐ **I** (Financial Information -- Small Plan)
- **(3)** ☐ _____ **A** (Insurance Information)
- **(4)** ☐ **C** (Service Provider Information)
- **(5)** ☐ **D** (DFE/Participating Plan Information)
- **(6)** ☐ **G** (Financial Transaction Schedules)
- **(7)** ☐ _____ **P** (Trust Fiduciary Information)

c Fringe Benefit Schedule

- ☐ **F** (Fringe Benefit Plan Annual Information)

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SCHEDULE A
(Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Pension and Welfare Benefits Administration

Pension Benefit Guaranty Corporation

Insurance Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974.

▶ **File as an attachment to Form 5500.**

▶ Insurance companies are required to provide this information pursuant to ERISA section 103(a)(2).

Official Use Only

OMB No. 1210-0110

1999

This Form is Open to Public Inspection

For the calendar year 1999 or fiscal plan year beginning , ,and ending ,

A Name of plan	**B** Three-digit plan number ▶
C Plan sponsor's name as shown on line 2a of Form 5500	**D** **Employer Identification Number**

Part I **Information Concerning Insurance Contract Coverage, Fees, and Commissions.**
Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.

1 Coverage:

(a) Name of insurance carrier

(b) EIN	**(c)** NAIC code	**(d)** Contract or identification number	**(e)** Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	**(g)** To

2 Insurance fees and commissions paid to agents, brokers, and other persons:

Totals

Amount of commissions paid	Fees paid / Amount

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500. v2.3 **Schedule A** (Form 5500) 1999

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(a) Name and address of the agents, brokers or other persons to whom commissions or fees were paid

(b) Amount of commissions paid	Fees paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agents, brokers or other persons to whom commissions or fees were paid

(b) Amount of commissions paid	Fees paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agents, brokers or other persons to whom commissions or fees were paid

(b) Amount of commissions paid	Fees paid		(e) Organization code
	(c) Amount	(d) Purpose	

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Official Use Only

Part II Investment and Annuity Contract Information

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

3 Current value of plan's interest under this contract in the general account at year end . . . .

4 Current value of plan's interest under this contract in separate accounts at year end . . . .

5 Contracts With Allocated Funds

a State the basis of premium rates ▶

b Premiums paid to carrier. . . . .

c Premiums due but unpaid at the end of the year . . . .

d If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount. . . . .

Specify nature of costs ▶

e Type of contract (1) ☐ individual policies (2) ☐ group deferred annuity

(3) ☐ other (specify) ▶

f If contract purchased, in whole or in part, to distribute benefits from a terminating plan check here . . . . ▶ ☐

6 Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)

a Type of contract (1) ☐ deposit administration (2) ☐ immediate participation guarantee

(3) ☐ guaranteed investment (4) ☐ other (specify below)

▶

b Balance at the end of the previous year . . . .

c Additions: (1) Contributions deposited during the year. . . . .

(2) Dividends and credits. . . . .

(3) Interest credited during the year. . . . .

(4) Transferred from separate account . . . .

(5) Other (specify below). . . . .

▶

(6) Total additions . . . .

d Total of balance and additions (add **b** and **c**(6)). . . . .

e Deductions:

(1) Disbursed from fund to pay benefits or purchase annuities during year. . . . .

(2) Administration charge made by carrier. . . . .

(3) Transferred to separate account. . . . .

(4) Other (specify below). . . . .

▶

(5) Total deductions. . . . .

f Balance at the end of the current year (subtract **e**(5) from **d**) . . . .

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Part III Welfare Benefit Contract Information

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organization(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes on this report.

7 Benefit and contract type (check all applicable boxes)

- **a** ☐ Health (other than dental or vision)
- **b** ☐ Dental
- **c** ☐ Vision
- **d** ☐ Life Insurance
- **e** ☐ Temporary disability (accident and sickness)
- **f** ☐ Long-term disability
- **g** ☐ Supplemental unemployment
- **h** ☐ Prescription drug
- **i** ☐ Stop loss (large deductible)
- **j** ☐ HMO contract
- **k** ☐ PPO contract
- **l** ☐ Indemnity contract
- **m** ☐ Other (specify) ▶

8 Experience-rated contracts

a Premiums: (1) Amount received . . . .

(2) Increase (decrease) in amount due but unpaid . . . .

(3) Increase (decrease) in unearned premium reserve. . . . .

(4) Earned ((1) + (2) − (3)) . . . .

b Benefit charges: (1) Claims paid. . . . .

(2) Increase (decrease) in claim reserves. . . . .

(3) Incurred claims (add (1) and (2)) . . . .

(4) Claims charged. . . . .

c Remainder of premium: (1) Retention charges (on an accrual basis) --

(A) Commissions . . . .

(B) Administrative service or other fees. . . . .

(C) Other specific acquisition costs. . . . .

(D) Other expenses . . . .

(E) Taxes . . . .

(F) Charges for risks or other contingencies. . . . .

(G) Other retention charges . . . .

(H) Total retention. . . . .

(2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.) . . . .

d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement . . . .

(2) Claim reserves . . . .

(3) Other reserves . . . .

e Dividends or retroactive rate refunds due. (Do not include amount entered in c(2).) . . . .

9 Nonexperience-rated contracts:

a Total premiums or subscription charges paid to carrier . . . .

b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, item 2 above, report amount . . . .

Specify nature of costs ▶

0 6 9 9 0 0 0 4 1 T

SCHEDULE B (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Pension and Welfare Benefits Administration

Pension Benefit Guaranty Corporation

Actuarial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974, referred to as ERISA, except when attached to Form 5500-EZ and, in all cases, under section 6059(a) of the Internal Revenue Code, referred to as the Code.

▶ **Attach to Form 5500 or 5500-EZ if applicable.**

▶ **See separate instructions.**

Official Use Only

OMB No. 1210-0110

1999

This Form is Open to Public Inspection (except when attached to Form 5500-EZ)

For calendar plan year 1999 or fiscal plan year beginning , and ending ,

▶ **If an item does not apply, enter "N/A."** ▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of $1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan	**B** Three-digit plan number . . . ▶
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-EZ	**D Employer Identification Number**
E Type of plan: (1) ☐ Single-employer (2) ☐ Multiemployer (3) ☐ Multiple-employer	**F** ☐ 100 or fewer participants in prior plan year

Part I **Basic Information** (To be completed by all plans)

1a Enter the actuarial valuation date: Month ________ Day ________ Year ________

b Assets:

(1) Current value of assets	**b(1)**	
(2) Actuarial value of assets for funding standard account	**b(2)**	
c (1) Accrued liability for plans using immediate gain methods	**c(1)**	
(2) Information for plans using spread gain methods:		
(a) Unfunded liability for methods with bases	**c(2)(a)**	
(b) Accrued liability under entry age normal method	**c(2)(b)**	
(c) Normal cost under entry age normal method	**c(2)(c)**	

Statement by Enrolled Actuary (see instructions before signing):

To the best of my knowledge, the information supplied in this schedule and on the accompanying schedules, statements and attachments, if any, is complete and accurate, and in my opinion each assumption used in combination, represents my best estimate of anticipated experience under the plan. Furthermore, in the case of a plan other than a multiemployer plan, each assumption used (a) is reasonable (taking into account the experience of the plan and reasonable expectations) or (b) would, in the aggregate, result in a total contribution equivalent to that which would be determined if each such assumption were reasonable; in the case of a multiemployer plan, the assumptions used, in the aggregate, are reasonable (taking into account the experience of the plan and reasonable expectations).

Signature of actuary — Date

Print or type name of actuary — **G** Most recent enrollment number

Firm name — Telephone number (including area code)

Address of the firm

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions . . . ☐

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1d	Information on current liabilities of the plan:		
	(1) Amount excluded from current liability attributable to pre-participation service (see instructions)	d(1)	
	(2) "RPA '94" information:		
	(a) Current liability	d(2)(a)	
	(b) Expected increase in current liability due to benefits accruing during the plan year	d(2)(b)	
	(c) Current liability computed at highest allowable interest rate (see instructions)	d(2)(c)	
	(d) Expected release from "RPA '94" current liability for the plan year	d(2)(d)	
	(3) "OBRA '87" information:		
	(a) Current liability	d(3)(a)	
	(b) Expected increase in current liability due to benefits accruing during the plan year	d(3)(b)	
	(c) Expected release from "OBRA '87" current liability for the plan year	d(3)(c)	
	(4) Expected plan disbursements for the plan year	d(4)	
2	Operational information as of beginning of this plan year:		
a	Current value of the assets (see instructions)	2a	

b "RPA '94" current liability:	(1) No. of Persons	(2) Vested Benefits	(3) Total Benefits
(1) For retired participants and beneficiaries receiving payments			
(2) For terminated vested participants			
(3) For active participants			
(4) Total			

c If the percentage resulting from dividing line 2a by line 2b(4), column (3), is less than 70%, enter such percentage | **2c** | %

3 Contributions made to the plan for the plan year by employer(s) and employees:

(a) Mo.-Day-Year	(b) Amount paid by employer	(c) Amount paid by employees	(a) Mo.-Day-Year	(b) Amount paid by employer	(c) Amount paid by employees
			3 Totals ▶	**(b)**	**(c)**

4 Quarterly contributions and liquidity shortfall(s):

a Plans other than multiemployer plans, enter funded current liability percentage for preceding year (see instructions) | **4a** | %

b If line 4a is less than 100%, see instructions, and complete the following table as applicable:

Liquidity shortfall as of end of Quarter of this plan year			
(1) 1st	**(2)** 2nd	**(3)** 3rd	**(4)** 4th

0 8 9 9 0 0 0 2 1 T

Official Use Only

5 Actuarial cost method used as the basis for this plan year's funding standard account computation:

- **a** ☐ Attained age normal
- **b** ☐ Entry age normal
- **c** ☐ Accrued benefit (unit credit)
- **d** ☐ Aggregate
- **e** ☐ Frozen initial liability
- **f** ☐ Individual level premium
- **g** ☐ Individual aggregate
- **h** ☐ Other (specify) ▶ ____________

i Has a change been made in funding method for this plan year? ☐ Yes ☐ No

j If line i is "Yes," was the change made pursuant to Revenue Procedure 95-51 as modified by Revenue Procedure 98-10? ☐ Yes ☐ No

k If line i is "Yes," and line j is "No" enter the date of the ruling letter (individual or class) approving the change in funding method . . . Month Day Year

6 Checklist of certain actuarial assumptions:

a Interest rates for:

(1) "RPA '94" current liability	a(1)	%	☐ N/A
(2) "OBRA '87" current liability	a(2)	%	☐ N/A
b Weighted average retirement age	6b		☐ N/A

			Pre-retirement	Post-retirement	
c Rates specified in insurance or annuity contracts	☐ N/A	6c	☐ Yes ☐ No	☐ Yes ☐ No	☐ N/A
d Mortality table code for valuation purposes:					
(1) Males		d(1)			
(2) Females		d(2)			
e Valuation liability interest rate	☐ N/A	6e	%	%	☐ N/A
f Expense loading	☐ N/A	6f	%	%	☐ N/A
			Male	Female	
g Annual withdrawal rates:					
(1) Age 25		g(1)	%	%	
(2) Age 40		g(2)	%	%	
(3) Age 55		g(3)	%	%	
h Salary scale	☐ N/A	6h	%	%	☐ N/A

i Estimated investment return on actuarial value of assets for the year ending on the valuation date . . . 6i ______ %

7 New amortization bases established in the current plan year:

(1) Type of Base	(2) Initial Balance	(3) Amortization Charge/Credit

8 Miscellaneous information:

a If a waiver of a funding deficiency or an extension of an amortization period has been approved for this plan year, enter the date of the ruling letter granting the approval . . . Month Day Year

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8b If one or more alternative methods or rules (as listed in the instructions) were used for this plan year, enter the appropriate code in accordance with the instructions ▶ ____________

c Is the plan required to provide a Schedule of Active Participant Data? If "Yes," attach schedule. (see instructions) ☐ Yes ☐ No

9 Funding standard account statement for this plan year:

	Charges to funding standard account:			
a	Prior year funding deficiency, if any		9a	
b	Employer's normal cost for plan year as of valuation date		9b	
c	Amortization charges as of valuation date:	**Outstanding Balance**		
	(1) All bases except funding waivers ▶	($)	c(1)	
	(2) Funding waivers ▶	($)	c(2)	
d	Interest as applicable on lines 9a, 9b, and 9c		9d	
e	Additional interest charge due to late quarterly contributions, if applicable		9e	
f	Additional funding charge from Part II, line 12u, if applicable	☐ N/A	9f	
g	Total charges. Add lines 9a through 9f		9g	
	Credits to funding standard account:			
h	Prior year credit balance, if any		9h	
i	Employer contributions. Total from column (b) of line 3		9i	
		Outstanding Balance		
j	Amortization credits as of valuation date ▶	($)	9j	
k	Interest as applicable to end of plan year on lines 9h, 9i, and 9j		9k	
l	Full funding limitation (FFL) and credits			
	(1) ERISA FFL (accrued liability FFL)	l(1)		
	(2) "OBRA '87" FFL (155% current liability FFL)	l(2)		
	(3) "RPA '94" override (90% current liability FFL)	l(3)		
	(4) FFL credit before reflecting "OBRA '87" FFL		l(4)	
	(5) Additional credit due to "OBRA '87" FFL		l(5)	
m	(1) Waived funding deficiency		m(1)	
	(2) Other credits		m(2)	
n	Total credits. Add lines 9h through 9k, 9l(4), 9l(5), 9m(1), and 9m(2)		9n	
o	Credit balance: If line 9n is greater than line 9g, enter the difference		9o	
p	Funding deficiency: If line 9g is greater than line 9n, enter the difference		9p	
	Reconciliation account:			
q	Current year's accumulated reconciliation account:			
	(1) Due to additional funding charges as of the beginning of the plan year	q(1)		
	(2) Due to additional interest charges as of the beginning of the plan year	q(2)		
	(3) Due to waived funding deficiencies:			
	(a) Reconciliation outstanding balance as of valuation date	q(3)(a)		
	(b) Reconciliation amount. Line 9c(2) balance minus line 9q(3)(a)	q(3)(b)		
	(4) Total as of valuation date ▶		q(4)	

10 Contribution necessary to avoid an accumulated funding deficiency. Enter the amount in line 9p or the amount required under the alternative funding standard account if applicable | 10 |

11 Has a change been made in the actuarial assumptions for the current plan year? If "Yes," see instructions ☐ Yes ☐ No

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Part II Additional Information for Certain Plans Other Than Multiemployer Plans

Please see **Who Must File** in the instructions to determine if you must complete Part II.

12 Additional required funding charge (see instructions):

a Enter "Gateway %." Divide line 1b(2) by line 1d(2)(c) and multiply by 100. If line 12a is at least 90%, go to line 12u and enter -0-. If line 12a is less than 80%, go to line 12b. If line 12a is at least 80% (but less than 90%), see instructions and, if applicable, go to line 12u and enter -0-. Otherwise, go to line 12b	12a	%
b "RPA '94" current liability. Enter line 1d(2)(a)	12b	
c Adjusted value of assets (see instructions)	12c	
d Funded current liability percentage. Divide line 12c by 12b and multiply by 100	12d	%
e Unfunded current liability. Subtract line 12c from line 12b	12e	
f Liability attributable to any unpredictable contingent event benefit	12f	
g Outstanding balance of unfunded old liability	12g	
h Unfunded new liability. Subtract the total of lines 12f and 12g from line 12e. Enter -0- if negative	12h	
i Unfunded new liability amount (______ % of line 12h)	12i	
j Unfunded old liability amount	12j	
k Deficit reduction contribution. Add lines 12i, 12j, and 1d(2)(b)	12k	
l Net charges in funding standard account used to offset the deficit reduction contribution. Enter a negative number if less than zero	12l	

m Unpredictable contingent event amount:

(1) Benefits paid during year attributable to unpredictable contingent event	m(1)	
(2) Unfunded current liability percentage. Subtract the percentage on line 12d from 100%	m(2)	%
(3) Transition percentage	m(3)	80.00%
(4) Enter the product of lines 12m(1), 12m(2), and 12m(3)	m(4)	
(5) Amortization of all unpredictable contingent event liabilities	m(5)	
(6) "RPA '94" additional amount (see instructions)	m(6)	
(7) Enter the greatest of lines 12m(4), 12m(5), or 12m(6)	m(7)	

Preliminary Calculation

n Preliminary additional funding charge: Enter the excess of line 12k over line 12l (if any), plus line 12m(7), adjusted to end of year with interest	12n	
o Contributions needed to increase current liability percentage to 100% (see instructions)	12o	
p Enter the lesser of line 12n or 12o. Also, enter the result on line 12t if the employer did not elect for 1995 to use the Optional rule under Code section 412(l)(3)(E) and does not elect for 1999 to use the Transition rule under Code section 412(l)(11)	12p	

Final Calculation (complete line 12q, 12r, or 12s, as applicable, and lines 12t and 12u)

q If the employer elects to use the Transition rule for 1999, but did not elect for 1995 to use the Optional rule, complete line 14 and enter the lesser of line 12p or 14e here and on line 12t	12q	

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r	If the employer elected for 1995 to use the Optional rule, but does not elect for 1999 to use the Transition rule, complete line 13 and enter the greater of line 12p or 13q here and on line 12t	12r	
s	If the employer elected for 1995 to use the Optional rule and elects to use the Transition rule for 1999, enter the lesser of (1) the greater of line 12p or 13q, **or** (2) line 14e. Also, enter on line 12t	12s	
t	Additional funding charge prior to adjustment	12t	
u	Adjusted additional funding charge. (.0 % of line 12t)	12u	
13	Additional funding charge under prior law (see instructions):		
a	"OBRA '87" current liability. Enter line 1d(3)(a)	13a	
b	Adjusted value of assets (see instructions)	13b	
c	Funded current liability percentage. Divide line 13b by line 13a and multiply by 100	13c	%
d	Unfunded current liability. Subtract line 13b from line 13a	13d	
e	Outstanding balance of unfunded old liability	13e	
f	Liability attributable to any unpredictable contingent event benefit	13f	
g	Unfunded new liability. Subtract the total of lines 13e and 13f from line 13d	13g	
h	Unfunded new liability amount (______ % of line 13g)	13h	
i	Unfunded old liability amount	13i	
j	Deficit reduction contribution. Add lines 13h and 13i	13j	
k	Net amortization charge for certain bases	13k	
l	Unpredictable contingent event amount:		
	(1) Benefits paid during year attributable to unpredictable contingent event — l(1)		
	(2) Unfunded current liability percentage. Subtract the percentage on line 13c from 100% — l(2) %		
	(3) Transition percentage — l(3) 80.00%		
	(4) Enter the product of lines 13l(1), 13l(2), and 13l(3) — l(4)		
	(5) Amortization of all unpredictable contingent event liabilities — l(5)		
	(6) Enter the greater of line 13l(4) or line 13l(5)	l(6)	
m	Additional funding charge (excess of line 13j over line 13k (if any), plus line 13l(6))	13m	
n	Assets needed to increase current liability percentage to 100% (line 13d)	13n	
o	Smaller of line 13m or line 13n	13o	
p	Interest adjustment	13p	
q	Additional funding charge. Add lines 13o and 13p	13q	
14	Transition rule:		
a	Initial funded current liability percentage. Enter the percentage from line 12d of the 1995 Schedule B here	14a	%
b	Target percentage for transition rule (see instructions)	14b	%
c	Target amount (see instructions)	14c	
d	Enter the amount from line 13q here (additional funding charge under prior law)	14d	
e	Additional funding charge under transition rule of Code section 412(l)(11): Enter the greater of line 14c or 14d	14e	

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SCHEDULE C (Form 5500)
Department of the Treasury
Internal Revenue Service
Department of Labor
Pension and Welfare Benefits Administration
Pension Benefit Guaranty Corporation

Service Provider Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974.

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

1999

This Form is Open to Public Inspection

For the calendar year 1999 or fiscal plan year beginning , , and ending ,

A Name of plan	**B** Three-digit plan number ▶
C Plan sponsor's name as shown on line 2a of Form 5500	**D** Employer Identification Number

Part I Service Provider Information (see instructions)

1 Enter the total dollar amount of compensation paid by the plan to all persons, other than those listed below, who received compensation during the plan year: **1**

2 On the first item below list the contract administrator, if any, as defined in the instructions. On the other items, list service providers in descending order of the compensation they received for the services rendered during the plan year. List only the top 40. 103-12 IEs should enter N/A in columns (c) and (d).

(a) Name	**(b)** Employer identification number (see instructions)	**(c)** Official plan position
		Contract administrator

(d) Relationship to employer, employer organization, or person known to be a party-in-interest	**(e)** Gross salary or allowances paid by plan	**(f)** Fees and commissions paid by plan	**(g)** Nature of service code(s) (see instructions)
			12

(a) Name	**(b)** Employer identification number (see instructions)	**(c)** Official plan position

(d) Relationship to employer, employer organization, or person known to be a party-in-interest	**(e)** Gross salary or allowances paid by plan	**(f)** Fees and commissions paid by plan	**(g)** Nature of service code(s) (see instructions)

For Paperwork Reduction Act Notice and OMB Control Numbers, see the Instructions for Form 5500. v2.3 **Schedule C (Form 5500) 1999**

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(a) Name	**(b)** Employer identification number (see instructions)	**(c)** Official plan position

(d) Relationship to employer, employer organization, or person known to be a party-in-interest	**(e)** Gross salary or allowances paid by plan	**(f)** Fees and commissions paid by plan	**(g)** Nature of service code(s) (see instructions)

(a) Name	**(b)** Employer identification number (see instructions)	**(c)** Official plan position

(d) Relationship to employer, employer organization, or person known to be a party-in-interest	**(e)** Gross salary or allowances paid by plan	**(f)** Fees and commissions paid by plan	**(g)** Nature of service code(s) (see instructions)

(a) Name	**(b)** Employer identification number (see instructions)	**(c)** Official plan position

(d) Relationship to employer, employer organization, or person known to be a party-in-interest	**(e)** Gross salary or allowances paid by plan	**(f)** Fees and commissions paid by plan	**(g)** Nature of service code(s) (see instructions)

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Part II **Termination Information on Accountants and Enrolled Actuaries (see instructions)**

(a) Name **(b)** EIN

(c) Position

(d) Address

(e) Telephone No.

Explanation:

(a) Name **(b)** EIN

(c) Position

(d) Address

(e) Telephone No.

Explanation:

(a) Name **(b)** EIN

(c) Position

(d) Address

(e) Telephone No.

Explanation:

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SCHEDULE D
(Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Pension and Welfare Benefits Administration

DFE/Participating Plan Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

Official Use Only

OMB No. 1210-0110

1999

This Form is Open to Public Inspection

For calendar plan year 1999 or fiscal plan year beginning , , and ending ,

A Name of plan or DFE

B Three-digit plan number ▶

C Plan or DFE sponsor's name as shown on line 2a of Form 5500

D **Employer Identification Number**

Part I Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)

(a) Name of MTIA, CCT, PSA, or 103-12IE ______

(b) Name of sponsor of entity listed in **(a)** ______

(c) EIN-PN ______ **(d)** Entity code ____ **(e)** Dollar value of interest in MTIA, CCT, PSA, or 103-12IE at end of year (see instructions) ______

(a) Name of MTIA, CCT, PSA, or 103-12IE ______

(b) Name of sponsor of entity listed in **(a)** ______

(c) EIN-PN ______ **(d)** Entity code ____ **(e)** Dollar value of interest in MTIA. CCT, PSA, or 103-12IE at end of year (see instructions) ______

(a) Name of MTIA, CCT, PSA, or 103-12IE ______

(b) Name of sponsor of entity listed in **(a)** ______

(c) EIN-PN ______ **(d)** Entity code ____ **(e)** Dollar value of interest in MTIA. CCT, PSA, or 103-12IE at end of year (see instructions) ______

(a) Name of MTIA, CCT, PSA, or 103-12IE ______

(b) Name of sponsor of entity listed in **(a)** ______

(c) EIN-PN ______ **(d)** Entity code ____ **(e)** Dollar value of interest in MTIA. CCT, PSA, or 103-12IE at end of year (see instructions) ______

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(a) Name of MTIA, CCT, PSA, or 103-12IE ______

(b) Name of sponsor of entity listed in **(a)** ______

(c) EIN-PN ______ **(d)** Entity code ____ **(e)** Dollar value of interest in MTIA, CCT, PSA, or 103-12IE at end of year (see instructions) ______

(a) Name of MTIA, CCT, PSA, or 103-12IE ______

(b) Name of sponsor of entity listed in **(a)** ______

(c) EIN-PN ______ **(d)** Entity code ____ **(e)** Dollar value of interest in MTIA, CCT, PSA, or 103-12IE at end of year (see instructions) ______

(a) Name of MTIA, CCT, PSA, or 103-12IE ______

(b) Name of sponsor of entity listed in **(a)** ______

(c) EIN-PN ______ **(d)** Entity code ____ **(e)** Dollar value of interest in MTIA, CCT, PSA, or 103-12IE at end of year (see instructions) ______

(a) Name of MTIA, CCT, PSA, or 103-12IE ______

(b) Name of sponsor of entity listed in **(a)** ______

(c) EIN-PN ______ **(d)** Entity code ____ **(e)** Dollar value of interest in MTIA, CCT, PSA, or 103-12IE at end of year (see instructions) ______

(a) Name of MTIA, CCT, PSA, or 103-12IE ______

(b) Name of sponsor of entity listed in **(a)** ______

(c) EIN-PN ______ **(d)** Entity code ____ **(e)** Dollar value of interest in MTIA, CCT, PSA, or 103-12IE at end of year (see instructions) ______

(a) Name of MTIA, CCT, PSA, or 103-12IE ______

(b) Name of sponsor of entity listed in **(a)** ______

(c) EIN-PN ______ **(d)** Entity code ____ **(e)** Dollar value of interest in MTIA, CCT, PSA, or 103-12IE at end of year (see instructions) ______

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Part II **Information on Participating Plans (to be completed by DFEs)**

(a) Plan name ______

(b) Name of plan sponsor ______ **(c)** EIN-PN ______

(a) Plan name ______

(b) Name of plan sponsor ______ **(c)** EIN-PN ______

(a) Plan name ______

(b) Name of plan sponsor ______ **(c)** EIN-PN ______

(a) Plan name ______

(b) Name of plan sponsor ______ **(c)** EIN-PN ______

(a) Plan name ______

(b) Name of plan sponsor ______ **(c)** EIN-PN ______

(a) Plan name ______

(b) Name of plan sponsor ______ **(c)** EIN-PN ______

(a) Plan name ______

(b) Name of plan sponsor ______ **(c)** EIN-PN ______

(a) Plan name ______

(b) Name of plan sponsor ______ **(c)** EIN-PN ______

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SCHEDULE E (Form 5500)

Department of the Treasury
Internal Revenue Service

ESOP Annual Information

Under Section 6047(e) of the Internal Revenue Code

▶ File as an attachment to Form 5500 or 5500-EZ.

OMB No. 1210-0110

1999

This Form is NOT Open to Public Inspection

For the calendar year 1999 or fiscal plan year beginning , , and ending ,

A Name of plan

B Three-digit plan number ▶

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-EZ

D **Employer Identification Number**

		Yes	No
1a	Did the employee stock ownership plan (ESOP) have an outstanding securities acquisition loan within the meaning of Code section 133 during the plan year?		
b	Did the employer maintaining the ESOP pay dividends (deductible under section 404(k)) on the employer's stock held by the ESOP during the employer's tax year in which the plan year ends?		
	If both line **1a** and line **1b** are "No," DO NOT complete any other questions on this schedule. Attach the schedule to the Form 5500 or 5500-EZ you file for your ESOP plan.		
2	What is the total value of the ESOP assets? ▶ ______		
3	If the ESOP holds preferred stock, under what formula is the preferred stock convertible into common stock of the employer corporation? ▶ ______		
4	If unallocated employer securities were released from a loan suspense account, indicate below the methods used:		
a	☐ Principal and interest (Excise Tax Regulations section 54.4975-7(b)(8)(i));		
b	☐ Principal only (Excise Tax Regulations section 54.4975-7(b)(8)(ii));		
c	☐ Other (attach an explanation)		
5	Were unallocated securities or proceeds from the sale of unallocated securities used to repay any exempt loan (within the meaning of Code section 4975(d)(3))?		
	If "Yes," attach a description of the transaction.		
	If the ESOP or the employer corporation has one or more outstanding securities acquisition loans intended to satisfy Code section 133, complete lines **6** through **11**, otherwise skip to line **12**.		
6a	Was the ESOP loan part of a "back to back" loan? (See instructions for definition of "back to back" loan.)		
b	If line **6a** is "Yes," are the terms of the two loans substantially similar?		
c	Do the two loans have the same amortization schedule? If "No," attach an explanation of how the amortization schedules differ		
7	Is the loan an immediate allocation loan as defined in Code section 133(b)(1)(B)?		
8a	What was the date of the securities acquisition loan? ▶ ______ month day year		

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or 5500-EZ.

v2.3

Schedule E (Form 5500) 1999

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	Yes	No
8b At all times after the acquisition of the employer securities with the loan proceeds, did the ESOP own more than 50% of (i) each class of outstanding stock of the employer corporation, or (ii) the total value of all outstanding stock of the corporation?		
c If line **8b** is "No," does the securities acquisition loan satisfy one of the transition rules of Act section 7301(f) of OBRA 1989 or satisfy the exception in Code section 133(b)(6)(B)(ii)? (See instructions for explanation of transition rules.)		
d If line **8c** is "No," enter the name and address of payees to whom interest with respect to securities acquisition loans was paid ▶		
9 What was the amount of interest paid on the securities acquisition loan? ▶		
10a Were any securities disposed of within 3 years after the plan acquired section 133 securities in a taxable event described in Code section 4978B(c)?		
b If line **10a** is "Yes," does one or more of the exceptions provided in Code section 4978B(d) apply to all dispositions of employer securities?		
11a Were any of the ESOP's securities acquisition loans refinanced during this reporting period?		
b If line **11a** is "Yes," does the refinancing meet the requirements of Act section 1602 of SBJPA 1996?		
If the employer maintaining the ESOP deducted dividends under Code section 404(k), answer the questions on lines 12 through 14, otherwise skip to line 15.		
12a Did the amount of the dividends paid exceed the employer's current or accumulated earnings and profits within the meaning of Code section 316?		
b Is the amount paid a dividend under applicable state law?		
13 If dividends deducted under Code section 404(k) were used to repay an exempt loan, were any dividends used to repay the loan generated by securities that were not acquired with the proceeds of the loan being repaid?		
14 If the answer to line 13 is "Yes," were the dividends paid with respect to employer securities that satisfy the transition rules of Act section 7302(b)(2) of OBRA 1989?		

15 Complete the following information for each class of stock owned by the ESOP:

(a) Class of stock	**(b)** Common stock (C) Preferred stock (P)	**(c)** Readily tradable* Yes (Y) No (N)	**(d)** Dividend rate during plan year**	**(e)** Dividends paid to participants***	**(f)** Dividends used to repay exempt loan	
					(1) allocated stock	**(2)** unallocated stock
				$	$	$

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(a) Class of stock	(b) Common stock (C) Preferred stock (P)	(c) Readily tradable* Yes (Y) No (N)	(d) Dividend rate during plan year**	(e) Dividends paid to participants***	(f) Dividends used to repay exempt loan	
					(1) allocated stock	(2) unallocated stock
				$	$	$
				$	$	$
				$	$	$
Totals of dividends reported on Line 15(e) and (f) for all classes of stock . . . . ▶				$	$	$

* If the stock is readily tradable on an established securities market within the meaning of Code section 409(l), enter "Y," otherwise enter "N."

** Dividend rate paid for each class of stock during the plan year.

*** Dividends paid directly to or distributed to participants.

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Official Use Only

SCHEDULE F (Form 5500)

Department of the Treasury
Internal Revenue Service

Fringe Benefit Plan Annual Information Return

Under Section 6039D of the Internal Revenue Code

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

1999

This Form is NOT Open to Public Inspection

For the calendar plan year 1999 or fiscal plan year beginning , , and ending ,

A Name of plan	**B** Three-digit plan number ▶
C Plan sponsor's name as shown on line 2a of Form 5500	**D Employer Identification Number**

1 Check the Internal Revenue Code section that describes this fringe benefit plan:
(a) ☐ 125 (Cafeteria plan) **(b)** ☐ 127 (Educational assistance program) **(c)** ☐ 137 (Adoption assistance program)

2 Enter the total number of employees of the employer. . . . .

3 Enter the total number of employees eligible to participate in the plan . . . .

4 Enter the total number of employees participating in the plan. (See instructions.) . . . .

5 Enter the total cost of the fringe benefit plan for the plan year. (See instructions.) . . . .

6 Did the fringe benefit plan terminate in this plan year? (See instructions.) . . . . ☐ **Yes** ☐ **No**

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SCHEDULE G (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Pension and Welfare Benefits Administration

Financial Transaction Schedules

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

Official Use Only

OMB No. 1210-0110

1999

This Form is Open to Public Inspection

For calendar plan year 1999 or fiscal plan year beginning , , and ending ,

A Name of Plan

B Three-digit plan number ▶

C Name of plan sponsor as shown on line 2a of Form 5500

D **Employer Identification Number**

Part I **Schedule of Loans or Fixed Income Obligations in Default or Classified as Uncollectible**

(a)	**(b)** Identity and address of obligor	**(c)** Original amount of loan

Amount received during reporting year		**(f)** Unpaid balance at end of year
(d) Principal	**(e)** Interest	

(g)
Detailed description of loan including dates of making and maturity, interest rate, the type and value of collateral, any renegotiation of the loan and the terms of the renegotiation, and other material items

Amount overdue		
(h) Principal	**(i)** Interest	

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500. V2.3 **Schedule G (Form 5500) 1999**

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(a)	(b) Identity and address of obligor	(c) Original amount of loan

Amount received during reporting year		(f) Unpaid balance at end of year
(d) Principal	(e) Interest	

(g)
Detailed description of loan including dates of making and maturity, interest rate, the type and value of collateral, any renegotiation of the loan and the terms of the renegotiation, and other material items

Amount overdue		
(h) Principal	(i) Interest	

(a)	(b) Identity and address of obligor	(c) Original amount of loan

Amount received during reporting year		(f) Unpaid balance at end of year
(d) Principal	(e) Interest	

(g)
Detailed description of loan including dates of making and maturity, interest rate, the type and value of collateral, any renegotiation of the loan and the terms of the renegotiation, and other material items

Amount overdue		
(h) Principal	(i) Interest	

2 4 9 9 0 0 0 2 1 R

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Part II Schedule of Leases in Default or Classified as Uncollectible

(a)	(b) Identity of lessor/lessee	(c) Relationship to plan, employer, employee organization or other party-in-interest

(d) Terms and description (type of property, location and date it was purchased, terms regarding rent, taxes, insurance, repairs, expenses, renewal options, date property was leased)

(e) Original cost	(f) Current value at time of lease	(g) Gross rental receipts during the plan year
(h) Expenses paid during the plan year	**(i)** Net receipts	**(j)** Amount in arrears

(a)	(b) Identity of lessor/lessee	(c) Relationship to plan, employer, employee organization or other party-in-interest

(d) Terms and description (type of property, location and date it was purchased, terms regarding rent, taxes, insurance, repairs, expenses, renewal options, date property was leased)

(e) Original cost	(f) Current value at time of lease	(g) Gross rental receipts during the plan year
(h) Expenses paid during the plan year	**(i)** Net receipts	**(j)** Amount in arrears

(a)	(b) Identity of lessor/lessee	(c) Relationship to plan, employer, employee organization or other party-in-interest

(d) Terms and description (type of property, location and date it was purchased, terms regarding rent, taxes, insurance, repairs, expenses, renewal options, date property was leased)

(e) Original cost	(f) Current value at time of lease	(g) Gross rental receipts during the plan year
(h) Expenses paid during the plan year	**(i)** Net receipts	**(j)** Amount in arrears

2 4 9 9 0 0 0 3 1 S

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Part III Nonexempt Transactions

If a nonexempt prohibited transaction occurred with respect to a disqualified person, file Form 5330 with the IRS to pay the excise tax on the transaction.

(a) Identity of party involved	(b) Relationship to plan, employer, or other party-in-interest

(c) Description to transactions including maturity date, rate of interest, collateral, par or maturity value

(d) Purchase price	(e) Selling price	(f) Lease rental	(g) Expenses incurred in connection with transaction
(h) Cost of asset	(i) Current value of asset	(j) Net gain or (loss) on each transaction	

(a) Identity of party involved	(b) Relationship to plan, employer, or other party-in-interest

(c) Description to transactions including maturity date, rate of interest, collateral, par or maturity value

(d) Purchase price	(e) Selling price	(f) Lease rental	(g) Expenses incurred in connection with transaction
(h) Cost of asset	(i) Current value of asset	(j) Net gain or (loss) on each transaction	

(a) Identity of party involved	(b) Relationship to plan, employer, or other party-in-interest

(c) Description to transactions including maturity date, rate of interest, collateral, par or maturity value

(d) Purchase price	(e) Selling price	(f) Lease rental	(g) Expenses incurred in connection with transaction
(h) Cost of asset	(i) Current value of asset	(j) Net gain or (loss) on each transaction	

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SCHEDULE H (Form 5500)	Financial Information	Official Use Only
Department of the Treasury Internal Revenue Service Department of Labor Pension and Welfare Benefits Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under Section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ **File as an attachment to Form 5500.**	OMB No. 1210-0110 **1999** **This Form is Open to Public Inspection.**

For calendar year 1999 or fiscal plan year beginning , and ending , .

A Name of plan	**B** Three-digit plan number ▶
C Plan sponsor's name as shown on line 2a of Form 5500	**D** **Employer Identification Number**

Part I Asset and Liability Statement

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines c(9) through c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** DFEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, 1i, and, except for master trust investment accounts, also do not complete lines 1d and 1e. See instructions.

Assets		**(a)** Beginning of Year	**(b)** End of Year
a Total noninterest-bearing cash	**a**		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	**b(1)**		
(2) Participant contributions	**b(2)**		
(3) Other	**b(3)**		
c General investments:			
(1) Interest-bearing cash (incl. money market accounts and certificates of deposit)	**c(1)**		
(2) U.S. Government securities	**c(2)**		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	**c(3)(A)**		
(B) All other	**c(3)(B)**		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	**c(4)(A)**		
(B) Common	**c(4)(B)**		
(5) Partnership/joint venture interests	**c(5)**		
(6) Real estate (other than employer real property)	**c(6)**		
(7) Loans (other than to participants)	**c(7)**		
(8) Participant loans	**c(8)**		
(9) Value of interest in common/collective trusts	**c(9)**		
(10) Value of interest in pooled separate accounts	**c(10)**		
(11) Value of interest in master trust investment accounts	**c(11)**		
(12) Value of interest in 103-12 investment entities	**c(12)**		
(13) Value of interest in registered investment companies (e.g., mutual funds)	**c(13)**		
(14) Value of funds held in insurance co. general account (unallocated contracts)	**c(14)**		
(15) Other	**c(15)**		

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		(a) Beginning of Year	(b) End of Year
d Employer-related investments:			
(1) Employer securities	d(1)		
(2) Employer real property	d(2)		
e Buildings and other property used in plan operation	e		
f Total assets (add all amounts in lines 1a through 1e)	f		
Liabilities			
g Benefit claims payable	g		
h Operating payables	h		
i Acquisition indebtedness	i		
j Other liabilities	j		
k Total liabilities (add all amounts in lines 1g through 1j)	k		
Net Assets			
l Net assets (subtract line 1k from line 1f)	l		

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. DFEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	a(1)(A)		
(B) Participants	a(1)(B)		
(C) Others (including rollovers)	a(1)(C)		
(2) Noncash contributions	a(2)		
(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	a(3)		
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	b(1)(A)		
(B) U.S. Government securities	b(1)(B)		
(C) Corporate debt instruments:	(1)(C)		
(D) Loans (other than to participants)	b(1)(D)		
(E) Participant loans	b(1)(E)		
(F) Other	b(1)(F)		
(G) Total interest. Add lines **2b(1)(A)** through **(F)**	b(1)(G)		
(2) Dividends: (A) Preferred stock	b(2)(A)		
(B) Common stock	b(2)(B)		
(C) Total dividends. Add lines **2b(2)(A)** and **(B)**	b(2)(C)		
(3) Rents	b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	b(4)(A)		
(B) Aggregate carrying amount (see instructions)	b(4)(B)		
(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result.	b(4)(C)		

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		(a) Amount	(b) Total
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	b(5)(A)		
(B) Other	b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	b(5)(C)		
(6) Net investment gain (loss) from common/collective trusts	b(6)		
(7) Net investment gain (loss) from pooled separate accounts	b(7)		
(8) Net investment gain (loss) from master trust investment accounts	b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	b(10)		
c Other income	c		
d Total income. Add all **income** amounts in column (b) and enter total	d		
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	e(1)		
(2) To insurance carriers for the provision of benefits	e(2)		
(3) Other	e(3)		
(4) Total benefit payments. Add lines **2e(1)** through **(3)**	e(4)		
f Corrective distributions (see instructions)	f		
g Certain deemed distributions of participant loans (see instructions)	g		
h Interest expense	h		
i Administrative expenses: (1) Professional fees	i(1)		
(2) Contract administrator fees	i(2)		
(3) Investment advisory and management fees	i(3)		
(4) Other	i(4)		
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	i(5)		
j Total expenses. Add all **expense** amounts in column (b) and enter total	j		
Net Income and Reconciliation			
k Net income (loss) (subtract line 2j from line 2d)	k		
l Transfers of assets			
(1) To this plan	l(1)		
(2) From this plan	l(2)		

Part III Accountant's Opinion

3 The opinion of an independent qualified public accountant for this plan is (see instructions):

a **Attached** to this Form 5500 and the opinion is -- (1) ☐ Unqualified (2) ☐ Qualified (3) ☐ Disclaimer (4) ☐ Adverse

b **Not attached** because: (1) ☐ the Form 5500 is filed for a CCT, PSA or MTIA.

(2) ☐ the opinion will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

c Check this box if the accountant performed a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 2520.103-12(d) ☐

d If an accountant's opinion is attached, enter the name and EIN of the accountant (or accounting firm) ▶ ____________

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Part IV Transactions During Plan Year

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete 4a, 4e, 4f, 4g, 4h, 4k, or 5. 103-12 IEs also do not complete 4j.

During the plan year:		Yes	No	Amount
a Did the employer fail to transmit to the plan any participant contributions within the maximum time period described in 29 CFR 2510.3-102? (see instructions)	a			
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if **"Yes"** is checked)	b			
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if **"Yes"** is checked)	c			
d Did the plan engage in any nonexempt transaction with any party-in-interest? (Attach Schedule G (Form 5500) Part III if **"Yes"** is checked)	d			
e Was this plan covered by a fidelity bond?	e			
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	f			
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	g			
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	h			
i Did the plan have assets held for investment? (Attach schedule(s) of assets if **"Yes"** is checked, and see instructions for format requirements)	i			
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if **"Yes"** is checked and see instructions for format requirements)	j			
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan or brought under the control of the PBGC?	k			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? If yes, enter the amount of any plan assets that reverted to the employer this year ☐ **Yes** ☐ **No** **Amount** ______

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions).

5b(1) Name of plan(s)	**5b(2)** EIN(s)	**5b(3)** PN(s)

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SCHEDULE I (Form 5500)
Department of the Treasury
Internal Revenue Service

Department of Labor
Pension and Welfare Benefits Administration

Pension Benefit Guaranty Corporation

Financial Information -- Small Plan

This schedule is required to be filed under Section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

Official Use Only

OMB No. 1210-0110

1999

This Form is Open to Public Inspection.

For calendar year 1999 or fiscal plan year beginning , and ending , .

A Name of plan	**B** Three-digit plan number ▶
C Plan sponsor's name as shown on line 2a of Form 5500	**D** **Employer Identification Number**

Complete Schedule I if the plan covered fewer than 100 participants as of the beginning of the plan year. You may also complete Schedule I if you are filing as a small plan under the 80-120 participant rule (see instructions). Complete Schedule H if reporting as a large plan or DFE.

Part I Small Plan Financial Information

Report below the current value of assets and liabilities, income, expenses, transfers and changes in net assets during the plan year. Combine the value of plan assets held in more than one trust. Do not enter the value of the portion of an insurance contract that guarantees during this plan year to pay a specific dollar benefit at a future date. Include all income and expenses of the plan including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. **Round off amounts to the nearest dollar.**

		(a) Beginning of Year	(b) End of Year
1 Plan Assets and Liabilities:			
a Total plan assets	**1a**		
b Total plan liabilities	**1b**		
c Net plan assets (subtract line 1b from line 1a)	**1c**		
2 Income, Expenses, and Transfers for this Plan Year:		**(a) Amount**	**(b) Total**
a Contributions received or receivable			
(1) Employers	**2a(1)**		
(2) Participants	**2a(2)**		
(3) Others (including rollovers)	**2a(3)**		
b Noncash contributions	**2b**		
c Other income	**2c**		
d Total income (add lines 2a(1), 2a(2), 2a(3), 2b, and 2c)	**2d**		
e Benefits paid (including direct rollovers)	**2e**		
f Corrective distributions (see instructions)	**2f**		
g Certain deemed distributions of participant loans (see instructions)	**2g**		
h Other expenses	**2h**		
i Total expenses (add lines 2e, 2f, 2g, and 2h)	**2i**		
j Net income (loss) (subtract line 2i from line 2d)	**2j**		
k Net transfers	**2k**		

3 Specific Assets: If the plan held any assets in one or more of the following specific categories, check yes and enter the current value as of the end of the plan year. Allocate the value of the plan's interest in a commingled trust containing the assets of more than one plan on a line-by-line basis unless the trust meets one of the specific exceptions described in the instructions.

		Yes	No	Amount
a Partnership/joint venture interests	**3a**			
b Employer real property	**3b**			

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			Yes	No	Amount
3c	Real estate (other than employer real property)	3c			
d	Employer securities	3d			
e	Participant loans	3e			
f	Loans (other than to participants)	3f			
g	Tangible personal property	3g			

Part II Transactions During Plan Year

			Yes	No	Amount
4	During the plan year:				
a	Did the employer fail to transmit to the plan any participant contributions within the maximum time period described in 29 CFR 2510.3-102? (See instructions)	4a			
b	Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by the participants' account balance	4b			
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible?	4c			
d	Did the plan engage in any nonexempt transaction with any party-in-interest?	4d			
e	Was the plan covered by a fidelity bond?	4e			
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f			
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g			
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h			
i	Did the plan at any time hold 20% or more of its assets in any single security, debt, mortgage, parcel of real estate, or partnership/joint venture interest?	4i			
j	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4j			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? If yes, enter the amount of any plan assets that reverted to the employer this year ☐ **Yes** ☐ **No** **Amount** ____________

5b If during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	**5b(2)** EIN(s)	**5b(3)** PN(s)

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SCHEDULE P (FORM 5500)

Department of the Treasury
Internal Revenue Service

Annual Return of Fiduciary of Employee Benefit Trust

This schedule may be filed to satisfy the requirements under section 6033(a) for an annual information return from every section 401(a) organization exempt from tax under section 501(a).

Filing this form will start the running of the statute of limitations under section 6501(a) for any trust described in section 401(a) that is exempt from tax under section 501(a).

▶ File as an attachment to Form 5500 or 5500-EZ.

Official Use Only

OMB No. 1210-0110

1999

This Form is Open to Public Inspection.

For trust calendar year 1999 or fiscal year beginning , , and ending , .

1a Name of trustee or custodian

b Number, street, and room or suite no. (If a P.O. box, see the instructions for Form 5500 or 5500-EZ.)

c City or town, state, and ZIP code

2a Name of trust

b Trust's employer identification number

3 Name of plan if different from name of trust

4 Have you furnished the participating employee benefit plan(s) with the trust financial information required to be reported by the plan(s)? . . . . ☐ **Yes** ☐ **No**

5 Enter the plan sponsor's employer identification number as shown on Form 5500 or 5500-EZ. . . . . ▶

Under penalties of perjury, I declare that I have examined this schedule, and to the best of my knowledge and belief it is true, correct, and complete.

Signature of fiduciary ▶ **Date ▶**

For the Paperwork Reduction Notice and OMB Control Numbers, see the instructions for Form 5500 or 5500-EZ. v2.3 **Schedule P (Form 5500) 1999**

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SCHEDULE R
(Form 5500)
Department of the Treasury
Internal Revenue Service
Department of Labor
Pension and Welfare Benefits Administration
Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an Attachment to Form 5500.**

OMB No. 1210-0110

1999

This Form is Open to Public Inspection.

For calendar year 1999 or fiscal plan year beginning , and ending ,

A Name of plan

B Three-digit plan number ▶

C Plan sponsor's name as shown on line 2a of Form 5500

D **Employer Identification Number**

Part I Distributions

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash, annuity contracts, or publicly traded employer securities . . . . . **1** $

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits). ________ ________

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year **3**

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)

4 Is the plan administrator making an election under Code section 412(c)(8) or ERISA section 302(c)(8)? . . . . . ☐ **Yes** ☐ **No** ☐ **N/A**

If the plan is a defined benefit plan, go to line 7.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions, and enter the date of the ruling letter granting the waiver . . . . . ▶ Month____ Day____ Year____

If you completed line 5, complete lines 3, 9, and 10 of Schedule B and do not complete the remainder of this schedule.

6a Enter the minimum required contribution for this plan year . . . . . **6a** $

b Enter the amount contributed by the employer to the plan for this plan year . . . . . **6b** $

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) . . . . . **6c** $

If you completed line 6c, do not complete the remainder of this schedule.

7 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure providing automatic approval for the change, does the plan sponsor or plan administrator agree with the change? . . . . . ☐ **Yes** ☐ **No** ☐ **N/A**

Do not complete line 8, if the plan is a multiemployer plan or a plan with 100 or fewer participants during the prior plan year (see inst.).

8 Is the employer electing to compute minimum funding for this plan year using the transitional rule provided in Code section 412(l)(11) and ERISA section 302(d)(11)? . . . . . ☐ **Yes** ☐ **No** ☐ **N/A**

Part III Amendments

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased the value of benefits? (see instructions) . . . . . ☐ **Yes** ☐ **No**

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500. v2.3 **Schedule R (Form 5500) 1999**

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SCHEDULE SSA
(Form 5500)

Department of the Treasury
Internal Revenue Service

Annual Registration Statement Identifying Separated Participants With Deferred Vested Benefits

Under Section 6057(a) of the Internal Revenue Code

▶ File as an attachment to Form 5500.

Official Use Only

OMB No. 1210-0110

1999

This Form is NOT Open to Public Inspection

For the calendar year 1999 or fiscal plan year beginning , , and ending ,

A Name of plan

B Three-digit plan number ▶

C Plan sponsor's name as shown on line 2a of Form 5500

D **Employer Identification Number**

1 ☐ Check here if additional participants are shown on attachments. All attachments must include the sponsor's name, EIN, name of plan, plan number, and column identification letter for each column completed for line 4.

☐ Check here if plan is a government, church or other plan that elects to voluntarily file Schedule SSA. If so, complete lines 2 through 3c, and the signature area. Otherwise, complete the signature area only.

2 Plan sponsor's address (number, street, and room or suite no.) (If a P.O. box, see the instructions for line 2.)

City or town, state, and ZIP code

3a Name of plan administrator (if other than sponsor)

3b Administrator's EIN

3c Number, street, and room or suite no. (If a P.O. box, see the instructions for line 2.)

City or town, state, and ZIP code

Under penalties of perjury, I declare that I have examined this report, and to the best of my knowledge and belief, it is true, correct, and complete.

Signature of plan administrator ▶

Phone number of plan administrator ▶ Date ▶

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500. v2.3 Schedule SSA (Form 5500) 1999

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4 Enter one of the following Entry Codes in column (a) for each separated participant with deferred vested benefits that:

Code A -- has not previously been reported.

Code B -- has previously been reported under the above plan number but requires revisions to the information previously reported.

Code C -- has previously been reported under another plan number but will be receiving their benefits from the plan listed above instead.

Code D -- has previously been reported under the above plan number but is no longer entitled to those deferred vested benefits.

	Use with entry code "A", "B", "C", or "D"		**Use with entry code "A" or "B"**		
			Enter code for nature and form of benefit		Amount of vested benefit
(a) Entry Code	**(b)** Social Security Number	**(c)** Name of Participant	**(d)** Type of annuity	**(e)** Payment frequency	**(f)** Defined benefit plan -- periodic payment

	Use with entry code "A" or "B"			**Use with entry code "C"**	
	Amount of vested benefit				
	Defined contribution plan				
(a) Entry Code	**(g)** Units or shares	Share indicator	**(h)** Total value of account	**(i)** Previous sponsor's employer identification number	**(j)** Previous plan number

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SCHEDULE T (Form 5500)

Department of the Treasury
Internal Revenue Service

Qualified Pension Plan Coverage Information

This form is required to be filed under section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

1999

This Form is Open to Public Inspection.

For calendar year 1999 or fiscal plan year beginning , and ending , .

A Name of plan	**B** Three-digit plan number ▶
C Plan sponsor's name as shown on line 2a of Form 5500	**D** **Employer Identification Number**

Note: If the plan is maintained by:

- More than one employer and benefits employees who are not collectively-bargained employees, a separate Schedule T may be required for each employer (see the instruction for line 1).
- An employer that operates qualified separate lines of business (QSLOBs) under Code section 414(r), a separate Schedule T may be required for each QSLOB (see the instruction for line 2).

1 If this schedule is being filed to provide coverage information regarding the noncollectively bargained employees of an employer participating in a plan maintained by more than one employer, enter the name and EIN of the participating employer:

1a Name of participating employer	**1b** **Employer identification number**

2 If the employer maintaining the plan operates QSLOBs, enter the following information:

a The number of QSLOBs that the employer operates is ______________ .

b The number of such QSLOBs that have employees benefiting under this plan is ______________ .

c Does the employer apply the minimum coverage requirements to this plan on an employer-wide rather than a QSLOB basis? . . . ☐ **Yes** ☐ **No**

d If the entry on line 2b is two or more and line 2c is "No," identify the QSLOB to which the coverage information given on line 3 or 4 relates.
▶

3 Exceptions -- Check the box before each statement that describes the plan or the employer.
If you check any box, do not complete the rest of this Schedule.

a ☐ The employer employs only highly compensated employees (HCEs).

b ☐ No HCEs benefited under the plan at anytime during the plan year.

c ☐ The plan benefits only collectively bargained employees.

d ☐ The plan benefits all nonexcludable nonhighly compensated employees of the employer (as defined in Code sections 414(b), (c), and (m)), including leased employees and self-employed individuals.

e ☐ The plan is treated as satisfying the minimum coverage requirements under Code section 410(b)(6)(C).

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4 Enter the date the plan year began for which coverage data is being submitted. Month ____ Day ____ Year ____

a Did any leased employees perform services for the employer at any time during the plan year? ☐ Yes ☐ No

b In testing whether the plan satisfies the coverage and nondiscrimination tests of Code sections 410(b) and 401(a)(4), does the employer aggregate plans? ☐ Yes ☐ No

c Complete the following:

(1) Total number of employees of the employer (as defined in Code section 414(b), (c), and (m)), including leased employees and self-employed individuals	**c(1)**	
(2) Number of excludable employees as defined in IRS regulations (see instructions)	**c(2)**	
(3) Number of nonexcludable employees. (Subtract line 4c(2) from line 4c(1))	**c(3)**	
(4) Number of nonexcludable employees (line 4c(3)) who are HCEs	**c(4)**	
(5) Number of nonexcludable employees (line 4c(3)) who benefit under the plan	**c(5)**	
(6) Number of benefiting nonexcludable employees (line 4c(5)) who are HCEs	**c(6)**	

d Enter the plan's ratio percentage and, if applicable, identify the disaggregated part of the plan to which the information on lines 4c and 4d pertains (see instructions) ▶ ____________ **d** %

e Identify any disaggregated part of the plan and enter its ratio percentage:

(1) Disaggregated part: ____________	Ratio Percentage:	**e(1)**	%
(2) Disaggregated part: ____________	Ratio Percentage:	**e(2)**	%
(3) Disaggregated part: ____________	Ratio Percentage:	**e(3)**	%

f This plan satisfies the coverage requirements on the basis of (check one): ☐ the ratio percentage test ☐ average benefit test

2 8 9 9 0 0 0 2 1 V

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