Professional Benefit Services, Inc.

800.982.2012 * Fax 503.364.6901 * www.profben.com
Email us at: retirement@profben.com / census@profben.com / cafeteria@profben.com / cobra@profben.com

Retirement Plans
Cafeteria/HRA
Transportation
COBRA
Payroll Solutions

Annual Administration **Information Needed by January 31, 2011**

December 31, 2010, is the end of your retirement Plan Year. In order to guarantee your testing, auditing and tax form preparation are completed by the IRS and DOL due dates, we MUST receive the REQUIRED enclosed three forms **by January 31, 2011**:

- Plan Data Sheet,
- Census
- Corporate Minutes

Plans subject to testing, will be notified by email if any tests fail or if there are questions regarding your test.

Please send your census electronically (see below), or by fax or regular mail.

Electronic Instructions:

We prefer to receive electronic information. Electronic information can be provided in several ways:

- **NEW!!** If you use Quickbooks: We are now able to convert your Quickbooks records to a format we can use and save you time in completing the census. Please see the attached sheets “Generating Quickbooks Census Report” for instructions. Once the report is generated, please email it to us.
- **NEW!!** If you use a payroll service such as Paychex or ADP: Please request a W-2 summary report or raw data report in Excel. You may already receive this report annually. Once you have this report, please email it to us. If you want our office to contact your payroll service to obtain the report, please complete the attached authorization form.
- Excel spreadsheet (see the census form for format). If you have questions, please refer to the instruction sheet behind the census in this document or on the second tab on the excel spreadsheet.

Both the Plan Data Sheet (in pdf) and the Excel census spreadsheet can be downloaded from our website at www.profben.com. On the top of the website page, click on “Retirement” and then click on “Forms” and go down the page to “Annual Administration Forms.”

Due Dates: In order to avoid IRS penalties, you must comply with the following:

- Adjust failed tests by March 15, 2011 (IRS Penalty - 10% of adjusted amount if adjusted after that date)
- File 5500 tax forms by July 31, 2011 (DOL Penalty - Can assess fines of up to $300 per day.)

Census & Plan Data New Email Address **Please send all census and plan data to our new email box at census@profben.com.**

Fees **Our NEW fee schedule is attached. Our fees are increasing effective January 1, 2011.**

Holiday Hours

We close at noon on December 23rd and December 30th.
We are closed all day on December 24th and December 31st.
We will have limited staffing December 27th through December 30th.

Plan Data Sheet - Retirement Plans

Professional Benefit Services, Inc.

Complete all required items and return to PBS, Inc. **by January 31, 2011.**
Email: census@profben.com or FAX: (503) 364-6901

Company Name____ Date Completed ____/____/________
Preparer's Name____ Phone Number (_____)_____-________
Email Address____ Fax Number (_____)_____-_________
Has your company moved? New Address____

Please complete ALL sections below:

☐ **Employee Census Data (see enclosed sample format) Emailed? ☐ Date:_____________**
Provide all the information indicated on the enclosed census form (preferably by email in Excel or Lotus 1,2,3) so that we may prepare your plan's annual discrimination tests. Please provide this information for **ALL employees.**

☐ **List all company owners, officers and relatives by name.** List any employee who earned more than $110,000 in 2009 (the "look back" year). Also list relatives of company owners who are employed by the company. **Attach additional sheets if needed.**
Owner's Name____________________ Ownership _____%
Owner's Name____________________ Ownership _____%
Owner's Name____________________ Ownership _____%
Owner's Name____________________ Ownership _____%
Officer_____________________ Officer_________________
Relatives of owners employed by the company
Name_____________________How related?___________
Name_____________________How related?___________
Employees earning over $110,000 in the *prior "look back" plan year* (the "look back" year is 2008, not 2009)
Name____________________ Name____________________
Name____________________ Name____________________

☐ **Was any money withheld in December 2010 and deposited in 2011?** ☐YES ☐NO
If yes, please attach a remittance copy.

In addition, please complete the following:
Our firm processes payroll (check one)
___weekly, ___bi-monthly, ___bi-weekly, ___monthly.
Deferral deposits are normally sent to the investment company within_____________(days) of the deduction from the employees pay.

☐ **Did you transmit any employee deposits from pay later than the 7th day following withholding? (This information will be reflected on your Plan's 5500 tax form and penalties may apply.)**
☐YES ☐NO
If yes, please attach a record of the late deposits including date of withholding, amount of withholding and actual deposit date,

☐ **Did your plan change investment vehicles in 2010?** ☐YES ☐NO If yes, was a Black Out Notice provided to participants? ☐YES ☐NO If yes, please attach a copy and provide prior investment company activity to date of transfer.*

☐ **Attach Declaration of Employer Contributions for Plan Year Just Ended (attached)**

☐ **Attach copy of face page of ERISA Bond****

☐ **Plan Loans (If "yes" is checked, attach record as indicated.)**
- ☐ We have no loans outstanding at this time or loans are not permitted.
- ☐ Yes, we have loans. (Please provide confirmation of loan payments by attaching a list of all loan payments made to the plan. Identify them by payroll period and by participant.)

☐ **Are you a large plan (over 100 eligible) subject to an audit?** ☐YES ☐NO If yes, date audit is scheduled _____/_____/_______.***

* A black out notice was required only if you changed investment vehicles in 2010.
** ERISA Bond is required for 10% of total plan assets and can be obtained from your company liability provider.
***A large plan is a plan that has over 100 eligible employees at the beginning of the plan year.

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DIRECTIONS: PLEASE INSTRUCTIONS TAB.

NOTE: Please indicate here if the employer is considering making a non-elective contribution to the plan

Please indicate here if the employer is considering making a match contribution to the plan (if not made monthly)

	Yes	No
Non-elective contribution		
Match contribution		

Plan Name:

Plan Year End:

Service Requirement:

Age Requirement:

Entry Dates:

DATA PROVIDED FOR THE PERIOD JANUARY 1 THRU DECEMBER 31, 2010

SAFE HARBOR? YES__ N0__

A	B	C	D	E	E	G Hours Worked			H	I	J	K	L	M
Participants Last Name, First Name	Owner / Officer	Birth Date	Original Hire Date	Rehire Date	Termination Date	1 to 500	501 - 999	1,000 or more	401(k) Deferrals	Roth 401(k) Deferrals	Salary without 401(k)	Total (Gross) Compensation	Employer Match	Employer Non-Elective
Note: Insert additional rows as needed.														
								Totals:						

Owners: ___________________________ % ownership _______ Employees related to owners ___________________________ Relationship _______

___________________________ _______ ___________________________ _______

___________________________ _______ ___________________________ _______

___________________________ _______ ___________________________ _______

___________________________ _______ ___________________________ _______

___________________________ _______ ___________________________ _______

List those that made over $110,000 in 2009, the "look back" year.

(To determine HCE's for 2010, their salary for 2009 (the "look back" year) is used).

____________________ ____________ ____________________

____________________ ____________ ____________________

____________________ ____________ ____________________

Circle the correct corporate status: Sole Proprietor Partnership C-Corporation S-Corporation Other___________________

Does your firm have an IRS Section 125 cafeteria plan? yes_____ no_____

Prepared by:____ Date:____________________ Phone:______________________________

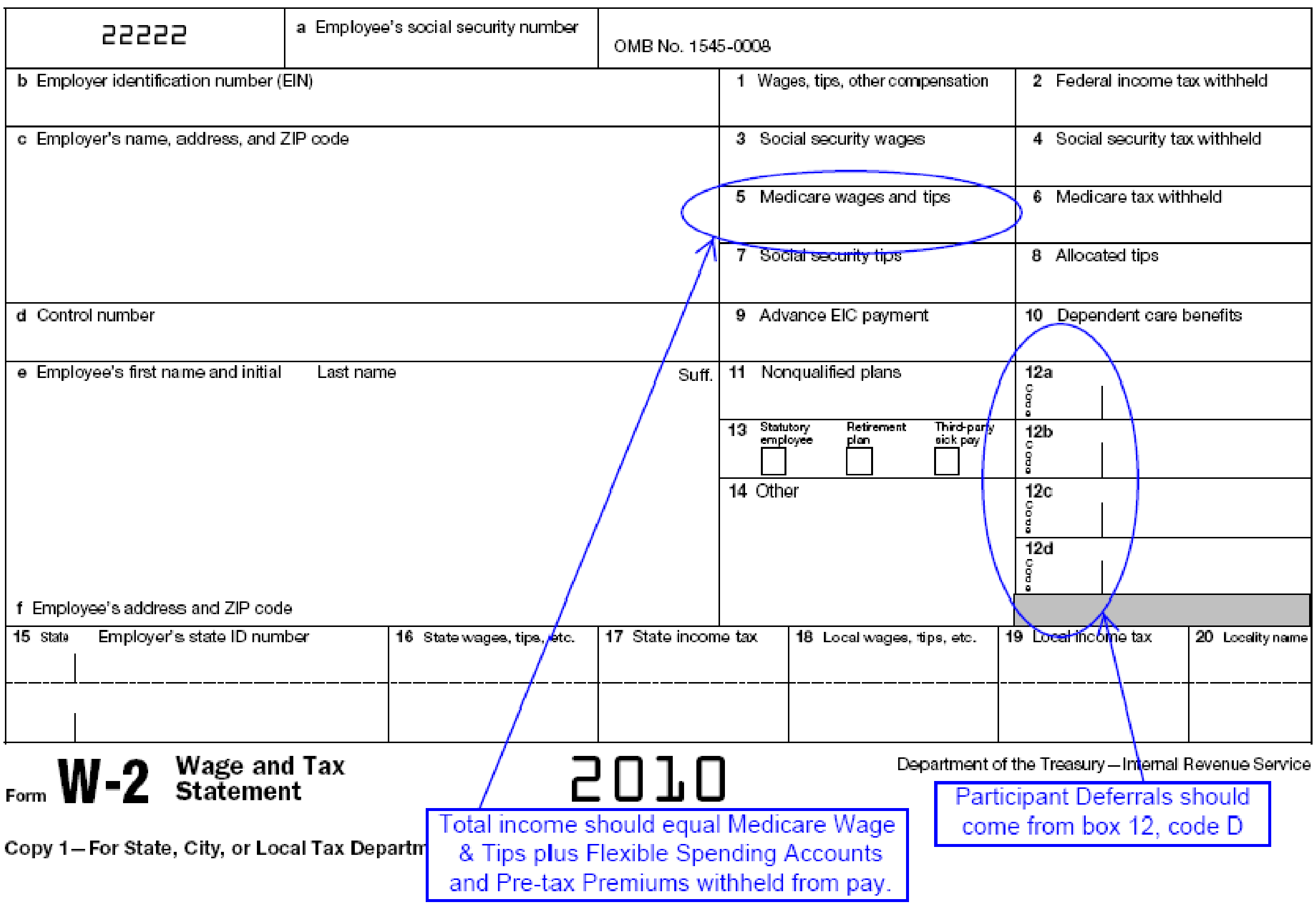
Return to Professional Benefit Services by email: census@profben.com (Fax: (503) 364-6901 or mailing: 1193 Royvonne Ave. S. Suite # 22, Salem, Oregon 97302 also accepted.) Phone (503) 371-7622

EMPLOYEE CENSUS INSTRUCTIONS

- Use the following instructions when completing the census form.
- Complete all columns for all employees (even if you don't believe they are eligible.)
- Any columns not applicable- leave blank or state N/A. (The data should match the W-2's for each employee.)

Description	Column	Instructions
Employee Name	A	Enter first and last name of each employee.
Owners/Officers	B	Identify owners (use percentage if applicable) and officers.
Birth Date	C	Provide month, day, and year.
Original Hire Date	D	Provide month, day, and year of employee's first date of hire.
Re-hire Date	E	Provide month, day, and year of employee's second date of hire if terminated and then rehired.
Termination Date	F	Provide month, day, and year of employee's termination date.
Hours Worked	G	Place an "X" in the appropriate column.
Employee 401(k) Deferrals	H	State total amount of employee's Pre-Tax salary deferrals withheld (must match W-2)
Roth 401(k) Deferrals	I	If allowed, state total amount of employee's After-Tax salary deferral withheld (must match W-2)
Salary without 401(k)	J	State total salary earned for the plan year after deducting any 401(k) and 125 Plan contributions.
Total (Gross) Compensation	K	State total salary earned for the plan year before deducting 401(k) and 125 Plan contributions. **
Employer Match Contribution	L	If the employer has made matching contributions periodically, state the amount contributed for the year.
Employer Non-Elective Contribution	M	If the employer has made non-elective contributions periodically, state the amount contributed for the year.

** Gross Compensation should equal Box 5 of the W-2 plus the participants IRS Section 125 Cafeteria plan medical reimbursement withholding for the year.



Declaration of Employer Contributions

____

Name of Client

This is an employer contribution declaration of_____________________________ (name of organization). For the Plan Year _______________________________, the employer contribution to ___ ____(the retirement plan) will be as is checked below:

We are not making an employer contribution for 2010 ☐

OR

We have made or will be making the following employer contribution for 2010:

☐ Safe Harbor Employer Contribution in the form of a:
- ☐ Safe Harbor Match **or** ☐ Safe Harbor Profit Share

☐ An Employer Contribution in the form of a discretionary Non-Elective contribution* (an allocation based on the compensation of all those meeting the age and service requirements of the plan). The amount of the employer Profit Share for 2010 will be: $_______________ and will/has been deposited with:
- ☐ each payroll **or**
- ☐ annually on __________________(date) **and/or**

☐ An Employer Contribution in the form of a discretionary Match (an allocation based on the contributions made by employees into the plan). The formula of the employer Match will be: _________________________________ and will/has been deposited with:
- ☐ each payroll **or**
- ☐ annually on _______________ (date). Amount $________________

Trustee Signature:_____________________________________ Date:____________________

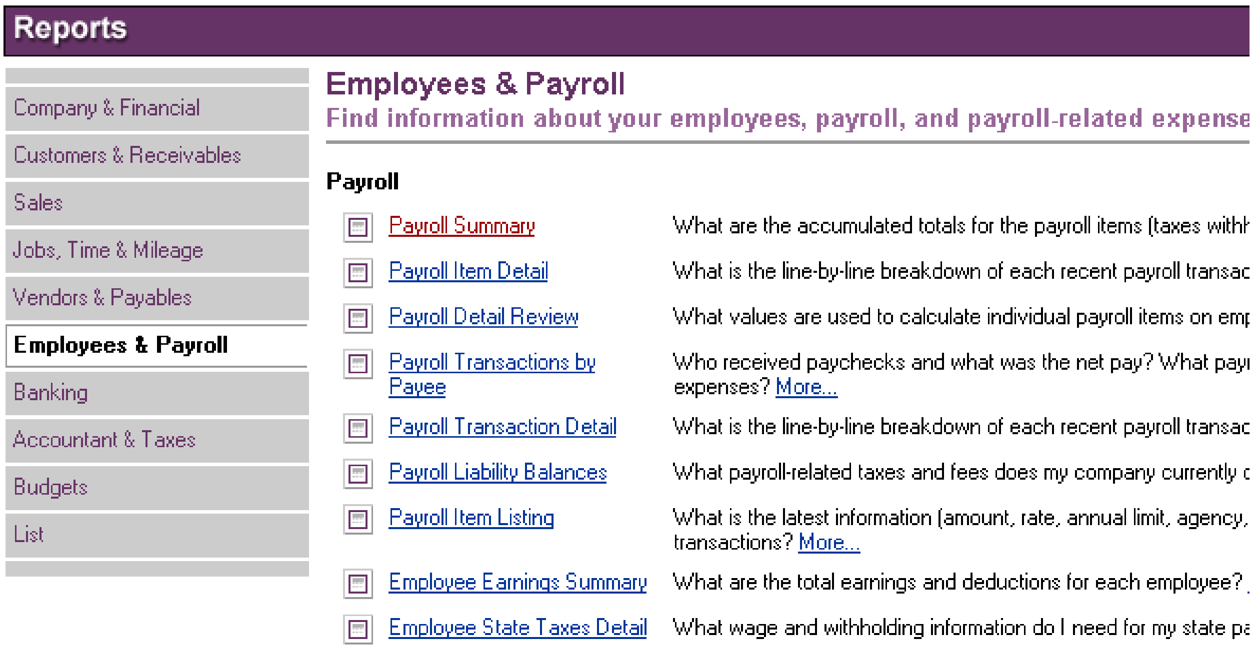
*Note: This may be a required contribution if the plan is Top Heavy. Top Heavy is a term that means more than 60% of the plan assets are in the owner's/officer's accounts.

PBS
Professional Benefit Services, Inc.

Generating Quickbooks Census Report

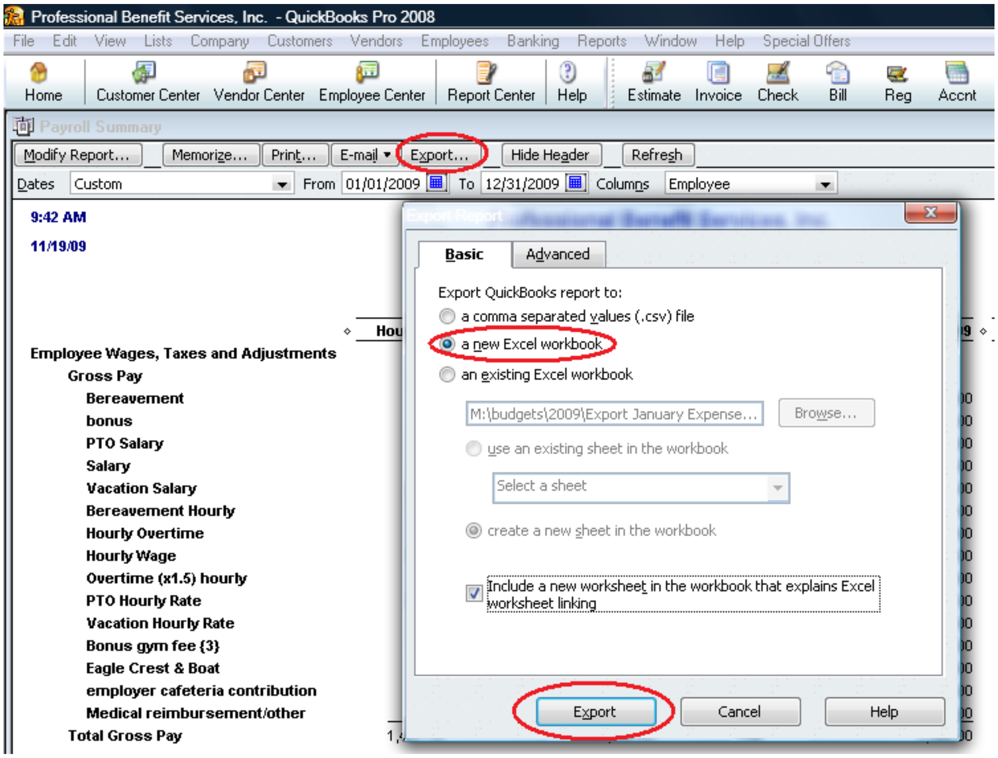
1. **Selecting the Report Center** - Open your payroll account in quickbooks. Select "Report Center".

2. **Selecting the Report** - Select "Employee & Payroll" under the "Reports" column.



3. **Modifying Your Report** - Once the report comes up, change the "From" range to 01/01/2009, change the "To" range to 12/31/2009, and make sure the "Columns" dropdown has "Employee" selected.

4. **Exporting Your Report** - Click the “Export” button at the top of the report. This will bring up the box shown below. Make sure you select “a new Excel workbook” then click “Export”.



5. **Attaching the Census** - Once in excel, save the file. Then press the windows button then select “E-mail”. Once the e-mail pops up, put in your administrators E-mail address and hit send.

Client Name: ____

Contact Name: ____

Payroll Provider: ____

Payroll Contact Information

Name:_______________________ Phone:________________ Ext._______

E-Mail:_______________________ Fax: _______________

Payroll Information

Payroll Frequency: Weekly ___ Bi-Weekly ___ Monthly ___ Other ___

Request - Please send a calendar year-to-date(employee summary) report to Professional Benefit Services with the following information; name, birth date, hire date, term date, hours, W-2 gross compensation, 401(k) deferral, section 125 or medical election (if applicable), and employer contribution (if applicable).

Authorization: I, ____________________________________, authorize my payroll provider to provide Professional Benefit Services any information needed to complete administration on the retirement plan.

Thank you for your help in facilitating the administration.

Regards,

Name:____

Title:____

Company: ____

Professional Benefit Services, Inc.

Retirement Services & Fee Schedule

DOCUMENT AND AMENDMENT SERVICES

Please call for a quote for a Non-Standardized/Volume Submitter Document

Plan Setup (Add $150 for Takeover)	$150
Standardized Prototype Document or Restatement	$450
Restatement of Prototype Plan Documents	$400
Plan Amendment / Regulatory Amendment	$100

ANNUAL ADMINISTRATION & REPORTING SERVICES

Annual administration includes financial reports, compliance testing, and 5500 tax forms.
Please call for a quote for an Unallocated Administration (plans without individual source accounts).

BASIC ANNUAL (Base fee reduced for plans with fewer than 5 participants)	$700
INDIVIDUAL SOURCE ACCOUNTS	$5 per account
PLAN DESIGN AND EXECUTION FEES	
Employer allocations including cross-tested, integrated, etc.	$50- $200 each
Quarterly Statements ($20 per participant statement)	$100 minimum
Additional Required Testing: Coverage Test / Failed Tests	$50 each
Additional Required Forms: 5558, 5330, SSA, Schedule H Filing	$50- $400 each

PLAN DISTRIBUTION FEES - ADDITIONAL PER EVENT

Additional fees may apply for multiple investments and multiple loans.

Participant Distribution and Participant Loan Set Up	$75
QDRO Distribution	$150

ADDITIONAL WORK AT HOURLY RATE — $50 per hour

Examples include: wrong information received, information provided in an unusual format, additional attempts to collect information, mid-year valuation of loans and any additional required services not specifically listed above.

REVENUE SHARING

A number of investment companies pay our firm “revenue sharing”. Whenever revenue sharing is received, it is our policy to credit that to our clients. Clients with revenue sharing may find that some or all of the fees above are covered by this credit.

ON-GOING SUPPORT

Same or next day response
Estimated ADP upon request
Participant Distributions and Loans
Email: retirement@profben.com AND Web page: www.profben.com

Effective January 1, 2011

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