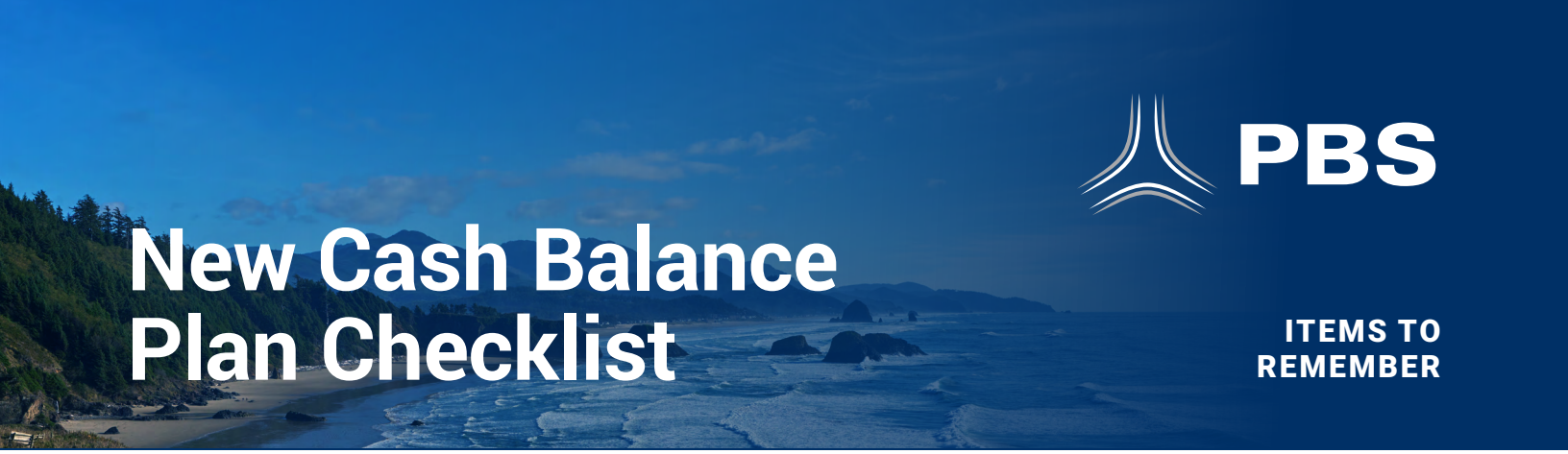


New Cash Balance Plan Checklist

PBS

ITEMS TO REMEMBER

Welcome to Professional Benefit Services. For more than three decades, we have provided peace of mind by helping employers navigate retirement plans. We do this by simplifying the complexities of retirement plan administration, compliance, and ERISA responsibilities. The information requested in this checklist will help us efficiently establish your plan and guide you through the next steps with confidence.

PBS, Inc. services include:

- Performing annual discrimination testing
- Reconciling plan assets by comparing investment statements and client's year-end census records
- Preparing annual 5500 tax forms
- Assisting with participant withdrawals and providing participant reports showing their benefit amount as well as the total benefit amount to the plan each year.

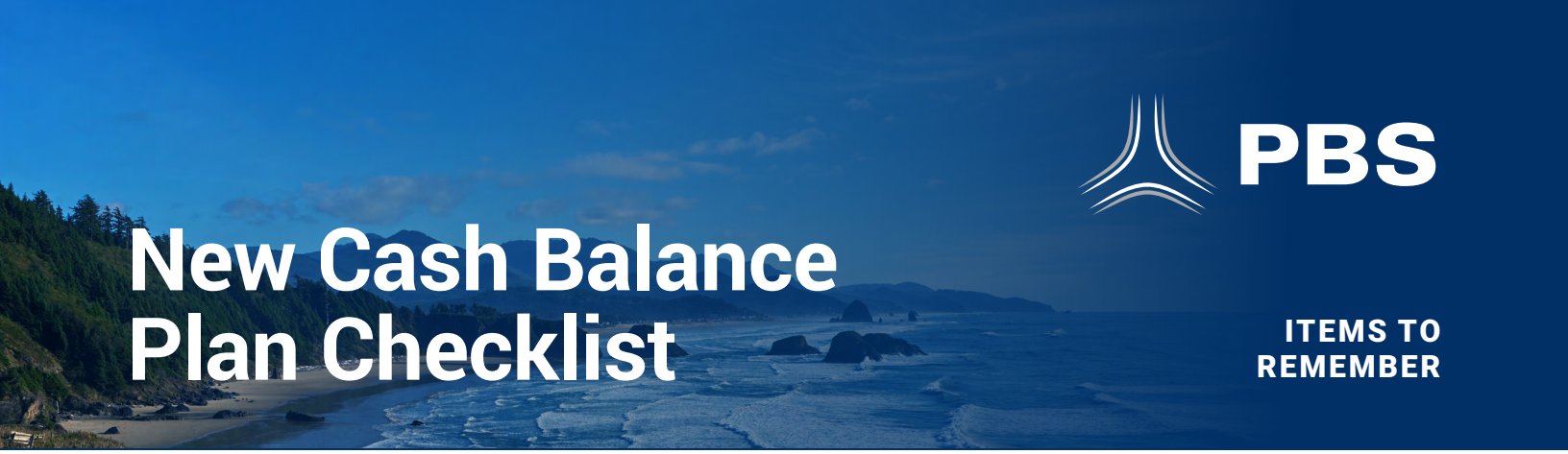
By signing page 5 of this checklist as the Employer/Plan Sponsor you acknowledge that you've read and understand the following:

→ **5500 tax forms are required** for all ERISA covered retirement plans and are filed online within seven months after the plan year end. An extension may be filed prior to the expiration of the seven month period to extend the 5500 due date another two and a half months. The penalty for late filings may be as great as $300 per day or more.

→ **Required Minimum Funding:** The Document becomes effective upon signature. Once the plan document is signed, benefits begin to accrue for participants, creating a funding obligation for the employer. The required minimum funding may change depending on the investment outlook, actual earnings in the plan, the number of eligible employees, and the amount of compensation for the participants.

→ **Minimum Funding Deadline:** Defined Benefit plans must pay the required contribution as determined by the actuary each year (not discretionary) before September 15, for calendar year plans. Failure to fund by this deadline subjects the plan sponsor to a 15% penalty to the IRS, and additional administrative fees, in addition to the funding obligations to the plan.

→ **Plan Permanency:** The plan and benefit accrual in the document need to be funded for a minimum of four to five years to conform to the IRS plan permanency requirements, barring major changes in the business (change in ownership, closure of business, etc).



New Cash Balance Plan Checklist

PBS

ITEMS TO REMEMBER

- **5500 tax forms are required for all ERISA Plans:** Covered retirement plans and are filed online by seven months after the plan year end. An extension may be filed prior to the expiration of the seven month period to extend the 5500 due date another two and a half months. The penalty for late filings may be as great as $300 per day. Plans with more than 100 participants at the beginning of the plan year will require an audit by an independent auditor. Fees for these services are charged by the independent auditor and can be $10,000 or more.

- **Pension Benefit Guarantee Corporation (PBGC):** With limited exceptions, plans must pay premiums to the PBGC. Plan termination review and approval from the PBGC and IRS may also be required. The PBGC was created by the Employee Retirement Income Security Act of 1974 to encourage the continuation and maintenance of private sector defined benefit pension plans, provide timely and uninterrupted payment of pension benefits, and keep pension insurance premiums at a minimum. PBGC collects insurance premiums from employers that sponsor insured pension plans, earns money from investments and receives funds from pension plans it takes over. For more information you can visit www.pbgc.gov.

- **Underfunding:** I understand that any underfunding of the plan at the time of plan termination will be attributable to the owners' benefit(s) alone. I understand that employee accounts may not be underfunded.

- **ERISA Bond Requirement:** To protect pension plan participants from possible fraud by those handling their funds, ERISA requires plans to purchase fidelity coverage for at least 10% of the plan's asset value. These ERISA required bonds are inexpensive and normally obtained from the company's liability carrier.

Please provide us with complete business ownership information, including if owners of the business and their spouses have ownership of any other businesses and what that ownership percentage is (for potential control group issues).

Please contact PBS if you have any questions about the above.

(800) 982- 2012

www.profben.com

sales@profben.com

Clear Form

DEFINED BENEFIT PLAN DOCUMENT CHECKLIST

PBS
Professional Benefit Services, Inc.

I. PLAN TYPE

☐ Cash Balance ☐ Traditional Defined Benefit Plan ☐ Owner Only Plan

Paired with a 401(k) plan for compliance testing? ☐ YES ☐ NO

II. EMPLOYER INFORMATION

Business Legal Name :

Street Address :

City/State/ZIP : *State* *ZIP Code*

Phone Number : Fax Number :

EIN :

PAYROLL CYCLE:

☐ Weekly
☐ Biweekly
☐ Bimonthly
☐ Monthly
☐ Other :

BUSINESS OWNERS & PERCENTAGE OWNERSHIP :

Do any owners, or spouses of owners, own other businesses? ☐ YES ☐ NO

Do those other businesses have employees? ☐ YES ☐ NO

Does your company/owner(s) manage other companies? ☐ YES ☐ NO

**If yes, please provide additional information on last page about the kind of involvement*

BUSINESS TYPE:

☐ S-Corporation ☐ Sole Proprietorship ☐ LLP ☐ Partnership
☐ C-Corporation ☐ Non-Profit Organization ☐ LLC ☐ PC

Business Type if an LLC : # of Employees:

Nature of the business :

NAICS Business Code (as reflected on corporate tax return) :

Fiscal Year End: *Month* / *Day*

Date of Incorporation or Date Business Began: *Month* / *Day* / *Year*

Does the employer currently maintain, or has the employer previously maintained another qualified plan? ☐ YES ☐ NO

If yes, list the plan name, type, whether it is active or terminated and the date of termination:

Additional Adopting Employers: ☐ YES ☐ NO

Name(s) of Adopting Employers:

II. PLAN INFORMATION

Plan Name :

TRUSTEE #1 :

Name	Phone	E-mail

TRUSTEE #2 :

Name	Phone	E-mail

DAY-TO-DAY CONTACT :

Name	Phone	E-mail

**Please list any additional trustees in the notes section below (section VI)*

III. ELIGIBILITY AND PARTICIPATION

Age Requirement: After reaching Age: (Not to exceed 21)

Service Requirement: After completing: of Employment and hours of service

Participation Date: After meeting the age and service requirements, eligible employees will enter the plan at the following frequency:

Special Participation Date:

IV. PLAN BENEFIT

A benefit based upon the Actuarial Equivalent of a projected Account Balance at Normal Retirement with 5.0% interest credited to the following annual rate of contributions:

The Following Percent of Compensation limited as indicated by the Dollar Amount

Group	% of Compensation	$ Amount	Operator

**See Additional Sheet if Necessary*

V. VESTING OF EMPLOYER CONTRIBUTION

Employer Contributions will be vested as follows: 3 year cliff (0, 0, 100)

VI. ADDITIONAL INFORMATION & NOTES

VII. ADVISOR & INVESTMENT COMPANY INFORMATION

Agent Name : **E-Mail :**

Company :

Address :

Street Address *City* *State* *ZIP Code*

Phone Number : **Fax Number :**

Investment Company Name: (Where assets will be invested)

**Pooled accounts (Employer directed) - Unallocated*

VIII. CPA/ACCOUNTANT INFORMATION

Name : **E-Mail :**

Company :

Address :

Street Address *City* *State* *ZIP Code*

Phone Number : **Fax Number :**

IX. EMPLOYER/PLAN SPONSOR AUTHORIZATION

By signing the following, hereby approves the creation of the retirement plan stated herein and authorizes the preparation of all Plan Documents, Schedules, and other forms that are required and necessary. It is further understood that there is a fee for the preparation and filing of said documents, forms, and schedules. Payment of fees are hereby authorized upon delivery to Employer/Plan Sponsor of the prepared documents and itemized billing. **In addition, it is understood that changes to this information after the documents are prepared will result in additional fees.**

Print Name *Signature Date*

Authorized Signature