

## CONFIDENTIAL PLAN QUESTIONNAIRE

*The intent of this questionnaire is get to know your company better and ask questions that can cause a plan to be disqualified by the IRS. We do not expect you to understand all the terminology but more so invoke conversations about that topic during our initial meeting or conference call. Please answer the best you can and send to Jim@PPC-TPA.com and we can finalize together.*

Legal Company Name: \_\_\_\_\_  
 Contact Name: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 City, State, Zip: \_\_\_\_\_  
 Office Phone: \_\_\_\_\_ Cell Phone: \_\_\_\_\_  
 Email: \_\_\_\_\_ Website: \_\_\_\_\_

Plan Type:  401(k)  w/ Profit Sharing  Profit Sharing Only  403(b)  
 Personal Brokerage  Money Purchase  Other \_\_\_\_\_  
 New Comparability  Best Plan Design

Business Entity Type:  C-Corporation  S-Corporation  Partnership  
 Sole Proprietorship  LLP  Government Entity  
 Professional Service Corp  501(c)(3)  LLC (taxed as a...)  
 Tax Exempt (Specify Type) \_\_\_\_\_  Partnership  Corp  S-Corp

Total Number of all Employee's: \_\_\_\_\_ Total Number of Eligible Employee's: \_\_\_\_\_

Business Start Date: \_\_\_\_\_ Employer Tax Id: \_\_\_\_\_  
 If Incorporated, what State: \_\_\_\_\_ IRS Business Code: 6-digit \_\_\_\_\_  
 Nature of Business: \_\_\_\_\_  
 Employer Tax Year:  Calendar  Fiscal (Please Provide) \_\_\_\_\_

### Plan Responsibilities

Who will be the plan trustee(s)? \_\_\_\_\_  
 Who will be the primary contact? \_\_\_\_\_  
 Preference in the Plan Name? \_\_\_\_\_

### Payroll and Compensation

What type of compensation does your company provide to all employees including management/owners?

Bonuses  Overtime  
 Commissions  Other \_\_\_\_\_

Do you want any wages excluded from the definition of plan compensation (depending on design, all compensation will need to be used)?

\_\_\_\_\_ NO , include all Wages (default) \_\_\_\_\_ Yes, exclude \_\_\_\_\_

**Employer Objectives in Establishing a Retirement Plan: (Check all that Apply)**

- |  |   |
|--|---|
| <input type="checkbox"/> Recruit or hold employees                     | <input type="checkbox"/> Reduce corporate income taxes                |
| <input type="checkbox"/> Improve competitive position in job market    | <input type="checkbox"/> Maximize benefits for owners                 |
| <input type="checkbox"/> Reward long-term employees                    | <input type="checkbox"/> Provide for retirement of specific employees |
| <input type="checkbox"/> Promote employee identification with business |   |

**Recurring Contributions (Budget)**

How much money (\$ amount or percentage of payroll) are you willing to commit to the plan to achieve these goals? \_\_\_\_\_

As owner, what are you interested in getting out from the plan ? (e.g. would like to defer the max of 19,000..... or I would like to get to the IRS max allowed to me in a 401k of \$56,000)

what are your goals for the plan ? \_\_\_\_\_  
 \_\_\_\_\_

| Accountant/CPA Firm | Payroll Provider   |
|---------------------|--|
| Firm Name:          | Payroll Company:   |
| Primary Contact:    | Primary Contact:   |
| Phone:              | Phone:   |
| Email:              | Email:   |
|                     | Payroll Frequency: <input type="checkbox"/> Weekly <input type="checkbox"/> Bi-weekly <input type="checkbox"/> Semi-Monthly <input type="checkbox"/> Monthly |
|                     | Next 3 Payroll Pay Period End Dates:   |
|                     | Is Pay period end Date the same as Check Date?   |

**Ownership and Affiliated Organization Information (add a separate sheet if necessary)**

**BEWARE!** There is perhaps no better way to get in trouble with IRS than to improperly account for ALL relationships between this plan and other businesses. Please take this section very seriously. The information must be:

- Complete
- Accurate
- Precise (e.g., precise legal names of entities, precise percentages of ownership, etc.)

Why does PPC need to know Ownership and Affiliated Organization Information? The rules for which companies and employees must be covered for a qualified plan are extremely complex. Failing to disclose all of the details requested could lead to plan disqualification, "corrections" that are prohibitively expensive, taxes, penalties, interest payments, and civil lawsuits.

What does PPC need to know? Please see the boxes below and complete as much as possible.

| Names of Shareholder(s)/ Partners/Sole Proprietor | Ownership % | Other Business(es) | Ownership % in Other Business(es) |
|---|-------------|--------------------|-----------------------------------|
|   |             |                    |                                   |
|   |             |                    |                                   |
|   |             |                    |                                   |

Will this business be an adopting employer of the main plan?  Yes  No If Yes, provide EIN \_\_\_\_\_



Family Attribution to Owners and HCE's:

| Employees Who Are Family Members of an Owner or HCE | Owner/HCE Related to | Relationship |
|---|----------------------|--------------|
|   |                      |              |
|   |                      |              |
|   |                      |              |
|   |                      |              |

Is the plan sponsor a member of a...

- Yes  No Controlled Group ? Generally is a group of Corporations, Partnerships, Sole-Proprietorships or Trusts that must be considered as a single entity as a result of satisfying one or more tests.
- Yes  No Parent Subsidiary ? One business entity owns 80% more of another.
- Yes  No Brother-Sister? Five or fewer persons own more that 50% interest with respect to each entity. When computing the percentage of ownership, a person also has the percentage owned by the person's spouse, his/her minor child.
- Yes  No Affiliated Service Group? Is a group that is a management organization and a recipient organization. A management organization that has more that 50% of its income produced as a result of management services provided to another entity (a recipient organization). Management services are any services that would normally be performed by an employee.

If Yes, please detail:

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**Other Qualified Plans**

Does the Employer now or has it ever sponsored for its employees:

- A simplified employee pension (SEP) plan? .....  Yes  No
- A defined benefit pension plan? .....  Yes  No
- A SIMPLE 401k plan? .....  Yes  No
- A qualified profit-sharing plan (including 401(k) or ESOP)? .....  Yes  No

If Yes, please complete the information below:

(Note: Termination of a Plan is not a distributable event if a new Plan is started in 12 months.)

Plan Name: \_\_\_\_\_ Plan # \_\_\_\_\_  
 Effective Date: \_\_\_\_\_ Termination Date: \_\_\_\_\_

If yes, please describe below:

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**Plan Eligibility Requirements**

- Does the business have union employees?  Yes  No
- Does the plan have any Prevailing Wage jobs?  Yes  No
- If yes, were their retirement benefits the subject of good faith bargaining?  Yes  No
- Does the business use leased employees?  Yes  No
- If Yes, how many? \_\_\_\_\_ Is this greater than 20% of NHCE's?  Yes  No



Which employees do you want to try to exclude in your plan? (must use a job classification... Part-time and Per Diem are not job classifications)

- None
- Union employees whose retirement benefits were the subjects of good faith bargaining
- Non-resident aliens
- Other (i.e., Independent Contractor) \_\_\_\_\_

Minimum age to enter plan: \_\_\_\_\_ years (maximum allowable is 21)  
 Minimum service: \_\_\_\_\_ years (most plans cannot exceed 2 years, 401(k) = 1)

Must employee complete 1,000 hours of service in order to be eligible?  Yes  No

Are initial eligibility requirements being waived for the initial enrollment?  Yes  No

Are you recognizing employee service with predecessor employer for participation and vesting purposes?  Yes  No

If yes, who is the predecessor employer? \_\_\_\_\_

Eligible Enrollment Periods will be Semi Annual (January 1<sup>st</sup> & July 1<sup>st</sup>) unless otherwise indicated: \_\_\_\_\_

If this is a new plan, will compensation be retroactive to plan year beginning date?  Yes  No

For employee's first year of participation, compensation shall be recognized as of: (Depends if plan is Top Heavy)

- First day of Plan year
- Date entering Plan (default)
- Other \_\_\_\_\_

Additional Comments:

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|                               |
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| <b>Employer Contributions</b> |
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What will be the formula for matching contributions? :

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SAFE HARBOR FORMULA OPTIONS:

- Safe Harbor Standard Match 100% on first 3% and 50% on the next 2%
- Safe Harbor Enhanced Match = 100% up to 4%
- Safe Harbor Non-Elective (NEC) = 3% Contribution to Everyone

Do you want the employer contributions that are able to be submitted with every payroll?  Yes  NO, calculate & submit annually

Are other non-matching employer contributions (*ie profit sharing*) permitted in the plan?  Yes  No

e.g. Maximize Owner(s) to IRS limits? Explain your goals \_\_\_\_\_

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- A sum to be determined each Plan Year by Employer Resolution. \_\_\_\_\_
- \_\_\_\_\_% Provided to all employee's

If employer contributions are made annually, is there a 1000 hour/last day requirement? If plan design allows...  Yes  No  n/a  
 e.g. an employee would have been employed on Dec 31st and have worked at least 1000 hours in plan year



**Vesting**

Vesting Schedule for Employer Contributions (Safe Harbor vesting is 100% immediate, However profit Sharing can still have a schedule):

- 100% Safe Harbor     
  Immediate     
  1 Yr Cliff     
  3 Yr Cliff  
 2/20 (default)     
  5 Yr Graded     
  Other \_\_\_\_\_

Should vesting start from effective date or plan or DOH? ...  effective date of Plan  from Date of Hire (default)

Are Death distributions fully vested? .....  No (default)

Are Disabled distributions fully vested? .....  Yes  No (default)

**Loans / Withdrawals**

Will the plan allow participant loans?  Yes  No (default)

Will the loan provision only be utilized for hardship or financial necessity?  Yes  No (default)

Does the plan allow for in-service age 59½ withdrawals? .....  Yes  No (default)

Does the plan allow for hardship withdrawals? .....  Yes  No (default)

If yes, will the withdrawal be restricted to 401(k) deferral monies only? .....  Yes  No

Rollover also? .....  Yes  No

*(Note that some of these withdrawal benefits are protected and cannot be take away. It is always easier to say No they add if you feel necessary in the future*

**ERISA Fidelity Bond (Mandatory)**

Do you want PPC to obtain an ERISA Fidelity Bond for the plan? .....  Yes  No (I will obtain & send a copy)

Under Department of Labor regulations, your new plan will need a fidelity bond. A fidelity bond protects the assets in the plan from misuse or misappropriation by the plan fiduciaries. Plan fiduciaries include the plan trustees and any person who has contact with cash, checks or other plan property. At the very least, the bond must equal 10% of the value of the total plan assets, with a minimum bond value of \$1,000. For the first year, the bond amount will be based on the estimated amount of assets that will be handled by the plan for the year.

**Wish List / Characteristics**

This section is design for you to state what you want to see and what you want to exclude. It is intended to provide conversations in the design of your plan document.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**Electronic pdf of Plan Document**

The plan document that will be created based on the characteristics and features you wanted in your plan. The already IRS/DOL approved document will consist of about 150 pages.If you would like us to provide your legal plan documents via an Adobe .pdf email please let us know. We will always be a backup to your document. Please check a box.

- YES, please send all plan document via Adobe .pdf email (default)     
  No, Please send plan document via snail mail

**Approval to Proceed**

Signature of Plan Representative: \_\_\_\_\_ Date \_\_\_\_\_ Print Name: \_\_\_\_\_

Send signed questionnaire along with supporting documents to:

Pension Plan Consultants, 653 Skippack Pike, Suite 210, Blue Bell PA 19422 Fax (877) 626-7576 or scan to Jim@PPC-TPA.com

