

# How to Establish a Solo(k) Plan

1. To establish a Calendar Year-End Solo(k) Plan, please complete, sign and date ALL the documents below by **no later than December 31, 2020.**

- ☐ Solo(k) Plan Submission Guide ***\*Must be completed***
- ☐ Plan Services and Fee Agreement (PSA) ***\*Must be signed and dated on page 9***
- ☐ Adoption Agreement ***\*Must be signed and dated on page 19***
- ☐ Adopting Resolution ***\*Must be signed and dated on page 20***
- ☐ Loan Program ***\*Optional. Must be signed and dated on page 23***
- ☐ Salary Deferral Agreement ***\*Must be signed and dated on page 25***
- ☐ TIN Application ***\*Must be signed and dated on page 26***

2. The signed and dated originals referenced above must be received by no later than **January 4, 2021** along with a check for the installation fees using the address below OR emailed to [sales@tra401k.com](mailto:sales@tra401k.com) and credit card payment made by calling Accounting at 888.872.2364.

**The Retirement Advantage, Inc.**

**Attn: Solo(k) Installation**

**600 S Nicolet Road**

**Appleton, WI 54914**

**Plan Set-Up Fees:** [Click here to view complete Administrative Fee Schedule](#)

- Set-Up Fee \$175
- Spouse/Additional Owner Fee \$100 additional
- Conversion of an Existing Plan \$175 additional
- Roth source, may incur additional fees

## Steps to Completing Documents (for definition of terms, see next page):

- #1. **Solo(k) Plan Submission Guide (pages 2–8):**  
Please provide required information relating to your business, Plan and all employees.
- #2. **Plan Services and Fee Agreement (PSA) (pages 9–14):**  
**Required Signature(s) (Page 9):** In the bottom section of page one (1), the Plan Sponsor, Plan Administrator and Responsible Plan Fiduciary must sign and print their name and title.
- #3. **Adoption Agreement (pages 15-19):**  
**Required Signatures (Page 21):** The Employer and Trustee(s) must sign and date the plan.
- #4. **Adopting Resolution & Funding Policy (page 20):**  
**Required Signature (Page 22):** The Employer must sign and date at the bottom.
- #5. **Participant Loan Program (pages 21-23):**  
**Required Signature (Page 25):** The Employer must sign and date at the bottom.
- #6. **Salary Deferral Agreement (pages 24-25):**  
**Required Signature (Page 27):** Each participant must complete, sign and date the agreement.
- #7. **Tax Identification Number Application (page 26):**  
The Employer must sign and date at the bottom.

**Important:** If you are an owner of an unincorporated business, you must complete a salary deferral agreement specifying the amount you intend to defer by the last day of the plan year. If the business is incorporated, the business owner must receive a form of compensation including regular salary through payroll, bonuses or commissions that would be allowed to be used for plan purposes. You must complete a salary deferral agreement specifying the amount you intend to defer, before the compensation is paid to you.

If you have any questions, please contact us at 888-872-2364 or contact a member of our sales team at [tra401k.com/about/sales-map](http://tra401k.com/about/sales-map)

# #1. Solo(k) Plan Submission Guide

All of the following responses must be completed.

## CLIENT INFORMATION

- 1) Legal Employer Name: \_\_\_\_\_  
d.b.a (if applicable): \_\_\_\_\_
- 2) Employer Street Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_
- 3) Company Phone: ( \_\_\_\_\_ ) \_\_\_\_\_ - \_\_\_\_\_ Fax: ( \_\_\_\_\_ ) \_\_\_\_\_ - \_\_\_\_\_
- 4) Employer's Taxpayer Identification Number (EIN): \_\_\_\_\_
- 5) Business Entity Type:  
☐ Corporation  
☐ S-Corp  
☐ Sole Proprietor  
☐ Partnership  
☐ Limited Liability  
☐ Company (LLC)  
☐ Other
- 6) If your business is an LLC/LLP, how do you file for tax reporting purposes?  
☐ Corporation  
☐ S-Corporation  
☐ Partnership or Sole Proprietor

If the employer is a sole proprietor, partnership or LLC taxed as a sole proprietor or partnership please contact your tax advisor for the correct income to be reported for plan purposes, If you receive W-2 wages, you will need to report these amounts for plan purposes. If you do not receive W-2 wages you will be requested to provide the net earned income figure prior to self employment taxes and prior to any deductible PLAN expenses (i.e. employer contributions made to the plan for common law employees and owners) for contribution and compliance purposes. S-Corporations cannot use Schedule K-1 dividends as compensation for plan purposes.

**NOTE: Although a salary deferral election must be made prior to the end of the plan year for employers, it is recommended that contributions (such as salary deferrals) not be deposited to the plan until the earned income is determined for the plan year, as the compensation utilized for plan purposes may not support the elected contribution amount. Employers, it is recommended that contributions (such as salary deferrals) not be deposited to the plan until the earned income is determined for the plan year, as the compensation utilized for plan purposes may not support the elected contribution amount.**

- 7) Payroll Frequency:  
☐ N/A: Partnership/Sole Proprietor and Spouse not employed as a non-owner  
☐ Weekly  
☐ Bi-Weekly  
☐ Semi-Monthly  
☐ Monthly

The Department of Labor (DOL) requires all employee deferrals and loan payments made via payroll deduction be deposited to the plan at the earliest date the contributions can be reasonably segregated from the employer's general assets. For SoloK plans, contributions made no later than the 7th business day following the day on which the amounts would have been payable to the participant in cash

(i.e. on their paycheck) would be considered timely. When contributions are not made timely, a prohibited transaction occurs resulting in the calculation and deposit of lost earnings to the plan. In addition a nondeductible 15% excise tax payable to the US Treasury also applies.

- 8) Fiscal Year End: \_\_\_\_ / \_\_\_\_ / \_\_\_\_
- 9) Business Commencement or Incorporation Date: \_\_\_\_ / \_\_\_\_ / \_\_\_\_
- 10) Principal Business Activity: \_\_\_\_\_
- 11) Business Entity Code (6 digits, can be found on tax return): \_\_\_\_\_
- Existing/Terminated Plan Information \_\_\_\_\_
- 12) Does the employer sponsor any other pension, profit sharing, 401(k) or other type of retirement plan?
- ☐ Yes  
☐ No
- 13) If yes, please provide the plan type and plan number: \_\_\_\_\_
- 14) Has the employer sponsored any plans that have been terminated:
- ☐ Yes  
☐ No
- 15) If yes, please provide the following:
- Plan Type: \_\_\_\_\_
- Plan Number: \_\_\_\_\_
- Date of Termination: \_\_\_\_ / \_\_\_\_ / \_\_\_\_

**\*NOTE: If an employer sponsors a SEP under IRS model document 5305 or a SIMPLE IRA, they cannot also sponsor a 401(k) plan in the same plan year. If the SEP/SIMPLE plan will not be funded in the current plan year, but was not terminated in the prior plan year, please discuss further with your TRA consultant to determine if it is feasible to sponsor a 401(k) plan in the current plan year.**

## OWNERSHIP AND RELATED ENTITY INFORMATION

- 16) Does the employer or any of its owners or its owners' family members have ownership interest in another business?
- ☐ Yes  
☐ No
- 17) Is the employer a member of a controlled group?
- ☐ Yes  
☐ No
- 18) Is the employer a member of an affiliated service group?
- ☐ Yes  
☐ No

**\*Please contact your tax advisor for assistance with this determination. If the employer is a member of a controlled group or affiliated service group, employees of the related entity must be included in plan testing for the year even if they are not included as a participating employer in the plan.**

- 19) If any of the questions 16 through 18 above are answered yes, please provide the business name, address, phone number, EIN, and confirmation if that business had employees during the plan year. Please attach additional information as needed.

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Phone Number: ( \_\_\_\_\_ ) \_\_\_\_\_ - \_\_\_\_\_

EIN: \_\_\_\_\_

Entity Type: \_\_\_\_\_

Employees: ☐ Yes ☐ No

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Phone Number: ( \_\_\_\_\_ ) \_\_\_\_\_ - \_\_\_\_\_

EIN: \_\_\_\_\_

Entity Type: \_\_\_\_\_

Employees: ☐ Yes ☐ No

- 20) Will any of the above entities be a participating employer in the plan? Please specify if yes.

☐ Yes

☐ No

## EMPLOYEE AND OWNERSHIP INFORMATION

- 21) Please provide the following information as it pertains to all employees and owners of the employer and all of the participating employers or members of a controlled or affiliated service group who were employed at any time during the plan year. Please add lines or attach additional information as needed. If none, please enter "NONE".

Name: \_\_\_\_\_

Social Security Number: \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_

Date of Birth: \_\_\_\_ / \_\_\_\_ / \_\_\_\_

Date of Hire: \_\_\_\_ / \_\_\_\_ / \_\_\_\_

Ownership %: \_\_\_\_\_

Family Relationship: \_\_\_\_\_

Name: \_\_\_\_\_

Social Security Number: \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_

Date of Birth: \_\_\_\_ / \_\_\_\_ / \_\_\_\_

Date of Hire: \_\_\_\_ / \_\_\_\_ / \_\_\_\_

Ownership %: \_\_\_\_\_

Family Relationship: \_\_\_\_\_

Name: \_\_\_\_\_

Social Security Number: \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_

Date of Birth: \_\_\_\_ / \_\_\_\_ / \_\_\_\_

Date of Hire: \_\_\_\_ / \_\_\_\_ / \_\_\_\_

Ownership %: \_\_\_\_\_

Family Relationship: \_\_\_\_\_

## PLAN CONTACT INFORMATION

- 22) Primary Contact: NOTE: Please specify the day to day contact at the employer to receive TRA correspondence. If multiple persons are listed, please include their responsibilities relating to the plan. Please attach additional information as needed.

Contact Name: \_\_\_\_\_

Title: \_\_\_\_\_

Email: \_\_\_\_\_

Phone Number: ( \_\_\_\_\_ ) \_\_\_\_\_ - \_\_\_\_\_

Preferred Method of Contact: \_\_\_\_\_

Address (If different from address above): \_\_\_\_\_

- 23) Financial Advisor: \_\_\_\_\_

Company Name: \_\_\_\_\_

Email: \_\_\_\_\_

Phone Number: ( \_\_\_\_\_ ) \_\_\_\_\_ - \_\_\_\_\_

Preferred Method of Contact: \_\_\_\_\_

Address: \_\_\_\_\_

- 24) For takeovers, Former Third Party Administrator (TPA):

Contact Name: \_\_\_\_\_

Company Name: \_\_\_\_\_

Email: \_\_\_\_\_

Phone Number: ( \_\_\_\_\_ ) \_\_\_\_\_ - \_\_\_\_\_

Preferred Method of Contact: \_\_\_\_\_

Address: \_\_\_\_\_

## PLAN ASSET DETAIL

25) Investment Manager/Institutional Partner for Plan Assets:

Contact Name: \_\_\_\_\_

Company Name: \_\_\_\_\_

Account Numbers: \_\_\_\_\_

Email: \_\_\_\_\_

Phone Number: ( \_\_\_\_\_ ) \_\_\_\_\_ - \_\_\_\_\_

Address: \_\_\_\_\_

26) For takeovers, do any participants have existing loans in the plan?

☐ Yes

☐ No

\*If there are currently loans in the plan, please provide the following to TRA: Original Loan Requests, Promissory Notes, Amortization Schedules, Recent Valuation Information.

## PLAN DATA

27) Legal Plan Name: \_\_\_\_\_

28) Plan Effective Date: **1/1/2020**

29) Plan Year End: **12/31/2020**

30) Trustee(s) for the Plan\* (\*Refer to definitions below)

Name: \_\_\_\_\_

Plan Sponsor\* Name: \_\_\_\_\_

Plan Administrator\* Name: \_\_\_\_\_

Responsible Plan Fiduciary\* Name: \_\_\_\_\_

☐ If the same individual represents all four positions check here.

### DEFINITIONS

PLAN SPONSOR – A designated party, usually a company or employer that sets up a retirement plan for the benefit of the organization's employees.

PLAN ADMINISTRATOR – An individual responsible for managing the day-to-day affairs and the strategic decisions involved with a group's pension fund/plan. More specifically, the plan administrator ensures that money is being contributed into the fund, the proper asset allocation decisions are made and that payouts are promptly distributed among all qualified plan participants or beneficiaries.

RESPONSIBLE PLAN FIDUCIARY – An individual exercising discretionary authority or control with respect to a plan or the disposition of its assets or has discretionary authority or responsibility in the administration of such plan.

Neither title nor office controls the legal designation of fiduciary, but some positions, such as plan administrator

or trustee, may require any person who holds them to perform defined fiduciary functions and thereby undertake fiduciary status.

31) Trust Identification Number (TIN): \_\_\_\_\_

NOTE: For most Solo(k) plans, as brokerage accounts are typically utilized to hold plan assets, it is necessary to associate a Trust Identification Number (TIN) with the Plan, rather than using the employer identification number for the company. This number separates the plan assets from the company assets. TRA will assist with the necessary filing to the IRS, unless a TIN has already been established. Once the filing process is completed and a TIN is provided, TRA will forward the TIN to you and your Financial Advisor to set-up the trust account(s) for the plan.

## PLAN DESIGN

32) Service/Age requirements (Including 1 year of service and age 21 prevents any new hires from becoming immediately eligible for the plan upon their date of hire.)

) Conditions of Eligibility:

- ☐ None
- ☐ 1 year of service

Age Requirement:

- ☐ None
- ☐ Age 21

Effective Date of Participation (Entry Date):

- ☐ the date such requirements are met
- ☐ the first day of the Plan Year quarter coinciding with or next following date on which such requirements are met
- ☐ the earlier of the first day of the Plan year or the first day of the seventh month of the Plan Year coinciding with or next following the date on which such requirements are met

\*A year of service is defined as 1000 hours worked from the date of hire to the one year anniversary of the date of hire for initial eligibility. If initial eligibility is not met in the first anniversary year it reverts to 1000 hours in any plan year.

33) For new plans, will the service and age requirements be waived?

- ☐ Yes—for any eligible employee employed on: \_\_\_\_ / \_\_\_\_ / \_\_\_\_
- ☐ No

34) Will the plan allow Roth deferrals?

- ☐ Yes
- ☐ No

**\*Additional administration fees may apply with this plan provision.**

## INFORMATION TO NOTE

### Can any business establish a TRA Solo(k) Plan?

Solo(k) Plans may not be utilized for companies that have eligible employees other than the owner(s) or their spouses. If an employee becomes eligible for the plan in the future, the plan can be amended to another type of 401(k) plan administered by TRA that is designed for business owners and employees. If an employer sponsors a SEP plan under IRS model document 5305 or a SIMPLE IRA, they cannot also sponsor a 401(k) plan in the same plan year. The SEP/SIMPLE plan must first be terminated, at which point a 401(k) plan may commence the following year.

### What is the deadline for establishing a TRA Solo(k) Plan?

The deadline for establishing a Solo(k) Plan is the last day of the business's fiscal year, generally December 31st. Executed plan documents must be completed by this date.

**When must salary deferral elections be made?**

If the business is unincorporated, a salary deferral election specifying the amount deferred must be completed by December 31st (for calendar year plans). If the employer is a sole proprietor, partnership or LLC taxed as a sole proprietor or partnership please contact your tax advisor for the correct income to be reported for plan purposes. If you receive W-2 wages, you will need to report these amounts for plan purposes. If you do not receive W-2 wages you will be requested to provide the net earned income figure prior to self employment taxes and prior to any deductible PLAN expenses (i.e. employer contributions made to the plan for common law employees and owners) for contribution and compliance purposes. S-Corporations cannot use Schedule K-1 dividends as compensation for plan purposes.

If the business is incorporated, a salary deferral election specifying the amount intended to be deferred, must be completed before the compensation is paid. This means the business owner must have some form of compensation such as regular salary, bonuses or commissions that they have not received prior to signing the salary deferral election form but would be received by the last day of their fiscal year. Compensation must be received only from the business sponsoring the plan. Do not use compensation from an unrelated employer. For S-corporations, Schedule K-1 dividend distributions cannot be used as compensation.

**When must a business owner deposit the salary deferral money into the plan trust?**

If the business is unincorporated, the deadline for depositing salary deferrals is generally the due date of the company's tax return (April 15th).

\*Although a salary deferral election must be made prior to the end of the plan year for employers, it is recommended that contributions, such as salary deferrals, not be deposited to the plan until the earned income is determined for the plan year, as the compensation utilized for plan purposes may not support the elected contribution amount.

If the business is incorporated, contributions made no later than the 7th business day following the day on which the amounts would have been payable to the participant in cash (i.e. on their paycheck) would be considered timely.

**Have you provided to TRA the following items required for submission?**

- ☐ Fully completed plan submission guide
- ☐ Signed plan services and fee agreement page
- ☐ Current plan adoption agreement and any amendments, underlying plan document, and IRS opinion letter (takeover plans only)

Please contact our Sales Team at (888) 872-2364 with any questions regarding the design of your plan and the installation process. Upon receipt of the above information, a Plan Installation Specialist will be in contact to partner with you on the set-up of your new plan at TRA. Thank you for choosing TRA as your retirement plan provider. We look forward to working with you!





## PLAN SERVICES AND FEE AGREEMENT

The ("Effective Date") of this Agreement is made as of the later of the date signed below or the first day of the Plan year for which TRA provides services by and among the ("Plan Sponsor") ("Plan Administrator"), ("Responsible Plan Fiduciary") as referenced below and The Retirement Advantage, Inc., a Wisconsin corporation ("TRA").

The parties desire to enter into this Plan Services and Fee Agreement ("Agreement") whereby TRA will provide certain services in accordance with Schedule A to the Plan Sponsor, Plan Administrator and/or Responsible Plan Fiduciary beginning with the Effective Date. These services are provided to assist the Plan Sponsor, Plan Administrator and/or Responsible Plan Fiduciary with their responsibilities under the provisions of the Plan, the Internal Revenue Code of 1986 ("Code"), and Employee Retirement Income Security Act of 1974 ("ERISA").

**THEREFORE**, upon the terms and subject to the conditions set forth in this Agreement and intending to be legally bound, the parties hereto agree as follows:

TRA shall provide, all upon the terms and conditions set forth in this Agreement, the services specified in Schedule A (the "Services") with respect to the \_\_\_\_\_ (the "Plan"), or subsequent Plan name if renamed. Plan Administrator and the Responsible Plan Fiduciary are fiduciaries to the Plan and have authority to cause the Plan to enter into, extend, or renew this Agreement. The Plan Administrator, Plan Sponsor and Responsible Plan Fiduciary acknowledge that the disclosures describing the services to be performed by TRA and the compensation to be paid to TRA were made reasonably in advance of the Effective Date of this Agreement.

The Plan Administrator, Plan Sponsor and Responsible Plan Fiduciary acknowledge receipt of the Services Schedule (Schedule A), Administrative Fee Schedule (Schedule B), TPA Compensation Disclosure (Schedule C) and Net Pricing Acknowledgment, Terms (Schedule D – if applicable) and Fiduciary Services (Schedule E – if applicable). To the extent applicable the Schedules are specifically incorporated into this Agreement by reference and modify and supplement this Agreement. In the event of any conflict between this Agreement and the Schedules, the terms of the Schedules shall prevail.

IN WITNESS WHEREOF, the parties have agreed that this Agreement be executed on their behalf as of the Effective Date.

### **The Retirement Advantage, Inc.**

Signed: \_\_\_\_\_

Name: Matthew V. Schoneman

Title: President

### **Plan Sponsor**

\_\_\_\_\_

Signed: \_\_\_\_\_

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_



The Plan Sponsor, Plan Administrator and Responsible Plan Fiduciary are each the same individual or entity and the same individual is signing this Agreement on behalf of each.

### **Plan Administrator**

\_\_\_\_\_

Signed: \_\_\_\_\_

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

### **Responsible Plan Fiduciary**

\_\_\_\_\_

Signed: \_\_\_\_\_

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

## 1. TERM

This Agreement will commence on the Effective Date and continue in effect throughout the Plan Year in effect as of the Effective Date (regardless of whether that Plan Year is later changed). This Agreement shall automatically renew for successive one-year terms commencing on the first day of each Plan Year thereafter. The Plan Administrator may terminate this Agreement during the Plan Year by providing written notice to TRA. The "Effective Date of Termination" for the Agreement will be (a) the last day of the quarter following the quarter in which TRA receives Plan Administrator's termination notice if TRA receives notice of termination during the first six months of a Plan Year, or (b) if TRA receives notice of termination during the last six months of a Plan Year, the last day of the then current Plan Year. Plan Sponsor agrees to pay all fees through the Effective Date of Termination even if Plan Administrator elects not to have TRA provide services through the Effective Date of Termination. In no case shall fees be refunded unless such fees have been paid in advance for a period of time that extends beyond the Effective Date of Termination. Any fees charged to TRA by the Plan's Investment Manager beyond the Effective Date of Termination shall be the responsibility of the Plan Sponsor. No Plan records shall be remitted to a successor service provider until all fees owed through the Effective Date of Termination are paid in full. TRA shall discontinue the sponsorship of any Prototype Plan as of the Effective Date of Termination. If TRA increases fees pursuant to Section 4 after the Plan Administrator terminates this Agreement pursuant to this Section 1, the Plan Sponsor shall only pay the fees or rates in effect as of the date of termination, not the increased fees.

## 2. SERVICES

2.1 GENERAL. TRA shall provide the Services as described in Schedule A attached hereto and TRA may retain subcontractors to perform any of the Services. The Plan Administrator and Responsible Plan Fiduciary authorize and approve the retention of subcontractors by TRA to perform any of the Services. Certain services provided to the Plan may be performed by the entity that invests the funds of the Plan, known as the "Investment Manager." This Agreement is not intended to specify the duties, responsibilities, or services offered by the Investment Manager in regards to the Plan. TRA has no responsibility for any services provided by the Plan's Investment Manager and TRA makes no representations or warranties regarding such services. The Plan Sponsor, Plan Administrator and Responsible Plan Fiduciary agree and acknowledge (a) that other service providers are not subcontractors of TRA unless TRA, in its exclusive discretion, designates a provider as its subcontractor in TRA's books and records and (b) that fee and compensation disclosures must be obtained directly from any such outside service provider and will not be provided by TRA.

2.2 STANDARD SERVICES. The recordkeeping services that are provided by TRA are designed to assist the Plan Administrator. These services are listed on Schedule A.

2.3 SPECIAL CONSULTING SERVICES. If so agreed to in writing by TRA, TRA also may provide certain recordkeeping services (Special Consulting Services) that may not be included in Schedules A and B. The fee associated with said services will be charged as per Schedule B with a one hour minimum and TRA must agree to provide such service in writing. Special Consulting Services include (but are not limited to):

- (a) Assisting with a Plan audit by either the U.S. Department of Labor (DOL) or Internal Revenue Service (IRS) or assisting with an IRS Form 5500 audit;
- (b) Complex nondiscrimination testing not contemplated in the Administrative Fee Schedule, testing contributions (whether or not cross tested on a benefits basis) for nondiscrimination using the Average Benefits Test, testing coverage under Code Section 410(b) using the Average Benefits Test, benefits, rights and features testing and additional testing required for multiple employer plans;
- (c) Additional consulting or recordkeeping services associated with plan mergers or the acquisition or disposition of a business or its assets;
- (d) Complex plan amendments that require up-front consulting to design and implement;
- (e) Performing an administrative review of a domestic relations order;
- (f) Plan contribution estimates for plans with complex plan designs;
- (g) Providing information to the Plan Administrator or Plan Sponsor for IRS Form 5310 in the event of a plan termination;
- (h) Preparation of IRS Determination Letters 5300 and 5307;
- (i) Preparation of IRS Correction Program filings;
- (j) Providing consulting services to the Plan Sponsor or Plan Administrator on issues such as complex plan design;
- (k) Re-running reports or redoing other work because of incorrect information reported to TRA or due to a change in the employer contribution amount;
- (l) Correcting transactions not performed by TRA;
- (m) Preparation of IRS Forms 1099R for distributions not performed by TRA;
- (n) Review of prior reporting, compliance testing, or any other services performed for the Plan by any person or entity other than TRA. TRA is under no obligation to review whether the Plan was maintained in a qualified status prior to the Effective Date of this Agreement;
- (o) Compliance testing that incorporates a plan maintained by the Plan Sponsor or an affiliate for which TRA does not provide retirement plan services;
- (p) Preparation of quarterly or preliminary non-discrimination testing;
- (q) Performing plan document reviews or comparisons;
- (r) Reviewing controlled or affiliated group status;
- (s) Performing late deposit calculations;
- (t) Correcting 414(s) testing failures;
- (u) Complex earned income calculations;
- (v) Performing data entry and verification services;
- (w) Receiving telephone calls or replying to electronic mail from Plan participants or eligible employees.

2.4 EXCLUDED SERVICES. Services which are not provided by TRA under this Agreement include:

- (a) Preparation of personal or corporate income tax returns or any related schedules or attachments;
- (b) Determining the extent to which contributions made to the Plan are deductible;
- (c) Services designed to keep the Plan in compliance with ERISA Section 404(c) relating to insulating the Plan fiduciaries from fiduciary liability on Participant investment decisions;
- (d) Preparation of audits required because of the filing of IRS Form 5500;
- (e) Preparation of Form 990-T pertaining to Unrelated Business Income Tax;
- (f) Preparation of IRS Form 5310.

2.5 PLAN ASSETS. Nothing in this Agreement will be deemed to impose any obligation on TRA to monitor, control or in any way exercise any discretion as it relates to the handling or disposition of any plan assets. The parties also understand that TRA does not advise in any way on the selection of investments made available to participants in a participant investment directed plan or in a plan where the Trustee controls the investment of Plan assets.

2.6 RELIANCE ON INFORMATION PROVIDED. TRA accepts information provided by the Plan Sponsor or Plan Administrator as being complete and accurate and does not accept responsibility for report or processing inaccuracies resulting from errors or inaccuracies in information reported to us. If it becomes necessary for TRA to repeat any of its services due to inaccurate or erroneous information provided by the Plan Sponsor or Plan Administrator, an additional fee will be charged as per Section 2.3 above.

2.7 NO FIDUCIARY RELATIONSHIP. TRA will provide certain recordkeeping and consulting services for the Plan Administrator subject to the terms and conditions of this Agreement. The parties agree that this Agreement shall not be construed as creating a fiduciary relationship between TRA and the Plan. The parties agree the services provided by TRA under this Agreement are ministerial in nature and that TRA has no fiduciary responsibilities to the Plan, the Plan Sponsor, the Plan Administrator, the Participants or their Beneficiaries, or the Trustee(s). TRA shall not have any discretion with respect to the management or administration of the Plan or with respect to determining or changing the rules or policies pertaining to eligibility or entitlement of any participant in the Plan to benefits under the Plan. TRA also shall not have any control or authority with respect to any assets of the Plan, including the investment or disposition thereof. The Plan Administrator acknowledges that it is the Plan fiduciary responsible for the selection of service providers and investment funds and that (a) it is a fiduciary, within the meaning of ERISA, with respect to the Plan; (b) it is independent in all respects of TRA and all affiliates of TRA; and (c) it has not relied on any advice or recommendation of TRA or any affiliates of TRA as a primary basis for making the decision to enter into this Agreement or with respect to the selection of particular investment funds. All discretion and control with respect to the terms, administration or assets of the Plan shall remain with the Plan Administrator or with the named fiduciaries under such Plan.

2.8 DEFENSE OF LEGAL ACTION. TRA has no obligation to defend any legal action, or participate in any legal proceeding or plan audit brought by the DOL, IRS or any other government body with respect to the Plan or with respect to any funds or property held in the Plan. TRA shall promptly notify the Plan Sponsor of any such legal proceeding or audit. Whenever TRA deems it reasonably necessary, TRA is authorized and empowered to consult with its counsel in reference to the Plan and to retain counsel and appear in any action, suit or proceedings affecting the Plan or any property or funds of the Plan. All fees and expenses so incurred shall be for the Plan and shall be the responsibility of the Plan Sponsor, unless and except to the extent that the legal action or plan audit was caused by the actions of TRA in breach of its obligations under this Agreement.

2.9 LEGAL ADVICE. The parties acknowledge that TRA does not practice law and does not provide legal advice, and that the Plan Sponsor, Plan Administrator and/or Responsible Plan Fiduciary must obtain their own legal and tax counsel for review and advice on the plan documents, plan design and specifications appropriate for the Plan as well as on the legal and tax issues which may arise relating to the operation of the Plan.

2.10 CONTROLLED OR AFFILIATED SERVICE GROUP. If the Plan Sponsor's business is owned in whole or in part by another business, or owns another business in whole or in part, or if individuals own it in whole or in part and own other businesses in whole or in part, all of the entities involved may constitute a controlled group or an affiliated service group. The Plan Sponsor is responsible for determining if such a group exists and notifying TRA of this fact in writing. TRA is under no obligation to seek out

this information or verify the Plan Sponsor's status as regards this issue. TRA shall in no event be liable for any damages, fines, penalties, or taxes which may result from a Plan Sponsor being part of, or not part of, a controlled group.

**2.11 MULTIPLE PLANS AND PRIOR PLANS.** If the Plan Sponsor currently maintains multiple plans or has previously maintained another plan prior to this Agreement, aggregation of these plans may be permitted or required in order to satisfy the following qualification requirements based on the plan type: (1) maximum benefit and contribution limitations, (2) nondiscrimination, and (3) top heavy status. For the purposes of this provision, multiple plans would include any defined benefit, defined contribution or any other qualified retirement plan maintained by the Plan Sponsor. Where TRA does not administer or did not administer all of the plans of the Plan Sponsor, the Plan Sponsor agrees that TRA will be responsible for providing aggregate testing results of the aforementioned qualification requirements only if specifically engaged, in writing signed by TRA, to provide such services as an Optional Service, as described in Section 2.3 above. The Plan Sponsor further agrees to indemnify and hold TRA harmless from all consequences which may arise by provision of services to only a portion of such a group of related plans.

**2.12 PRIOR ADMINISTRATION.** If TRA is taking over administration from a prior administration firm, TRA is not responsible for losses resulting from the prior firm's administration, or which are incurred as a result of actions or decisions which were undertaken or made by the prior firm. TRA is under no obligation to review prior administration work or tax filings. Where TRA is retained to provide services midyear, it shall not verify the accuracy or correctness of work performed by the prior administrator. The Plan Sponsor agrees to indemnify and hold TRA harmless from any and all consequences which are the result of work performed prior to TRA's assumption of responsibility to provide services pursuant to this Agreement.

**2.13 MANDATORY REGULATORY AMENDMENTS AND RESTATEMENTS.** The parties agree that services for mandatory regulatory amendments and restatements other than those described in Schedule B will be provided at TRA's then standard rate.

### **3. RESPONSIBILITIES OF PLAN ADMINISTRATOR**

**3.1 COMPLIANCE.** The Plan Administrator of the Plan and related trust, acknowledges it is responsible for administrative and recordkeeping functions required to maintain the Plan's qualified status under Section 401 and tax exempt status under Section 501 of the Code, as amended from time to time. It is the Plan Administrator's responsibility to comply with the provisions of the Employee Retirement Income Security Act (ERISA), as amended from time to time, as well as complying with any procedures, rulings, or other announcements of the IRS or the DOL. Plan Administrator's responsibilities include but are not limited to:

- (a) Maintaining signed copies of beneficiary forms, distribution forms, loan requests, Forms 5500, Plan documents, amendments, etc.
- (b) Timely filing of all reports with the appropriate government agency;
- (c) Determining eligibility of employees and timely enrolling them into the Plan;
- (d) Timely distribution of any Summary Plan Description or Addendum thereto, Summary Annual Report, or any benefit statements;
- (e) Informing TRA of any anticipated change in business entity or anticipated business acquisition or disposition, whether it be a stock or asset acquisition or disposition;
- (f) Reviewing TRA generated reports and government forms for accuracy;
- (g) Providing TRA with any information required to perform the tasks set out in this Agreement on a timely basis, including but not limited to hire and termination dates of employees, annual compensation amounts, trust statements, ownership information, etc. The Plan Administrator understands that TRA relies on the accuracy of the information furnished by the Plan Sponsor, Plan Administrator and their advisors.
- (h) Prompt payment of fees incurred by the Plan Sponsor or Plan Administrator pursuant to the terms of this Agreement;
- (i) Informing TRA of any change in Plan contacts or Trustees;
- (j) Maintaining fidelity bond within DOL regulatory guidelines;
- (k) Where required, executing administrative forms;
- (l) Distributing and collecting beneficiary designation forms for all Plan participants and eligible employees.
- (m) Participant Loan maintenance.

**3.2 NOTICE OF PLAN ADOPTION AND AMENDMENTS.** In recognition of the fact that certain retirement plan provisions must be coordinated and possibly tested together, the Plan Sponsor must notify TRA of the adoption of a new retirement plan subject to the provisions of ERISA where TRA is not the third-party recordkeeper, or upon the adoption of an amendment to an existing retirement plan where TRA is not the third-party recordkeeper. TRA reserves the right to review the new or amended Plan prior to providing any services under this Agreement to assure that the recordkeeping services performed hereunder can be effectively handled by TRA.

### **4. FEES**

**4.1 FEE SCHEDULES.** The Services provided by TRA pursuant to this Agreement will be subject to the fees set forth in Schedule B attached hereto. The parties agree that services other than those described in either Fee Schedule may be provided at TRA's then standard rate or, if applicable, for such fees as are mutually agreed by the parties.

**4.2 BILLING.** Fees are billed on a quarterly basis prior to the beginning of the quarter or at time of service as described in Schedule B. In no event does TRA have responsibility to perform services if fees are over 30 days past due.

**4.3 MODIFICATION.** Service fees are subject to change upon sixty (60) days written notice to the parties. A new Administrative Fee Schedule mailed to the parties shall constitute notice under this section. Fees will not be increased for the first Plan Year for new plans or for the Plan Year in which TRA first provides retirement plan services.

**4.4 TERMS OF PAYMENT.** Fees for services shall be considered delinquent thirty (30) days after the billing date. TRA shall have limited responsibility to perform any of the services specified in this Agreement while any fee is delinquent. Services for the termination of the Plan shall not be performed until all fees are made current and the fees for terminating the Plan are paid. If fees are delinquent, the Plan Sponsor hereby authorizes TRA to withdraw delinquent fees from Plan assets to the extent permitted by law. The Plan Sponsor shall have the right to contest any fee billed by TRA. If Plan Sponsor disputes any charge or amount on any invoice and such dispute cannot be resolved promptly through good faith discussions between the parties, Plan Sponsor shall pay the amounts due under this Agreement less the disputed amount, and the parties shall diligently proceed to resolve such disputed amount. An amount will be considered disputed in good faith if (i) Plan Sponsor delivers a written statement to TRA on or before the due date of the invoice, describing in detail the basis of the dispute and the amount being withheld by Plan Sponsor, (ii) such written statement represents that the amount in dispute has been determined after due investigation of the facts and that such disputed amount has been determined in good faith, and (iii) all other amounts due from Plan Sponsor that are not in dispute have been paid in accordance with the terms of this Agreement. Plan Sponsor agrees that all fees associated with establishment, administration, and termination of the Plan are the responsibility of the Plan Sponsor and/or the Plan. Undisputed charges not paid by the due date shall be subject to annual interest at the rate of 18% or the highest rate permitted by law, whichever is lower. Plan Sponsor shall also pay any collection fees, court costs, and reasonable attorneys' fees, incurred by TRA in collecting payment of the charges and any other amounts for which Plan Sponsor is liable under the terms and conditions of this Agreement.

### **5. WARRANTY/DISCLAIMER**

**5.1 PERFORMANCE WARRANTY.** TRA warrants that it will provide the Services described in Schedule A in a commercially reasonable manner (the "Performance Warranty").

**5.2 DISCLAIMER OF ALL OTHER WARRANTIES.** THIS PERFORMANCE WARRANTY IS IN LIEU OF, AND TRA DISCLAIMS ANY AND ALL OTHER WARRANTIES, CONDITIONS, OR REPRESENTATIONS (EXPRESS OR IMPLIED, ORAL OR WRITTEN) WITH RESPECT TO THE SERVICES PROVIDED UNDER THIS AGREEMENT, INCLUDING, WITHOUT LIMITATION, ANY AND ALL IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS OR SUITABILITY FOR ANY PURPOSE (WHETHER OR NOT TRA KNOWS, HAS REASON TO KNOW, HAS BEEN ADVISED, OR IS OTHERWISE IN FACT AWARE OF ANY SUCH PURPOSE), WHETHER ALLEGED TO ARISE BY LAW, BY REASON OF CUSTOM OR USAGE IN THE TRADE, OR BY COURSE OF DEALING. IN ADDITION, TRA DISCLAIMS ANY WARRANTY OR REPRESENTATION TO ANY PERSON OTHER THAN PLAN SPONSOR WITH RESPECT TO THE SERVICES PROVIDED UNDER THIS AGREEMENT.

### **6. TERMINATION**

This Agreement may be terminated immediately, at the option of TRA, upon the failure to:

- (a) Provide the information required hereunder within sixty (60) days of the request.
- (b) Pay the applicable fees within thirty (30) days of the date the fees are considered delinquent under paragraph 4.4.
- (c) Make timely deposit of participant contributions and/or loan payments to the Plan pursuant to DOL regulations. This section shall not be construed to imply any duty of TRA to determine, monitor, or inform the Plan Sponsor as to the timeliness of participant contributions and/or loan payments.
- (d) Regardless of any failure of the Plan Sponsor, upon ninety (90) days notice to the Plan Sponsor from TRA. Notice of termination will be given to the Plan Sponsor via certified mail.

### **7. LIMITATION OF LIABILITY/MAXIMUM DAMAGES ALLOWED**

**7.1 EXCLUSION OF CERTAIN DAMAGES.** INDEPENDENT OF, SEVERABLE FROM AND TO BE ENFORCED INDEPENDENTLY OF ANY OTHER PROVISION OF THIS AGREEMENT, NEITHER PARTY WILL BE LIABLE TO THE OTHER PARTY (NOR TO ANY PERSON CLAIMING RIGHTS DERIVED FROM THE OTHER PARTY'S RIGHTS) IN CONTRACT, TORT, (INCLUDING NEGLIGENCE) OR OTHERWISE, FOR INCIDENTAL, CONSEQUENTIAL, SPECIAL, PUNITIVE, OR EXEMPLARY DAMAGES OF ANY KIND—INCLUDING LOST PROFITS, LOSS OF BUSINESS, OR OTHER ECONOMIC DAMAGE, AND FURTHER INCLUDING INJURY TO PROPERTY, AS A RESULT OF BREACH OF ANY WARRANTY OR OTHER TERM OF THIS AGREEMENT, INCLUDING ANY FAILURE OF PERFORMANCE, REGARDLESS OF WHETHER THE PARTY LIABLE OR ALLEGEDLY LIABLE WAS ADVISED, HAD OTHER REASON TO KNOW, OR IN FACT KNEW OF THE POSSIBILITY THEREOF.

7.2 **MAXIMUM DAMAGES ALLOWED.** Notwithstanding any other provision of this Agreement, and for any reason, including breach of any duty imposed by this Agreement or independent of this Agreement, and regardless of any claim in contract, tort (including negligence) or otherwise, TRA's total, aggregate liability under this Agreement shall in no circumstance exceed the greater of Ten Thousand Dollars (\$10,000.00) or the average annual fees paid by Plan Sponsor to TRA hereunder, provided, however, that the foregoing shall not limit TRA's liability for (a) damages caused by its own willful misconduct, and (b) fines or penalties imposed upon Plan Sponsor by the Internal Revenue Service, U.S. Department of Labor, or other governmental authority caused solely by TRA's failure to correctly file any form that TRA is obligated hereunder to file for Plan Sponsor provided that (i) Plan Sponsor has timely provided all information requested by TRA in connection with such filing, (ii) Plan Sponsor is not in default of any of its obligations hereunder, and (iii) Plan Sponsor promptly notifies TRA upon learning of any such error and TRA is given sole control over all discussions and negotiations with the applicable government authority regarding such matter.

7.3 **STATUTE OF LIMITATIONS.** No lawsuit or other action may be brought by either party hereto, or on any claim or controversy based upon or arising in any way out of this Agreement, after one (1) year from the date a party knows of a claim, regardless of the nature of the claim or form of action, whether in contract, tort (including negligence) or otherwise; provided, however, the foregoing limitation shall not apply to the collection of any amounts due under this Agreement.

7.4 **ESSENTIAL ELEMENTS.** Plan Sponsor and TRA acknowledge and agree that the limitations contained in this Article 7 are essential to this Agreement, and that TRA has expressly relied upon the inclusion of each and every provision of this Article 7 as a condition to executing this Agreement.

## **8. INDEMNITY**

Plan Sponsor agrees to defend TRA and any of its subcontractors or affiliates from or against, and hold TRA, its subcontractors or affiliates harmless from or against, any claim of any third party (including but not limited to Plan participants) resulting from the performance of the Services by TRA, its subcontractors or its affiliates in accordance with this Agreement or the instructions and specifications of Plan Sponsor, Plan Administrator or the Responsible Plan Fiduciary.

## **9. MISCELLANEOUS PROVISIONS**

9.1 **GOVERNING LAW.** The validity, construction and interpretation of this Agreement and the rights and duties of the parties hereto shall be governed by the internal laws of the State of Wisconsin, excluding its principles of conflict of laws.

9.2 **VENUE AND JURISDICTION.** In the event of litigation to enforce the terms of this Agreement, the parties consent to venue in an exclusive jurisdiction of the courts of Ozaukee County, Wisconsin, and the Federal District Court for the Eastern District of Wisconsin. The parties further consent to the jurisdiction of any federal or state court located within a district that encompasses assets of a party against which a judgment has been rendered, either through arbitration or litigation, for the enforcement of such judgment or award against such party or the assets of such party.

9.3 **ENTIRE AGREEMENT; AMENDMENTS.** This Agreement, together with the Schedules hereto, constitutes the entire agreement between the parties with respect to the subject matter hereof. There are no restrictions, promises, warranties, covenants or undertakings other than those expressly set forth herein and therein. This Agreement supersedes all prior negotiations, agreements, and undertakings between the parties with respect to such matter. This agreement, including the Schedules hereto, may be amended (a) by an instrument in writing executed by the parties or their permitted assignees, or (b) by TRA upon the expiration of a 60-day period following written notice by TRA to the Plan Administrator describing the applicable change(s). With respect to an amendment described in Section 9.3(b), the Plan Administrator may object to the applicable change(s) by filing written notice to TRA of such objections within the applicable 60-day period. In that event, the parties shall negotiate to resolve their differences over the proposed changes and any resulting amendment to this agreement shall be implemented in accordance with Section 9.3(a).

9.4 **RELATIONSHIP OF PARTIES.** The performance by TRA of its duties and obligations under this Agreement shall be that of an independent contractor and nothing contained in this Agreement shall create or imply an agency relationship between the Plan Sponsor and TRA, nor shall this Agreement be deemed to constitute a joint venture or partnership between Plan Sponsor and TRA.

9.5 **HEADINGS.** Headings in this Agreement are for reference purposes only and shall not affect the interpretation or meaning of this Agreement.

9.6 **WAIVER.** No delay or omission by any party to exercise any right or power it has under this Agreement shall impair or be construed as a waiver of such right or power. A waiver by any party of any breach or covenant shall not be construed to be a waiver of any succeeding breach or any other covenant. All waivers must be in writing and signed by the party waiving its rights.

9.7 **SEVERABILITY.** If any provision of this Agreement is held by court or arbitrator of competent jurisdiction to be contrary to law, then the remaining provisions of this Agreement will remain in full force and effect. Any fees owed to TRA, along with any indemnification owed to TRA, including but not limited to Articles 7, 8 and 9, shall survive the expiration or earlier termination of this Agreement for any reason.

9.8 **ATTORNEYS' FEES AND COSTS.** If any legal action is commenced in connection with the enforcement of this Agreement or any instrument or agreement required under this Agreement, the prevailing party shall be entitled to costs, attorneys' fees actually incurred, and necessary disbursements incurred in connection with such action, as determined by the court.

9.9 **NO THIRD PARTY BENEFICIARIES.** Each party intends that this Agreement shall not benefit, or create any right or cause of action in or on behalf of, any person or entity other than the Plan Sponsor and TRA.

9.10 **FORCE MAJEURE.** Notwithstanding any provision contained in this Agreement, neither party shall be liable to the other to the extent fulfillment or performance of any terms or provisions of this Agreement is delayed or prevented by revolution or other civil disorders; wars; acts of enemies (including but not limited to terrorist attacks); strikes; lack of available resources from persons other than parties to this Agreement; labor disputes; electrical equipment or availability failure; fires; floods; acts of God; federal, state or municipal action; statute; ordinance or regulation; or, without limiting the foregoing, any other causes not within its control, and which by the exercise of reasonable diligence it is unable to prevent, whether of the class of causes hereinbefore enumerated or not. This clause shall not apply to the payment of any sums due under this Agreement by either party to the other.

9.11 **CONSTRUCTION.** The parties each acknowledge that the limitations and exclusions contained in this Agreement represent the parties' voluntary agreement based upon the level of risk to the parties associated with their respective obligations under this Agreement and the payments to be made to TRA and the charges to be incurred by TRA pursuant to this Agreement. The parties agree that the terms and conditions of this Agreement shall not be construed in favor of or against any party by reason of the extent to which any party or its professional advisors participated in the preparation of this document.

## Schedule A - SERVICES SCHEDULE

Following are standard services provided by The Retirement Advantage, Inc. (TRA) to assist the Plan Administrator in performing its duties under ERISA. Plan Administrator is ultimately responsible for administering the Plan and, therefore, must be familiar with its terms.

### Plan Set-Up

1. Assist Plan Sponsor in adopting a retirement program.
2. Prepare TRA Prototype Plan and Trust for Plan Sponsors review and signature unless Plan Sponsor chooses to use another plan document,
3. Maintain the TRA Prototype Plan and Trust and make available updates to the Plan and Trust when required to keep the Plan in compliance with the Internal Revenue Code qualification requirements, Restatements and optional amendments are different from the above and provided at an additional fee upon written request. Plan Sponsor agrees to obtain its own legal counsel for review of Plan documents and amendments,
4. Set up Plan information in all pertinent databases and record-keeping software.
5. Provide the Plan Sponsor and Plan Administrator with a Plan Portal.

### Plan Administration

1. Upon request provide assistance to the Plan Administrator regarding certain administrative functions which must be performed as part of the ongoing administration of the Plan, Plan Administrator shall at all times be exclusively responsible for determining whether a participant or beneficiary may be entitled to a distribution from the Plan Administrative functions include:
  - a. Calculation of vesting of employer contributions;
  - b. Processing distributions and withdrawals from participants' account balances (if applicable);
  - c. Processing participant loans (if applicable); and
  - d. Accepting rollover contributions (if applicable)
2. Upon written request by Plan Administrator, TRA will process requests for distributions, withdrawals, and loans in accordance with Plan Administrator's adoption of policies and procedures for approving such requests and Plan Administrator's pre-approval of such requests upon verification by TRA that specific requirements adopted by Plan Administrator have been met. In processing such requests, TRA shall act in a ministerial capacity and shall not exercise any discretion in confirming that Plan Administrators requirements have been met, TRA shall complete the Plan Administrator-adopted checklist of requirements based on data provided by Plan Administrator and/or the requesting participant. If any answer on the checklist of requirements is in the "no" column of the checklist, Plan Administrator shall decide whether the distribution, withdrawal or loan request should be approved. In no event shall processing such distribution, withdrawal and/or loan requests cause TRA to be a fiduciary.
3. Make available to the Plan Administrator packets to enroll employees the Plan Administrator determines to be newly eligible employees; includes an electronic copy of the Summary Plan Description.
4. Per-form compliance testing including a01(a)(a) non-discrimination testing, ADP/ACP testing, IRC 402(9) maximum deferral limitations, IRC 416 top-heavy testing, IRC 415 limit testing and IRC 410(b) coverage testing (except as otherwise provided in the Plan Services and Fee Agreement, including but not limited to Sections 2.10, 2.11 and 2.3(b)).
5. Allocate any profit sharing contributions and forfeitures on an annual basis, as directed by the Plan Sponsor.
6. Provide IRS Form 5500 and all required Schedules for submission by Plan Sponsor
7. Prepare a Summary Annual Report for distribution to Plan participants.

Please review Schedule B - Administrative Fee Schedule for any fees associated with these services.

**SCHEDULE B – ADMINISTRATIVE FEE SCHEDULE - Retirement Plan Services – Solo401(k)**

**Plan Set-up (One Time – Non-Refundable)**

- Base \$175
- Spouse/Additional Owner Fee \$100
- Conversion of an Existing Plan \$175
  - Document review, consulting and accounting services exceeding two hours billed at special consulting rate

**Annual Plan Administration Services †**

- Base \$450
- Spouse/Additional Owner Fee \$100

**Transaction Services** (participant based fees if processed by TRA\*)

- Employee Distributions:
  - Termination, In-Service, Death, Disability and Retirement \$75
  - Hardship, 70 ½ and Corrective \$125
  - Qualified Domestic Relations Order (QDRO) \$300
  - Additional Benefit Payout \$35
- Preliminary Loan Calculation \$50
- Loan Set-up or Refinancing (if tracked by TRA) \$250
- Loan Set-up or Refinancing (if tracked by Provider) \$100
- Loan Re-amortization \$50
- Loan Default \$175
- Preparation of 1099R Tax Form (if applicable) \$50
- Rush Processing (not applicable with QDROs) \$60

\* Participants will be responsible for these fees. If arrangements cannot be made for the employees to pay transaction fees, the Plan Sponsor will be responsible for any unpaid fees.

**Enhanced Services †**

- Additional Investment Manager Accounts \$250 per additional
- Non-TRA Prototype Plan Document \$500 additional
- Roth Source (if tracked by TRA) \$200

**Special Consulting / Other Services** (if applicable)

- Additional Allocation Calculations & Illustrations\* \$200
- Deposits \$30 per deposit
- Forms / Records Request\* \$50
- IRS Form 5330 or IRS Form 5558 \$150
- IRS Form 5500
  - Amended or Additional Form 5500 \$150
  - Electronic Filing on Behalf of Plan Sponsor \$100
  - Electronic Filing of Amended Return \$50
- Late or Incomplete Data \$300
- Plan Document Amendment \$250
- Plan Document Restatement \$500
- Plan Termination \$500
- Service Termination Sect 1 – Plan Services & Fee Agreement
- Special Consulting\* \$200

\* Per hour fee = 1 hour minimum.

† The Annual Plan Administration and Enhanced Services fees will be assessed based on the entire rate listed above even if TRA is contracted for services for only a portion of the Plan year.

## Section 3: Adoption Agreement

### Adoption Agreement for The Retirement Advantage, Inc.

#### Solo 401(k) Profit Sharing Plan

Caution: Failure to properly fill out this Adoption Agreement may result in disqualification of the Plan.

#### Employer Information

(An amendment to the Adoption Agreement is not needed solely to reflect a change in the information in this Employer Information Section.)

1. Employer's Name, Address, Telephone Number and TIN:

Name: \_\_\_\_\_

d.b.a (if applicable): \_\_\_\_\_

Street Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Phone: ( \_\_\_\_\_ ) \_\_\_\_\_ - \_\_\_\_\_

Taxpayer Identification Number (TIN) \_\_\_\_\_

#### Plan Information

2. Plan Name \_\_\_\_\_

3. Plan Status

☐ a. New Plan

☐ b. Amendment and restatement of existing Plan

☐ 1. PPA RESTATEMENT (leave blank if not applicable) This is an amendment and restatement to bring a plan into compliance with the Pension Protection Act of 2006 ("PPA") and other legislative and regulatory changes (i.e., the 6-year pre-approved plan restatement).

4. EFFECTIVE DATE (Plan Section 1.25)

(complete a. if a new plan; complete a. AND b. if an amendment and restatement)

#### Initial Effective Date of Plan

1        1        2020

\_\_\_\_ / \_\_\_\_ / \_\_\_\_ (enter month day, year) (hereinafter called the "Effective Date" unless 6.n. is entered below)

Restatement Effective Date. If this is an amendment and restatement, the effective date of the restatement (hereinafter called the "Effective Date") is:

\_\_\_\_ / \_\_\_\_ / \_\_\_\_ (enter month day, year; may enter a restatement date that is the first day of the current Plan Year. Plan contains appropriate retroactive effective dates with respect to provisions for appropriate laws.)

5. PLAN YEAR (Section 1.65) means the 12 consecutive month period ending on 12/31. However, if this is a new Plan, the Plan Year will be the period beginning on the Effective Date of the Plan and ending on the date specified herein.

6. CONDITIONS OF ELIGIBILITY (Plan Section 3.1)  
An Eligible Employee will be eligible to participate in the Plan upon satisfaction of the following:
- a. SERVICE REQUIREMENT    ☐ None    ☐ 1 Year of Service
- b. AGE REQUIREMENT    ☐ None    ☐ Age 21
- c. The age requirement and service requirement shall be waived for an Eligible Employee who was employed on \_\_\_\_ / \_\_\_\_ / \_\_\_\_\_, and such Employee shall enter the Plan as of such date.
7. EFFECTIVE DATE OF PARTICIPATION (ENTRY DATE) (Plan Section 3.2)  
An Eligible Employee who has satisfied the eligibility requirements will become a Participant in the Plan as of:
- ☐ a. the date such requirements are met.
- ☐ b. the first day of the Plan Year quarter coinciding with or next following the date on which such requirements are met.
- ☐ c. the earlier of the first day of the Plan Year or the first day of the seventh month of the Plan Year coinciding with or next following the date on which such requirements are met.
8. RECOGNITION OF SERVICE WITH OTHER EMPLOYERS (Plan Section 1.88)
- ☐ a. No service with other Employers shall be recognized (except as required by law).
- ☐ b. Service with \_\_\_\_\_ will be recognized for all purposes.
9. NORMAL RETIREMENT AGE ("NRA") (Plan Section 1.55) means that date a Participant attains age \_\_\_\_\_ (not to exceed 65 and, if this Plan includes transferred pension assets, may not be less than age 62 unless the Employer has evidence that the representative typical retirement age for the adopting Employer's industry is a lower age, but no less than age 55).
10. SALARY REDUCTION ARRANGEMENT - ELECTIVE DEFERRALS  
Each Participant may elect to have Compensation deferred by up to the maximum amount allowed by law. Catch-Up Contributions and Roth Contributions. Participants may make (select all that apply):
- ☐ a. Catch-Up Contributions.
- ☐ b. Roth Contributions.
11. IN-PLAN ROTH ROLLOVER CONTRIBUTIONS (Plan Section 12.11)
- ☐ a. In-Plan Roth rollover contributions are NOT permitted.
- ☐ b. In-Plan Roth rollover contributions may be elected by any Participant, under the existing in-service distribution provisions.
12. TRUSTEE(S) OR INSURER(S)
- ☐ a. This Plan is funded exclusively with Contracts and the name of the Insurer is \_\_\_\_\_
- ☐ b. Financial institution that is the sponsor of this prototype plan.
- ☐ Check here if the financial institution has full trust powers.
- ☐ c. Sole proprietor, practitioner, partner or officer who signs this Adoption Agreement on behalf of the Employer.



☐ d. The following person or entity

Name(s): \_\_\_\_\_

Address: \_\_\_\_\_

Telephone: \_\_\_\_\_

## STANDARD PROVISIONS

1. Valuation Date means the last day of the Plan Year and any other dates deemed necessary or appropriate by the Administrator, which may include any day that the Trustee, any transfer agent appointed by the Trustee (or Insurer) or the Employer, and any stock exchange used by such agent are open for business (daily valuation).

2. The Employer will be the Plan Administrator.

3. This Plan shall be governed by the laws of the state or commonwealth where the Employer's (or, in the case of a corporate Trustee or Insurer, such Trustee's or Insurer's) principal place of business is located.

4. All Employees, except union employees and non-resident aliens (both defined in Plan Section 1.28), are eligible to participate for all purposes of the Plan.

5. To the extent applicable, the Hours of Service method shall be used to compute eligibility for Employees based on actual hours for which an Employee is paid or entitled to payment. "Year of Service" means the computation period of twelve (12) consecutive months during which an Employee has completed at least 1,000 Hours of Service. Employees whose records of actual Hours of Service are not maintained or available (e.g., salaried employees) will be credited with one hundred ninety (190) Hours of Service for each month they would be credited with at least one (1) Hour of Service during the month. The eligibility computation period after the initial eligibility computation period shall shift to the Plan Year. The vesting computation period shall be the Plan Year.

6. Normal Retirement Date means the Anniversary Date coinciding with or next following a Participant's Normal Retirement Age.

7. There are no early retirement provisions.

8. Compensation with respect to any Participant means wages, tips and other compensation on Form W-2 and shall be based on the Plan Year. Compensation for any Self-Employed Individuals, however, shall be equal to Earned Income.

9. Compensation shall be adjusted by (a) including compensation not currently includible in the Participant gross income by reason of the application of Code Sections 125 (cafeteria plan), 132(f)(4) (qualified transportation fringe), 402(h)(1)(B) (simplified employee pension plan), 414(h)(2) (employer pickup contributions under a governmental plan), 403(b) (tax sheltered annuity) or 457(b) (eligible deferred compensation plan); (b) excluding reimbursements or other expense allowances, fringe benefits (cash or non-cash), moving expenses, deferred compensation (other than deferrals specified in (a) above) and welfare benefits; and (c) excluding Compensation paid during the determination period while not a Participant in the Plan. Military Differential Pay will be treated, for Plan Years beginning after December 31, 2008, as Compensation for all Plan benefit purposes. 415 Compensation and Plan Compensation will include (to the extent provided in Plan Section 1.40), post-severance regular pay, leave cash-outs and payments from nonqualified unfunded deferred compensation plans.

10. The ADP and/or ACP safe harbor provisions, Qualified Automatic Contribution account provisions, Eligible Automatic Contribution Account provisions, and SIMPLE provisions shall not apply. The ADP and ACP ratio for Nonhighly Compensated Employees will be based on current year ratio.

11. The Employer may make matching contributions equal to a discretionary percentage to be determined by the Employer, of the Participants' Elective Deferrals (including, if permitted under the Plan, Roth Elective Deferrals and/or Catch-up Contributions). In applying the matching contribution, only Elective Deferrals up to a discretionary percentage of a Participant's Compensation or a discretionary dollar amount, the percentage or dollar amount to be determined by the Employer on a uniform basis to all Participants, will be taken into account. This matching contribution shall be made on a payroll period basis to any Participant who is employed on the last day of the Plan Year or who terminates with at least 500 Hours of Service.

12. The Employer may make a discretionary profit sharing contribution for the Plan Year, the amount to be determined in the discretion of the Employer and allocated in the same ratio as each Participant's Compensation bears to the total of such Compensation of all Participants eligible to share in the allocations for the Plan Year. A Participant is eligible to share in the contribution for the Plan Year if the Participant is employed on the last day of the Plan Year or terminates employment with at least 500 Hours of Service during the Plan Year.

13. All contributions shall be 100% vested at all times.

14. Distributions will be made as soon as administratively feasible following termination of employment in lump-sums only. Partial withdrawals or installments are only permitted for required minimum distributions under Code Section 401(a)(9). No annuities will be allowed. All distributions will be in cash or property that is specifically allocated and identifiable with respect to a Participant.

15. Distributions upon the death of a Participant prior to receiving any benefits shall be made pursuant to the election of the Participant or Beneficiary.

16. No involuntary distributions shall be made.

17. Hardship distributions are allowed subject to the parameters set forth in Plan Section 12.10 (e.g. distributions from a Participant's Elective Deferral Account are limited to the portion of such Account attributable to such Participant's Elective Deferrals (and earnings attributable thereto up to December 31, 1988)).

18. In-service distributions are allowed at age 59 1/2 from all Accounts.

19. Loans are permitted from all Accounts, in accordance with the terms of the Participant loan program.

20. The Participants shall direct the Trustee with respect to the investments of all Accounts.

21. Rollovers may be accepted from all Eligible Employees. Distributions from a Participant's Rollover Account may be made at any time.

22. After-tax voluntary Employee contributions are not allowed.

23. Required minimum distributions shall be made at the later of age 70 1/2 or retirement, except for 5% owners.

24. Qualified reservist distributions are not permitted.

25. HEART Act provisions – continued benefit accruals will not apply and the Plan does not permit distributions for deemed severance of employment.

26. WRERA provisions – required minimum distributions (RMDs) for 2009 were suspended unless a Participant or Beneficiary elected to receive such distributions.

27. Non-spousal rollovers are permitted effective for distributions after December 31, 2006.

28. There are no elections made on an Appendix A (Special Effective Dates and other permitted elections).

The adopting Employer may rely on an opinion letter issued by the Internal Revenue Service as evidence that the Plan is qualified under Code Section 401 except to the extent provided in Rev. Proc. 2011-49 or subsequent guidance.

The Employer may not rely on the opinion letter in certain other circumstances or with respect to certain qualification requirements, which are specified in the opinion letter issued with respect to the Plan and in Rev. Proc. 2011-49 or subsequent guidance. In order to have reliance in such circumstances or with respect to such qualification requirements, application for a determination letter must be made to the Employee Plans Determinations of the Internal Revenue Service.

This Adoption Agreement may be used only in conjunction with basic Plan Document #10. This Adoption Agreement and basic Plan document shall together be known as The Retirement Advantage Inc. Defined Contribution Prototype Plan and Trust #10-007.

The adoption of this Plan, its qualification by the IRS, and the related tax consequences are the responsibility of the Employer and its independent tax and legal advisors.

The Retirement Advantage, Inc. will notify the Employer of any amendments made to the Plan or of the discontinuance or abandonment of the Plan. Furthermore, in order to be eligible to receive such notification, the Employer agrees to notify The Retirement Advantage, Inc. of any change in address. In addition, this Plan is provided to the Employer either in connection with investment in a product pursuant to a contract or other arrangement for products and/or services. Upon cessation of such investment in a product or cessation of such contract or arrangement, as applicable, the Employer is no longer considered to be an adopter of this Plan and The Retirement Advantage, Inc. no longer has any obligations to the Employer that relate to the adoption of this Plan. With regard to any questions regarding the provisions of the Plan, adoption of the Plan, or the effect of an opinion letter from the IRS, call or write (this information must be completed by the sponsor of this Plan or its designated representative):

Name:	The Retirement Advantage, Inc.
Address:	600 S Nicolet Road, Appleton, WI 54914
Telephone:	(920) 832-2544

The Employer and Trustee hereby cause this Plan to be executed on the date(s) specified below.

EMPLOYER:

By: \_\_\_\_\_ DATE SIGNED \_\_\_\_\_

TRUSTEE \_\_\_\_\_ DATE SIGNED \_\_\_\_\_

## #4. Adopting Resolution & Funding Policy

### Adopting Resolution

The undersigned authorized representative of \_\_\_\_\_  
(the Employer) hereby certifies that the following resolutions were duly adopted by the Employer on \_\_\_\_\_, and that such resolutions have not been modified or rescinded as of the date hereof:

RESOLVED, that the form of 401(k) Profit Sharing Plan and Trust effective \_\_\_\_\_, presented to this meeting is hereby approved and adopted and that an authorized representative of the Employer is hereby authorized and directed to execute and deliver to the Administrator of the Plan one or more counterparts of the Plan,

The undersigned further certifies that attached hereto as Exhibits A and B, respectively, are true copies of

\_\_\_\_\_  
the 401(k) Plan and the Funding Policy and Method which are hereby approved and adopted.

Date: \_\_\_\_\_

Signed: \_\_\_\_\_

### Funding Policy & Method

A pension benefit plan (as defined in the Employee Retirement Income Security Act of 1974) has been adopted by the company for the purpose of rewarding long and loyal service to the company by providing to employees additional financial security at retirement. Incidental benefits are provided in the case of disability, death or other termination of employment.

Since the principal purpose of the plan is to provide benefits at normal retirement age, the principal goal of the investment of the funds in the plan should be both security and long-term stability with moderate growth commensurate with the anticipated retirement dates of participants. Investments, other than "fixed dollar" investments, should be included among the plan's investments to prevent erosion by inflation. However, investments should be sufficiently liquid to enable the plan, on short notice, to make some distributions in the event of the death or disability of a participant.

## #5. Participant Loan Program

The above-named Plan permits loans to be made to Participants and their beneficiaries. However, before any loan is made, the Plan requires that a written loan program be established which sets forth the rules and guidelines for making Participant loans. This document shall serve as the required written loan program. In addition, the Plan Administrator may use this document to serve as, or supplement, any required notice of the loan program to Participants and their beneficiaries. All references to Participants in this loan program shall only include Participants and their Beneficiaries or any alternate payee with respect to the Plan. Furthermore, it shall only include those individuals to the extent they are “parties in interest” as defined by ERISA Section 3(14).

The Plan Administrator is authorized to administer the Participant loan program. All applications for loans shall be made by a Participant to the Plan Administrator on forms which the Plan Administrator will make available for such purpose.

**1. LOAN APPLICATION.** Any Participant may apply for a loan from the Plan. A Participant must apply for each loan in writing with an application which specifies the amount of the loan desired, the requested duration for the loan and the source of security for the loan.

All loan applications will be considered by the Plan Administrator within a reasonable time after the Participant makes formal application. The Participant will be required to provide any supporting information deemed necessary by the Plan Administrator. This may include a financial statement, tax returns and such other financial information which the Plan Administrator may consider necessary and appropriate to determine whether a loan should be granted. The Participant will also authorize the Plan Administrator to obtain a credit report on the Participant.

The Plan Administrator will determine whether a Participant qualifies for a loan, applying such criteria as a commercial lender of funds would apply in like circumstances with respect to the Participant. Such criteria shall include, but need not be limited to, the creditworthiness of the Participant and his or her general ability to repay the loan, the period of time such Participant has been employed by the Employer and whether adequate security has been provided for the loan.

**2. LOAN LIMITATIONS.** The Plan Administrator will not approve any loan to a Participant in an amount which exceeds 50% of his or her nonforfeitable account balance. The maximum aggregate dollar amount of loans outstanding to any Participant may not exceed \$50,000, reduced by the excess of the Participant’s highest outstanding Participant loan balance during the 12-month period ending on the date of the loan over the Participant’s current outstanding Participant loan balance on the date of the loan. With regard to any loan made pursuant to this program, the following rule(s) and limitation(s) shall apply, in addition to such other requirements set forth in the Plan:

- No loan in an amount less than \$1,000 will be granted to any Participant.
- A Participant can only have 2 loan(s) currently outstanding from the Plan.
- All loans made pursuant to this program will be considered a directed investment from the account(s) of the Participant maintained under the Plan. As such, all payments of principal and interest made by the Participant will be credited only to the account(s) of such Participant. The Plan also will charge that portion of the Participant’s account balances with expenses directly related to the origination, maintenance and collection of the note.

**3. EVIDENCE AND TERMS OF LOAN.** The Plan Administrator will document every loan in the form of a promissory note signed by the Participant for the face amount of the loan, together with a commercially reasonable rate of interest.

Any loan granted or renewed under this program will bear a reasonable rate of interest. In determining such rate of interest, the Plan will require a rate of return commensurate with the prevailing interest rate charged on similar loans under like circumstances by persons in the business of lending money. Such prevailing interest rate standard will permit the Plan Administrator to consider factors pertaining to the opportunity for gain and risk of loss that a professional lender would consider on a similar arms-length transaction, such as the creditworthiness of the Participant and the security given for the loan. Therefore, in establishing the rate of interest, the Plan Administrator will conduct a reasonable and prudent inquiry with professional lenders in the same geographic locale where the Participant and Employer reside to determine such prevailing interest rate for loans under like circumstances.

The loan must provide at least quarterly payments under a level amortization schedule.

The Plan Administrator will fix the term for repayment of any loan, however, in no instance may the term of repayment be greater than

five years, unless the loan qualifies as a home loan. A "home loan" is a loan used to acquire a dwelling unit which, within a reasonable time, the Participant will use as a principal residence.

Unless the Participant is a "party in interest" on the day after his or her termination of employment with the Employer, a loan becomes due and payable when the Participant terminates employment with the Employer. In addition, any distribution, other than a hardship distribution, from the Plan will first be applied to offset any outstanding loan balance.

A loan, if not otherwise due and payable, is due and payable on termination of the Plan, notwithstanding any contrary provision in the promissory note. Nothing in this loan policy restricts the Employer's right to terminate the Plan at any time.

Participants should note the law treats the amount of any loan (other than a "home loan") not repaid five years after the date of the loan as a taxable distribution on the last day of the five year period or, if sooner, at the time the loan is in default. If a Participant extends a non-home loan having a five year or less repayment term beyond five years, the balance of the loan at the time of the extension is a taxable distribution to the Participant.

4. SECURITY FOR LOAN. The Plan will require that adequate security be provided by the Participant before a loan is granted. For this purpose, the Plan will consider a Participant's interest under the Plan to be adequate security. However, in no event will more than 50% of a Participant's vested interest in the Plan (determined immediately after origination of the loan) be used as security for the loan. Generally, it will be the policy of the Plan not to make loans which require security other than the Participant's vested interest in the Plan. However, if additional security is necessary to adequately secure the loan, then the Plan Administrator will require that such security be provided before the loan will be granted.

5. FORM OF PLEDGE. The pledge and assignment of a Participant's account balances will be in the form prescribed by the Plan Administrator.

6. MILITARY SERVICE. If a Participant separates from service (or takes a leave of absence) from the Employer because of service in the military and does not receive a distribution of his or her account balances, the Plan shall suspend loan repayments until the Participant's completion of military service. The Employer will provide the Participant with a written explanation of the effect of the Participant's military service upon his or her Plan loan. While the Participant is on active duty in the United States military, the interest rate on the loan shall not exceed six percent (6%), compounded annually.

7. LEAVE OF ABSENCE/SUSPENSION OF PAYMENT. The Plan Administrator will suspend loan repayments for a period not exceeding one year which occurs during an approved leave of absence, either without pay from the Employer or at a rate of pay (after applicable employment tax withholdings) that is less than the amount of the installment payments required under the terms of the loan. The Plan Administrator will provide the Participant with a written explanation of the effect of the leave of absence upon his or her Plan loan.

8. PAYMENTS AFTER LEAVE OF ABSENCE. When payments resume following a payment suspension in connection with a leave of absence authorized in 6 or 7 above, the Participant shall select one of the following methods to repay the loan, plus accumulated interest:

- The Participant shall increase the amount of the required installments to an amount sufficient to amortize the remaining balance of the loan, plus accrued interest, over the remaining term of the loan.
- The Participant shall pay a balloon payment of the remaining unpaid principal and interest, at the conclusion of the term of the loan as determined in the promissory note.
- The Participant may extend the maturity of the loan and re-amortize the payments over the remaining term of the loan. In no event shall the amount of the adjusted installment payment be less than the amount of the installment payment provided under the promissory note. In the case of a leave of absence described in item 7 above, the revised term of the loan shall not exceed the maximum term permitted under item 3 above. In the case of a leave of absence described in item 6 above, the revised term of the loan shall not exceed the maximum term permitted under item 3 above, augmented by the time the Participant was actually in United States military service.

9. DEFAULT. The Plan Administrator will treat a loan in default if:

- any scheduled payment remains unpaid beyond the last day of the calendar quarter following the calendar quarter in which the Participant missed the scheduled payment; or
- the Participant makes or furnishes any false representation or statement to the Plan.

The Participant will have the opportunity to repay the loan, resume current status of the loan by paying any missed payment plus interest or, if distribution is available under the Plan, request distribution of the note. If the loan remains in default, the Plan Administrator will offset the Participant's vested account balances by the outstanding balance of the loan to the extent permitted by law. The Plan Administrator will treat the note as repaid to the extent of any permissible offset. Pending final disposition of the note, the Participant remains obligated for any unpaid principal and accrued interest.

Adopted this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_. This loan program may be amended from time to time.

Plan Administrator \_\_\_\_\_

## #6. Salary Deferral Agreement

(Including Roth Salary Deferrals)

Plan Name: \_\_\_\_\_

Participant Name: \_\_\_\_\_

Print or Type Complete Legal Name - First, MI, Last

Social Security Number: \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_

Street Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Check One: ☐ New Agreement ☐ Change ☐ Bonus Election

### SECTION 1: SALARY DEFERRAL ELECTION

Salary Reduction/Deferral Amount. This Agreement is effective as of the next enrollment or change date as provided for in the current Plan Document. I may modify this Agreement only in accordance with current Plan provisions and IRS regulations.

☐ I authorize the Employer to withhold from my Compensation (and treat as salary deferrals) the following amount:

☐ \$\_\_\_\_\_ or \_\_\_\_\_% of my per pay period Compensation as pre-tax salary deferrals.

☐ \$\_\_\_\_\_ or \_\_\_\_\_% of my per pay period Compensation as Roth salary deferrals.

☐ Zero for pre-tax salary deferrals. I hereby terminate my prior Salary Deferral Agreement of pre-tax salary deferrals. (Note: Elect "zero" only if you wish to terminate pre-tax salary deferrals under a prior Salary Deferral Agreement currently in effect.)

☐ Zero for Roth salary deferrals. I hereby terminate my prior Salary Deferral Agreement of Roth salary deferrals. (Note: Elect "zero" only if you wish to terminate Roth salary deferrals under a prior Salary Deferral Agreement currently in effect.)

Deferrals are irrevocable once made. I understand: (1) my election regarding the amount and type of deferrals is irrevocable once the employer withholds the deferrals from my paycheck; and (2) any change of election regarding the amount or type of deferrals is effective only for deferrals from paychecks I receive after the Plan Administrator accepts my change of election.

### SECTION 2: ELECTION TO NOT DEFER

(Note: Non-deferring Participants will be included in annual Plan testing)

☐ I elect NOT to defer into the Plan at this time. (Note: Elect this only if you have no Salary Deferral Agreement currently in effect and wish NOT to defer.)



### SECTION 3: SPECIAL ELECTION FOR BONUSES

(Complete this section if Plan allows special elections for bonuses AND you wish to apply a special election to bonuses)

☐ I elect NOT to withhold from my bonus at this time.

☐ I authorize the Employer to withhold from my bonus and treat as PRE-TAX salary deferrals the following amount:

☐ \_\_\_\_\_% or \$\_\_\_\_\_ of my bonus which is to be paid on \_\_\_\_\_, 20\_\_\_\_ (insert date). In making this election, I do not intend to change my existing Salary Deferral Agreement (if any) as to Compensation other than the bonus described in this Agreement (if allowed by Plan)

☐ \_\_\_\_\_% or \$\_\_\_\_\_ of my bonus which is to be paid on \_\_\_\_\_, 20\_\_\_\_ (insert date). In making this election, I do not intend to change my existing Salary Deferral Agreement (if any) as to Compensation other than the bonus described in this Agreement (if allowed by Plan).

AND/OR

☐ I authorize the Employer to withhold from my bonus and treat as ROTH salary deferrals the following amount:

☐ \_\_\_\_\_% or \$\_\_\_\_\_ of my bonus which is to be paid on \_\_\_\_\_, 20\_\_\_\_ (insert date). In making this election, I do not intend to change my existing Salary Deferral Agreement (if any) as to Compensation other than the bonus described in this Agreement (if allowed by Plan).

☐ \_\_\_\_\_% or \$\_\_\_\_\_ of ALL bonuses paid to me on or after \_\_\_\_\_, 20\_\_\_\_ (insert date). In making this election, I do not intend to change my existing Salary Deferral Agreement (if any) as to Compensation other than the bonus described in this Agreement (if allowed by Plan).

I understand that I can change this election at any time by completing a new Salary Deferral Agreement.

### SECTION 4: REQUIRED SIGNATURES

**Duty to Review Pay Records.** I understand I have a duty to review my pay records (pay stub, etc. ) to confirm the Employer has properly implemented my salary deferral election. Furthermore, I have a duty to inform the Plan Administrator if I discover any discrepancy between my pay records and this Salary Deferral Agreement. I understand the Plan Administrator will treat my failure to report any withholding errors for any payroll to which my Salary Deferral Agreement applies, by the cut-off date for the next following payroll, as my affirmative election to defer the amount actually withheld (including zero). However, I thereafter may modify, my salary deferral election prospectively, consistent with the current Plan Document.

I understand that it may be necessary for the Plan to limit my contribution election in accordance with Plan and/or IRS limitations. Once money is contributed to the Plan, I understand that money will only be distributable upon my death, permanent disability, retirement or termination of employment; and if allowed by the Plan, may be withdrawn in the event of serious financial hardship, a Plan loan and/or attainment of a specified age (59 1/2 or later). All distributions will be verified for compliance with current Plan provisions and IRS regulations.

I understand that if I have elected life insurance through the Plan, minimum contributions may have to be made to the Plan to meet IRS guidelines. Therefore, I must contact the Plan Administrator if I am decreasing my contributions. Further, if I am reducing my contribution to 0% and have life insurance through the Plan for which premiums can no longer be paid with funds from the Plan, I must make an election concerning my life insurance coverage.

Participant Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**Please Return this Form to the Plan Administrator**

**Application for Employer Identification Number**  
(For use by employers, corporations, partnerships, trusts, estates, churches,  
government agencies, Indian tribal entities, certain individuals, and others.)  
▶ Go to [www.irs.gov/FormSS4](http://www.irs.gov/FormSS4) for instructions and the latest information.  
▶ See separate instructions for each line. ▶ Keep a copy for your records.

OMB No. 1545-0003

EIN

Type or print clearly.	<b>1</b> Legal name of entity (or individual) for whom the EIN is being requested		
	<b>2</b> Trade name of business (if different from name on line 1)	<b>3</b> Executor, administrator, trustee, "care of" name	
	<b>4a</b> Mailing address (room, apt., suite no. and street, or P.O. box)	<b>5a</b> Street address (if different) (Do not enter a P.O. box.)	
	<b>4b</b> City, state, and ZIP code (if foreign, see instructions)	<b>5b</b> City, state, and ZIP code (if foreign, see instructions)	
	<b>6</b> County and state where principal business is located		
	<b>7a</b> Name of responsible party		<b>7b</b> SSN, ITIN, or EIN
<b>8a</b> Is this application for a limited liability company (LLC) (or a foreign equivalent)?	<input type="checkbox"/> Yes <input type="checkbox"/> No		<b>8b</b> If 8a is "Yes," enter the number of LLC members ▶
<b>8c</b> If 8a is "Yes," was the LLC organized in the United States?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
<b>9a</b> <b>Type of entity</b> (check only one box). <b>Caution.</b> If 8a is "Yes," see the instructions for the correct box to check.			
<input type="checkbox"/> Sole proprietor (SSN) _____	<input type="checkbox"/> Estate (SSN of decedent) _____		
<input type="checkbox"/> Partnership _____	<input type="checkbox"/> Plan administrator (TIN) _____		
<input type="checkbox"/> Corporation (enter form number to be filed) ▶ _____	<input type="checkbox"/> Trust (TIN of grantor) _____		
<input type="checkbox"/> Personal service corporation _____	<input type="checkbox"/> Military/National Guard <input type="checkbox"/> State/local government		
<input type="checkbox"/> Church or church-controlled organization _____	<input type="checkbox"/> Farmers' cooperative <input type="checkbox"/> Federal government		
<input type="checkbox"/> Other nonprofit organization (specify) ▶ _____	<input type="checkbox"/> REMIC <input type="checkbox"/> Indian tribal governments/enterprises		
<input type="checkbox"/> Other (specify) ▶ _____	Group Exemption Number (GEN) if any ▶ _____		
<b>9b</b> If a corporation, name the state or foreign country (if applicable) where incorporated	State _____	Foreign country _____	
<b>10</b> <b>Reason for applying</b> (check only one box)			
<input type="checkbox"/> Started new business (specify type) ▶ _____	<input type="checkbox"/> Banking purpose (specify purpose) ▶ _____		
<input type="checkbox"/> Hired employees (Check the box and see line 13.)	<input type="checkbox"/> Changed type of organization (specify new type) ▶ _____		
<input type="checkbox"/> Compliance with IRS withholding regulations	<input type="checkbox"/> Purchased going business		
<input type="checkbox"/> Other (specify) ▶ _____	<input type="checkbox"/> Created a trust (specify type) ▶ _____		
<input type="checkbox"/> Other (specify) ▶ _____	<input type="checkbox"/> Created a pension plan (specify type) ▶ _____		
<b>11</b> Date business started or acquired (month, day, year). See instructions.	<b>12</b> Closing month of accounting year		
<b>13</b> Highest number of employees expected in the next 12 months (enter -0- if none). If no employees expected, skip line 14.	<b>14</b> If you expect your employment tax liability to be \$1,000 or less in a full calendar year <b>and</b> want to file Form 944 annually instead of Forms 941 quarterly, check here. (Your employment tax liability generally will be \$1,000 or less if you expect to pay \$4,000 or less in total wages.) If you do not check this box, you must file Form 941 for every quarter. <input type="checkbox"/>		
Agricultural	Household	Other	
<b>15</b> First date wages or annuities were paid (month, day, year). <b>Note:</b> If applicant is a withholding agent, enter date income will first be paid to nonresident alien (month, day, year) . . . . . ▶			
<b>16</b> Check <b>one</b> box that best describes the principal activity of your business.			
<input type="checkbox"/> Construction <input type="checkbox"/> Rental & leasing <input type="checkbox"/> Transportation & warehousing	<input type="checkbox"/> Health care & social assistance <input type="checkbox"/> Wholesale-agent/broker		
<input type="checkbox"/> Real estate <input type="checkbox"/> Manufacturing <input type="checkbox"/> Finance & insurance	<input type="checkbox"/> Accommodation & food service <input type="checkbox"/> Wholesale-other <input type="checkbox"/> Retail		
<input type="checkbox"/> Other (specify) ▶ _____			
<b>17</b> Indicate principal line of merchandise sold, specific construction work done, products produced, or services provided.			
<b>18</b> Has the applicant entity shown on line 1 ever applied for and received an EIN? <input type="checkbox"/> Yes <input type="checkbox"/> No			
If "Yes," write previous EIN here ▶ _____			
<b>Third Party Designee</b>	Complete this section <b>only</b> if you want to authorize the named individual to receive the entity's EIN and answer questions about the completion of this form.		
	Designee's name		Designee's telephone number (include area code)
	Address and ZIP code		Designee's fax number (include area code)
Under penalties of perjury, I declare that I have examined this application, and to the best of my knowledge and belief, it is true, correct, and complete.			Applicant's telephone number (include area code)
Name and title (type or print clearly) ▶ _____			Applicant's fax number (include area code)
Signature ▶ _____			Date ▶ _____

## Do I Need an EIN?

File Form SS-4 if the applicant entity does not already have an EIN but is required to show an EIN on any return, statement, or other document.<sup>1</sup> See also the separate instructions for each line on Form SS-4.

IF the applicant...	AND...	THEN...
Started a new business	Does not currently have (nor expect to have) employees	Complete lines 1, 2, 4a–8a, 8b–c (if applicable), 9a, 9b (if applicable), and 10–14 and 16–18.
Hired (or will hire) employees, including household employees	Does not already have an EIN	Complete lines 1, 2, 4a–6, 7a–b (if applicable), 8a, 8b–c (if applicable), 9a, 9b (if applicable), 10–18.
Opened a bank account	Needs an EIN for banking purposes only	Complete lines 1–5b, 7a–b (if applicable), 8a, 8b–c (if applicable), 9a, 9b (if applicable), 10, and 18.
Changed type of organization	Either the legal character of the organization or its ownership changed (for example, you incorporate a sole proprietorship or form a partnership) <sup>2</sup>	Complete lines 1–18 (as applicable).
Purchased a going business <sup>3</sup>	Does not already have an EIN	Complete lines 1–18 (as applicable).
Created a trust	The trust is other than a grantor trust or an IRA trust <sup>4</sup>	Complete lines 1–18 (as applicable).
Created a pension plan as a plan administrator <sup>5</sup>	Needs an EIN for reporting purposes	Complete lines 1, 3, 4a–5b, 9a, 10, and 18.
Is a foreign person needing an EIN to comply with IRS withholding regulations	Needs an EIN to complete a Form W-8 (other than Form W-8ECI), avoid withholding on portfolio assets, or claim tax treaty benefits <sup>6</sup>	Complete lines 1–5b, 7a–b (SSN or ITIN optional), 8a, 8b–c (if applicable), 9a, 9b (if applicable), 10, and 18.
Is administering an estate	Needs an EIN to report estate income on Form 1041	Complete lines 1–6, 9a, 10–12, 13–17 (if applicable), and 18.
Is a withholding agent for taxes on non-wage income paid to an alien (i.e., individual, corporation, or partnership, etc.)	Is an agent, broker, fiduciary, manager, tenant, or spouse who is required to file Form 1042, Annual Withholding Tax Return for U.S. Source Income of Foreign Persons	Complete lines 1, 2, 3 (if applicable), 4a–5b, 7a–b (if applicable), 8a, 8b–c (if applicable), 9a, 9b (if applicable), 10, and 18.
Is a state or local agency	Serves as a tax reporting agent for public assistance recipients under Rev. Proc. 80-4, 1980-1 C.B. 581 <sup>7</sup>	Complete lines 1, 2, 4a–5b, 9a, 10, and 18.
Is a single-member LLC (or similar single-member entity)	Needs an EIN to file Form 8832, Classification Election, for filing employment tax returns and excise tax returns, or for state reporting purposes <sup>8</sup> , or is a foreign-owned U.S. disregarded entity and needs an EIN to file Form 5472, Information Return of a 25% Foreign-Owned U.S. Corporation or a Foreign Corporation Engaged in a U.S. Trade or Business (Under Sections 6038A and 6038C of the Internal Revenue Code)	Complete lines 1–18 (as applicable).
Is an S corporation	Needs an EIN to file Form 2553, Election by a Small Business Corporation <sup>9</sup>	Complete lines 1–18 (as applicable).

<sup>1</sup> For example, a sole proprietorship or self-employed farmer who establishes a qualified retirement plan, or is required to file excise, employment, alcohol, tobacco, or firearms returns, must have an EIN. A partnership, corporation, REMIC (real estate mortgage investment conduit), nonprofit organization (church, club, etc.), or farmers' cooperative must use an EIN for any tax-related purpose even if the entity does not have employees.

<sup>2</sup> However, do not apply for a new EIN if the existing entity only (a) changed its business name, (b) elected on Form 8832 to change the way it is taxed (or is covered by the default rules), or (c) terminated its partnership status because at least 50% of the total interests in partnership capital and profits were sold or exchanged within a 12-month period. The EIN of the terminated partnership should continue to be used. See Regulations section 301.6109-1(d)(2)(iii).

<sup>3</sup> Do not use the EIN of the prior business unless you became the "owner" of a corporation by acquiring its stock.

<sup>4</sup> However, grantor trusts that do not file using Optional Method 1 and IRA trusts that are required to file Form 990-T, Exempt Organization Business Income Tax Return, must have an EIN. For more information on grantor trusts, see the Instructions for Form 1041.

<sup>5</sup> A plan administrator is the person or group of persons specified as the administrator by the instrument under which the plan is operated.

<sup>6</sup> Entities applying to be a Qualified Intermediary (QI) need a QI-EIN even if they already have an EIN. See Rev. Proc. 2000-12.

<sup>7</sup> See also *Household employer* on page 4 of the instructions. **Note:** State or local agencies may need an EIN for other reasons, for example, hired employees.

<sup>8</sup> See *Disregarded entities* on page 4 of the instructions for details on completing Form SS-4 for an LLC.

<sup>9</sup> An existing corporation that is electing or revoking S corporation status should use its previously-assigned EIN.