

Guide to Completion of the 401(k) Compliance Check Questionnaire

***28b. What categories of hardship distributions does the Plan permit? Select all that apply:**

- Medical expenses
- Purchase of principal residence
- Educational expenses
- Prevention of eviction or foreclosure
- Funeral and burial expenses
- Repairs to principal residence
- Other (specify):

***28c. Are hardship distributions available to all participants?**

- Yes No

If "No," complete the follow-up question. Otherwise, skip to Question 28d.

***Specify who may not take hardship distributions:**

28d. If hardship distributions were made to participants from the Plan, indicate the number of such distributions for each of the years listed below. If the answer is zero, insert "0":

* 2006	<input style="width: 80%; height: 20px;" type="text"/>	
* 2007	<input style="width: 80%; height: 20px;" type="text"/>	
* 2008	<input style="width: 80%; height: 20px;" type="text"/>	

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***28e. Is a participant required to obtain the maximum amount of participant loans available from the Plan before he/she may apply for a hardship distribution?**

Yes No

***28f. For how many months after taking a hardship distribution is a participant prohibited from making elective deferrals to the Plan and all other plans of the employer? If no restriction, enter "0" for the number of months:**

***29. Does the Plan permit in-service distributions other than for hardship?**

Yes No

***30a. Does the Plan provide for involuntary cash-outs?**

Yes No

If "Yes," proceed to 30b. Otherwise, skip to Question 31a.

***30b. What is the maximum dollar amount (excluding rollovers) at which a terminated/retired participant's account will be involuntarily cashed-out?**

\$1,000

\$1,750

\$3,500

\$5,000

Other (specify): \$

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31a. For any of the following calendar years, did the Plan need to make a corrective distribution because a participant exceeded the §402(g) limit (not taking into account catch-up contributions under Internal Revenue Code §414(v))?

	Yes	No
*2006	<input type="checkbox"/>	<input type="checkbox"/>
*2007	<input type="checkbox"/>	<input type="checkbox"/>
*2008	<input type="checkbox"/>	<input type="checkbox"/>

***31b. Does the Plan have procedures in place to ensure that elective deferrals are limited to the §402(g) amount for the calendar year?**

Yes No

31c. For each of the following calendar years, were §402(g) corrective distributions made to the participant(s) by April 15th?

	Yes	No	Correction not needed
*2006	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*2007	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*2008	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

32. Under Internal Revenue Code §415, a participant cannot receive annual additions in excess of \$44,000 in 2006, \$45,000 in 2007 and \$46,000 in 2008. When taking into account all of your defined contribution plans, did any participant have total contributions in excess of these amounts?

	Yes	Yes, but corrected	No
*2006	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*2007	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*2008	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

***33. When a participant receives a distribution from the Plan, does the participant receive a Form 1099-R for the year of distribution?**

Yes No

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Section VI: Other Plan Operations

***34. In your opinion, did recent financial conditions result in any of the following? Check all that apply:**

- Increased number of loans
- Increased number of hardship distributions
- Reduced or suspended employer matching or nonelective contributions
- Reduced or suspended elective deferrals
- Reduced participation in the Plan
- A Plan investment has become more difficult to sell on an open market
- Partial termination of the Plan
- Termination of the Plan
- Other effect
- No effect

***35a. Since 2006, has the Plan experienced any losses due to fraud or theft?**

Yes No

If "Yes," proceed to 35b. Otherwise, skip to Question 36a.

35b. Indicate how many participants had account losses due to the fraud or theft for each plan year shown below. If the answer is zero, insert "0":

* 2006		
* 2007		
* 2008		

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***36a. Was any money invested in employer stock in 2006, 2007 or 2008?**

Yes No

If "Yes," proceed to 36b. Otherwise, skip to Question 37.

36b. Indicate the total fair market value of employer stock held by the Plan for each of the plan years listed below. If the answer is zero, insert "0":

* 2006

* 2007

* 2008

***36c. Has a diversification notice been provided to employees?**

Yes No

***36d. How often is a participant allowed to sell employer stock from elective deferral accounts?**

Quarterly

Monthly

Weekly

Daily

Other (specify):

***36e. How often is a participant allowed to sell employer stock from employee after-tax contribution accounts?**

Quarterly

Monthly

Weekly

Daily

Other (specify):

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***36f. After what period of service are participants permitted to sell employer stock from nonelective contribution accounts?**

May diversify immediately

3 months

6 months

1 year

1 1/2 year

2 years

3 years

Other (specify):

***36g. After what period of service are participants permitted to sell employer stock from matching contribution accounts?**

May diversify immediately

3 months

6 months

1 year

1 1/2 year

2 years

3 years

Other (specify):

***37. Were any of the Plan's assets held in direct foreign investments (regardless of size of the investment and whether filing of Form TD F 90-22.1, *Report of Foreign Bank and Financial Accounts* was required) in 2006, 2007 or 2008?**

Yes No

***38. Has the Plan earned unrelated business income in 2006, 2007 or 2008?**

Yes No

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***39. Has the Plan ever filed Form 990-T, *Exempt Organization Business Income Tax Return*?**

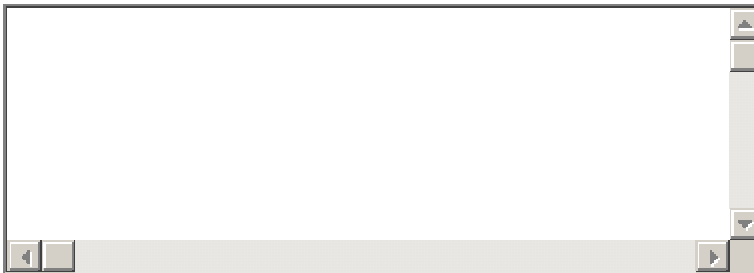
Yes No Cannot determine

***40. Did any participant receive an in-kind distribution in any of the following years: 2006, 2007 or 2008?**

Yes No

If "Yes," complete the follow-up question. Otherwise, skip to Question 41.

***Specify all in-kind distributions:**

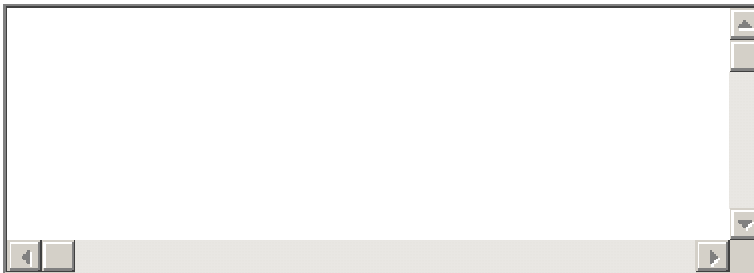


***41. Were any amounts rolled over into this Plan used to purchase employer stock or a franchise in 2006, 2007 or 2008?**

Yes No

If "Yes," complete the follow-up question. Otherwise, skip to Question 42.

***Specify transaction:**



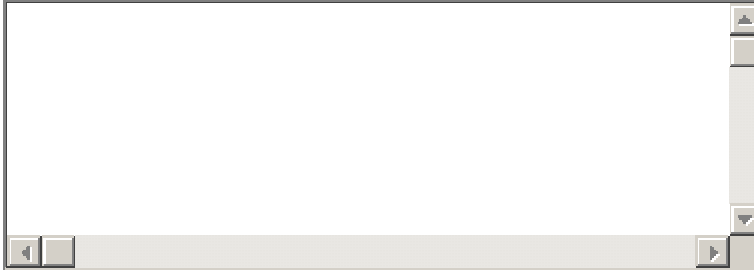
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***42. Were discounts taken on any distributions from the Plan for lack of marketability or minority interest in 2006, 2007 or 2008?**

Yes No

If "Yes," complete the follow-up question. Otherwise, skip to Question 43a.

***Specify transaction:**



Section VII: Automatic Contribution Arrangement

***43a. Does the Plan include an automatic contribution arrangement?**

Yes No

If "Yes," proceed to 43b. Otherwise, skip to Question 51.

***43b. Is the automatic contribution arrangement any of the following? Select only one:**

- Qualified automatic contribution arrangement (QACA)
- Eligible automatic contribution arrangement (EACA)
- An automatic contribution arrangement that is both a QACA and an EACA
- An automatic contribution arrangement that is neither a QACA nor an EACA

***44. When did the Plan start using the automatic contribution arrangement? Enter year provisions effective:**

***45a. What is the starting default deferral rate? Enter percentage below:**

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***45b. Does the default deferral rate increase over time?**

Yes No

If "Yes," proceed to 45c. Otherwise, skip to Question 46.

***45c. What is the maximum default deferral rate? Enter percentage below:**

46. Indicate in the table below the number of participants subject to the automatic contribution arrangement who met any criterion for any year listed. If the answer is zero, insert "0":

	2006	2007	2008
* Affirmatively elected not to make elective deferrals	<input style="width: 80%; height: 20px;" type="text"/>	<input style="width: 80%; height: 20px;" type="text"/>	<input style="width: 80%; height: 20px;" type="text"/>
* Did nothing (stayed at the default deferral rate)	<input style="width: 80%; height: 20px;" type="text"/>	<input style="width: 80%; height: 20px;" type="text"/>	<input style="width: 80%; height: 20px;" type="text"/>
* Affirmatively elected a lesser elective deferral amount than the default deferral rate	<input style="width: 80%; height: 20px;" type="text"/>	<input style="width: 80%; height: 20px;" type="text"/>	<input style="width: 80%; height: 20px;" type="text"/>
* Affirmatively elected a greater elective deferral amount than the default deferral rate	<input style="width: 80%; height: 20px;" type="text"/>	<input style="width: 80%; height: 20px;" type="text"/>	<input style="width: 80%; height: 20px;" type="text"/>

***47. How often are participants given the opportunity to change their deferral election to a rate other than the default deferral rate under the automatic contribution arrangement?**

At any time

Every pay period

Monthly

Quarterly

Annually

Other (specify):

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***48. When the automatic contribution arrangement was adopted, to whom did it apply?**

Check the one best answer:

- All employees who were participants on the effective date of the automatic contribution arrangement
- Only employees who become participants after the automatic contribution arrangement was effective
- Only highly compensated employees
- Only nonhighly compensated employees
- Only participants with no affirmative deferral election in place
- Other (specify):

***49a. Is a timely notice of each employee's rights and obligations under the Plan provided to each participant?**

- Yes No

If "Yes," proceed to 49b. Otherwise, skip to Question 50a.

***49b. How is the automatic contribution arrangement notice provided to participants?**

Check all that apply:

- E-mail
- Regular mail
- Distributed individually at work
- Posted in the workplace
- Posted on website
- Other (specify):

***49c. If the Plan provides two or more investment options, does the notice explain the manner in which elective deferrals will be invested in the absence of any investment election?**

- Yes No N/A

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***49d. Is the participant provided an opportunity to make an election to change the elective deferral rate after receiving the notice?**

Yes No

***50a. Did you use the sample notice provided by the Internal Revenue Service on its website for automatic contribution arrangements?**

Yes No

50b. Use the space below to describe any suggested modifications to the sample notice:

Section VIII: Designated Roth Features

***51. Does the Plan permit designated Roth contributions?**

Yes No

If "Yes," skip to Question 53. Otherwise, proceed to Question 52.

***52. If the Plan does not permit designated Roth contributions, select all of the reasons the feature has not been added:**

- Participants are not interested
- Administrative burden
- Rules are too complicated
- Too expensive
- Option is not available through current service provider
- Other (specify):

Go to Question 56a.

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***53. When did the Plan provide for designated Roth contributions (plan year provisions were first effective)?**

54. Complete the following table. If the answer is zero, insert "0":

	2006	2007	2008
* Total number of participants who made designated Roth contributions	<input style="width: 80%; height: 20px;" type="text"/>	<input style="width: 80%; height: 20px;" type="text"/>	<input style="width: 80%; height: 20px;" type="text"/>
* Total number of highly compensated employees who made designated Roth contributions	<input style="width: 80%; height: 20px;" type="text"/>	<input style="width: 80%; height: 20px;" type="text"/>	<input style="width: 80%; height: 20px;" type="text"/>
* Total number of nonhighly compensated employees who made designated Roth contributions	<input style="width: 80%; height: 20px;" type="text"/>	<input style="width: 80%; height: 20px;" type="text"/>	<input style="width: 80%; height: 20px;" type="text"/>
* Total dollar amount of designated Roth contributions	<input style="width: 80%; height: 20px;" type="text"/>	<input style="width: 80%; height: 20px;" type="text"/>	<input style="width: 80%; height: 20px;" type="text"/>

***55. Has the Plan initiated an eligible rollover distribution from a designated Roth account?**

Yes No

Section IX: Internal Revenue Service Voluntary Compliance Programs

This section asks questions about awareness and use of IRS correction programs. We are interested in any comments related to improvement of these programs.

***56a. Is the Plan sponsor aware of the Employee Plans Compliance Resolution System (EPCRS) comprised of the Self-Correction Program, Voluntary Correction Program and Audit CAP?**

Yes No

If "Yes," proceed to 56b. If "No," skip to Question 59a.

***56b. Has the Plan sponsor ever used the Employee Plans Compliance Resolution System?**

Yes No

If "Yes," proceed to 56c. If "No," skip to Question 59a.

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***56c. Which Employee Plans Compliance Resolution System program did the Plan sponsor use? Check all that apply:**

- Self-Correction Program
- Voluntary Correction Program
- Audit CAP

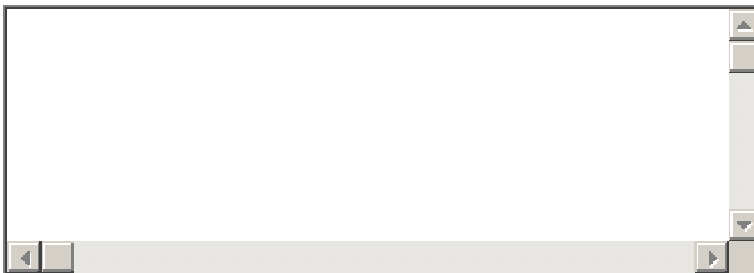
***56d. Did the Plan sponsor use one of the correction methods listed in Appendix A or B of the EPCRS Revenue Procedure?**

- Yes No

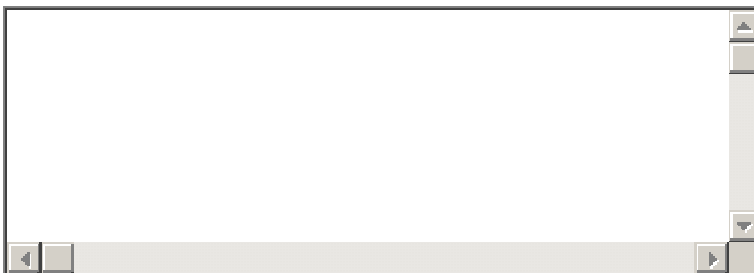
***56e. Did the Plan sponsor find the Employee Plans Compliance Resolution System helpful?**

- Yes No No opinion

57. Are there any corrections that you think should be added to the EPCRS Revenue Procedure in order to improve the program?

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58. How can EPCRS be changed to make it easier to use?

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***59a. Are you aware of the 401(k) Fix-It Guide on the Employee Plans web page (www.irs.gov/ep)?**

Yes No

If "Yes," proceed to 59b. Otherwise, skip to Question 60.

***59b. Have you used the 401(k) Fix-It Guide?**

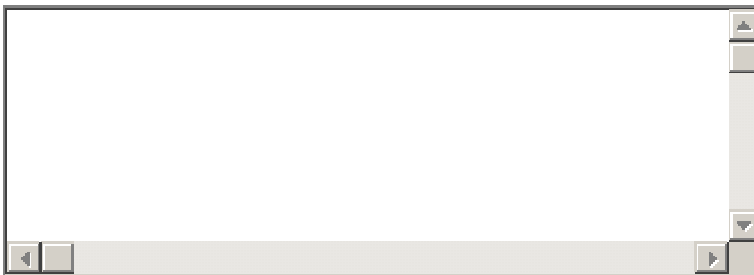
Yes No

If "Yes," proceed to 59c. Otherwise, skip to Question 60.

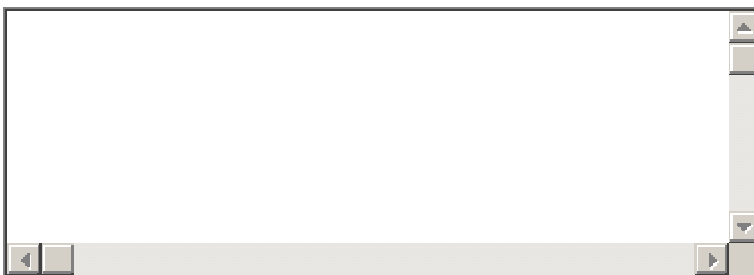
***59c. Did you find the 401(k) Fix-It Guide useful?**

Yes No No opinion

59d. How can the 401(k) Fix-It Guide be improved to be more helpful?

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60. What specific 401(k) issues should the Internal Revenue Service address in future guidance?

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Section X: Plan Administration

***61a. Does the Plan sponsor have policies and procedures that it uses to review the Plan's operation to determine that the Plan is operated in accordance with its terms?**

Yes No

If "Yes," proceed to 61b. Otherwise, skip to Question 62.

***61b. How often does the Plan sponsor review Plan policies and procedures?**

Once a year

Once every two years

Other (specify in years):

***62. Who is primarily responsible for Plan administration? Select only one:**

Company financial staff

Company human resources staff

Company legal staff

External accountant

External legal

Insurance company

Third-party administrator

Actuary

Other external provider

Other internal staff

***63. Who has the authority to amend the Plan? Select only one:**

Board of directors

Plan trustees

Company officer

Other (specify title):

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***64. Who ensures that the Plan is timely amended? Select the one best answer:**

Internal legal

Internal administrator

Third-party administrator

Insurance company

External legal

Other (specify title):

***65. How many changes in administrators have there been in the last 3 years?**

None

One

Two

Three or more

***66. Have you ever utilized any of the following IRS resources to gather information about 401(k) plans? Check all that apply:**

Internal Revenue Service toll-free number

Web site www.irs.gov/EP

401(k) Fix-It Guide

Phone call to local Internal Revenue Service agent

Other (specify):

***67. Who prepares Form 5500 for the Plan? Select the one best answer:**

Company financial staff

Company human resources staff

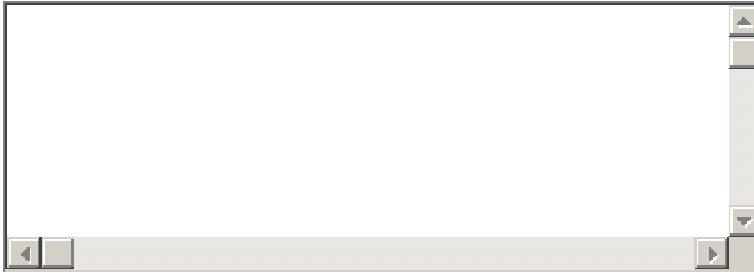
External accountant

Third-party administrator

Other (specify title):

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68. What difficulties does the Plan face when complying with the requirements of Internal Revenue Code §401(k) or §401(m)?



***69. Who completed this questionnaire? Check all that apply:**

- Company financial staff
- Company human resources staff
- Company legal staff
- External accountant
- External legal
- Insurance company
- Third-party administrator
- Actuary
- Other external provider
- Other internal staff

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