

## GENERAL INFORMATION WORKSHEET

<b>2023 BUSINESS INFORMATION:</b>		
	<b>Our Current Record</b>	<b>UPDATE if changed</b>
Company Name:		
Form of Business Entity:		
If LLC, taxed as Corp/Partnership?		
Employer ID Number (EIN)		
6-Digit NAICS Code: (Guide here)		
Business Address:		
Different Shipping Address:		
Business Phone #:		
Fax #:		

Any other changes?

Do you have another active Retirement Plan NOT being administered by LAR Pensions?

If yes, please describe:

<b>2023 CONTACT INFORMATION:</b>		
Name of Plan Sponsor:		
Email Address:		

The Plan Sponsor is usually the Employer and Trustee, is there a different person for daily pension matters?

Preferred Daily Contact:		
Email Address:		
Your Accountant:		
Email Address:		
Phone #:		
Your Financial Advisor:		
Email Address:		
Phone #:		

<b>2023 OWNERSHIP INFORMATION:</b>		
Shareholders/Partner Name	% Owner	If Over 5% Owner, List all Relatives Employed at the Company

A "Relative" is any Parent, Spouse, or Child, including Grandchildren. Siblings or Cousins do not count. If any owner is ALSO an owner of another business entity and earns income, please disclose that information by writing. **Anything about mergers or acquisitions is also key information that should be relayed to us sooner rather than later.**

## 2023 CONTRIBUTION INFORMATION

### 401(k) Elective Deferrals

401(k) deferrals are reported on your W-2s and on the Anniversary Census Excel sheet attached to this email. The limit for 2023 is \$22,500, unless you are Age 50+ in which case it is \$30,000.

Discrimination Testing can reduce this, so Owners with employees and no Safe Harbor need to return data by January 31<sup>st</sup>

### Safe Harbor (Non-Elective 3% or Safe Harbor Match)

If your Plan has Safe Harbor, we will calculate the required contribution upon receipt of your census and W-2s. Safe Harbor may be deposited as a lump sum at the end of the year or on a payroll-by-payroll basis with 401(k). The advantage of depositing Safe Harbor as a lump sum is that it is only done once and done precisely. If you deposit Safe Harbor on a payroll basis, the amounts you have already deposited may not be sufficient. We may need a payroll deposit log to establish differences and inform you about the amounts due or in excess. If you need to keep a deposit log, we recommend our own Payroll Deposit Log as a template for 2024.

### Loan Repayments

If your Plan has any participants with loans, we will need to verify loan repayments through 2023. Depending on the financial institution holding your Plan's assets, we may need to request more information. If you have a participant with a loan from a brokerage account, **please do not delay sending us their deposit log.**

### The following table is about Employer Contributions

For Defined Contribution (DC) Plans, Safe Harbor + Profit Sharing = Employer Contributions. (Match too, if applicable) The Safe Harbor portion is required, but the Profit-Sharing element is entirely discretionary. (Unless you also have a DB) If you give us an estimate for how much you want to contribute, we will prepare some options for your review.

Defined Benefit (DB) Plans have much less flexibility but still allow for some discretion.

**Please use the table below to indicate what sort of a budget you have for employer contributions.**

Do not leave this blank, it can be a reasonable estimate, or you can say "same as last year" and we can start from there.

Employer Contributions	Minimum <-> Maximum \$ Range or a Specific \$ or % Amount	The MAX
Estimated Budget		
Notes or Comments		

**If you have DC and DB Plans,** enter your combined budget and we will advise on allocations

Again, these estimates are not binding. They allow us to begin work and you will choose the best option later.

**Contributions must be made by July 31st and extensions (at \$150) will give you until September 15<sup>th</sup>:**

**Will you need extensions past July 31st (Fees may apply)?** Yes/No/Maybe \_\_\_\_\_

## 2023 INSURANCE AND ANNUITIES INFORMATION

If your Plan has Life Insurance or Annuities, please send us the **12/31/2023 Year End statement AND the Schedule A.** Even if you choose to complete this form, or forward it to your Broker to complete it, we will need the Schedule A attached. Your insurance provider should be able to furnish you with both statements at the same time.

Name of Insured	Insurance Company	Policy Number	Cash Value as of 12/31/2023	Amount of Premium	How is the Premium Paid? (A/B/C)

We need to know how the premiums are being paid to properly account for them:

**A** = From the Participant's Account, **B** = From the Plan's Account, **C** = Direct Check from Company

## Important Deadlines for 2023 Plan Year Administration

### Census and Asset information must be returned to LAR Pensions, LLC by:

January 31, 2024	All non Safe Harbor 401(k) Plans (or ASAP)
February 28, 2024	S-Corporations and LLC, not filing an extension (or ASAP)
April 1, 2024	C-Corporations and businesses not filing an extension (or ASAP)

### Contribution Deposit Deadlines:

January 10, 2024	Final 401(k) Deferrals for 2023 must be deposited by 1/10/2024 for W-2 employees
March 15, 2024	Employer Contributions by ALL not filing an extension, except Sole Proprietors and C-Corporations
April 1, 2024	Final Safe Harbor Match deposits must be in the plan <b>if</b> funding was on a per payroll basis
April 15, 2024	Employer Contributions by Sole Proprietors and C-Corporations not filing an extension
September 16, 2024	Funding deadline for ALL except Sole Proprietors and C-Corporations, if on extension
September 16, 2024	Funding deadline for all 12/31 Defined Benefit Plans
October 15, 2024	Sole Proprietor funding deadline, if on extension

### Filing/Reporting Deadlines:

<b>January 15, 2024</b>	<b>To avoid IRS penalties and interest, please pay Tax withholding for 2023 last quarter distribution taxes due (Please consult your CPA to make payments by electronic fund transfer)</b>
January 31, 2024	1099-R forms must be mailed to participants
January 31, 2024	Mailing of Form 945 filing due to IRS. (Note, if all taxes are paid in full, the form is due by February 10, 2024)
April 1, 2024	IRS 1099-R Electronic filing due date
July 31, 2024	Deadline for 5500 Return if not on extension
October 15, 2024	Final Deadline for 5500 returns with extension

### **THERE WILL BE A \$150 CHARGE FOR FILING FORM 5500 EXTENSIONS**

**LAR Pensions, LLC must receive confirmation of any Employer Contribution amount and date deposited before finalizing the year's administration by filing your 5500 return(s)**

### Other Important Deadlines and Information:

November 30, 2023	Distribution of 401(k) Plan's Fee Disclosure and Safe Harbor Notice		
<b>December 15, 2023</b>	<b>Last Distribution package must be received by LAR for processing in 2023.</b>		
March 15, 2024	Refunds due for failed ADP/ACP tests to avoid 10 % penalties		
April 30, 2024	PBGC forms due for NEW Defined Benefit Plans		
October 15, 2024	PBGC forms due for existing Defined Benefit Plans		
	<u>401(k) Deferrals</u>	<u>Individual Limit</u>	<u>Compensation Max</u>
2023 Limits:	\$22,500	D.C. \$66,000	\$330,000
2024 Limits:	\$23,000	D.C. \$69,000	\$345,000
2023 Catch Up Limit:	Those 50 (as of 12/31) & older could defer an additional \$7,500		

**INFORMATION REQUIRED FOR YOUR 2023 FORM 5500**

**1. GENERAL INFORMATION:**

- a) Employer Identification Number: \_\_\_\_\_
- b) Fiscal Year End: \_\_\_\_\_
- c) 6-Digit NAICS Business Code: \_\_\_\_\_

**2. FIDELITY BOND (REQUIRED BY THE DEPARTMENT OF LABOR):**

**\*\*This is required for companies that have any non-owner Participants in their Plan\*\***

Please send us a copy of your bond and note the expiration dates as not all bonds are perpetual.

The Bond needs to be for 10% of Plan Assets as listed on your last Form 5500 line 7(a)(b) (the ending value)

**Company:** \_\_\_\_\_

**Amount:** \_\_\_\_\_

A Fidelity Bond can be purchased from a property & casualty broker.

An example would be Colonial Surety ([link with referral discount](#), more info on last page)

**3. PAYROLL:**

- a) Who is your current Payroll Provider? \_\_\_\_\_
- b) What is your current Payroll Period Frequency? (Weekly/Bi-Weekly) \_\_\_\_\_

**4. LATE PAYMENTS (For 401(k) Plans)**

The rule is that 401(k) Contributions must be deposited within 6 business days after being withheld from payroll.

Did the employer fail to transmit to the Plan any participant Contributions or Loan Payments within the time period described by the Department of Labor? **Yes/No** \_\_\_\_\_

If so, please provide Payroll Dates and actual Deposit Dates for each instance in order to estimate IRS Penalties  
You may prefer to do this on a spreadsheet with the below format:

Payroll Date: \_\_\_\_\_ Deposit Date: \_\_\_\_\_ Amount Deposited: \_\_\_\_\_

If you need more space, you can make a spreadsheet with the same format as above

More information can be found at <http://www.larpensions.com/links-resources>

**5. REQUIRED MINIMUM DISTRIBUTIONS (Note that RMD's are required again)**

Have any **participants** attained Age 73+ during 2024?

If so, please list them below: (Participants not related to an owner are only required when they retire)

- 1. \_\_\_\_\_
- 2. \_\_\_\_\_

(Continued on next page)

2023 5500 QUESTIONNAIRE (page 2 of 2)

**For questions 6 through 8, a person is considered to be a Plan Fiduciary if he or she has discretionary authority with respect to the management, administration, or disposition of the plan assets.**

The Plan Sponsor and Trustee(s) are Fiduciaries by definition, and your Broker may be a fiduciary too  
 If you have any doubts, ask your investment advisor whether or not they are a Fiduciary to your Retirement Plan  
 Note: LAR Pensions, LLC is NOT a fiduciary of your plan because we do not manage any of your Plan Assets

6. Has any fiduciary received compensation from the Plan Assets? (e.g., commissions/fees) **Yes/No**   
 If so, how much? **Amount \$**

7. Did the fiduciary invest in any assets that are not readily appraised on an established market?  
**Please list any such assets and their values.** (e.g., limited partnerships)  
 1)  **Amount \$**   
 2)  **Amount \$**

8. Did the fiduciary invest in any tangible personal property?  
**Please list any such assets and their values.** (e.g., real estate)  
 1)  **Amount \$**   
 2)  **Amount \$**

If this is your first year with LAR Pensions, LLC after having your Plan Administration done elsewhere, we will also need a number of documents from the prior tax year.

Unless previously provided or not applicable, please include:

- Plan Adoption Agreement and IRS Approval Letter
- 2022 Plan Valuation
- Any Loan amortization schedules and payment log
- 2022 1099-R Forms
- 2022 Form 5500 Filings

New Fees that may apply to your plan:

Requiring 5558 Extensions and filing by October 15 <sup>th</sup>	\$150
Having Loans in the plan	\$150
Having Life Insurance in the plan	\$150
Requesting next year Contribution projections prior to December 1 <sup>st</sup>	\$150

**I certify that the information provided is correct to the best of my knowledge:**

**Signature of Plan Administrator / Trustee**

**Date**

**Signature of Preparer, if other than Plan Administrator / Trustee**

**Date**

## LAR PENSIONS, LLC FEE SCHEDULE FOR CALENDAR YEAR 2024

### Individual Fees and Expenses Disclosure IRS Reg. 404(a)-5 Section III

Description of Individual Fees and Expenses These expenses will be charged as per occurrence.	Processing Fee Amount
<b>Loan</b>	<b>\$150.00</b>
<b>Distribution upon Termination of employment</b>	<b>\$75.00</b>
<b>Distribution upon Retirement/Early Retirement</b>	<b>\$75.00</b>
<b>Participant termination upon disability</b>	<b>\$75.00</b>
<b>1099-R Reporting (if required and done by LAR)</b>	<b>\$25.00</b>
<b>Financial Hardship Withdrawal</b>	<b>\$75.00</b>
<b>Qualified Domestic Relations Order</b>	<b>\$600.00</b>
<b>Required Minimum Distribution</b>	<b>\$75.00</b>
<b>In-service Withdrawal, if available</b>	<b>\$75.00</b>
<b>Death Benefit Withdrawal</b>	<b>\$75.00</b>
<b>Auto Rollover Distribution for Missing Participants</b>	<b>\$75.00</b>

#### *Description of professional services:*

- *Loan Administration, including calculation of amount available, amortization schedule, and required forms.*
- *Provide distribution paperwork and process termination benefits and other withdrawal calculations.*
- *Review Qualified Domestic Relations Orders and process benefits per court instruction. This process involves multiple parties, is frequently delayed, and usually requires extraordinary labor hours.*
- *A 1099-R will be created and filed for all withdrawals and loans in default.*
- *This fee is in addition to your distribution fee and is only billed when LAR Pensions, LLC is responsible for the 1099-R. In some cases the investment firm handles all 1099-R's instead.*

## ERISA BONDING REQUIREMENTS

**WHY DO I NEED AN ERISA FIDELITY BOND?** A fidelity bond, or ERISA bond, is an insurance policy that provides a retirement plan with protection from losses caused by any fraudulent behavior such as embezzlement, theft, larceny and misappropriation by those who have access to the plan's funds. ERISA § 412(a) requires every fiduciary and every person who handles or has authority to handle funds or other property of a plan (a "plan official") to be separately bonded. The bond must provide a direct right of access in favor of the plan in the event the insured plan experiences a loss from acts of fraud or dishonesty by plan officials. Note "handling" is not limited to physical contact with plan investments.

It is unlawful for anyone who is required to be bonded to handle plan assets without a sufficient bond in place. It is also unlawful for any fiduciary to allow another plan official who is not properly bonded to handle plan assets.

Plan fiduciaries who breach any of their fiduciary responsibilities, obligations, or duties may be personally liable to make a plan whole for losses caused by their breaches. Co-fiduciaries may be jointly liable if the co-fiduciary knew of or should have known of the breach and failed to take steps to protect the plan. The IRS and DOL can also levy civil penalties.

**REQUIRED ERISA FIDELITY BOND AMOUNT:** The amount of the bond is fixed annually at no less than 10% of the funds handled. The minimum bond amount is \$1,000; the maximum amount is \$500,000\* or \$1 million if employer securities are held within the plan. *The bond amount must be reported each plan year on the Form 5500.* Therefore, as the assets of the plan increase annually, the existing bond amount must be raised accordingly.

Qualifying bonds must have as surety a corporate surety company that is an acceptable surety on Federal bonds. Note these bonds may have no deductible. A blanket bond, either multi-penalty or aggregate penalty, is acceptable. Often an existing business policy can be endorsed to cover these bonding requirements. If you do not currently have a fidelity bond, you may purchase one from your property/casualty/business broker for a nominal fee.

**HOW DO I OBTAIN AN ERISA FIDELITY BOND?** An insurer that issues fidelity bonds is Colonial Surety Company. To purchase a bond for the required amount, or to increase your fidelity bond amount, you may contact Colonial Surety Company by telephone at (888) 383-3313, by email at [ERISADept@colonialsurety.com](mailto:ERISADept@colonialsurety.com), or at their website:

[https://quote.colonialsurety.com/login/register\\_plan\\_sponsor?ref=CT0181](https://quote.colonialsurety.com/login/register_plan_sponsor?ref=CT0181)

Please provide us with a copy of the fidelity bond by fax at (203) 964-1949 or by email at [Lcariri@larpensions.com](mailto:Lcariri@larpensions.com). Should you have any questions regarding your fidelity bond, please do not hesitate to contact us at (203) 327-5275. Thank you for your prompt attention to this matter.

\* Effective for plan years beginning after December 31, 2007, The Pension Protection Act of 2006 ("PPA") raises the maximum bond amount to \$1 million in the case of a plan that holds employer securities. This increase does not apply to plans holding only securities which are part of broadly diversified fund of assets, such as mutual or index funds.

## SECURE Act 2.0 Summary of Essential Changes

### General Changes

- The onset of Required Minimum Distributions (RMD) has been pushed to Age 73 for Tax Year 2023 and penalties reduced.
- From Tax Year 2024, all after-tax "Roth" balances will no longer be considered for purposes of RMD's.
- Employers who make "Operational Errors" will likely be excused without penalty so long as they are fixed within a "Reasonable Timeframe"
- Employers who have accidentally overpaid a participant now have 3 calendar years to reclaim the money.
- There is no legal obligation for Employers to attempt recoupment and they can in fact decide NOT to reclaim the money.
- The PBGC's premium calculation has been changed such that premiums are more predictable and expected to be lower.
- The AFTAP form was revised to require a lot more information and this may end up costing Defined Benefit Plans more in administration fees.
- Those who currently file the full-sized Form 5500 may no longer need an independent Plan audit each year.

### 401k (Required)

- Part time employees who work more than 500 hours each year for two consecutive years must be allowed to defer 401(k)
- They are called "Long-Term Part-Time Employees" (LTPT) and will not be entitled to any kind of employer contribution until they qualify as regular participants.
- Entry dates are the same as those for regular participants and if the plan has auto-enrollment that will also apply to LTPT's.
- From Tax Year 2025, participants who are age 60, 61, 62, or 63 may contribute an additional \$10,000.
- From Tax Year 2026, Highly compensated employees (\$145,000+) and 5%+ Owners (plus their direct relatives) can only make their Age 50+ Catch-up contribution on an after-tax "Roth" basis. This rule applies to the Age 60-63 bonus too.

### Safe Harbor Match and regular Matching (Optional)

- Plans with an employer matching feature (Match or Safe Harbor Match) can consider Student Loan repayments as a matchable contribution. The repayments would be added to the regular 401(k) and Roth deferrals and the participant would receive x% of that sum as per the Plan's matching formula.
- This feature is available from 2024 but we do not suggest it due to a number of outstanding questions about taxation.

### Profit Sharing (Optional)

- Participants who are 100% vested may choose to receive their employer contributions on an after-tax "Roth" basis.
- The participant would pay taxes on this but the employer still deducts the contribution regardless of the participant's choice.
- Forfeitures must be used within 2 years and all existing forfeiture balances will be new as of 1/1/2024.

### Defined Benefit (Optional)

- Plans can be amended retroactively so long as it is to improve the benefit formula.

### In-Service Distributions (Optional, typically N/A to Defined Benefit)

- Hardship distributions do not waive the 10% penalty but they are by far the simplest to administer and have just gotten easier. Participants can be allowed to self-certify that they meet at least 1 of the 7 IRS criteria to take a Hardship without providing any documentation.
- This means no proof is necessary and the employer (if audited) will not be held liable for improper hardships if they cannot produce any evidence.

**There are a variety of new in-service distributions that waive the 10% penalty if the conditions are met.**

**Quick shortlist: Qualified Birth or Adoption, Emergency Distribution, Domestic Abuse, Terminal Illness, Disaster Hardship**

Some of them also allow for lump-sum repayment within 3 years.

All of them are optional features and we do not suggest any of them until somebody asks the Plan Sponsor for it.

**Finally, there are new tax credits for employers who started a new Retirement Plan.**

**It is a large credit and a good summary by American Funds is on our website. <https://www.larpensions.com/links-resources>**

**The IRS page including the Form 8881 to claim: <https://www.irs.gov/retirement-plans/retirement-plans-startup-costs-tax-credit>**

It was intended for Plans effective from 1/1/2023, but it is possible that it may be claimed by Plans that started in 2022 or 2021.

There is little guidance about whether companies that started a Plan before 2023 may take it and we are not tax advisors.

If you believe you may be eligible for these tax credits, please ask your accountant about them.