DEPARTMENT OF LABOR

Employee Benefits Security Administration

DEPARTMENT OF THE TREASURY

Internal Revenue Service

PENSION BENEFIT GUARANTY CORPORATION

RIN 1210–AB06

Revision of Annual Information Return/Reports

AGENCIES: Employee Benefits Security Administration, Labor, Internal Revenue Service, Treasury, Pension Benefit Guaranty Corporation.

ACTION: Notice of adoption of revisions to annual return/report forms.

SUMMARY: This document contains revisions to the Form 5500 Annual Return/Report forms, including the Form 5500 Annual Return/Report of Employee Benefit Plan and a new Form 5500–SF, Short Form Annual Return/Report of Small Employee Benefit Plan (Short Form 5500 or Form 5500–SF), filed for employee pension and welfare benefit plans under the Employee Retirement Income Security Act of 1974, as amended (ERISA), and the Internal Revenue Code of 1986, as amended (Code). The Form 5500 Annual Return/Report forms, including the schedules and attachments, are an important source of financial, funding, and other information about employee benefit plans for the Department of Labor, the Pension Benefit Guaranty Corporation, and the Internal Revenue Service (the Agencies), as well as for plan sponsors, participants and beneficiaries, and the general public. The revisions to the Form 5500 Annual Return/Report forms contained in this document, including the new Short Form 5500, are intended to streamline the annual reporting process, reduce annual reporting burdens, especially for small businesses, update the annual reporting forms to reflect current issues and agency priorities, incorporate new reporting requirements contained in the Pension Protection Act of 2006, and facilitate electronic filing. Some of the forms revisions will apply on a transitional basis for the 2008 reporting year before all of the forms revisions are fully implemented for the 2009 reporting year as part of the switch under the ERISA Filing Acceptance System (EFAST) to a wholly electronic filing system (EFAST2). The forms revisions affect employee pension and welfare benefit plans, plan sponsors, administrators, and service providers to plans subject to annual reporting requirements under ERISA and the Code.

DATES: Effective January 15, 2008.

FOR FURTHER INFORMATION CONTACT: Elizabeth A. Goodman or Michael I. Baird, Employee Benefits Security Administration (EBSA), U.S. Department of Labor, (202) 693–8523, for questions relating to the Form 5500, and its Schedules A, C, D, G, H, and I, and lines 1 through 11 of the Form 5500–SF (Short Form 5500), as well as the general reporting requirements under Title I of ERISA; Lisa Mojiri-Azad, Internal Revenue Service (IRS), Office of Chief Counsel, (202) 622–6060, or Ann Junkins, IRS, (202) 283–0722, for questions relating to Schedules SB, MB, and R of the Form 5500, lines 12 and 13 of the Short Form 5500, and the filing of Short Form 5500 instead of the Form 5500–EZ for plans that are not subject to Title I of ERISA, as well as questions relating to the general reporting requirements under the Internal Revenue Code; and Michael Packard, Pension Benefit Guaranty Corporation (PBGC), (202) 326–4080, ext. 3429, for questions relating to Schedules SB and MB of the Form 5500, and lines 13 through 19 of Schedule R, as well as questions relating to the general reporting requirements under Title IV of ERISA. For further information on an item not mentioned above, contact Mr. Baird. The telephone numbers referenced above are not toll-free numbers.

SUPPLEMENTARY INFORMATION:

A. Background

Sections 101 and 104 of Title I and section 4065 of Title IV of the Employee Retirement Income Security Act of 1974, as amended (ERISA), sections 6058(a) and 6059(a) of the Internal Revenue Code of 1986, as amended (Code), and the regulations issued under those sections, impose certain annual reporting and filing obligations on pension and welfare benefit plans, as well as on certain other entities.[1] Plan administrators, employers, and others generally satisfy these annual reporting obligations by the filing of the Form 5500 Annual Return/Report of Employee Benefit Plan, including its schedules and attachments (Form 5500 Annual Return/Report), in accordance with the instructions and related regulations.

The Form 5500 Annual Return/Report is the principal source of information and data available to the Department of Labor (Department or Labor), the Internal Revenue Service (IRS), and the Pension Benefit Guaranty Corporation (PBGC) (collectively, Agencies) concerning the operations, funding, and investments of about 800,000 pension and welfare benefit plans. These plans cover an estimated 150 million participants and hold an estimated $4.3 trillion in assets. Accordingly, the Form 5500 Annual Return/Report constitutes an integral part of each Agency's enforcement, research, and policy formulation programs, and is a source of information and data for use by other federal agencies, Congress, and the private sector in assessing employee benefit, tax, and economic trends and policies. The Form 5500 Annual Return/Report also serves as a primary means by which plan operations can be monitored by participants and beneficiaries and by the general public.

On July 21, 2006, the Department published a final rule requiring electronic filing of the Form 5500 Annual Return/Report for reporting years beginning on or after January 1, 2008 (Electronic Filing Rule). 71 FR 41359. Simultaneously with the publication of the Electronic Filing Rule, the Agencies published a notice of proposed forms revisions (July 2006 Proposal) proposing changes to the Form 5500 Annual Return/Report for the 2008 reporting year. 71 FR 41615. On December 11, 2006, the Agencies published a Notice of Supplemental Proposed Forms Revisions (Supplemental Notice). 71 FR 71562. The Supplemental Notice was necessary to make changes to the Form 5500 Annual Return/Report required by the Pension Protection Act of 2006, Pub. L. 109–280, 120 Stat. 780 (2006), enacted on August 17, 2006 (PPA).

The Agencies received 38 comment letters on the July 2006 Proposal,[2] and seven comments on the Supplemental Notice. Comments were submitted by various members of the regulated community, including representatives of employers, plans, and plan service providers. Copies of the comments are

[1] Other filing requirements may apply to certain employee benefit plans and to multiple-employer welfare arrangements under ERISA or to other benefit arrangements under the Code, and such other filing requirements are not within the scope of this Notice. For example, Code sec. 6033(a) imposes an additional reporting and filing obligation on organizations exempt from tax under Code sec. 501(a), which may be related to retirement trusts that are qualified under sec. 401(a) of the Code.

[2] The Agencies also received a comment letter from the United States Department of Commerce, Economic and Statistics Administration, Bureau of Economic Analysis (BEA), that indicated that the BEA relies on the information collected in the Form 5500 to prepare certain statistics.

posted on the Department's Web site at *http://www.dol.gov/ebsa/regs.*

After careful consideration of the issues raised by the written public comments, the Agencies decided to adopt the forms largely as proposed, but, in an attempt to strike a balance between ensuring adequate reporting and disclosure to participants, beneficiaries, and the Agencies, on the one hand, and the costs and administrative burdens attendant to the administration and maintenance of employee benefit plans on the other, the Agencies revised some of the annual reporting requirements in response to public comments. The Agencies now are publishing in this Notice the final forms revisions for the Form 5500 Annual Return/Report (including the Short Form 5500), generally effective for the 2009 reporting year (with certain transition changes effective for the 2008 reporting year). Set forth below is a general summary of the public comments received in response to the proposals, changes made in response to those comments, and an overview of the final forms revisions being adopted in this Notice.

The Agencies are printing in this Notice information copies of the 2009 Form 5500, 2009 Form 5500–SF, and 2009 Schedules A, SB, MB, C, D, G, H, I, and R. This Notice also includes information copies of the related instructions, except for the instructions to the Schedule SB and MB and certain new questions on the Schedule R, which the Agencies will publish after the Treasury/IRS develop the underlying substantive guidance under the PPA, and certain instructions relating to electronic filing procedures under the EFAST2 system. Information copies of the forms and the instruction package will also be posted on the Department's Web page at *http://www.dol.gov/ebsa.* Because of the switch to EFAST2 and a wholly electronic filing requirement, the information copies of the 2009 annual return/report forms printed in this Notice are not acceptable for and cannot be used for filing an annual return/report under the EFAST2 system. Once the EFAST2 contract is awarded to a firm to develop the new wholly electronic filing system for the 2009 Form 5500 Annual Return/Report forms, including the Form 5500–SF, the contractor may as part of its development of the new system need to make technical reformatting changes to the forms that may affect the appearance of the forms. Details on any changes to the appearance of the forms and on the wholly electronic filing and processing system, including details on electronic signature requirements, will be available as the contract is awarded and the system development is finalized. Although the paper forms will not be used for filing under the EFAST2 system, the final format of the forms and schedules will be the required format for satisfying disclosure obligations under ERISA, including the plan administrator's obligation to furnish copies of the annual report to participants and beneficiaries on request pursuant to section 104(b) of ERISA.

B. Discussion of the Public Comments

1. Deferral of Forms Revisions and Electronic Filing Mandate to the 2009 Plan Year

A significant number of the commenters, including several large industry groups representing plan sponsors and service providers, asked for a delay in the effective date of the forms changes. A number of the commenters asked for additional time to comment due to work being done to implement new statutory requirements enacted as part of the PPA. Some commenters also suggested that the comment period should be extended to allow more time to address the Schedule C (Service Provider Information) changes due to the significance of the changes in plan fee and expense reporting, the attendant compliance costs, and a desire to evaluate the Schedule C changes in conjunction with proposed regulations the Department has announced it will be publishing under ERISA section 408(b)(2).[3] Three different commenters suggested that the effective date for the new reporting requirements for Code section 403(b) plans be delayed until after the IRS publishes its final regulation on Code section 403(b) plans. Some commenters urged that the effective date be extended for the Form 5500 Annual Return/Report changes until 2009 or 2010 at the earliest to allow sufficient time to make necessary changes to comply with the new requirements. One commenter, who requested a delayed implementation date generally for the new forms and electronic filing requirement, suggested an earlier implementation date for the Short Form 5500 as a way of satisfying the PPA requirement of a simplified report for plans with fewer than 25 participants.

The proposed revisions to the Form 5500 Annual Return/Report, which include both those set forth in the Agencies' July 2006 Proposal and those in the Supplemental Notice to address changes required by the PPA, are part of the switch under the ERISA Filing Acceptance System (EFAST) to a wholly electronic filing and processing system (EFAST2) that would replace the existing largely paper-based filing system. As part of that e-filing initiative, and as noted above, the Department published the Electronic Filing Rule, establishing an electronic filing requirement for annual reports filed for plan years beginning on or after January 1, 2008. In adopting the final Electronic Filing Rule, the Department responded to public comments seeking a delay in the wholly electronic filing system by agreeing to a one year deferral of the electronic filing mandate from the 2007 plan year to the 2008 plan year. The Department agreed to the deferral in order to facilitate an orderly and cost-effective migration to an electronic filing system by both the Department and the regulated community. Under the final Electronic Filing Rule published in July 2006, the vast majority of filers would have had until at least July 2009 to make any necessary adjustments to accommodate the electronic filing of their annual report because annual reports generally are not required to be filed until the end of the 7th month following the end of the plan year. The timing also provided service providers, software developers, and the Department additional time to work through electronic filing and processing issues.

In evaluating the public comments seeking a further deferral of the implementation of the revised forms and, as a consequence, the electronic filing requirement, the Agencies evaluated the benefits of giving the regulated community more time to transition to the new EFAST2 electronic filing system, keeping in mind the effective dates mandated by the PPA for certain of the annual reporting changes. The Agencies continue to believe it is important for plans, service providers, and the Agencies to have an orderly and cost-effective migration to the EFAST2 electronic filing system. In light of the substantial number of comments expressing concern about needing more time to adjust recordkeeping and other annual reporting systems, the Agencies have decided to defer for an additional

[3] As set forth in the Department's semi-annual regulatory agenda, 72 FR 22845, the rulemaking would amend the regulation at 29 CFR section 2550.408b–2 setting forth the standards applicable to the exemption under ERISA section 408(b)(2) for contracting or making reasonable arrangements with a party in interest for office spaces or services. The proposed amendment is intended to ensure that plan fiduciaries are provided or have access to the information necessary to determine whether an arrangement for services is ''reasonable'' within the meaning of the statutory exemption, as well as within the meaning of the prudence requirements of ERISA section 404(a)(1)(B).

year the implementation of annual reporting forms changes not mandated by the PPA,[4] except for a few Schedule R items that the PBGC had determined that it needs to enable it to properly monitor the plans it insures. Thus, the current EFAST filing system will be continued for the 2007 and 2008 plan year filings. This includes the requirements to file the Schedule E, the Schedule SSA, and the IRS Form 5500–EZ, ''Annual Return of One-Participant (Owners and Their Spouses) Retirement Plan'' (Form 5500–EZ), under the current EFAST system with the Department for the 2007 and 2008 reporting years. Also, as provided in the Electronic Filing Rule, delinquent or amended filings for prior plan years for which paper filing options were available also will be subject to the electronic filing requirement. The deferral of the electronic filing requirement applies to delinquent and amended filings. The Department will provide instructions prior to the inauguration of the system on how those filings are to be made under the electronic filing system.

Under the final regulations, the electronic filing requirement and all of the forms changes, except for those mandated by the PPA and the PBGC's new Schedule R items discussed below, will become effective for all annual report filings made under Part 1 of Subtitle B of Title I of ERISA for plan years (or reporting years for non-plan filings) beginning on or after January 1, 2009.[5]

To effectuate the postponement of the electronic filing requirement, the Department, in the final rule being published contemporaneously with this Notice amending its annual reporting regulations, is including an amendment to the Electronic Filing Rule. Specifically, that final rule amends the Department's regulation at 29 CFR 2520.104a–2 to provide that the electronic filing requirement is applicable for plan years beginning on or after January 1, 2009. The vast majority of filers will now have until at least July 2010 to make any necessary adjustments to accommodate the non-PPA required changes (other than the PBGC Schedule R changes) to the form and those required for electronic filing of their annual report because, as noted above, annual reports generally are not required to be filed until the end of the 7th month following the end of the plan year.

Short plan year filings for 2009 plan years and filings for DFEs for 2009 reporting years will be subject to a special transition rule. The instructions to the Form 5500 Annual Return/Report advise filers that the due date for their Form 5500 for a plan year of less than 12 months (short plan year) is the last day of the 7th month after the short plan year ends. For purposes of determining the filing deadline, the instructions state that a short plan year ends on the date of the change in accounting period or upon the complete distribution of assets of the plan in the case of terminated or merged plans. For DFE filings, the instructions provide that DFEs (other than GIAs) must file 2009 return/reports no later than nine and one half months after the end of the DFE year that ended in 2009, and the 2009 Form 5500 must report information for the DFE year (not to exceed 12 months in length). The Agencies historically have permitted short plan year filers and DFEs to use the prior year's forms if the current year forms are not available by the plan's or DFE's filing due date. The Agencies expect that, in some cases, filings for 2009 short plan years and DFE filings for 2009 reporting years (e.g., if the DFE year differs from the 2009 calendar year) may be due during 2009 and before the January 1, 2010, date on which the new EFAST2 wholly electronic filing system is expected to become operational for return/report filing purposes. Plans filing for 2009 short plan years and DFEs filing for 2009 reporting years will have the option of using the 2008 Form 5500 Annual Return/Report forms and filing for 2009 under the current EFAST filing system if they file before the date the new EFAST2 electronic filing system becomes operational. Alternatively, plans whose due date for their 2009 short plan year filing and DFEs whose due date for their 2009 reporting year filing falls before the new EFAST2 system becomes operational but who want to file electronically under the new EFAST2 system will be granted an automatic extension until after the EFAST2 system becomes operational in which to file. The Agencies intend to describe the terms and conditions for the automatic extension in the instructions for the 2008 Form 5500 Return/Report.

a. PPA-Required Actuarial Schedules, Multiemployer Plan Reporting, and Asset Allocation Information

The PPA-required changes in the Form 5500 Annual Return/Report (other than the simplified reporting requirement) are the new actuarial information schedules (Schedules SB and MB), lines 13a and 13b of the Schedule R (identifying information on significant contributors to multiemployer defined benefit plans), lines 14–17 of the Schedule R (additional information related to multiemployer defined benefit pension plans), line 18 of the Schedule R (certain liabilities to participants and beneficiaries under two or more pension plans), and, for multiemployer defined benefit plans only, the new line 7 of the Form 5500 (number of employers with an obligation to contribute to the multiemployer plan).[6] To comply with the PPA, these reporting changes are being implemented under the current EFAST system for 2008 plan year annual reports.

The Agencies concluded that it would not be cost-effective or practical to create computer scannable versions of the Form 5500 and these schedules to be compatible with the outdated EFAST computer scannable form technology because these forms would have a limited one year useful life under the EFAST system during the transition period before implementation of the EFAST2 electronic filing system. Effective for the 2008 transition year, plans required to file actuarial information must check the box on the Form 5500 to indicate that they are filing a Schedule B, but instead of filing the current Schedule B, they will file Schedule SB or MB (whichever is applicable). The Schedule B will no longer be a valid schedule for 2008 plan year filings. Plan year 2008 Form 5500 Annual Return/Reports filed by pension plans subject to the minimum funding rules must include a Schedule SB or MB and not a Schedule B for 2008 plan years. Filings that include a Schedule B instead of a Schedule SB or MB will be rejected. As to the other PPA-required items (lines 13a, 13b, and 14–18 of Schedule R and line 7 of Form 5500), for

[4] It is significant to note that the implementation of the annual reporting form changes not mandated by the PPA has been deferred until after the publication of the IRS final regulations on Code section 403(b) plans.

[5] The Supplemental Notice explained that the Department believed that the EFAST2 system would satisfy the PPA requirement that the Department make available electronically on its Web site certain actuarial information filed as part of the Form 5500 Annual Return/Report. See PPA § 504, 29 U.S.C. § 104(b). The Department believes that the related provision in the PPA calling for actuarial information to be filed electronically was intended to facilitate the Department's ability to meet its obligation to post the actuarial information on its Web site within 90 days after the information is filed as part of the plan's annual report. The Department believes it can still satisfy the web posting requirement under the current EFAST system without imposing a special electronic filing requirement on defined benefit pension plans for the transition 2008 plan year.

[6] The text of the question on the new line 7 has been revised from that in the July 2006 proposal to exactly match the language in the annual reporting requirement in the PPA.

the transition year, filers will be directed in the instructions to include answers to those questions as an attachment to the current Schedule R. Similarly, lines 13c–e (for multiemployer defined benefit plans) and line 19 (asset allocation questions for large defined benefit plans) of the Schedule R also are being implemented on a transition basis for 2008 plan year annual reports. Filers will also be directed in the instructions to include answers to these lines as an attachment to the Schedule R.

The Agencies also changed the 2007 Form 5500 Annual Return/Report instructions for short plan year filings (filings for years of less than 12 months) to accommodate these PPA changes. Specifically, the instructions to the Form 5500 Annual Return/Report historically have advised filers that the due date for their Form 5500 for a plan year of less than 12 months (short plan year) is the last day of the 7th month after the short plan year ends. For purposes of determining the filing deadline, the instructions state that a short plan year ends on the date of the change in accounting period or upon the complete distribution of assets of the plan in the case of terminated or merged plans. The Agencies have permitted short plan year filers to use the prior year's forms if the current year forms for the short plan year are not available by the plan's filing due date. The Agencies expect that, in some cases, filings for 2008 short plan years may be due during 2008 and before the final regulations and instructions for the Schedule SB or MB are available. Since the Schedule B will not be a valid schedule for plan year 2008 filings, filers will not have the option of using the 2007 Schedule B with a 2008 short plan year filing, but will be required to wait until the 2008 Forms are available for filing. The Agencies have indicated in the instructions for the 2007 Form 5500 Annual Return/Report that an automatic extension that will be available for 2008 short plan year filings required to include a Schedule SB or Schedule MB and/or a supplemental attachment to Schedule R.

b. PPA-Required Simplified Reporting for Plans With Fewer Than 25 Participants

As noted in the Supplemental Notice, section 1103(b) of the PPA requires a simplified report for plans with fewer than 25 participants at the beginning of the plan year to be available for 2007 plan year filings, i.e., filings for plan years beginning after December 31, 2006. The Supplemental Notice proposed to satisfy the simplified report requirement for 2008 plan years, i.e., those beginning after December 31, 2007, by implementing the Short Form for 2008 plan year reports under the new EFAST2 system. The Supplemental Notice explained the Agencies' intention for the interim 2007 reporting year to give plans covering fewer than 25 participants that met the conditions for being eligible to file the Short Form 5500 the option of filing an abbreviated version of the current Form 5500 Annual Return/Report for small plan filers. The Supplemental Notice explained that the abbreviated version would largely replicate, within the context of the existing Form 5500 Annual Return/Report structure, the information that would be required to be reported on the proposed Short Form 5500 by allowing certain schedules to be excluded from the filing and requiring only certain line items to be completed on some of the required schedules. With the additional deferral of the electronic filing requirement, this simplified reporting option for plans with fewer than 25 participants will be available for both the 2007 and 2008 plan year filings.

For the 2007 and 2008 plan years, plans with fewer than 25 participants at the beginning of the plan year that meet the eligibility requirements for the Short Form 5500, treating those conditions as if they applied for 2007 and 2008 plan year filings, may file the following as their annual return/report: (1) The entire Form 5500; (2) a Schedule A for any insurance contract for which a Schedule A is required under current rules, completing lines A, B, C, D and the insurance fee and commission information in Part I; (3) if the reporting of actuarial information is required, the entire Schedule B for the 2007 plan year, and the entire Schedule SB or MB (whichever is applicable) for the 2008 plan year; (4) the entire Schedule I; (5) Schedule R identifying information and Part II; and (6) the entire Schedule SSA. The instructions to the 2007 Form 5500 Annual Return/Report explain and 2008 Form 5500 Annual Return/Report will explain, respectively, this simplified reporting option.

Some eligible small plan filers may want to wait until the implementation of the Short Form 5500 for the 2009 plan year in order to avoid having to make changes to their annual reporting systems and procedures for 2007 and 2008 plan year filings and then having to adjust them again to start filing the Short Form 5500 electronically for the 2009 plan year. The above simplified reporting alternative, accordingly, is available for plans that voluntarily choose to take advantage of the option. Plans with fewer than 25 participants may continue to file in accordance with the otherwise applicable small plan filing rules for the 2007 and 2008 plan years. Small plans with 25 or more participants that meet the eligibility requirements must wait until the 2009 plan year to take advantage of the Short Form's simplified reporting.

2. Short Form 5500

The Short Form 5500 was proposed as a new two-page form for small plans (generally, plans with fewer than 100 participants) with secure and easy to value investment portfolios. As set forth in greater detail in the July 2006 Proposal, a plan would be eligible to file the Short Form if the plan: (1) Covers fewer than 100 participants or would be eligible to file as a small plan under the rule in 29 CFR 2520.103–1(d); (2) is eligible for the small plan audit waiver under 29 CFR 2520.104–46 (but not by virtue of enhanced bonding); (3) holds no employer securities; (4) has 100% of its assets in investments that have a readily determinable fair market value; and (5) is not a multiemployer plan.

Commenters on the July 2006 Proposal generally supported the proposed Short Form 5500 as a way to simplify the annual reporting requirements and reduce annual reporting burdens for small plans. The Agencies, accordingly, have decided to adopt the Short Form 5500 largely as proposed with only minor technical revisions to the form and the accompanying instructions.

Two commenters suggested that the Agencies relax the conditions for plans to be eligible to file the Short Form 5500. The commenters noted the requirement in the PPA (enacted after the July 2006 Proposal was published) that Labor and the Department of the Treasury (Treasury) jointly develop a simplified report for plans that cover fewer than 25 employees. One of the commenters suggested that Labor and Treasury use the Short Form 5500 to meet this requirement by eliminating any other eligibility conditions for plans covering fewer than 25 participants. That commenter also suggested that the Short Form 5500 eligibility requirement—that the plan hold 100% of its assets in secure, easy to value investments—be modified so that it tracked the 95% ''qualifying plan asset'' threshold that currently applies under the Department's regulation at 29 CFR 2520.104–46 for small pension plans to be eligible for the waiver of the general Title I requirement for employee benefit plans to be audited annually by an independent qualified public accountant (IQPA). Two other

commenters objected to the Short Form 5500 and reduced annual reporting for small plans, asserting that small plans, especially those with fewer than 25 participants, are more likely than plans of larger companies to suffer from mismanagement of funds and improper administration. Notwithstanding the PPA mandate to develop a simplified annual report, the commenters urged requiring more detailed reporting for small plans as a way of protecting against such abuses.

The Department of Labor and the Department of Treasury continue to believe, as set forth in the Supplemental Notice, that the requirement in the PPA to provide ''simplified'' reporting for plans with fewer than 25 participants is satisfied by the simplified reporting scheme in the July 2006 Proposal. In addition, the Department of Labor does not view the PPA provision as a direction from Congress that was intended to preclude the Department from determining that plans with fewer than 25 participants should meet conditions consistent with the purposes of Title I and the PPA to be eligible to file the new simplified report. To the contrary, the Department believes the PPA provision should be read consistently with the authority granted the Department in ERISA section 104(a)(2) and 104(a)(3) to create simplified reports for pension and welfare plans, both of which provisions acknowledge that the Department has such discretion. The Short Form 5500, as proposed, was targeted to provide a simplified report for plans with fewer than 25 participants. Approximately 75% of all plans eligible to file the Short Form 5500 cover fewer than 25 participants and approximately 95% of plans with fewer than 25 participants are estimated to be eligible to file the Short Form 5500. The decision to prohibit multiemployer plans and plans that invest in employer securities from being eligible to use the Short Form 5500 is consistent with the PPA's emphasis on expanding the annual reporting requirements for multiemployer plans and increasing transparency and participant control over employer securities in individual account plans. As under the July 2006 Proposal, even those small plans not eligible to use the Short Form 5500 still would be able to avail themselves of the other simplified reporting options available to small plans under the Form 5500 Annual Return/Report. The commenter's suggestion to eliminate all of the Short Form 5500 eligibility conditions for plans covering fewer than 25 employees therefore has not been adopted.

The suggestion to modify the condition that 100% of the plan's assets are held in investments that have a readily determinable fair market value also is not being adopted. As noted above, the Short Form 5500 conditions already require plans to satisfy the audit waiver conditions in 29 CFR 2520.104–46 to be eligible to file the Short Form. The condition in the audit waiver regulation that 95% of the plans assets be ''qualifying plan assets,'' focuses on whether the assets are held by a regulated financial institution, The Short Form 5500 condition regarding types of plan investments, in contrast, is based on a premise that certain small plans, by virtue of all of their assets being held by regulated financial institutions and having a readily determinable fair market value, present reduced risks for their participants and beneficiaries. Using any percentage measure for assets with a readily determinable fair market value would create a risk that hard to value assets would be materially undervalued in order to meet the percentage threshold and result in plans with substantial holdings in hard to value assets being eligible to file the Short Form 5500. The Agencies continue to believe that the separate financial information regarding hard to value investments on the Schedule I is important for regulatory, enforcement, and disclosure purposes. The Agencies are not changing this provision because of their concerns that allowing plans with any hard to value assets to use abbreviated annual report filing (i.e., the Short Form 5500) could compromise enforcement and research needs of the Agencies and disclosure needs of participants and beneficiaries in such plans.

3. Code Section 403(b) Plan Reporting

Under the July 2006 Proposal, the limited annual reporting options currently available to Code section 403(b) plans would have been eliminated so that Code section 403(b) plans would be subject to the same annual reporting rules that apply to other ERISA-covered pension plans. Two commenters representing employee benefit plan auditors and administrative service providers were supportive of the Department's proposal and agreed that requiring Code section 403(b) plans to comply with the same annual reporting rules that applied to other ERISA covered pension plans would improve transparency and accountability. Other commenters representing 403(b) plan sponsors and insurance and investment companies opposed the proposal. Those opposing the expanded reporting requirement argued that compliance with the reporting requirement would be both burdensome and costly given the fact that most 403(b) plans are a composite of individual contracts issued to employees by different 403(b) vendors without a central point for administration and recordkeeping. The commenters claimed that there is no record of abuse in the 403(b) plan area that supported the proposed changes. Certain commenters also suggested that different annual reporting rules for Code section 403(b) plans are justified by the fact that the tax exempt employers that sponsor Code section 403(b) plans do not have a tax incentive for sponsoring pension plans for their employees and might be more likely to terminate plans or refuse to sponsor plans based on concerns about administrative costs and burdens.

After evaluating the comments, the Department continues to believe that subjecting Code section 403(b) plans to the same annual reporting rules that apply to other ERISA covered pension plans is consistent with the purposes of Title I of ERISA and the interests of covered participants and beneficiaries. The approach to annual reporting by tax sheltered annuity programs was premised historically on the conclusion that they differed from ordinary pension or deferred compensation plans. Code section 403(b) plans, which date back to 1958, were originally less in the nature of a plan than of an arrangement under which an employer purchased from an insurance company on behalf of an employee an individual annuity contract that could be tailored to the desires and financial means of the individual employee. Because contributions were required to be invested only in annuity contracts or in certain mutual fund custodial accounts, the Department had believed that the regulatory supervision of insured annuity contracts and of regulated investment companies provided much of the disclosure, fiduciary and funding protection afforded by Title I of the Act. The Department also had concluded that because section 403(b) programs may be individually tailored, the reporting and disclosure provisions of Title I could present substantial administrative difficulties for the employer and for the Department. Finally, the Department viewed section 403(b) programs as similar to individual retirement account (IRA) based plans that were granted an exemption from the annual reporting requirements under Title I provided they met certain conditions.

As the IRS indicated in the preamble to the recently published final regulations on Code section 403(b) plans (72 FR 41128, Jul. 26, 2007), various amendments to section 403(b) over the past 40 years have diminished the extent to which the rules governing Code section 403(b) plans differ from the rules governing other employer-based plans, such as arrangements that include salary reduction contributions, i.e., Code section 401(k) plans. The IRS's final Code section 403(b) regulations would impose requirements involving the establishment of a more centralized system of recordkeeping for all Code section 403(b) plans. The establishment and growth since 1978 of 401(k) plans has made the ''individually tailored'' character of Code section 403(b) plans less distinctive. Section 401(k) plans are often structured as participant directed with multiple investment options offered by separate investment providers, and many plans include brokerage accounts as a way of allowing employees to further tailor the plan to their individual investment objectives and financial means. Developments in the Code section 403(b) plan market have also raised questions about whether regulatory supervision of Code section 403(b) plan vendors under insurance and securities laws provides much of the disclosure, fiduciary, and funding protections afforded by Title I of the Act. In the fiscal years 2002 through 2006, the Department found violations in 78 percent of its investigations of Code section 403(b) plans. Although the predominant issue in these investigations was delinquent employee salary contributions, investigations of Code section 403(b) plans also revealed delinquent employer contributions, imprudence, prohibited uses of assets, and reporting and disclosure violations. The high incidence of improper handling of employee contributions suggests a potentially broader laxity in fiduciary oversight. There are also reports that governmental entities that sponsor Code section 403(b) plans (which generally would be excluded from ERISA as governmental plans) are concerned about undisclosed fees, penalties, and restrictions in their Code section 403(b) plans and are making demands for additional disclosures. *See, e.g.,* California Assembly Bill 2506, signed Sept. 29, 2002 (codified at Cal. Education Code secs. 25100–25115).

The Department believes that the annual report requirements, including an audit by an IQPA, provide important oversight of the Code section 403(b) plan's internal control structure and overall operations. The Department believes that preparing the financial statements and schedules as part of the annual report in compliance with the Department's requirements for reporting and disclosure under ERISA provides participants with greater assurance that the plan administrator or other authorized parties have properly monitored the financial condition and operation of the plan. The impact of having to meet the same annual reporting requirements applicable to other ERISA-covered plans would be substantially less burdensome for small tax-exempt employers, which generally should be eligible for the small plan audit waiver and for filing the Short Form 5500.

While the new annual report requirements may result in additional costs to a Code section 403(b) plan, these reporting requirements would only apply to Code section 403(b) plans that are subject to Title I of ERISA and would subject those plans only to the same annual reporting requirements that apply to other ERISA-covered pension plans. In such cases, the administration and management of the Code section 403(b) plan have already been subject to ERISA's general fiduciary obligations. Such plans should, therefore, already have an administrative structure in place to ensure compliance with various Title I requirements, such as having a written plan document, furnishing summary plan descriptions and other ERISA required disclosures to participants and beneficiaries, and maintaining an adequate recordkeeping system so that the plan fiduciaries can prudently manage the plan and monitor plan service providers. In the Department's view, the process of preparing an annual report reinforces a recordkeeping and monitoring discipline on plan officials that facilitates better fiduciary compliance. In that regard, the Department does not believe that it would be helpful to adopt the suggestion by one commenter to have Code section 403(b) plans answer only a single or limited number of questions focused just on timely transmission of employee salary reduction contributions to the plan. The Department does not believe that continuing a general exemption from the audit requirement for Code section 403(b) plans subject to Title I annual reporting requirements is appropriate.

As noted in the preamble to the July 2006 Proposal, small Code section 403(b) plans (generally covering fewer than 100 participants) should be able to meet the conditions for being exempt from the audit requirement and be eligible to file the proposed Short Form 5500.[7] Thus, relative to the current requirements, the final rule provides significant annual reporting and audit relief for small tax exempt employers. In that regard, in the Department's view, Code section 403(b) plans that were eligible to file as a small plan under 29 CFR 2520.103–1(d) in the previous year and that have participant counts of less than 121 at the beginning of the 2009 plan year can file as small plans under the new filing rules.

One commenter that supported the proposal to apply generally applicable annual reporting rules to Code section 403(b) plans suggested that interim relief may be needed because auditors may refuse to take on initial engagements because records from prior years may not be adequate for current year audit purposes. Although Code section 403(b) plans have not yet been subject to an audit requirement as part of the annual reporting process, as noted above, fiduciaries of such plans must keep records under ERISA section 107 to verify that they are in fact eligible to file as Code section 403(b) plans and have a general fiduciary obligation to keep adequate records to monitor the plan and ensure compliance with the fiduciary and other substantive requirements of Title I of ERISA.[8]

[7] One commenter expressed concern that some Code section 403(b) investments might not meet the Short Form 5500 eligibility requirement that 100% of the plan's assets be held in investments that have a readily determinable fair market value. The instructions published with the July 2006 Proposal specifically provided that investments in mutual fund shares and insurance contracts for which valuation information is provided by the insurer at least annually were assets that had a ''readily determinable fair market value'' for purposes of the Short Form 5500 eligibility conditions. Those instructions are carried over into the instructions to the final Short Form 5500.

[8] One commenter argued that Code section 403(b) plans covered by ERISA have no ERISA section 107 recordkeeping obligations under Title I because they file under an alternative method of compliance under section 110 of ERISA, not under a simplified report or exemption under section 104 of ERISA, and ERISA section 107 only requires administrators to keep records necessary to verify the information actually filed on the Form 5500 when it is filed as an alternative method of compliance. ERISA section 107 provides that ''[e]very person subject to a simplified requirement to file any report or to certify any information therefor under this title or who would be subject to such a requirement but for an exemption or simplified reporting requirement under section 104(a)(2) or (3) of this title, shall maintain records on the matters of which disclosure is required which will provide in sufficient detail the necessary basic information and data from which the documents thus required may be verified, explained, or clarified, and checked for accuracy and completeness. . . .'' Accepting the commenter's argument would lead to the anomalous result that large Code section 403(b) plans would have very limited recordkeeping obligations under ERISA section 107, but plans exempt from any Form 5500 filing requirement would be required to keep records necessary to verify the information that would be required to be

Further, Code section 403(b) plans are required to maintain various records in order to comply with Code requirements including, for example, discrimination testing, required distributions and compliance with maximum contribution limitations. Despite the existing recordkeeping requirements, the Department recognizes that auditors may face difficulties in providing an unqualified opinion in their initial audits of Code section 403(b) plans. In that regard, the final forms changes defer the reporting year to which this requirement applies for an additional year from that in the proposal. This Notice is thus being published over a year before the first plan year for which plan audits would be required, and over two years before the plan audits themselves would likely be commenced. In light of the extended lead time the publication date gives plans to make changes to their recordkeeping practices and make certain they have access to the necessary records in anticipation of the audit for the 2009 plan year, in the Department's view, it would be premature at this point to announce general transitional relief from the audit requirement. The Department will, however, remain open to reconsidering the issue to the extent developments suggest that a transitional enforcement policy or other transitional relief would be appropriate to address problems caused by lack of familiarity with the audit process or is needed to facilitate a smoother transition to the new annual reporting regime by Code section 403(b) plans.

A few commenters contended that the ''universal availability'' requirement applicable to Code section 403(b) plans under the Internal Revenue Code and Treasury Department regulations will unfairly result in Code section 403(b) plans with only a small number of active participants being subject to the large plan audit requirement because all eligible employees are counted as covered participants. The Department notes that Code section 401(k) plans are currently subject to a similar rule where all employees who are eligible to make salary reduction contributions are required to be counted as participants regardless of whether they in fact make any contributions. The Department also expects that, like Code section 401(k) plans, a substantial percentage of large Code section 403(b) plans should be eligible for limited relief from the full audit requirement by taking advantage of the limited scope audit option available under the Department's regulation at 29 CFR 2520.103–8.

Some additional technical changes were made to the final forms to make it clear that certain annual reporting options available to Code section 401(k) plans are also available to Code section 403(b) plans. Specifically, the Schedule H instructions have been modified to provide for aggregate reporting on Lines 4i (Schedule of Assets Held for Investment Purposes) and Line 4j (Schedule of Reportable Transactions) for individual annuity contracts and custodial accounts in Code section 403(b) plans as is currently permitted for participant-directed accounts in Code section 401(k) plans. In addition, the Schedule A instructions have been expanded to make clear that the current rule allowing filers to report a group of individual policies issued by the same insurer on a single Schedule A would apply for Code section 403(b) individual annuity contracts. At the request of one commenter, Line 9 of the Form 5500 has been changed to make clear that Code section 403(b) plans that are funded with and pay benefits through Code section 403(b)(7) ''custodial accounts'' should check ''trust'' for both funding and benefit arrangement.

Finally, in light of the additional annual reporting obligations associated with maintaining a Code section 403(b) plan that is covered by Title I, several commenters stated that more guidance was necessary on the Department's safe harbor regulation at 29 CFR 2510.3–2(f) to assist plans in determining whether they were covered by Title I of ERISA. The commenters stated that this guidance was especially important in light of Treasury's then anticipated issuance of final regulations at 72 FR 41128, TD 9340 reflecting legislative changes made to Code section 403(b) since the existing regulations were adopted in 1964 and incorporating interpretive positions that Treasury has taken in other guidance on Code section 403(b). The Department's safe harbor at 29 CFR 2510.3–2(f) states that a program for the purchase of an annuity contract or the establishment of a custodial account in accordance with provisions set forth in Code section 403(b) and funded solely through salary reduction agreements or agreements to forego an increase in salary, are not ''established or maintained'' by an employer under section 3(2) of ERISA, and, therefore, are not employee pension benefit plans subject to Title I, provided that certain factors are present. The Department agrees that it is important for Code section 403(b) plans to be able to determine whether they are covered by Title I for annual reporting and other ERISA compliance purposes. Thus, the Department issued guidance contemporaneously with Treasury's issuance of its revised regulations under Code section 403(b) on the continued availability of the safe harbor at 29 CFR 2510.3–2(f) and the interaction of the Department's safe harbor and the provisions of the Treasury regulations addressing employer tax compliance obligations in the ongoing operation of a Code section 403(b) arrangement. *See* FAB 2007–02 (July 24, 2007) (available on the Internet at *http://www.dol.gov/ebsa/regs/fabmain.html*).

4. Schedules SB and MB (Pension Plan Actuarial Information)

Draft Schedules SB and MB were posted on the Department's Web site in conjunction with the Supplemental Notice. Instructions for these draft Schedules were not posted nor are they included in this Notice because their development hinges on guidance to be issued by the IRS and/or the PBGC implementing the PPA requirements underlying the Form 5500 Annual Return/Report data elements. Specific guidance regarding the details required in Schedule SB and Schedule MB will be provided in future guidance and will be included in the instructions.

The Agencies received no comments related to the new Schedule MB and multiple comments from one commenter on Schedule SB. That commenter suggested that Line 4a be eliminated because it is identical to the entry in the second column of Line 3d. The Agencies note that the amount reported on Line 4a will not be the same as the amount reported in Line 3d and that this will be made clear in the instructions.

This commenter also suggested that item 6 be expanded to have one line for reporting regular target normal cost and another line for reporting at-risk target normal cost. The Agencies acknowledge that some plans will need to calculate both amounts in order to determine target normal cost, but conclude that it is not necessary to require that these interim calculations be reported. Guidance regarding the details of this calculation will be included in the instructions.

This commenter suggested that the words ''not less than zero'' be added to

filed under section 103 of ERISA. In any event, all Code section 403(b) plans filing a Form 5500 under the limited reporting provisions available to Code section 403(b) plans would have to keep records under ERISA section 107 to verify that they are in fact a pension plan or arrangement using a tax deferred annuity arrangement under Code section 403(b)(1) and/or a custodial account for regulated investment company stock under Code section 403(b)(7) as the sole funding vehicle for providing pension benefits and would have a general fiduciary obligation to keep records adequate to ensure compliance with the fiduciary and other substantive requirements in Title I of ERISA.

the end of the parenthetical definition for Line 30 on the Schedule SB. The Agencies concluded that this change is not necessary. Guidance regarding Line 30 will be included in the instructions.

This commenter noted that the definitions for Lines 7 and 8 refer to Lines 13 and 35 from the prior year, but that these definitions will not be valid for 2008 unless the 2007 Schedule B is changed to include Lines 13 and 35 as defined in the 2008 Schedule SB. The Agencies note that Lines 13 and 35 will not be included on the 2007 Schedule B. The Schedule SB was designed to reflect various PPA reporting and disclosure provisions (generally effective for 2008 and subsequent years). Information on ''look back'' rules applicable for completing the questions on the Schedule SB will be included in the instructions.

5. Schedule C (Service Provider Information)

The Department believes that an annual review of plan fees and expenses as part of the annual reporting process is part of a plan fiduciary's on-going obligation to monitor service provider arrangements with the plan. Commenters generally supported the goals of the proposed changes to the Schedule C, as stated in the proposal, of increasing transparency regarding fees and expenses paid by employee benefit plans and ensuring that plan officials obtain the information they need to assess the compensation paid for services rendered to the plan, taking into account revenue-sharing arrangements among plan service providers and potential conflicts of interests.

Commenters representing insurance companies, banks, and other financial institutions, however, while generally supporting fee transparency and applauding the Department's initiatives in this area, raised concerns that the proposed Schedule C reporting scheme for indirect compensation was more extensive than necessary. They asserted that the proposed changes could result in duplicative, misleading, and confusing reporting. The commenters also argued that the proposed changes, if not narrowed, would impose significant administrative costs on service providers to track and disclose information on indirect compensation, which costs they likely would pass on to their employee benefit plan clients. These commenters suggested that reporting of indirect compensation, as proposed, should be narrowed in various ways: (1) Eliminate or narrow reporting of ''float'' income; (2) postpone any requirement to report ''soft dollars'' until after the Securities and Exchange Commission (SEC), as the primary regulator of soft dollar compensation, addresses the subject as it applies to investors generally; (3) except from reporting revenue sharing payments among affiliates and by other bundled service providers to entities that the bundled provider engages to provide services; (4) retain the current rules under which brokerage commissions are not required to be reported unless the broker is granted some discretion; (5) define ''service providers'' required to be listed in the Schedule C as limited to persons with direct service relationships with the plan and exclude from Schedule C reporting payments to ''subcontractors'' based on the premise that subcontractors are merely assisting the direct service provider in fulfilling its contractual obligations and are not providing services to the plan; (6) confirm that insurers and investment providers are not required to be listed as service providers on Schedule C solely as a result of the plan's purchase of the insurance contract or investment with the investment provider; and (7) integrate the annual reporting requirement into other regulatory disclosure requirements regarding fee and expense disclosure to avoid duplicative and confusing disclosure requirements.

Two individual commenters suggested that the Schedule C should be completed by small plans as well as large plans and that the $5,000 reporting threshold for listing a service provider on the Schedule C should be lowered or eliminated. Another commenter suggested that, if full Schedule C reporting was not expanded to small plans, investment-related fees and expenses should be reported separately in a similar manner as administrative service provider expenses under the July 2006 Proposal which called for administrative service provider expenses paid by the plan to be reported as an aggregate line item on Schedule I and the Short Form.

As noted in the July 2006 Proposal, issues relating to the appropriate manner and scope of the reporting of service provider compensation on the Schedule C have been raised by the ERISA Advisory Council and the Government Accountability Office, as well as by Form 5500 Annual Return/Report filers and plan service providers. The Department is working on a separate regulation setting forth the standards applicable to the exemption under ERISA section 408(b)(2) for contracting or making reasonable arrangements with a party in interest for services. *See* 72 FR 22845. That regulation is intended to eliminate the current uncertainty as to the information relating to services and fees that plan fiduciaries must obtain and service providers must furnish for purposes of determining whether a contract for services to be rendered to a plan is reasonable. Another rulemaking initiative on the Department's regulatory agenda involves review of participant-level disclosure, including the regulation governing ERISA section 404(c) plans (29 CFR 2550.404c–1), to ensure that participants and beneficiaries in individual account plans are provided the information they need, including information about fees and expenses, to make informed investment decisions. *Id.* Other federal agencies, for example the SEC, are also focusing on efforts to give investors, including employee benefit plans, better information about the actual amount they have paid investment fund managers during a given period.

Against this backdrop, and inasmuch as plan administrative costs are being passed on to plan participants with increasing frequency, it is critical to ensure that the benefits of any new annual reporting requirement outweigh the attendant compliance costs—costs that may ultimately reduce retirement savings. The Schedule C requirements historically have been limited to large plans that are required to file the Form 5500 Annual Return/Report and have not covered the broader class of plans covered by the Department's other fee transparency initiatives. Considered in context with other fee disclosure initiatives at the Department and elsewhere that are more tailored to the concerns expressed by GAO and the ERISA Advisory Council on changes needed to provide 401(k) plan participants better information on fees, particularly investment fees indirectly incurred by participants directing the investment of assets in their individual 401(k) plan accounts, the Department does not believe expanding the Schedule C annual reporting requirements to small pension plans would be consistent with the direction from Congress in the PPA for the Department to simplify the annual report for plans sponsored by small businesses.

The Department continues to believe that it is appropriate to modify the Schedule C reporting requirements for large plans in an effort both to clarify the reporting requirements and to ensure that the Form 5500 Annual Return/Report serves a role in helping plan officials obtain the information they need to assess the reasonableness

of the compensation paid for services rendered to the plan, taking into account revenue sharing and other financial relationships or arrangements and potential conflicts of interest that might affect the quality of those services. After having carefully reviewed the public comments on the Schedule C proposal, the Schedule C is being adopted largely as proposed, but some revisions are being made to the proposed requirements. The changes are intended to reduce the administrative burdens on plans and plan service providers and clarify the reporting requirements without compromising the proposal's overall objectives.

a. Indirect Compensation Reporting on Schedule C

Reportable compensation under the final Schedule C revisions continues to be defined to include money and any other thing of value (for example, gifts, awards, trips) received directly or indirectly from the plan (including fees charged as a percentage of assets and deducted from investment returns) for services rendered to the plan. The Department does not agree with the commenters who argued that only those persons with ''direct service relationships'' with the plan should be treated as providing services to the plan for Schedule C reporting purposes. The Department believes that such a conclusion would be inconsistent even with the current reporting requirements in the Schedule C. Under current reporting rules, reportable indirect compensation expressly includes ''among other things, payment of 'finder's fees' or other fees and commissions by a service provider to an independent agent or employee for a transaction or service involving the plan.'' Nothing in the proposal was intended to restrict or diminish the existing requirement to report such finders' fees or commissions. Rather, the proposal was designed to expand indirect compensation reporting requirements. The Department also believes that adopting the commenters' suggestion would undermine the objective of improving disclosure of fee and compensation information because it is not consistent with the reality of the employee benefit plan marketplace where the nature and complexity of the business and investment environment in which plans operate has changed the ways in which plans obtain and pay for administrative, investment, and other services. Although the Department agrees that an investment of plan assets or the purchase of insurance is not, in and of itself, reportable service provider compensation for purposes of the Schedule C, in the Department's view, persons that provide investment management, recordkeeping, participant communication, and other services to the plan as part of a transaction with the plan should be treated as providing services to the plan or its participants for purposes of Schedule C reporting. Thus, under the final Schedule C revisions, and subject to the alternative reporting option described below, such persons would be required to be identified in Part I if they received, directly or indirectly, $5000 or more in reportable compensation for a transaction or service involving the plan.

Several commenters suggested that a payment be reportable on Schedule C only if either the service provider's eligibility for the payment or the amount of the payment is based on a transaction directly involving assets of the plan. The commenters argued that such a test would be consistent with conflict of interest rule in ERISA section 406(b)(3), which prohibits receipts by plan fiduciaries of consideration for their own personal account from any party dealing with a plan ''in connection with'' transactions involving plan assets. The Department does not agree that the standard for Schedule C reporting should be narrowed to parallel the prohibited transaction standard in ERISA section 406(b)(3). Unlike the prohibited transaction provision in 406(b)(3), the Schedule C revisions were not intended to be limited to receipts by plan fiduciaries or to identifying impermissible conflicts of interest. The Schedule C reporting of indirect compensation also is not limited to only those circumstances where a plan fiduciary affirmatively chooses the indirect service providers. Rather, one of the goals of the Schedule C changes is to improve fee disclosure to plan fiduciaries, especially where they do not have a role in determining the compensation paid to parties that are receiving fees for a transaction or service involving the plan. Schedule C reporting arises in part from ERISA section 103(c)(3), which requires information in the annual report regarding ''each person'' (not limited to just fiduciaries) who rendered services to the plan or who had transactions with the plan who received, directly or indirectly, compensation from the plan during the year for services rendered to the plan or its participants. Further, ERISA section 103(c)(5) expressly provides that the administrator shall furnish as part of the annual report ''[s]uch financial and actuarial information'' as the ''Secretary may find necessary or appropriate.'' In the Department's view, the prohibited transaction standard in ERISA section 406(a)(1)(C)—transactions that constitute a ''direct or indirect'' furnishing of goods, services, or facilities to the plan—is generally a more suitable analog for Schedule C reporting. Thus, in the Department's view, the Schedule C reporting requirement should generally capture both persons who receive direct or indirect compensation and persons who provide services directly or indirectly to the plan.

The Department nonetheless agrees that additional guidance on certain areas of concern raised by commenters would establish useful compliance guides for plan administrators and plan service providers.

As was noted in the July 2006 Proposal, Schedule C was intended to capture information on compensation received by persons providing services, and not information on benefit payments to participants and beneficiaries. Where fully insured group health benefits, or similarly fully insured benefits under a plan, are purchased from and guaranteed by a licensed insurance company, insurance service, or other similar organization, and where information regarding that contract is reported on the Schedule A, compensation paid by the insurance company from its general assets to affiliates or third parties for administrative activities necessary for the insurer to satisfy its contractual obligation to provide benefits is not required to be treated as reportable service provider compensation for purposes of the Schedule C. Insurance investment contracts are not eligible for this exception. As described below in the discussion of the Schedule A (Insurance Information), a similar exclusion is being adopted in defining the scope of insurance fees and commissions that must be separately reported on the Schedule A. In determining whether such compensation is excludable from the Schedule C, the Department would look to whether the administrative services are necessary for the insurer to satisfy its contractual obligation to provide benefits under the plan and are not services incidental to the sale or renewal of a policy, whether payments by the insurer are out of its general assets to third parties without any other direct or indirect charge to the plan other than the policy premium, are made pursuant to a contract or written understanding to provide the services, and whether the amount of the compensation paid by the insurer is

reasonable in light of the value of the services provided.

Under the proposal, Schedule C reportable compensation included brokerage commissions and fees directly or indirectly charged to the plan on purchase, sale, and exchange transactions regardless of whether the broker is granted discretion. Commenters urged retaining the current limitation under which such compensation is reported on the Schedule C only for brokers granted discretion. The Department continues to believe that brokerage fees and commissions may constitute a significant part of a plan's annual expenses and that continuing the current exemption from the Schedule C reporting for such expenses is not appropriate. A review of expenses as part of the annual reporting process is part of a plan fiduciary's on-going obligation to monitor service provider arrangements with the plan. Requiring the reporting of such brokerage commissions and fees should emphasize and reinforce that monitoring obligation. The Department understands that information on brokerage fees and commissions may be provided to the plan by parties other than the broker receiving the fee or commission. For example, a number of commenters indicated that in many cases the broker will not know the party on whose behalf a brokerage transaction is being executed because the instructions to execute trades are often provided by investment managers who control investment portfolios for multiple ERISA plans, non-ERISA plans, and non-plan clients. The commenters asserted that it may be very difficult for the broker to identify fees and commissions it receives from ERISA plan transactions, much less identify fees and commissions it receives on transactions involving a particular ERISA plan. The Department notes that the plan administrator is the party with the obligation to complete the Schedule C. Further, the Schedule C does not require that information on reportable fees and commissions necessarily be furnished to the administrator by the party receiving the fee or commission. Rather, in the situation described by the commenters, the investment manager should have information on which transactions are being executed for which clients and should have information on the fees and commissions it is being charged for those transactions. In such a case, the investment manager, rather than the broker, may be the appropriate party to provide the plan administrator with information on those service provider fees and commissions.

Many of the comments raising concerns about the difficulties and burdens of reporting indirect compensation focused on ''float'' revenue; [9] securities brokerage commissions (including soft dollar commissions[10]); and service fees charged against plan investments and reflected in the net value of the plan's investment in mutual funds, bank investment funds, and insurance company investment contracts. According to the GAO, *see, e.g.*, ''Private Pensions: Changes Needed To Provide 401(k) Plan Participants and the Department of Labor Better Information on Fees'' (GAO 07–21, Nov. 2006), these investment-related fees indirectly paid by plans and plan participants account for the largest portion of total plan fees regardless of plan size. Services provided for these fees can include investment management (e.g., selecting and managing the securities included in a mutual fund); consulting and providing financial advice (recommending vendors for investment options or other services); custodial or trustee services for plan assets; and shareholder services (such as telephone or web-based customer services for participants). Record-keeping fees were identified as generally constituting the second-largest portion of these indirect fees. Record-keeping fees are usually paid to a service provider to set up and maintain the plan. These fees cover activities such as enrolling plan participants, processing participant investment selections, preparing and mailing account statements, and other related administrative activities.

The commenters indicated that the burden and complexity of reporting investment-related fees is due in large part to the fact that a substantial majority of retirement plan service providers maintain plan records and investment information at an omnibus account level. Certain commenters described omnibus accounting as ''best practice'' in the industry. They suggested that efficiencies in data exchanges and settlement transactions between funds and retirement plan record keepers generated by omnibus accounting are used to reduce plan service costs. These savings were described as based in part upon the service provider maintaining omnibus trading accounts with investment-related service compensation based upon a percentage of the total assets in an investment fund. A commenter representing the mutual fund industry asserted that it would be extremely difficult to parse out by plan (in dollars) specific components of a fund's expenses for purposes of Form 5500 reporting. The commenter suggested that the data systems overhaul that would be needed to track this information would be prohibitively expensive. Other commenters suggested that, although it may be possible with current data systems to generate an estimate of the amount of investment-related fees reflected in the periodic net asset valuation of a plan's investment on a case-by-case basis, systematically performing such a task each year for each investing plan would be difficult given the variation in omnibus account investment fees and the pervasiveness of their use as a means of compensating service providers for an array of investment-related services.

In a similar vein, several commenters expressed concern about the Schedule C reporting requirements in the case of revenue sharing among members of a bundled service arrangement (including, in particular, revenue sharing among affiliates from investment-related fees charged at the omnibus account level). The commenters explained that bundled service arrangements include arrangements where the plan hires one company to provide, either directly or through affiliated entities or unaffiliated subcontractors, an array of services rather than purchasing the services on an individual basis. In some typical arrangements, a bundle of services is included as part of an investment transaction and the service providers are paid out of investment management and other charges levied on an investment fund comprised of many ERISA plans, other plans, and, in some cases, non-plan investors. Several commenters asked that the final Schedule C revisions confirm that payments received in such a bundled arrangement by a service provider from an affiliate not be separately reportable on Schedule C. The commenters argued

[9] Financial service providers (e.g., banks and trust companies) sometimes place ERISA plan assets in a general account for short periods of time in order to facilitate certain transactions, such as while waiting for investment instructions from the plan's fiduciaries or in order to make a distribution or other disbursement. The period that begins when the plan money is deposited in the general account, and ends when the investment instructions are executed or the disbursement check clears, is known as the ''float.'' During this float period, the money often is invested in conservative, short-term investments. In some cases, the ERISA plan is credited with the earnings on these investments. In others, the financial service provider keeps the earnings as part of its compensation.

[10] Soft dollars include research or other products or services, other than execution, received from a broker-dealer or other third party in connection with securities transactions.

that separate reporting was not necessary to identify possible conflicts of interest because the self-interest such a service provider has in its affiliate should be readily apparent to the plan fiduciary evaluating an investment in the bundled arrangement or any advice or recommendation by that service provider relating to its affiliate. The commenters also argued that separate disclosures on revenue sharing among affiliates are not necessary where the total compensation received by the affiliated group is to be reported. The commenters argued that allocation of revenues among affiliates may not be based on the value of services provided by the respective affiliates to investing plans, but instead may be driven by tax accounting, cash flow or other internal business purposes of the affiliate group. They also argued that, although they could attempt to allocate a cost to each service in the bundled, the annual report does not in other cases require service providers to report their cost, as opposed to the charges paid by the plan. The commenters also argued that reporting revenue sharing among affiliates would create a confusing distinction between entities that provide services using employees in multiple divisions of one company and entities that use several separate subsidiaries to provide the services. One of the commenters suggested that if multiple affiliates within an organizational group provided services to a plan, it should be sufficient to identify in Part I of Schedule C the organization together with its participating affiliates and report compensation on an aggregate basis.

Other commenters representing ''unbundled'' or ''open architecture'' investment providers asserted that allowing aggregate reporting for bundled/affiliated providers, without having a parallel rule for unbundled providers would generate misleading information for plan administrators. The commenters represented that unbundled investment service arrangements use the same basic omnibus accounting and omnibus account fee arrangements as bundled providers. In the unbundled context, revenue sharing is used to compensate unaffiliated entities providing the same recordkeeping and shareholder services provided by affiliates in a bundled provider arrangement. They pointed out that technological improvements in information management systems and data exchange between investment funds and retirement plan record keepers have given unbundled providers the ability to offer cost and fee structures competitive to those of bundled providers. They also argue that unbundled arrangements give plans access to a wider range of unaffiliated investment vehicles than is typically offered by bundled providers.

Representatives of the ''unbundled'' service providers claim that, just like the bundled providers, the parties providing sales, recordkeeping, participant communication, and other services are often paid indirectly from charges levied against the investment funds in which the plan accounts are invested. They read the Schedule C proposal as requiring, in the case of bundled providers, reporting of a single sum equal to the total compensation, including investment management and other asset-based fees, paid by the plan without reporting the allocation of those charges to affiliated service providers in the bundle. In comparison, they read the proposal to require that the plan report, in the ''unbundled'' structure, both the total investment management and other asset-based fees as well as report allocations from those fees to the unaffiliated service providers. The commenters suggested, therefore, that, although an unbundled arrangement may provide the same services as a bundled arrangement and the various service providers may be paid out of the same investment management and omnibus asset-based charges as in a bundled arrangement, the Schedule C reporting could make it appear as if the unbundled arrangement included more fees.

The Department has decided to revise the Schedule C reporting requirement in an effort to address both the concerns regarding the burden and expense of reporting plan specific components of omnibus asset-based charges and concerns over disparate reporting treatment of affiliated service provider groups and unaffiliated providers using essentially the same indirect compensation arrangements. In that regard, the Department notes that even commenters generally supporting the Schedule C proposal urged the Department to provide flexibility, consistent with the spirit of the proposed Schedule C changes, in defining acceptable methods of reporting fee and expense information and allocating the fees and expenses for specific service provider compensation to individual plans.

Thus, the final Schedule C revisions include a new definition of what would constitute a bundled arrangement for Schedule C reporting purposes. In the case of such bundled arrangements, although revenue sharing within the bundled group generally does not need to be separately reported, the person or persons in the bundle receiving separate fees charged against the plan's investment (e.g., investment management fees, float revenue, and other asset-based fees such as shareholder servicing fees, 12b–1 fees, and wrap fees if charged in addition to the investment management fee) must, subject to the alternative reporting option described below, be treated as receiving separate reportable compensation for Schedule C purposes. Also, and subject to the alternative reporting option described below, any person in the bundle who is a fiduciary to the plan or provides one or more of the following services to the plan contract administrator, consulting, investment advisory (plan or participants), investment management, securities brokerage, or recordkeeping—receiving amounts as commissions (including finders' fees), soft dollars or other nonmonetary compensation, float revenue, or transaction-based charges (e.g., brokerage commissions) must be separately reported on the Schedule C if their total reportable compensation equals or exceeds $5,000. The Department believes that having to disclose the receipt of separate fees actually charged against the plan's investment would not require service providers to disclose information legitimately classified as proprietary or confidential. Further, in the case of commissions, soft dollars, finders' fees, float revenue, and transaction-based charges paid to affiliates, the Department believes such charges are just as likely for both affiliate groups and unaffiliated providers to be relevant to the plan fiduciary in evaluating possible conflicts of interest.

Except as described above, the Department continues to believe that it is generally sufficient for Schedule C reporting purposes to treat an affiliate group as a single person and identify that affiliate group in Part I of the Schedule C as the party receiving compensation from the plan for rendering services to the plan. The Department emphasizes, however, that if one or more of the affiliates or a member of a bundled arrangement received compensation from sources outside the affiliate group or bundled arrangement in connection with the investment transaction with the plan or services provided to the plan, that compensation also would have to be included as part of the reportable compensation received in determining Schedule C reporting requirements.

For purposes of this Schedule C reporting rule, an ''affiliate'' of a person includes any person, directly or

indirectly, through one or more intermediaries, controlling, controlled by, or under common control with the person. The instructions for the Schedule C have been revised to provide that ''control,'' with respect to a person other than an individual, means the ability to exercise a controlling influence over the management or policies of such person.

In attempting to strike a balance between the costs and benefits of improved disclosure of investment-related fees and expenses, the Department believes some of the concerns regarding the burden and complexity of allocating fees charged in an omnibus account structure can be addressed by further modifying the Schedule C requirements so they rely on disclosures regarding those fees resulting from other regulations or business practices to the extent those disclosures meet the objectives underlying the Department's Schedule C proposal. The final Schedule C revisions thus include an alternative reporting option for ''eligible indirect compensation.'' To constitute eligible indirect compensation for this purpose, the compensation has to be of a certain type and the plan must have received certain disclosures. The eligible compensation types are compensation not paid directly by the plan or plan sponsor but received by plan service providers from omnibus level fees charged to investment funds in which the plan invests where the charges are reflected in the value of the investment or return on investment of the participating plan or its participants and for: distribution, investment management, recordkeeping or shareholder services; commissions and finder's fees paid to persons providing direct or indirect services to the participating plans; float revenue; securities brokerage commissions and other transaction-based fees (whether or not they are capitalized as investment costs); and ''soft dollar'' revenue. For the alternative reporting option to be available, in addition to being within that class of investment fees, the plan administrator must also be furnished written materials, including in electronic form, that disclose the existence of the indirect compensation; the services provided for the indirect compensation or the purpose or purposes for the payment of the indirect compensation; the amount (or estimate) of the compensation or a description of the formula used to calculate or determine the compensation; and the identity of the party or parties paying and receiving the compensation. The Department believes that any written disclosure, whether regulatory, contractual, or voluntary, could be relied upon so long as all of the elements of the disclosure were provided to the plan administrator. Further, the necessary information could be provided to the plan administrator in separate disclosures from multiple parties.

In the case of service providers who received only eligible indirect compensation, the plan administrator would be able to check a box on the Schedule C to indicate that there were such service providers and that the plan had received the appropriate disclosures, and then identify on the Schedule C each person from whom the plan administrator received the necessary disclosures regarding the eligible indirect compensation. For example, 12b–1 fees received by a party providing recordkeeping services to a plan would not have to be separately reported on the Schedule C if the disclosures in the mutual fund prospectus together with disclosures in the service contract advised the plan administrator of the fact that the 12b–1 fees were being received, what the fees were paid for, the amount or estimate of the fees received or the formula used to calculate the amount of the fees received, and the party from whom the recordkeeper was receiving the fees. Similarly, ''soft dollars'' received by an investment manager in the form of research or other permissible services in connection with securities trades on behalf of plan clients need not be separately reported on the Schedule C if disclosures in the SEC Form ADV, together with disclosures in the investment management contract, advised the plan administrator that the manager is receiving ''soft dollars,'' the reason the person was receiving the ''soft dollar'' payment, the amount of ''soft dollars'' or the formula used to determine the amount of ''soft dollars'' that the manager receives in connection with each securities transaction, and the party or parties from whom the investment manager is receiving the ''soft dollars.'' The Department recognizes that it may not be practicable to provide a formula or estimate to calculate the value of certain types of ''soft dollar'' non-monetary compensation at the plan level, particularly so-called ''proprietary'' soft dollar arrangements, such as access to information from certain research specialists. In such circumstances, a description of the eligibility conditions sufficient to allow a plan fiduciary to evaluate them for reasonableness and potential conflicts of interests would satisfy the ''amount of compensation'' prong of the disclosure alternative for Schedule C reporting. When reporting service providers who received eligible indirect compensation and other compensation, the service provider would be required to be separately listed on the Schedule C if the total compensation equaled or exceeded the $5,000 threshold. The plan administrator would check a box to indicate that some of the compensation was eligible indirect compensation and complete the other elements of the Schedule C to report information on the balance of the direct and indirect compensation received by the service provider. Since the identity of the service provider would be included on the Schedule C in such cases, separately listing the person from whom the plan received the required disclosures regarding the eligible indirect compensation would not be necessary.

The Department has previously expressed its opinion that in hiring and retaining service providers plan fiduciaries must engage in an objective process designed to elicit information necessary to assess the qualifications of the provider, the quality of services offered, and the reasonableness of the fees charged in light of the services provided. In addition, the process should be designed to avoid self-dealing, conflicts of interest, or other improper influence. The alternative reporting option being adopted as part of the Schedule C revisions for eligible indirect compensation is intended to emphasize and reinforce the obligation to review of plan expenses as part of a plan fiduciary's on-going obligation to monitor service provider arrangements. It also provides the Department with adequate reporting to engage in effective oversight activities while addressing concerns about annual reporting burdens and costs, which are increasingly being passed on to plan participants and beneficiaries. A party seeking to avail itself of the alternative reporting option would also bear the burden of maintaining records sufficient to demonstrate compliance with the conditions of the alternative reporting option.

Several commenters asked that the Department modify the proposed Schedule C requirement applicable to plan fiduciaries and certain enumerated service providers who received, directly or indirectly, $5,000 or more in total compensation, and also received more than $1,000 in reportable compensation from a person other than the plan or plan sponsor. Under the proposal, the Schedule C would have had to provide

information identifying the payor of such indirect compensation, the payor's relationship with the plan or services provided to the plan by the payor, the amount paid, and the nature of the compensation. The enumerated service providers were contract administrator, securities brokerage (stock, bonds, commodities), insurance brokerage or agent, custodial, consulting, investment advisory (plan or participants), investment or money management, recordkeeping, trustee, appraisal, or investment evaluation. The commenters expressed concern that the list of enumerated service providers was overbroad because it included most types of plan service providers, including those where compensation arrangements did not present any real conflict of interest concerns. The commenters also objected because the reporting requirement substantially reduced the costs savings and burden reductions of the aggregate reporting of compensation by affiliates and bundled service providers. In light of the other revisions being made to the reporting requirements for bundled service arrangements described above, the Department is revising the Schedule C instructions to limit the enumerated service provider list to types of providers where compensation arrangements presenting conflict of interest concerns are most likely to exist.

Modifications were also suggested to the aspect of the Schedule C proposal that required reporting business meals, gifts, promotional items, and other similar non-monetary forms of compensation. Commenters complained that the proposal would require costly tracking and reporting by plan service providers of typical business expenses only remotely connected to the plans. One commenter cited, as an example, the need to track and report when an employee of a plan service provider is treated to a business lunch by another service vendor to discuss the services the vendor provides to the service provider's plan clients. The commenter questioned whether the cost of such tracking and potential reporting, which ultimately could be passed on to the plan or the plan sponsor, is justified based on value to plan fiduciaries evaluating the reasonableness of service provider fees. The Department recognizes that providing meals, entertainment, free travel, or other gratuities may serve an ordinary business purpose, such as cultivating goodwill or securing or maintaining a commercial relationship, but continues to believe that non-monetary compensation should be subject to Schedule C reporting rules. Access to this information should help plan fiduciaries gauge whether the service provider's business decisions with regard to the plan may be influenced by any such personal benefits. At the same time, excepting from reporting occasional and insubstantial free meals, gifts, and promotional items will help to ensure that service providers are not burdened with reporting routine business gratuities that should be of little interest to plan fiduciaries.

The Department thus has modified the Schedule C reporting requirements to exclude ordinary business gifts that are both occasional and of insubstantial value, for example, widely distributed items such as pens with a company name permanently imprinted or ordinary business lunches, where the cost of the gift or meal would be tax deductible for federal income tax purposes for the person providing the gift or meal and the gift or meal would not be taxable income to the recipient. For this exemption to apply, the gift must be valued at less than $50, and the aggregate value of gifts from one source in a calendar year must be less than $100, but gifts with a value of less than $10 do not need to be counted toward the $100 annual limit. If the $100 aggregate value limit is exceeded, the aggregate value of all the gifts will be reportable. Gifts from multiple employees of one service provider should be treated as originating from a single source when calculating whether the $100 threshold applies. On the other hand, in applying the threshold to an occasional gift received from one source by multiple employees of a single service provider, the amount received by each employee should be separately determined in applying the $50 and $100 thresholds. For example, if six employees of a company providing administrative services to employee benefit plans attend a business conference put on by a broker designed to educate and explain the broker's employee benefit business services, where refreshments valued at $20 per individual are provided at no cost to the employees, the gratuities would not be reportable on the Schedule C even though the total cost of the refreshments would be $120. The Schedule C instructions have also been revised to emphasize that these thresholds are for purposes of Schedule C reporting only and to caution filers that the payment or receipt of gifts and gratuities of any amount by plan fiduciaries may violate ERISA and give rise to civil liabilities and criminal penalties.

Commenters also expressed concern that the Schedule C reporting rule allowing any reasonable method of allocating indirect compensation among multiple plans as long as the method is disclosed to the plan administrator would result in confusion for plan officials because service providers will not necessarily be using consistent methods in allocating indirect compensation. The diversity in the form and manner of payment of indirect compensation described in the comments, however, defied applying a single allocation method for such compensation among multiple plans. Thus, in circumstances where the amount of indirect compensation received by a person is attributable to more than one plan, allowing any reasonable allocation method but also requiring the method of allocation to be disclosed to the plan administrator provides the parties with appropriate flexibility in meeting the annual reporting requirement while ensuring the plan administrator is properly informed.

Several commenters raised concerns about the proposed indirect compensation reporting requirements as possibly leading to confusion among plan officials over ''double reporting'' of service provider compensation. They cited as an example of such ''double reporting'' situations where an investment advisor is paid an investment management fee from a mutual fund, and the investment advisor uses some of that revenue to pay fees to brokers, pension consultants, and others for marketing and distribution expenses. The commenters were concerned that if the investment management fee received by the investment manager and the fee received by a broker, for example, are both required to be reported as indirect compensation on the Schedule C, plan officials could incorrectly conclude that the plan paid the broker's fee in addition to the investment management fee. The Department believes that the modifications to the form and instructions described above, including the alternative reporting option for eligible indirect compensation, should address this concern by giving service providers flexibility that will allow them to provide plans with disclosures that can be used to satisfy the Schedule C reporting requirements while also clearly explaining the indirect compensation in a way that will enable the service providers to avoid creating confusion about the indirect fees and compensation they receive.

The Schedule C is also being modified so that service providers required to be

listed would separately report direct compensation paid by the plan and indirect compensation received from sources other than the plan or the plan sponsor, for example, compensation charged against investment assets. In addition, in light of the fact that particular service providers may receive direct and indirect compensation of various types from various sources, in order to provide more informative disclosures about the types of fees being paid to or received by plan service providers, the final forms revisions expand the service codes currently required on the Schedule C, which identify the types of services provided, to include fee codes designed to better identify the types of direct and indirect compensation received. For example, codes were added for direct payments by the plan out of a plan account, including charges to plan forfeiture accounts and fee recapture accounts, charges to a plan's trust account before allocations are made to individual participant accounts, and direct charges to plan participant individual accounts (e.g., loan charges, brokerage account service fee, distribution service charge). Codes for types of indirect compensation include common investment fees indirectly paid by plans and participants, such as sales loads (including charges on purchases and deferred sales charge); redemption fees; purchase fees paid to the fund (not to a broker); exchange fees charged to an investor when they exchange (transfer) to another fund within the same fund group; account maintenance fees; investment management fees paid out of fund assets to the fund's investment adviser for investment portfolio management; distribution and service (12b–1) fees; shareholder service fees; custodial fees; legal expenses; accounting fees; and transfer agent expenses. The fee codes should provide plan sponsors, participants and beneficiaries, and the Department with better information on the types of compensation being paid directly or indirectly by the plan.

The Department believes that this revised framework for the Schedule C continues to accomplish the objectives of improving Schedule C reporting of fee and compensation information, while addressing many of the concerns of the commenters relating to annual reporting burdens, costs, and potentially duplicative and confusing disclosures to plan officials. It also provides sufficient flexibility so that plans and service providers can use other current or future regulatory disclosure regimes, such as soft dollar disclosure requirements developed by the SEC, as part of satisfying ERISA's annual reporting requirements.

b. Miscellaneous Schedule C Issues

One commenter asked the Department to confirm that revenue sharing payments, such as sales loads and 12b–1 fees received from the mutual funds and other revenue sharing payments from distributors and/or advisors of the mutual fund for sub-transfer agency services and shareholder services, are not necessarily ''plan assets'' for purposes of the fiduciary responsibility provisions of Title I of ERISA solely by virtue of being required to be listed on the Schedule C. The commenter pointed out that some revenue sharing payments to plan service providers are calculated based on the amount of assets a plan or a group of plans have invested in a particular investment vehicle or family of vehicles at a given time. Other revenue sharing payments are not asset-based, but may involve a flat fee. In the Department's view, the Schedule C reporting requirements are not restricted to plan asset payments. In general, in evaluating plan investments, identification of plan assets is governed either by the ''plan asset'' regulation (29 CFR 2510.3–101), or, in situations beyond the regulations, the assets of an employee benefit plan are identified on the basis of ordinary notions of property rights. *See, e.g.,* Advisory Opinion 2005–22A. In the context of a plan's investment in a mutual fund or other investment vehicle, the plan's beneficial interest generally is its ownership of shares, units, or an undivided interest in the underlying assets of the vehicle. The fact that revenue sharing payments charged against the assets in an investment vehicle are required to be reported on Schedule C or disclosed under the alternative reporting option would not, by virtue of the reporting requirement alone, make those revenue sharing payments plan assets under the plan asset regulation or under ordinary notions of property rights.

One commenter suggested that revising the instructions to Schedule C to clarify that health and welfare plans exempt from the financial reporting and audit requirements by reason of meeting the conditions in the Department's limited exemption in 29 CFR 2520.104–44, including plans that rely on the enforcement policy guidance in the Department's Technical Release 92–01, are not required to file a Schedule C. The Department has modified the instructions for the Schedule C to make it clear that, although neither the limited exemption at 2520.104–44 nor Technical Release 92–01 expressly address Schedule C reporting requirements, plans that meet the conditions of the exemption or the enforcement policy guidance are not required to complete and file a Schedule C to report information on service provider compensation. Another commenter requested confirmation that where the plan sponsor pays expenses of the plan, the amounts paid by the plan sponsor, and not reimbursed by the plan, would not have to be reported on Schedule C. The Schedule C and its instructions continue to provide that reporting is only required for amounts directly or indirectly paid by or received from the plan.

Several commenters expressed concern with the statement in the July 2006 Proposal that if reportable compensation is due to a person's position with or services rendered to more than one plan, the total amount of compensation received should be reported on the Schedule C of each plan if the compensation could not reasonably be allocated among the various separate plans. The commenters' concern focused on an example in the preamble to the July 2006 Proposal involving a $1,000 gift from a securities broker to an investment adviser given because of the investment adviser's relationship with ERISA plans as potential clients for the securities broker. The preamble assumed the $1,000 gift could not be reasonably allocated among the ERISA plans and indicated that in such a case the $1,000 should be reported on the Schedule C of all plans for which the investment advisor performed services. The commenters urged clarifying in the instructions that, as long as a reasonable allocation can be made in such circumstances, the total value of the gift or other consideration is not required to be reported on the Schedule C of each plan. The Department agrees that in the case of gifts or other consideration attributable to multiple plans, only an allocable share of value of the gift or other consideration needs to be included on each plan's Schedule C as long as the value of the gift or other consideration can be reasonably allocated among the multiple plans.

Commenters also expressed concerns, similar to those submitted by insurers on the Schedule A described below, regarding the requirement to identify service providers that fail or refuse to provide the administrator with the information needed to complete the Schedule C. The Department continues to believe that identifying service providers that fail to provide information needed to complete the

Schedule C is important information that will allow the Department to better carry out its responsibilities to administer and enforce the provisions of Title I of ERISA. As noted below in connection with the similar question being added to the Schedule A, the instructions for the Schedule C have been changed to remind plan administrators that they have an obligation to take reasonable and prudent steps to secure the necessary Schedule C information and that administrators generally should contact the service providers and make a request for Schedule C information before identifying a service provider on the Schedule C as having failed or refused to provide necessary information.

One commenter requested confirmation that the proposed changes regarding reporting of indirect compensation did not require service provider compensation reported on a Schedule C filed for a master trust investment account (MTIA) or 29 CFR 2520.103–12 investment entity (103–12IE) also to be reported on the participating plans' Schedule Cs. The indirect compensation reporting requirements were not intended to change the rule in the current instructions to the Schedule C, which emphasizes that compensation to a service provider should not be reported both on the Schedule C for the plan and on the Schedule C for the MTIA or 103–12IE in which the plan participates. Rather, plan filers must include the plan's share of compensation paid during the year to an MTIA trustee or other person providing services to the MTIA or 103–12IE only if such compensation is not subtracted from the total income of the MTIA or 103–12IE in determining the net income (loss) reported on the MTIA or 103–12IE's Schedule H, Line 2k, or is not reported on the MTIA's or 103–12IE's Schedule C.

Two commenters urged the Department not to eliminate the provision in the current Schedule C under which only the ''top 40'' highest compensated service providers are required to be listed on the Schedule C reporting, as proposed. The commenters suggested that the ''top 40'' limit be retained or replaced with some other limit based on a larger number of service providers or requiring service providers to be listed when their compensation exceeded a specified percentage of total plan expenses. The commenters suggested that, for a very large plan, requiring all service providers that received $5,000 or more in direct or indirect compensation could require the plan to list hundreds of service providers and substantially complicate their Form 5500 Annual Return/Reports. A review of Form 5500 Annual Return/Report data for reports filed before the ''top 40'' limit was adopted in the 1999 Form 5500 Annual Return/Report indicates that only a few very large plans reported 40 or more service providers on the Schedule C. A review of more recent Schedule C data also reflects that the 40th highest paid service provider generally was paid as much or nearly as much as the 15th or 20th highest paid service provider even though the Schedule C requires service providers to be reported in descending order of amount of compensation. Based on these data, the Department does not believe continuing the ''top 40'' limit is appropriate.

One commenter suggested that clarifying the reporting year in which termination of an accountant or an enrolled actuary must be reported on Schedule C. Although not expressing a preference for either result, the commenter indicated that it was not clear whether the termination should be reported on the form filed for the year in which the accountant was terminated or on the form filed for the year in which a new accountant performed the plan audit. The instructions have been revised in response to the comment to state more explicitly the existing rule that the termination of an accountant or an enrolled actuary must be reported in the Form 5500 Annual Return/Report for the plan year in which the accountant or enrolled actuary was terminated.

6. Schedule A (Insurance Information)

The Agencies received a number of comments in response to the proposed addition of a new section to the Schedule A to identify insurance providers that fail to give plan administrators the information necessary to complete the Schedule A. A commenter representing plan auditors, which supported the change based on the auditors' experience of having difficulty getting information needed to complete plan audits, also requested an expansion of the requirement to cover insurance carriers that did not provide the requisite information in a timely fashion. In contrast, insurance industry commenters expressed concern that the reporting requirement may create unnecessary administrative burdens when plan administrators wrongly identify insurers as having failed to provide required information. One insurance industry commenter, describing testimony before the ERISA Advisory Council on this issue as ''unsubstantiated anecdotal reports,'' objected to the Department's reliance on a report of the ERISA Advisory Council (*see* 71 FR at 41620), as support for adding the new section. Two insurance industry commenters suggested that, if the reporting requirement was retained, plan administrators should be required to advise insurers before identifying the insurer on the Schedule A as having failed to provide required information.

Section 103(a)(2) of ERISA provides that, if some or all of the information necessary to enable the administrator to comply with the requirements of Title I of ERISA is maintained by an insurance carrier or other organization that provides some or all of the benefits under a plan or holds assets of the plan in a separate account, such carrier or other organization is required to transmit and certify the accuracy of such information to the administrator within 120 days after the end of the plan year. Given the importance of plan administrators receiving timely information necessary to complete Schedule A, especially fee and commission information, the recurring reports of difficulties in this area, and the recommendation by the ERISA Advisory Council that such a question be included on the Schedule A to assist plan administrators and the Department in enforcing the insurance carriers' obligations in this regard, the Department continues to believe that insurance providers that fail to provide the necessary information should be identified on Schedule A.

The Department nonetheless agrees that, in addition to the insurer's obligation to provide information, plan administrators have an obligation to take reasonable and prudent steps to secure the necessary Schedule A information. The Department also accepts that there may be instances where plan administrators and insurers disagree over what information is required and other instances where administrators may identify an insurer on the Schedule A based the administrator's erroneous conclusion that the insurer failed to provide required information. The current instructions for the Schedule A that remind filers of the insurer's obligation to provide information needed to complete the Schedule A, accordingly, are being expanded to remind plan administrators that they have an obligation to take reasonable and prudent steps to secure the necessary Schedule A information and that they generally should contact the insurer and make a request for any missing

information before identifying an insurance provider on the Schedule A.

Another commenter requested confirmation that electronic transmission of the required Schedule A information would satisfy the insurer's obligation under ERISA section 103(a)(2). The commenter noted that some plan administrators may believe that insurers are required under ERISA to provide plan administrators with a completed copy of the Schedule A that the administrator could file as part of the plan's annual report. The commenter noted that some insurers had developed such a practice as part of the services they provided to policyholders, but indicated that such practices could be difficult to continue in a wholly electronic filing environment. In the Department's view, nothing in ERISA precludes insurers and plan administrators from agreeing to the insurer's electronic transmission of Schedule A information to the administrator. The Department also anticipates that some software providers will have EFAST2 compatible systems that will enable multiple parties, including insurers, to include information as part of the development of the plan's annual report. The Department also agrees that while insurers are required to provide the information necessary for the plan administrator to complete the Schedule A, insurers are not required by ERISA to provide the information on a completed Schedule A itself.

One commenter suggested that the requirement to report fees, commissions, and other compensation paid to agents, brokers, and other persons in connection with an insurance contract placed with or retained by the plan should be reported on Schedule C instead of on Schedule A. The commenter suggested that such a change would facilitate a ''level playing field'' in the annual reporting area between insurers and banks, investment companies, and other investment product providers. Another commenter suggested that there should be a de minimis reporting exception on the Schedule A under which persons receiving monetary or non-monetary commissions and fees totaling less than $500 would not be required to be listed on the Schedule A. One insurance company commenter complained that the Schedule A approach to the reporting of fees and commissions was unduly burdensome on insurers and service providers and lacked a clearly articulated purpose. The commenter asked that the Agencies limit or clarify Schedule A reporting in several ways: Limit Schedule A fee and commission reporting to ''sales-related'' compensation; exempt from Schedule A reporting payments to a ''general agent or manager'' even if the amounts are paid in connection with a policy placed with or retained by an employee benefit plan; address whether compensation can be reported on a Schedule A for the year in which the compensation was paid rather than for the year in which the right to the payment accrued; confirm that payments are not required to be reported if they are made after the year in which an insurance contract or policy is terminated; and establish safe harbor methods for allocation of compensation attributable to multiple policies.

The July 2006 Proposal did not include any proposed changes to the fee and commission reporting requirements on the Schedule A.[11] The Department issued Advisory Opinion 2005–02A in February 2005 to address a reported pattern and practice among some in the insurance industry of underreporting commission and fee payments to brokers, agents, and other persons. This pattern and practice was reported to be based on incorrect interpretations of the Schedule A, the Schedule A instructions, and other guidance issued by the Department regarding the Schedule A reporting requirements. The Advisory Opinion was intended to explain clearly the Department's views regarding the current Schedule A reporting requirements. After carefully considering the public comments on the Schedule A, the Department does not believe that the comments provide a basis for making major substantive changes to the Schedule A reporting requirements at this time. The Department, however, agrees that two changes adopted as part of the final Schedule C reporting requirements should also be adopted as part of the Schedule A reporting requirements on insurance fees and commissions.

Specifically, the Department previously clarified, as part of an update of the instructions following the publication of Advisory Opinion 2005–02A, that compensation paid by the insurer to third parties for recordkeeping and claims processing services provided to the insurer as part of the insurer's administration of the insurance policy is not required to be reported as fees and commissions on Line 2 of the Schedule A.[12] One commenter complained that the instructions should have been expanded to include other similar types of administrative functions. One insurance organization gave as an example its national accounts programs under which its regional group health insurance programs are able to offer ERISA plans access to medical providers in all fifty states pursuant to agreements with its other regional programs that operate in those states. The Department agrees that where benefits have been purchased from and guaranteed by a licensed insurance company, insurance service, or other similar organization, payments by the insurer from its general assets to affiliates or third parties for performing administrative activities as part of the insurer satisfying its contractual obligation to provide the fully insured benefits under the plan (such as recordkeeping and claims processing services) and where there is no direct or indirect charge to the plan for the administrative services other than the insurance premium, the payments by the insurer to the affiliates or third parties do not need to be reported on Line 2 of Schedule A as ''fees and other commissions.'' In determining whether such compensation is excludable from fee and commission reporting on the Schedule A, the Department would look to whether the services is necessary for the insurer to satisfy its contractual obligation to provide benefits, not services for the insurer incidental to the sale, placement, retention or renewal of a policy, whether payments to third parties are made pursuant to a contract or written understanding to provide the services, and whether the amount of the compensation paid by the insurer is reasonable in light of the value of the services provided. The instructions for the Schedule A have been revised accordingly.

The other Schedule C change that the Department is also adopting as part of the Schedule A fee and commission reporting requirements is the provision excluding occasional and insubstantial non-monetary compensation paid by an insurance company to agents, brokers and other persons from the fees and commissions that would otherwise be required to be reported on the Schedule A. The same restrictions governing this

[11] Although the proposal eliminated the Schedule A filing requirement for plans eligible to file the Short Form 5500, the Short Form 5500, consistent with the overall objective of improving fee transparency, the Short Form 5500 adopted from the Schedule A requirement to report aggregate insurance fees and commissions, in the form of a compliance question.

[12] If commissions and finders' fees are imbedded in insurance company payments to agents, brokers or others for services that are part of the insurer satisfying its contractual obligation to provide benefits under the plan, such as payments for claims processing or recordkeeping, such commission and finders' fees would still be reportable on the Schedule A.

exception under the Schedule C will apply to the Schedule A. The instructions for the Schedule A have been revised accordingly.

7. Removal of IRS-Only Schedules

Generally commenters were supportive of the removal of IRS-only schedules. One commenter suggested, however, that the IRS should provide guidance on the method and format of reporting information formerly on the Schedule SSA. The IRS is reviewing alternatives for simplifying the filing of the data formerly on the Schedule SSA and working with stakeholders in exploring and evaluating simplification and other changes while ensuring that this data remains a source of information for the Social Security Administration. The Agencies note that due to the additional one-year deferral in implementing the annual reporting form changes not mandated by the PPA (except for a few Schedule R items), the removal of IRS-only forms and schedules as a result of the electronic filing mandate will also be delayed until the electronic filing system is in place. Therefore, Form 5500-EZ, Schedule E, and Schedule SSA will continue to be filed under the current EFAST processing system for the 2007 and 2008 plan years.

8. Compliance Questions (Schedule H, Schedule I, Short Form 5500)

a. Delinquent Participant Contributions and Loan Repayments on Schedule H, Line 4a

The comments submitted on this issue generally supported the Department's inclusion in the instructions of a format for a supplemental schedule to be used by the plan's accountant for purposes of rendering an opinion on whether delinquent participant contributions information on Line 4a of Schedule H is presented fairly, and is in all material respects the information required to be reported. Commenters also supported the proposal to revise the instructions to expressly confirm that delinquent participant loan payments can be included on Line 4a as opposed to being reported in response to the general prohibited transaction question on Line 4d. Accordingly, the revised instructions for line 4a are being adopted as proposed.

One commenter thought that it would be easier to report delinquent contribution information if the items on the proposed standardized schedule were incorporated into Line 4a itself and the requirement to attach a supplemental schedule were eliminated. A commenter representing accountants stated that including a standard schedule for reporting delinquent contributions in the Form 5500 Annual Return/Report instructions was helpful, but suggested that it be revised to be identical to the prohibited transaction schedule included in Schedule G.

The revisions to the 2002 Form 5500 Annual Return/Report eliminated the need for plan administrators to double report delinquent participant contributions on Line 4a (which specifically asked about delinquent transmittal of participant contributions) and Line 4d (which asked about prohibited transactions with parties in interest). Rather, the instructions for Line 4a expressly state that the amounts paid by a participant or beneficiary to an employer and/or withheld by an employer for contribution to the plan become plan assets as of the earliest date on which such contributions can reasonably be segregated from the employer's general assets (*see* 29 CFR 2510.3–102) and caution that an employer holding these assets after that date commingled with its general assets will have engaged in a prohibited use of plan assets (*see* ERISA section 406). A delinquent participant contribution reported on Line 4a is, by definition, a prohibited transaction. Reporting that transaction again on Line 4d was unnecessary and made it difficult for the Agencies to use effectively the information reported on Line 4d in cases where the plan was reporting other prohibited transactions on Line 4d.

Likewise, having the Line 4a supplemental schedule format match the prohibited transaction format on Schedule G also would result in unnecessary reporting. By definition the party-in-interest involved is the employer and the prohibited transaction is the delinquent transmittal of participant contribution or delinquent transmittal of participant loan repayments. The Schedule G requirements to identify the parties involved and describe the nature of the prohibited transaction are therefore unnecessary. Further, the Schedule G is structured so that it can be used to report a diverse variety of prohibited transactions, whereas the additional elements on the proposed format for the Line 4a supplemental schedule are tailored for the specific prohibited transaction involved. Finally, line 4a requires reporting delinquent contributions regardless of whether the prohibited transaction has been fully corrected under the Department's Voluntary Fiduciary Correction Program (VFCP) and the conditions of Prohibited Transaction Class Exemption 2002–51 have been satisfied, but Schedule G only requires reporting if an exemption does not apply.

The Department had posted a series of frequently asked questions (FAQs) on its Web site at *http://www.dol.gov* to provide guidance to plan administrators and accountants on complying with the requirements of the Form 5500 Annual Return/Report for reporting delinquent participant contributions. The format of the supplemental schedule included in the July 2006 Proposal was taken in large part from similar formats included in those FAQs. The July 2006 Proposal was intended to incorporate the guidance in those FAQs into the instructions to the Form 5500 in order to make that guidance more generally available to plan administrators and to assist accountants in satisfying their obligations under ERISA section 103 to treat the information on Line 4a as subject to the audit requirement and as part of the supplemental schedules for purposes of the IQPA report and opinion.

b. Reporting Blackouts and Blackout Notices

One commenter expressed concern about the structure of the compliance questions proposed for Schedule H, Schedule I, and the Short Form 5500 on whether there was a ''blackout period'' subject to the notice requirements in section 101(i) of ERISA and the Department's regulation at 29 CFR 2520.101–3. Specifically, the commenter noted that the proposal would require a plan administrator whose plan had experienced a ''blackout period'' during the reporting year to answer that a blackout notice was not provided even in cases where an exception from the notice requirement applied. Although the proposed instructions expressly directed filers to indicate that they had not provided a notice even in cases where an exception from the notice requirement applied, the blackout notice questions have been modified to address the commenter's concern. The first question asking whether there was a blackout remains unchanged. The second question has been modified to have filers check ''yes'' if they either provided the required notice or one of the exceptions to providing the notice applied or ''no'' if they did not provide notice and no exception applied.

c. Reporting ''Deemed'' Distributions

One commenter suggested moving line items regarding defaulted participant loans as ''deemed'' distributions on the Short Form 5500,

Schedule H, and Schedule I from the financial section to the compliance section. The commenter argued that loans that are deemed distributed for tax purposes generally continue to be plan assets for plan qualification and financial reporting such that traditional recordkeeping and financial reporting systems do not ''write off'' the deemed distribution amount from the books. The Agencies established the current regime for reporting deemed distributions during the last major revision of the forms in connection with the 1999 Form 5500 Annual Return/Report. The Agencies considered off-balance sheet reporting for deemed distributions, but that approach failed to address various reporting questions such as: what is the appropriate value for carrying loans that have been deemed distributed where there is no reasonable expectation that the loan would be repaid until offset against an account value at the time of an actual distribution; should the value include continued accrual of interest payments as they become due even after the loan is deemed distributed and, if so, would that practice inappropriately inflate the apparent value of plan assets; and if the loan is required to be carried as a plan asset, with or without interest accruals, should an offsetting increase in a reserve for bad debts be included in the financial statements to avoid an inflated figure for total plan assets. The treatment of deemed distributions currently set forth in the instructions dealt with these questions as a financial reporting matter within the context of treating the loans as deemed, not actual, distributions. While the requirements relating to participant loans (including defaulted participant loans) are a compliance matter and information relating to these loans must be maintained as part of the plan's records, the Agencies have determined not to make the change suggested by the commenter. The IRS, however, is considering whether to further clarify the reporting of defaulted participant loans in the instructions.

d. Reporting ''Incurred But Not Reported''

Funded health and welfare plans may be exposed to a financial obligation for claims that have been incurred, for example, by a participant who obtained covered health care treatment from a doctor or hospital, but that have not yet been reported to the plan in the form of a claim for benefits. Many funded plans thus establish an ''Incurred But Not Reported'' (IBNR) accounting reserve for such claims that have been incurred but not yet been submitted for payment. The financial accounting for these obligations is required under the American Institute of Certified Public Accountant's Statement of Position 01–2, but that accounting treatment is not consistent with Form 5500 Annual Return/Report reporting requirements, which allow funded welfare plans to report IBNR on the Schedule H financial statements as a plan liability. A commenter representing the accounting industry suggested modifying the instructions for Schedule H to shift reporting of IBNR for welfare plans from the financial statements on the Schedule H to the general compliance questions on the Schedule H, presumably in order to avoid the need for the accountant's report to include a reconciling note reflecting the difference between the Schedule H financial statements and any separate financial statements prepared by the accountant for purposes of rendering the required accountant's opinion under section 103 of ERISA. The reason that IBNR was permitted to be included in the Schedule H financial statements was due to comments from representatives of large funded welfare benefit plans that maintained their financial records on a cash basis and claimed that their IBNR reserve can often amount to a fairly significant liability for plans such that failing to include the liability on the Schedule H for a cash basis filer created the false impression that the plan was substantially overfunded at the end of the plan year. There was nothing in the accounting industry comment that suggested the above described problem was no longer a concern for large funded welfare plans or that explained how the proposed change would substantially benefit employee benefit plans, their participants and beneficiaries, or the Agencies, and, accordingly the option to include IBNR as part of the plan's liabilities is not being converted into a mandatory compliance question for all welfare plans that file the Schedule H at this time.

e. Assets Without Readily Determinable Current Value

Line 4g of the Schedule H is a compliance question that asks whether the plan held any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser. If the answer to Line 4g is ''yes,'' the filer is required to report the value of those assets. Line 4g currently gives examples of assets that may not have a readily determinable value on an established market (e.g., NYSE, AMEX, over the counter, etc.) including real estate, nonpublicly traded securities, shares in a limited partnership, and collectibles. An accounting industry commenter suggested that the instructions be revised to include expressly ''hedge funds, certain [common and collective trusts], and stable value funds'' as examples of assets required to be reported on Line 4g. The Agencies did not adopt this suggestion. Rather than there being a generally accepted definition of what constitutes a ''hedge fund'' or ''stable value fund,'' the class of investments that might fit within those terms is quite diverse. More importantly, regardless of the label used to describe an investment, the standard for Line 4g remains the same—assets should be listed if they do not have a readily determinable value on an established market and were not valued by an independent third-party appraiser during the plan year.

The comment did, however, lead the Agencies to evaluate the instructions and conclude that a strict reading of Line 4g might lead filers to conclude that certain types of common plan investments are required to be reported on Line 4g, such as insurance investment contracts and mutual fund shares. The Agencies, therefore, are modifying the instructions to Line 4g to make clear that insurance investment contracts for which the plan received valuation information at least annually and mutual fund shares are not reportable on Line 4g.

f. Reporting Mutual Fund Dividends

A commenter suggested that Line 2b of Schedule H (dividends) should be expanded to add an entry for dividend payments on mutual fund shares. The Schedule H currently has entries for dividend payments on common and preferred stock and for income gain/loss for mutual fund (Investment Company) shares, but no entry for dividend payments on mutual fund shares. The Agencies believe separately identifying mutual fund share dividends would provide useful information and would eliminate possible confusion on where to report such income. Accordingly, the Agencies are adding a new Line 2b(2)(C) to report mutual fund dividend payments.

g. Reporting ''Total Fees Paid''

A commenter asked for clarification as to whether the lines on Schedule H and Schedule I for ''total fees paid'' include indirect compensation. The commenter correctly noted that the proposed instructions for these Schedules did not expressly include indirect compensation and that the balance sheet structure of the financial statements on these Schedules was

consistent with a conclusion that only compensation paid directly by the plan would be reported. The Department agrees that indirect compensation received from parties other than the plan, although it may be a reportable fee or expense on the Schedule C or Schedule A, is not reportable on the balance sheet structured asset/liability and income/expense statements in the Schedule H, the Schedule I, or the Short Form 5500.

9. Schedule R (Retirement Plan Information)

a. Minimum Funding

One commenter suggested simplifying line items on the Short Form 5500 and the Schedule R concerning minimum funding. The Agencies have determined that the minimum funding reporting requirements are necessary and consistent with the PPA's additional reporting requirements relating to plan funding and to ensuring transparency and accountability. The Agencies, however, have determined to make certain revisions to the minimum funding information on Schedule R and the Short Form 5500 to avoid any discrepancies in the data being reported. Therefore, the Short Form 5500 and Schedule R minimum funding questions are being revised to provide adequate information on minimum funding to the Agencies, participants, and other interested persons.

b. Asset Allocation Information for Very Large Defined Benefit Pension Plans

Twelve commenters addressed the PBGC's efforts to gather information on the allocation of assets by large defined benefit pension plans. (Two of these commenters reiterated their concerns when commenting on the Supplemental Notice.) Four commenters asserted that most of the information is already included as a part of the Schedule H and that collecting this data is unnecessary. Six commenters said it would be difficult or costly to obtain the requested asset allocation breakdowns for assets invested in commingled funds. Two asked that the effective date of the additional information be delayed. The commenters acknowledged that such information is required on the SEC Form 10–K. Two pointed out that the 10–K data are aggregated from all of the sponsor's defined benefit plans and do not include the detailed debt breakout requested in the proposal. Four noted that the data on the SEC Form 10–K may be as of a date that is different from the plan reporting date for the Form 5500 Annual Return/Report. Three also noted that non-publicly traded companies are not required to file the SEC Form 10–K and, therefore, do not necessarily collect this information. One suggested that the new funding requirements of the recently enacted PPA diminish the value of this information. One commenter supported the proposal to move the asset allocation information from Schedule B to Schedule R (as noted in the Supplemental Notice).

Two commenters noted that providing the Macaulay duration would be time consuming and costly. Four suggested that the Macaulay duration is not a good measure of risk and does not address the callability of some bonds. Others suggested that the effective duration is a more commonly used measure than the Macaulay duration. Three commented that the debt holdings of some plans are split among several different bond managers and providing a single duration measure for all of the plan's debt holdings could be difficult.

In an effort to address the comments citing the burden of complying with the data collection, the questions were modified to reduce the number of calculations. Specifically, instead of asking for the distribution by four categories (stocks, debt, real estate, and other) and then asking for a separate breakdown of the debt, the questions have been restructured to ask for data on five categories of assets (stocks, investment-grade debt, high-yield debt, real estate, and other) that should sum to 100 percent. Holdings of government bonds would be included in the appropriate debt group which should generally be investment-grade debt.

In response to comments on the appropriateness of reporting the average duration determined using the Macaulay measure, two changes have been made. First, ranges are provided so that, in most cases, an estimate will suffice (0–3 years, 3–6 years, 6–9 years, 9–12 years, 12–15 years, etc.). Guidance regarding how to determine the average duration when there are multiple bond portfolios will be included in the instructions to the 2008 Form 5500 Annual Return/Report. It is anticipated that the instructions will provide that the weighted average of the individual portfolio average durations (where the weights are the values of the bond portfolios) be reported for plans with several bond portfolios.

Second, any generally accepted measure of duration may be used (effective duration, modified duration, Macaulay duration, etc.). An item has been added to report the measurement basis that was used to determine the average duration.

As redesigned, the allocation of assets questions will provide the PBGC with important data necessary to enable it to monitor properly the plans it insures. The data will be particularly useful for the PBGC's Early Warning program, which is designed to identify plans whose risk to the PBGC is increasing. For many plans the PBGC is unable to derive this information from the current Schedule H data. Knowing not only the level of plan assets relative to its liabilities but also how well a plan's assets match these liabilities is integral information the PBGC needs to properly assess the risks and exposures the Agency faces.

The difficulty in obtaining asset allocation information for assets invested in commingled funds is appreciated, and, in fact, is the reason the PBGC needs to collect these data on the Form 5500 Annual Return/Report. For publicly traded companies, the allocation of these assets is reported on companies' Form 10–K. Even in cases where aggregated data are reported on the Form 10–K or where data are determined as of a different date, the disaggregated information should be accessible without undue burden. Also, most financial information is available on a daily basis and the incremental costs for obtaining this data for the valuation date should not be significant. The cost of obtaining the data may be somewhat higher for non-publicly traded companies that may need to institute new procedures to obtain this information; however, the PBGC's need for this data for plans of non-publicly traded companies is also great. The PBGC believes ample notice has been given to allow companies to make whatever data gathering arrangements are necessary because notification of these questions was given at least three years prior to the first date they would be due (July 31, 2009 for calendar year plans) and because similar information is already required to be provided on the Form 10–K.

The bond portfolio duration information will help the PBGC properly monitor the plans it insures in several ways. First, as an insurer, the PBGC needs to know not only what proportion of a plan's liabilities is covered by its assets, but also how well those assets immunize the liabilities. Second, it will assist the PBGC in its monitoring activities and indicate which plans are moving to more risky asset investments that could increase the PBGC's exposure or the likelihood that the PBGC will receive a claim from that plan. Third, it will inform the PBGC of how to negotiate better protections for the plan's participants should such negotiations become necessary. Finally, it would assist the PBGC's modeling

efforts for informing policy makers if additional legislative or regulatory changes are needed to protect plan participants and the insurance programs.

One commenter suggested that the strengthened funding rules under the PPA negate the need for the additional asset allocation information. The new funding rules do not guarantee that the plans that the PBGC insures will become and remain fully funded in the future. Even if they do become fully funded, the PBGC's risk is highly dependent on how well plans' assets immunize their liabilities. A decrease in the price of stocks generally or a decrease in interest rates can quickly move a plan from being fully-funded to being only 80 percent funded, or worse.

c. Information on Major Contributors to Multiemployer Defined Benefit Pension Plans

One comment was submitted about the PBGC's efforts to obtain data on major contributors to multiemployer pension plans. The commenter questioned how information should be reported in situations where a contributing employer has multiple contribution rates, contribution base units, or bargaining agreement expiration dates with respect to different groups of participants under the plan. In response to this comment, question 13 has been slightly modified. In this situation, in lieu of reporting this information directly on the form, plan administrators will check a box to indicate that the employer contributes under two or more collective bargaining agreements or at different rates for different classes of participants and include, as an attachment, a summary of the date each collective bargaining agreement expires and/or information about each contribution rate.

d. Number of Participants on Whose Behalf No Contributions Were Made by an Employer and Ratio of Participants on Whose Behalf No Employer Had an Obligation To Make Contributions

One commenter suggested that the definition of ''participant'' for this purpose needs to be clearly defined. Although no comments were submitted with respect to the question on the ratio of participants on whose behalf no employer had an obligation to make contributions, the wording on the Schedule R has been revised to conform more closely to the wording in section 503(a) of the PPA. Terms will be defined in the instructions for the Schedule R.

e. Information on the Number of Employers Who Withdrew From the Plan During the Preceding Year and the Amount of Their Withdrawal Liability

One commenter questioned whether the definition of ''withdrew'' is the definition contained in the Multiemployer Pension Plan Amendments Act of 1980, Pub. L. No. 96–364, 94 Stat. 1208, which includes special rules for plans in the construction, entertainment, and other industries. *See* ERISA section 4203. Guidance regarding the definition of ''withdrew'' for this purpose will be included in the instructions to the 2008 Form 5500 Annual Return/Report.

10. Streamlining Form

a. Reducing the Number of Supplemental Attachments

A commenter who was focused particularly on the Short Form 5500 suggested that it would further streamline the filing process for small plans if the Agencies eliminated supplemental attachments for Line D of the Form 5500 Annual Return/Report and Line C of the Short Form 5500 regarding filing under extension or under the Delinquent Filer Voluntary Correction Program (DFVC Program). The Agencies agree that eliminating those supplemental attachments would facilitate electronic filing, especially for small plans. Accordingly, for those filing on extension or under the DFVC Program, filers would now simply check a box as to the type of extension (IRS Form 5558, Corporate tax extension, special extension) or the DFVC Program. A new space is being added to this line for filers using a special extension, *i.e.* disaster relief or combat extension, to provide a brief description of the extension. Filers would no longer have to attach a copy of the request for extension filed with the IRS or create a special supplemental attachment to describe the filing under a special extension or the DFVC Program, although they would continue to be required to maintain a copy of any request for an extension filed with the IRS as part of their records.

That commenter also suggested that the supplemental schedules should not be required to be attached if information on Schedule H, Line 4i (assets held for investment) and Line 4j (5% reportable transactions), are in the IQPA report. Past experience with the supplemental schedule for Line 4a strongly suggests that making this change could give rise to confusion among accountants regarding their obligations to render opinions on the supplemental schedules required to be part of the annual report. *See* ERISA section 103(a)(3)(A). Accordingly, and although acknowledging that many IQPA reports include information on Schedule H, Line 4i (assets held for investment) and Line 4j (5% reportable transactions), the change is not being made at this time.

b. Welfare Plan Reporting

Two commenters suggested that welfare plans have separate reporting forms and instructions. This comment appears to be based on the premise that the Form 5500 Annual Return/Report is primarily designed to collect information about the activity of retirement plans and that creating a separate form for welfare plans would be more appropriate than having the welfare plan fit itself into a retirement plan-oriented filing. As noted in the preamble to the proposal, the Department believes that generally retaining the current reporting requirements is important for disclosure purposes for both the Department and for participants and beneficiaries in the welfare plans that currently report. Rather than being designed for pension plans versus welfare plans, the Form 5500 Annual Return/Report is primarily focused on collecting financial information about funded plans and plans that use insurance products to provide benefits. The Department already exempts most small welfare plans from the requirement to file a Form 5500 Annual Return/Report and exempts most large welfare plans from the financial reporting and audit requirements in its regulations at 29 CFR 2520.104–20 and 2520.104–44. The structure of the Form 5500 Annual Return/Report was modified in 1999 further to remove pension related information from the welfare plan annual report by structuring the Form 5500 Annual Return/Report as a main Form 5500, which includes basic identifying information, and separate schedules that focus on particular subject matter or filing requirements. The Department also believes that considerations for having a separate form for welfare plans will be less significant in a system where all filing is electronic. Under any type of electronic system, we anticipate that filers would need to access the instructions relevant only to their type of plan, eliminating any potential confusion from determining in a unified form package which instructions are relevant to the filer.

The commenters also suggested that the Department reconsider the ERISA Advisory Council Working Group's recommendation to eliminate the audit requirement for large, funded welfare

plans that do not accumulate assets, but maintain it for multiemployer welfare plans and for single-employer welfare plans that accumulate assets. As noted in the preamble to the July 2006 Proposal, the Department believes that retaining the current requirements as they relate to funded welfare plans (i.e., those with assets held in trust) and large fully insured plans, without imposing new reporting burdens on all welfare plans best serves to balance the needs of the Department and participants and beneficiaries and the burden associated with the reporting requirements.

11. Electronic Filing and Manual Signature Requirements

A commenter noted that instructions to Forms 5500 and 5500–SF under the section entitled ''How to File—Electronic Filing Requirement'' contain the following statement: ''Even though the Forms 5500 and 5500–SF must be filed electronically, the administrator must keep a copy of the Forms 5500 and 5500–SF, including schedules and attachments, with all required manual signatures on file as part of the plan's records * * *.'' The commenter asked for confirmation that plan sponsors may satisfy the Department's record retention rule by maintaining an electronic version (as permitted under ERISA section 107) and, therefore, are not required to keep a paper signature copy of the filing. The Department notes that its electronic filing regulations require that plan administrators and direct filing entities maintain an original copy of the Form 5500 Annual Return/Report, with all required signatures, as part of their records. *See* 29 CFR 2520.103–1, 2520.103–2, 2520.103–9, 2520.103–12. The Department's regulations under ERISA section 107 permit filers to use electronic media for record maintenance and retention, so long as they meet the requirements of 29 CFR 2520.107–1.

Commenters also asked how manual signatures on schedules filed with the Form 5500 will be handled under the EFAST2 electronic filing system. Enrolled actuaries will continue to have the obligation to sign a copy of the plan's Schedule SB or MB (whichever is applicable) and an electronic copy of the manually signed schedule must be filed as part of the plan's electronic filing under the EFAST2 system. To meet this obligation, the plan or the enrolled actuary must use EFAST-approved software capable of generating a printed version of the Schedule SB or MB (whichever is applicable). The completed version of the schedule must be printed, manually signed by the enrolled actuary, and converted into an electronic image (such as a pdf document) of the schedule showing the manual signature, and that electronic image file must be attached to the Form 5500 Annual Return/Report e-filing. A signed copy of the schedule must also be kept on file as part of the plan's records pursuant to the above noted requirements in the Department's annual reporting regulations. It is expected that the Form 5500 Annual Returns/Reports filed by plans subject to the IQPA audit requirement will follow a similar procedure in attaching a copy of the signed IQPA report to the plan's electronically filed annual report.

One commenter noted that the Form 5500 signature section contains a declaration that the signatories have ''examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report,'' and noted that it is unclear what action must be taken by the plan sponsor and plan administrator to satisfy the requirement to examine the electronic version. The declaration on the Form 5500, as well as on the Short Form 5500, continues to provide that the person signing the Form must examine a copy of the electronic version of the annual return/report. The Agencies expect that EFAST2 will be designed in a manner so that all required signatures will satisfy the applicable statutory and regulatory provisions.

C. Overview of the Forms Revisions

The revisions to the annual return/report forms involve the following major categories of changes, along with other technical revisions and updates, to the current structure and content of the Form 5500 Annual Return/Report:

- Establishment of the Short Form 5500 as a new simplified report for certain small plans effective for 2009 plan year;
- Removal of the IRS-only schedules from the Form 5500 Annual Return/Report as a result of the move to a wholly electronic filing system effective for 2009 plan year;
- Elimination of the special limited financial reporting rules for Code section 403(b) plans effective for 2009 plan year;
- Revision of the Schedule C (Service Provider Information) to clarify the reporting requirements and improve the information plan officials receive regarding amounts being received by plan service providers effective for 2009 plan year;
- Replacement of Schedule B with Schedule SB and Schedule MB to reflect the changes in reporting and funding requirements for single and multiemployer defined benefit pension plans under the PPA effective for 2008 plan year;
- Modification of the Schedule R to add questions required by the PPA to gather information on pension plan funding and compliance with minimum funding requirements effective for 2008 plan year but filed as an attachment rather than as actual schedules. These modifications will be effective in standard format for 2009 plan year;
- Modification of the Schedule R to collect data PBGC needs to properly monitor the plans it insures effective for 2008 plan year but filed as an attachment rather than as an actual schedule. These modifications will be effective in standard format for 2009 plan year; and
- Miscellaneous changes to the schedules and instructions to improve and clarify reporting effective for 2009 plan year.

In addition to the description of the form changes contained in this Notice, the Agencies have included the following appendices: (1) Appendix A—a facsimile of the Short Form 5500; (2) Appendix B—Instructions to the Short Form 5500; (3) Appendix C—facsimiles of the Form 5500 Annual Return/Report, Schedule A, Schedule SB, Schedule MB, Schedule C, Schedule D, Schedule G, Schedule H, Schedule I, and Schedule R; and (4) Appendix D—the instructions for the 2009 Form 5500 Annual Return/Report.[13]

1. Short Form 5500 as New Simplified Report for Certain Small Plans

The Agencies are adopting the new two page form—the Short Form 5500—to be filed by certain small plans (generally, plans with fewer than 100 participants) with secure and easy to value investment portfolios—as proposed, except that the instructions for the line item for ''administrative expenses'' has been modified slightly to make it consistent with parallel line items on Schedules H and I.

[13] The instruction language published here is based on that for the 2007 plan year. The Agencies may make changes for the 2008 and/or 2009 plan years not requiring notice and comment that will be made publicly available in time for filing, which will be incorporated into the final 2009 Instructions to the extent appropriate. In addition, the Agencies have eliminated the Schedule B (Actuarial Information) and replaced it with the Schedule SB (Single-Employer Defined Benefit Plan Actuarial Information) and Schedule MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) for plan years beginning after December 31, 2007. Instructions for those Schedules are dependent on substantive rulemaking under the PPA and will be published separately in advance of the time for filing the Form 5500 Annual Return/Report for plan years beginning after December 31, 2007.

A pension or welfare plan will be eligible to file the Short Form 5500 if the plan: (1) Covers fewer than 100 participants or would be eligible to file as a small plan under the 80 to 120 rule in 29 CFR 2520.103–1(d); (2) is eligible for the small plan audit waiver under 29 CFR 2520.104–46 (but not by virtue of enhanced bonding); (3) holds no employer securities at any time during the plan year; (4) at all times during the plan year, has 100% of its assets in investments that have a readily determinable fair market value; and (5) is not a multiemployer plan. For this purpose, participant loans meeting the requirements of ERISA section 408(b)(1), whether or not they have been deemed distributed, and investment products issued by banks and licensed insurance companies that provide valuation information at least annually to the plan administrator will be treated as having a readily determinable fair market value.

Most Short Form 5500 filers will not be required to file any schedules, although defined benefit pension plans and money purchase plans currently amortizing funding waivers will be required to file Schedule SB or MB.[14]

Small plans that are not eligible to file the Short Form 5500 will continue to be able to file simplified reports as under the current system. Specifically, small plan Form 5500 Annual Return/Report filers will file the Form 5500 and Schedules A, SB or MB, D, I, and R, where applicable. The conditions for the small pension plan audit waiver in 29 CFR 2520.104–46 remain unchanged. Small pension plans will still be able to claim the audit waiver even if they are not eligible to file the Short Form 5500. Conversely, small pension plans filing the Short Form 5500 will continue to be required to meet all applicable requirements for the audit waiver, including the enhanced Summary Annual Report (SAR) and other disclosure requirements of that regulation.[15] Similarly, all welfare plans that file the Form 5500 Annual Return/Report and have fewer than 100 participants are currently exempt from the audit requirement without regard to how their assets are invested. *See* 29 CFR 2520.104–46(b)(2). The Short Form 5500 will not change the welfare plan audit waiver conditions. For a funded welfare plan to be eligible to file the Short Form 5500, however, the plan will have to meet that form's requirements regarding investment assets.

2. Removal of IRS-Only Components From the Form 5500 Annual Return/Report

As described in detail in the July 2006 Proposal, in order to effectuate the electronic filing requirement that will be effective for the 2009 Form 5500 Annual Return/Report, the portions of the Form 5500 Annual Return/Report required to satisfy filing obligations imposed by the Code, but not required under ERISA, had to be removed because the Code and regulations thereunder do not permit the IRS to mandate electronic filing of the Form 5500 Annual Return/Report. Therefore, effective for the 2009 plan year (when mandatory electronic filing is implemented), the following form and schedules will not be filed with the Form 5500 Annual Return/Report to the Department, but will be filed to the IRS: Form 5500–EZ Annual Return of One-Participant (Owners and Their Spouses) Retirement Plan and the Schedule SSA (Annual Registration Statement Identifying Separated Participants With Deferred Vested Benefits).[16] In addition, the Schedule E (ESOP Annual Information) will no longer be required to be part of the Form 5500 Annual Return/Report. [17] Three questions on employee stock ownership plan (ESOP) information on the Schedule E will be moved to the Schedule R effective for the 2009 Form 5500 Annual Return/Report. The IRS, however, has advised the Department that it intends that plan administrators, employers, and certain other entities that are subject to filing and reporting requirements under the Code must continue to satisfy any applicable requirements in accordance with IRS revenue procedures, regulations, publications, forms, and instructions and that the IRS will advise filers of how to provide the information on the Form 5500–EZ and the information formerly required on the Schedule SSA in advance of the time for filing of the 2009 Form 5500 Annual Return/Report. In addition, as described in detail in the July 2006 proposal and to ease the burdens on these filers, the IRS has also advised the Department that certain Form 5500–EZ filers will be permitted to satisfy the requirement to file the Form 5500–EZ with the IRS by filing the proposed Short Form 5500 electronically through the EFAST processing system. Information regarding the Form 5500–EZ filers who would be eligible for this proposed electronic filing option is included in the proposed instruction for the Short Form 5500 under ''Specific Instructions for One-Participant Plans.''

3. Elimination of Limited Reporting Option for Code Section 403(b) Pension Plans

Code section 403(b) plans that are subject to Title I of ERISA now will be subject to the annual reporting rules that apply to other ERISA-covered pension plans, including eligibility for the Short Form 5500.

4. Addition of New Questions to Schedules on Title I Compliance, Service Provider Compensation, and Pension Plan Funding

a. Schedule A: Identify Insurers That Fail To Supply Information

As proposed, a new check box is being adopted on the Schedule A to permit plans to identify situations in which the insurance company or other organization that provides some or all of the benefits under a plan has failed to provide Schedule A information. Space also is provided for the administrator to indicate the type of information that was not provided. As a separate Schedule A is required for each insurance contract, the identity of the insurance company or organization will be self-evident. This would give the Department more usable data on insurers that fail to satisfy their disclosure obligations under section 103(a)(2) of ERISA and the Department's regulations. A reminder is being added to the Schedule A instructions to advise plan administrators that they should contact the insurer to request the required information and to advise the insurer that the plan administrator intends to identify the insurer on the Schedule A as not having provided the information needed.

b. Actuarial Schedules—New Schedules SB and MB

The Agencies have adopted their proposal to eliminate the existing

[14] Short Form 5500 filers will not be required to file Schedule D, but DFEs in which such plans invest will still be required to list the plan name and Employer Identification Number (EIN) on Part II of the DFE's Schedule D.

[15] Small defined benefit plans to which the SAR no longer applies under the PPA for plan years after December 31, 2007, will have to provide the enhanced information in the new Defined Benefit Plan Funding Notice. The Department anticipates publishing a model notice, along with revisions to 29 CFR 2520.104–46, with regard to this change.

[16] Schedule P (Annual Return of Fiduciary of Employee Benefit Trust) was removed from Form 5500 filings beginning with the 2006 plan year (2005 plan year for Form 5500–EZ), in anticipation of the move to electronic filing. *See,* Announcement 2007–63, 2007–30 I.R.B. 65. In addition, Schedule T (Qualified Pension Plan Coverage Information) was removed from Form 5500 filings beginning with the 2005 plan year. The IRS notes that this change was not intended to effect the applicable required or optional non-discrimination testing (including the testing options described in Revenue Procedure 93–42), 1993–2 C.B. 540.

[17] The Schedule E is being removed effective for the 2009 Form 5500 in anticipation of the move to electronic filing.

Schedule B and create two new Schedules—the Schedule SB, ''Single-employer Defined Benefit Plan Actuarial Information,'' and the Schedule MB, ''Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information.'' This is necessary because the PPA significantly changed the funding requirements applicable to defined benefit pension plans. These changes render the existing Schedule B largely obsolete, especially for single-employer defined benefit pension plans. While the PPA changes for multiemployer defined benefit pension plans allow for continued use of a reporting scheme similar to the existing Schedule B, a number of Schedule B changes are needed for multiemployer plans.

i. New Schedule SB ''Single-employer Defined Benefit Plan Actuarial Information''

The Schedule SB is to be filed for all single-employer defined benefit plans (including multiple-employer defined benefit plans).[18] The Schedule SB will capture identifying information about the plan and plan sponsor, the type of plan, and prior year plan size. It includes basic information about plan assets, number of participants, funding target information, and a statement by an enrolled actuary. It consists of basic actuarial worksheets designed to allow the Agencies to evaluate the plan's compliance with the funding requirements as amended by sections 101, 102, 111, and 112 of the PPA, and to ensure that the reporting requirements under ERISA, as amended by section 503 of the PPA, are included on the schedule. The material is divided into sections consisting of ''Basic information,'' ''Beginning of year carryover and prefunding balances,'' ''Funding percentages,'' ''Contributions and liquidity shortfalls,'' ''Assumptions used to determine funding target and target normal cost,'' ''Miscellaneous items,'' ''Reconciliation of unpaid minimum required contributions for prior years,'' and ''Minimum required contribution for current year.'' Airlines that have frozen pension plans electing the alternate funding schedule and plans for which the effective date of the new PPA funding rules is delayed (PBGC settlement plans, certain defense contractors, certain rural electrical cooperatives, etc.) will not be required to fill out all of these sections. Instead, additional information related to the applicable funding rules for such plans will be provided as an attachment.

ii. New Schedule MB, ''Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information''

Schedule MB is to be filed for multiemployer defined benefit plans and for money purchase plans (including target benefit plans) that are currently amortizing funding waivers. Schedule MB is very similar to the existing Schedule B.

New items that have been added include (1) accrued liability determined using the unit credit cost method, (2) information about whether the plan is in endangered, seriously endangered, or critical status, and, if so, whether the plan is complying with the applicable requirements for its funding improvement or rehabilitation plan, and (3) information required by PPA section 503. Information that was applicable solely to single-employer plans has been eliminated.

5. Schedule C: Compensation Received by Plan Service Providers

As in the proposal, the Schedule C will consist of three parts. Part I of the Schedule C will require the identification of each person who received, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. Direct compensation would be reported on a separate line item from compensation received from sources other than the plan or plan sponsor in connection with the service provider's position with the plan or services provided to the plan. The final revisions also provide an alternative disclosure option for reporting certain eligible indirect compensation provided that certain disclosures are made to the plan administrator regarding the compensation and the party or parties paying and receiving the indirect compensation. With respect to such compensation for which those disclosures were not provided, and other indirect compensation received from sources other than the plan or plan sponsor, filer would report a total amount. They would also provide identifying information regarding the payor and the nature of compensation received by certain key service providers where the amount was $1,000 or more and where the amount was an estimate rather than an actual amount.

A new Part II for Schedule C provides a place for plan administrators to identify each fiduciary or service provider that failed or refused to provide the information necessary to complete Part I of the Schedule C.

The third part of the Schedule C (Part III) will be the current Part II of the Schedule C, used for reporting termination information on accountants and enrolled actuaries. The proposal would not alter these current requirements.

6. Schedules H and I: Compliance With Blackout Notice Requirements

Plan administrators now will report on Schedule H or I, or the Short Form 5500, as appropriate, whether there has been a temporary suspension, limitation, or restriction lasting more than three consecutive business days of any ability of participants or beneficiaries to direct or diversify assets credited to their accounts, to obtain loans from the plan, or to obtain plan distributions. If there was a blackout, plan administrators will have to state if participants either were provided the required notice of this suspension period or one of the exceptions to providing the blackout notice applies.

7. Schedules H and I: Failure To Pay Benefits When Due

As in the July 2006 Proposal, a compliance question that would require plan administrators to answer whether the plan has failed to pay any benefits when due during the plan year is added to the Schedule H and Schedule I, and is also included on the new Short Form 5500.

8. Schedule I: Separate Disclosure of Fees Paid to Administrative Service Providers

The disclosure requirements for direct compensation paid by small plans for administrative expenses, i.e., professional and administrative salary, fee, and commission payments, were expanded in the proposal and are modified here in response to comments suggesting that the requirements for Short Form 5500, Schedule I, and Schedule H filers be more uniform. As with the proposal, the Short Form 5500 and Schedule I have a separate line item for direct payments to professional and administrative service providers, which will promote better awareness among plan fiduciaries regarding these fee payments and will provide participants, beneficiaries, and government regulatory agencies with improved

[18] Unike multiemployer plans within the meaning of ERISA sections 3(37) and 4001(a)(3) to which more than one employer is required to contribute, which must be maintained pursuant to one or more collective barganing agreements between one or more employee organization and more than one employer, and which must satisfy other requirements prescribed in regulations issued by the Department at 29 CFR 2510.3–37, multiple-employer plans are plans that cover the employees of two or more employers but are treated as single-employer plans for various purposes under ERISA.

disclosure of these plan expenses. The instructions have been modified, however, to make more explicit that the information included in the administrative expense line on the Short Form 5500 and Schedule I more directly correlates to those line items on the Schedule H that ask for a more detailed breakout of such information.

9. Schedule R

As proposed, Schedule R has been modified for 2009 to include additional questions required by section 503 of the PPA and to collect information on how assets are invested. Certain ESOP questions previously on the Schedule E also have been moved to the Schedule R.

The new Part V collects PPA-required information on multiemployer defined benefit plans and additional information related to major contributing employers. Asset allocation questions for large defined benefit plans (1,000 or more participants) are included in Part VI. Such plans must provide a breakdown of plan assets by type of investment (stock, investment-grade debt, high-yield debt, real estate, and other). Information on the average duration of combined investment-grade and high-yield debt is also required. For this purpose, duration may be determined using any generally accepted methodology.

Schedule R has been modified, as proposed, to ask the following questions regarding the operations and investments of the ESOP: (1) Whether any unallocated employer securities or proceeds from the sale of unallocated securities were used to repay any exempt loan; (2) whether the ESOP holds any preferred stock, and if so, whether the ESOP has an exempt loan with the employer as lender that is part of a ''back-to-back'' loan—the repayment terms of the employer loan to the ESOP are substantially similar to the repayment terms of a loan to the employer from a commercial lender; and (3) whether the ESOP holds any stock that is not readily tradable on an established securities market.

The new PPA-related questions and the asset allocation questions on the 2009 Schedule R, but not the ESOP questions, will be required to be submitted as a non-standard attachment to the 2008 Schedule R under the original EFAST system.

10. Other Improvements and Clarifications of Form 5500 Reporting Requirements

The last category of revisions involves technical amendments to the Form 5500, individual schedules, and instructions to clarify and improve existing reporting requirements that either were set forth in the proposal or are being made in response to public comments.

a. Form 5500

A question asking for the number of contributing employers in a multiemployer plan is added to the Form 5500. The instructions for the funding and benefit checklists have been expanded to clarify that Code section 403(b) plans invested in annuity contracts should check ''insurance'' and plans using Code section 403(b)(7) custodial accounts should check ''trust.'' The Form 5500 includes a checklist of the various schedules that may be required to be attached. In addition to revising the checklist to eliminate the IRS-only Schedules, and replacing the Schedule B with the Schedules SB and MB, the Agencies have also kept the other proposed cosmetic changes to the presentation of the schedule checklist. Under the current filing requirements, plans must include on the Form 5500 all of the plan characteristics that apply to the plan from a list of codes included in the instructions. These ''feature'' codes allow the Agencies to identify and classify the universe of filers by their major characteristics. New plan feature codes for defined contribution pension plans with automatic enrollment features and default investment provisions have been added. The Agencies also have eliminated the feature codes for certain types of plans that are not subject to Title I of ERISA because they will not be filing the Form 5500 with EFAST under the proposed electronic filing system. The optional line for identifying the principal preparer of the Form 5500 is deleted.

b. Schedules H and I: New Supplemental Schedule for Line 4a of the Schedule H for Reporting Delinquent Participant Contributions

The instructions continue to state that delinquent participant contributions reported on Schedule H, Line 4a, should be treated as part of the supplemental schedules for purposes of the required IQPA audit and opinion. The instructions separately also provide that, if the information contained on Schedule H, Line 4a, is not presented in accordance with the Department's regulatory requirements, the IQPA report must make the appropriate disclosures in accordance with Generally Accepted Auditing Standards (GAAS). The instructions to Schedule H, Line 4a, are modified to require delinquent participant contributions to be presented on a standardized supplemental schedule where delinquent participant contributions are identified on Line 4a and are expanded to include the guidance contained in the previously released ''FAQs on Reporting Delinquent Participant Contributions on the Form 5500,'' available on the Department's Web site at *http://www.dol.gov*, that make explicit the IQPA's separate opinion obligations under ERISA and GAAS.[19] The new Schedule H, ''Line 4a ''Schedule of Delinquent Participant Contributions'' will identify the total participant contributions transferred late to the plan, the total that are nonexempt prohibited transactions, and the total contributions fully corrected under the VFCP. *See* 71 FR 20262 (Apr. 19, 2006). Those that constitute nonexempt prohibited transactions would be broken down into contributions not corrected, contributions corrected outside of the VFCP, and contributions pending correction in the VFCP.[20]

In addition, as proposed, the Schedule H and I instructions for Line 4a now permit inclusion of delinquent forwarding of participant loan repayments on Line 4a of the Schedule H or Schedule I, and Line 10a of the Short Form 5500, provided that filers that choose to include such participant loan repayments on Line 4a use the same supplemental schedule and IQPA disclosure requirements for the loan repayments as for delinquent transmittals of participant contributions. At the suggestion of one commenter, a checkbox has been added to the new line 4a Schedule to identify whether loan repayments are included.

c. Schedule R: New Minimum Funding Question

Schedule R currently contains questions regarding minimum required contributions for certain defined contribution plans. An additional question now asks whether the minimum funding amount reported will be met by the funding deadline and the minimum funding questions have been revised to avoid any discrepancies in the date being reported.

[19] The addition of the supplemental schedule to provide a format for describing the delinquent participant contributions does not alter the IQPA's duty to treat Line 4a itself as one of the supplemental schedules for purposes of its audit duties both under ERISA and under GAAS.

[20] A similar addition would be made to the instructions for Line 4a of the Schedule I applicable to small plans filers who are not eligible for the audit waiver.

d. Miscellaneous Technical Adjustments

Various commenters submitted technical suggestions on how to further improve and clarify various portions of the proposals which focused principally on technical corrections and improvements in the instructions as opposed to changes on the forms. The Agencies have reviewed the comments and made various technical corrections/clarifications in response to those comments.

D. Regulations Relating to the Proposed Form

As noted above, certain amendments to the annual reporting regulations under ERISA are necessary to accommodate some of the revisions to the forms. The Department is publishing separately today in the **Federal Register** amendments to the Department's annual reporting regulations. That document includes a discussion of the findings required under sections 104 and 110 of ERISA that are necessary for the Department to adopt the Form 5500 Annual Return/Report, as revised herein, and the new Short Form 5500, as an alternative method of compliance, limited exemption, and/or simplified report under the reporting and disclosure requirements of Part 1 of Subtitle B of Title I of ERISA.

Paperwork Reduction Act Statement

In accordance with the requirements of the Paperwork Reduction Act of 1995 (PRA) (44 U.S.C. 3506(c)(2)), the July 2006 Proposal solicited comments on the information collections included in the proposed revision of the Form 5500 Annual Return/Report pursuant to Part 1 of Subtitle B of Title I and Title IV of ERISA and the Internal Revenue Code. The Department also submitted an information collection request (ICR) to OMB in accordance with 44 U.S.C. 3507(d), contemporaneously with publication of the July 2006 Proposal, for OMB's review of the Department's information collections previously approved under OMB Control No. 1210–0110.[21] Public comment on the information collections contained in the Supplemental Notice was also solicited in connection with its publication in December, 2006. Although no public comments were received that specifically addressed to the paperwork burden analysis of the information collections, the comments that were submitted in response to the July 2006 Proposal and the Supplemental Notice, which are described earlier in this preamble, contained information relevant to the costs and administrative burdens attendant to the proposals. The Agencies took into account such public comments in connection with making changes to the proposals, analyzing the economic impact of the proposals, and developing the revised paperwork burden analysis summarized below.

In connection with the publication of this Notice, the Department and the PBGC submitted ICRs to OMB for its review and approval of the information collections contained in the Form 5500 Annual Return/Report, as herein revised, and the new Short Form 5500. OMB has approved these ICRs. The IRS has not submitted an ICR to OMB, but will do so in advance of release of the Form 5500 Annual Return/Report and the Short Form 5500 for public use as agreed with OMB. The public is advised that an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number. The Department intends to publish a notice announcing OMB's decision upon review of the Department's ICR.

A copy of the ICR for an Agency may be obtained by contacting the appropriate PRA addressee shown below or at www.RegInfo.gov. PRA Addressees: Department of Labor: Gerald B. Lindrew, Office of Policy and Research, U.S. Department of Labor, Employee Benefits Security Administration, 200 Constitution Avenue, NW., Room N–5718, Washington, DC 20210. Telephone: (202) 693–8410; Fax: (202) 219–4745. Pension Benefit Guaranty Corporation: Disclosure Division of the Office of the General Counsel, Pension Benefit Guaranty Corporation, 1200 K Street, NW., 11th Floor, Washington, DC 20005–4026. Telephone: (202) 326–4040 (TTY and TDD users may call the Federal relay service toll-free at 1–800–877–8339 and asked to be connected to (202) 326–4040). Fax: (202) 326–4042. Except as otherwise indicated, these are not toll-free numbers.

The following is a summary of the information collection and the Agencies' estimates of the burden it imposes for plan year 2007:

Type of Review: Revision of a currently approved collection.

Agencies: Employee Benefits Security Administration (OMB No. 1210–0110); Internal Revenue Service (OMB No. 1545–0710); Pension Benefit Guaranty Corporation (OMB No. 1212–0057).

Title: Form 5500 Series.

Affected Public: Business or other for-profit; Not-for-profit institutions.

Form Number: DOL/IRS/PBGC Form 5500, DOL/IRS/PBGC Form 5500–SF, and Schedules.

Total Respondents: 780,000.

Total Annual Responses: 780,000.

Frequency of Response: Annually.

Estimated Total Annual Burden Hours: 1.13 million (see below for break-out of annual burden hours by Agency).

Total Annual Burden Cost (Operating and Maintenance): $333 million (see below for break-out of total annual burden cost by Agency).

The Agencies' burden estimation methodology excludes certain activities from the calculation of ''burden.'' If the activity is performed for any reason other than compliance with the applicable federal tax administration system or the Title I annual reporting requirements, it is not counted as part of the paperwork burden. For example, most businesses or financial entities maintain, in the ordinary course of business, detailed accounts of assets and liabilities, and income and expenses for the purposes of operating the business or entity. These recordkeeping activities were not included in the calculation of burden because prudent business or financial entities collect and maintain such information for ordinary and customary business reasons unrelated to annual return/reporting under ERISA. This analysis accounts only for time necessary for gathering and processing information associated with the annual return reporting, including learning about changes in the reporting requirements.[22] In addition, an activity is counted as a burden only once if performed for both Code and Title I annual return/reporting purposes. The Agencies, therefore, have included in their PRA calculations a burden for reading the instructions, but no additional recordkeeping burden attributable to the Form 5500 Annual Return/Report or the Short Form 5500.

Paperwork and Respondent Burden

Estimated time needed to complete the forms listed below reflects the combined requirements of the IRS, the Department, and the PBGC. The time needed by a particular plan will vary depending on individual circumstances.

[21] On August 29, 2006, OMB issued a notice indicating that it would continue its approval of the information collections approved under Control No. 1210–0110 as currently in effect, but would not approve the Department's request for approval of revisions to the ICR until after consideration of public comment on the July 2006 Proposal and promulgation of a final rule, describing any changes.

[22] The Agencies have designed the instruction package for the 5500 Forms so that filers generally will be able to complete the Form 5500 Annual Return/Report or the Short Form 5500 by reading the instructions without needing to refer to the statutes or regulations themselves.

The estimated average times are shown in Table 1 below.

TABLE 1.—BURDEN BY SCHEDULE AND YEAR [23]

	Pension		Welfare	
	Large	Small	Large	Small
Plan Year 2007 Burden				
Form 5500	1 hr., 43 min.	1 hr., 17 min.	1 hr., 45 min.	1 hr., 14 min.
Sch A	2 hr., 41 min.	2 hr., 44 min.	3 hr., 30 min.	2 hr., 36 min.
Sch B	7 hr., 56 min.	7 hr., 55 min.		
Sch C	2 hr., 22 min.		3 hr., 8 min.	
Sch D	1 hr., 39 min.	20 min.	1 hr., 52 min.	20 min.
Sch E	3 hr., 18 min.	3 hr., 18 min.		
Sch G	11 hr., 29 min.		11 hr.	
Sch H	7 hr., 12 min.		8 hr.	
Sch I		1 hr., 57 min.		1 hr., 48 min.
Sch R	1 hr., 36 min.	1 hr., 3 min.		
Sch SSA	6 hr., 25 min.	1 hr., 42 min.		
Plan Year 2008 Burden				
Form 5500	1 hr., 43 min.	1 hr., 17 min.	1 hr., 45 min.	1 hr. 14 min.
Sch A	2 hr., 41 min.	2 hr., 44 min.	3 hr., 30 min.	2 hr., 36 min.
Sch MB	9 hr., 12 min.	4 hr., 29 min.		
Sch SB	9 hr., 8 min.	9 hr., 19 min.		
Sch C	2 hr., 22 min.		3 hr., 8 min.	
Sch D	1 hr., 39 min.	20 min.	1 hr., 52 min.	20 min.
Sch E	3 hr., 18 min.	3 hr., 18 min.		
Sch G	11 hr., 29 min.		11 hr.	
Sch H	7 hr., 12 min.		8 hr.	
Sch I		1 hr., 57 min.		1 hr., 48 min.
Sch R	1 hr., 55 min.	1 hr., 10 min.		
Sch SSA	6 hr., 25 min.	1 hr., 42 min.		
Simplified Filing Option for Certain Small Plans.		2 hr., 34 min.		2 hr., 32 min.
Plan Year 2009 Burden				
Form 5500	1 hr., 54 min.	1 hr., 19 min.	1 hr. 45 min.	1 hr., 14 min.
Sch A	2 hr., 52 min.	2 hr., 51 min.	3 hr., 39 hr.,	2 hr., 43 min.
Sch MB	7 hr., 52 min.	4 hr., 14 min.		
Sch SB	6 hr., 38 min.	6 hr., 49 min.		
Sch C	3 hr., 4 min.		3 hr., 38 min.	
Sch D	1 hr., 39 min.	20 min.	1 hr. , 52 min.	20 min.
Sch G	11 hr., 29 min.		11 hr.	
Sch H	7 hr., 42 min.		8 hr., 35 min.	
Sch I		2 hr., 5 min.		1 hr., 55 min.
Sch R	1 hr., 43 min.	1 hr., 5 min.		
Short Form 5500		2 hr., 32 min.		2 hr., 32 min.

The aggregate hour burden for the Form 5500 Annual Return/Report (including schedules and Short Form 5500) is estimated to be 1.13 million for plan year 2007, 1.12 million for plan year 2008, and 854,000 hours for plan year 2009. The hour burden reflects annual filing activities carried out directly by filers. The cost burden is estimated to be $333 million for plan year 2007, $329 million for plan year 2008, and $278 million for plan year 2009. The cost burden reflects filing services purchased annually by filers. Presented below is a chart showing the total hour and cost burden of the revised Form 5500 Annual Return/Report and the new Short Form 5500, separately allocated across the Department and the IRS. There is no separate PBGC entry on the chart because, as explained below, its share of the paperwork burden is very small relative to that of the IRS and the Department.

[23] In 2007 and 2008, certain eligible small plans have a simplified reporting alternative, as described above, which allows eligible filers to complete fewer schedules and line items on certain schedules. For eligible filers that choose to use the simplified reporting option, the burden of filing will be smaller than the tables indicate, because this option allows eligible plans to fill out fewer line items and schedules.

TABLE 2.—AGENCY BURDENS BY YEAR

		Pension plans		Welfare plans		Total		Total
		Large	Small	Large	Small	Large	Small	
Agency Plan Year 2007								
DOL	Hours	219,000	213,000	102,000	3,000	321,000	216,000	536,000
IRS/SSA	$MM	$42	$87	$65	$1.3	$107	$88	$195
	Hours	250,000	327,000	13,000	2,000	264,000	329,000	592,000
	$MM	$33	$100	$1.7	$0.7	$35	$101	$136
Agency Plan Year 2008								
DOL	Hours	219,000	197,000	102,000	3,000	321,000	200,000	521,000
IRS/SSA	$MM	$42	$81	$65	$1.3	$107	$83	$190
	Hours	257,000	321,000	13,000	2,000	270,000	323,000	593,000
	$MM	$36	$99	$1.7	$0.6	$38	$100	$138
Agency Plan Year 2009 [24]								
DOL	Hours	258,000	164,000	105,000	2,000	363,000	166,000	529,000
IRS	$MM	$49	$61	$67	$0.8	$117	$62	$178
	Hours	143,000	164,000	14,000	2,000	158,000	166,000	323,000
	$MM	$26	$69	$2	$0.6	$28	$70	$98

The paperwork burden allocated to the PBGC includes a portion of the general instructions, basic plan identification information, a portion of Schedules MB and SB, and a portion of Schedule R. The PBGC's Estimated Share of Total Annual Burden is:

- 1,800 hours and $1.6 million for plan year 2007,
- 2,000 hours and $1.8 million for plan year 2008, and
- 1,200 hours and $1.3 million for plan year 2009.

Appendix A

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[24] Due to the removal of Schedules E and Schedule SSA, no burden is associated with SSA for plan year 2009.

Form 5500-SF	Short Form Annual Return/Report of Small Employee Benefit Plan	OMB Nos. 1210-0110 1210-0089
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This form is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA), and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code). ▶ **Complete all entries in accordance with the instructions to the Form 5500-SF.**	**2009** **This Form is Open to Public Inspection**

Part I Annual Report Identification Information

For calendar plan year 2009 or fiscal plan year beginning and ending

A This return/report is for: ☐ single-employer plan ☐ multiple-employer plan (not multiemployer) ☐ one-participant plan

B This return/report is for: ☐ first return/report ☐ final return/report
☐ an amended return/report ☐ short plan year return/report (less than 12 months)

C Check box if filing under: ☐ Form 5558 ☐ automatic extension ☐ DFVC program
☐ special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan	**1b** Three-digit plan number (PN) ▶
	1c Effective date of plan
2a Plan sponsor's name and address (employer, if for single-employer plan)	**2b** Employer Identification Number (EIN)
	2c Plan sponsor's telephone number
	2d Business code (see instructions)
3a Plan administrator's name and address (if same as Plan sponsor, enter "Same")	**3b** Administrator's EIN
	3c Administrator's telephone number
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN, and the plan number from the last return/report. Sponsor's name	**4b** EIN
	4c PN

5a Total number of participants at the beginning of the plan year	**5a**	
b Total number of participants at the end of the plan year	**5b**	
c Total number of participants with account balances as of the end of the plan year (defined benefit plans do not complete this item)	**5c**	

6a Were all of the plan's assets during the plan year invested in eligible assets? (See instructions.) ☐ Yes ☐ No

b Are you claiming a waiver of the annual examination and report of an independent qualified public accountant (IQPA) under 29 CFR 2520.104-46? (See instructions on waiver eligibility and conditions.) ☐ Yes ☐ No

If you answered "No" to either 6a or 6b, the plan cannot use Form 5500-SF and must instead use Form 5500.

Part III Financial Information

7 Plan Assets and Liabilities		(a) Beginning of Year	(b) End of Year
a Total plan assets	7a		
b Total plan liabilities	7b		
c Net plan assets (subtract line 7b from line 7a)	7c		

8 Income, Expenses, and Transfers for this Plan Year		(a) Amount	(b) Total
a Contributions received or receivable from: (1) Employers	8a(1)		
(2) Participants	8a(2)		
(3) Others (including rollovers)	8a(3)		
b Other income (loss)	8b		
c Total income (add lines 8a(1), 8a(2), 8a(3), and 8b)	8c		
d Benefits paid (including direct rollovers and insurance premiums to provide benefits)	8d		
e Certain deemed and/or corrective distributions (see instructions)	8e		
f Administrative service providers (salaries, fees, commissions)	8f		
g Other expenses	8g		
h Total expenses (add lines 8d, 8e, 8f, and 8g)	8h		
i Net income (loss) (subtract line 8h from line 8c)	8i		
j Transfers to (from) the plan (see instructions)	8j		

Part IV Plan Characteristics

9a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

Part V Compliance Questions

10 During the plan year:		Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? (See instructions and DOL's Voluntary Fiduciary Correction Program)	10a			
b Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 10a.)	10b			
c Was the plan covered by a fidelity bond?	10c			
d Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	10d			
e Were any fees or commissions paid to any brokers, agents, or other persons by an insurance carrier, insurance service or other organization that provides some or all of the benefits under the plan? (See instructions.)	10e			
f Has the plan failed to provide any benefit when due under the plan?	10f			
g Did the plan have any participant loans? (If "Yes," enter amount as of year end.)	10g			
h If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	10h			
i If 10h was answered "Yes," check the box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3	10i			

Part VI Pension Funding Compliance

11 Is this a defined benefit plan subject to minimum funding requirements? (If "Yes," see instructions and complete Schedule SB (Form 5500)) ☐ Yes ☐ No

12 Is this a defined contribution plan subject to the minimum funding requirements of section 412 of the Code or section 302 of ERISA? .. ☐ Yes ☐ No

(If "Yes," complete 12a or 12b, 12c, 12d, and 12e below, as applicable.)

a If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions, and enter the date of the letter ruling granting the waiver. Month _____ Day _____ Year _____

If you completed line 12a, complete lines 3, 9, and 10 of Schedule MB (Form 5500), and skip to line 13.

b Enter the minimum required contribution for this plan year	12b	
c Enter the amount contributed by the employer to the plan for this plan year	12c	
d Subtract the amount in line 12c from the amount in line 12b. Enter the result (enter a minus sign to the left of a negative amount)	12d	

e Will the minimum funding amount reported on line 12d be met by the funding deadline? ☐ Yes ☐ No ☐ N/A

Part VII Plan Terminations and Transfers of Assets

13a Has a resolution to terminate the plan been adopted during the plan year or any prior year? ☐ Yes ☐ No

If "Yes," enter the amount of any plan assets that reverted to the employer this year | 13a |

b Were all the plan assets distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? ☐ Yes ☐ No

c If during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

13c(1) Name of plan(s):	13c(2) EIN(s)	13c(3) PN(s)

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including, if applicable, a Schedule SB or Schedule MB completed and signed by an enrolled actuary, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE			
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor

BILLING CODE 4510–29–C

Appendix B

2009 Instructions for Form 5500–SF

Short Form Annual Return/Report of Small Employee Benefit Plan

ERISA refers to the Employee Retirement Income Security Act of 1974, and Code references are to the Internal Revenue Code, unless otherwise noted.

EFAST Processing System

Under the computerized ERISA Filing Acceptance System (EFAST), you must electronically file your 2009 Form 5500–SF. You may file your 2009 Form 5500–SF on-line, using EFAST's web-based filing system or you may file through an EFAST-approved vendor. For more information, see the instructions for Electronic Filing Requirement.

General Instructions

The Form 5500–SF, Short Form Annual Return/Report of Small Employee Benefit Plan (Form 5500–SF), is a simplified annual reporting form for use by certain small pension and welfare benefit plans. To be eligible, the plan generally must have fewer than 100 participants at the beginning of the plan year; it must be exempt from the requirement that the plan's books and records be audited by an independent qualified public accountant; it must have 100% of its assets invested in certain secure investments with a readily determinable fair value; it must hold no employer securities; and it must not be a multiemployer plan. *See* Who May File Form 5500–SF for more detailed instructions on who may file the Form 5500–SF. Plans required to file an annual return/report that are not eligible to file the Form 5500–SF must file a Form 5500, Annual Return/Report of Employee Benefit Plan or Form 5500–EZ Annual Return of One-Participant (Owners and Their Spouses) Retirement Plan (to the extent applicable), with all required schedules and attachments (Form 5500).

To reduce the possibility of correspondence and penalties, we remind filers that the Internal Revenue Service (IRS), Department of Labor (DOL), and Pension Benefit Guaranty Corporation (PBGC) have consolidated their return/report forms to minimize the filing burden for employee benefit plans. Administrators and sponsors of employee benefit plans generally will satisfy their IRS and DOL annual reporting requirements for the plan under ERISA sections 104 and 4065 and Code section 6058 by filing either the Form 5500, Form 5500–SF, or Form 5500–EZ, Annual Return of One-Participant (Owners and Their Spouses) Retirement Plan (Form 5500–EZ),. Defined contribution and defined benefit pension plans may be required to file additional information with the IRS regarding their compliance with tax laws. *See http://www.irs.gov* for more information. Defined benefit pension plans covered by the PBGC may have special additional requirements, including filing the PBGC Form 1, Premium Package, and reporting certain transactions directly with that agency. *See* the PBGC's Premium Payment Package (Form 1 Package), available at *http://www.pbgc.gov*.

The Form 5500–SF must be filed electronically. *See* How to File—Electronic Filing Requirement instructions. Your entries will be initially screened. Your entries must satisfy this screening in order to be filed. Once filed, your form may be subject to further detailed review, and your filing may be rejected based upon this further review.

ERISA and the Code provide for the assessment or imposition of penalties for not submitting the required information when due. *See* Penalties.

Annual reports filed under Title I of ERISA must be made available by plan administrators to plan participants and by the DOL to the public pursuant to ERISA sections 104 and 106.

Note: The IRS Form 5500–EZ generally is used by one-participant plans (as defined below) that are not subject to the requirements of section 104(a) of ERISA to satisfy the annual reporting and filing obligations imposed by the Code. Certain one-participant plans who are eligible to file a Form 5500–EZ may file the Form 5500–SF to satisfy the filing obligations under the Code. One-participant plans that are eligible to file the Form 5500–SF electronically complete only certain questions on the Form 5500–SF. (*See* Specific Instructions for One-Participant Plans). Therefore, a plan that is required to file Form 5500–EZ may file the paper Form 5500–EZ with the IRS or the Form 5500–SF electronically. For more information on filing with the IRS go to *http://www.irs.gov/ep* or call 1–877–829–5500.

How To Get Assistance

If you need help completing this form or have related questions, call the EFAST Help Line at [number to be provided] (toll free). The EFAST Help Line is available Monday through Friday from 8 a.m. to 8 p.m., Eastern Time.

You can access the EFAST Web Site 24 hours a day, 7 days a week at *http://www.efast.dol.gov* to:

- View forms and related instructions.
- Get information regarding EFAST, including approved software vendors.
- See answers to frequently asked questions about the Form 5500–SF, the Form 5500 and its Schedules, and EFAST.
- Access the main EBSA and DOL Web Sites for news, regulations, and publications.

You can access the IRS Web Site 24 hours a day, 7 days a week at *http://www.irs.gov* to:

- View forms, instructions, and publications.
- See answers to frequently asked tax questions.
- Search publications on-line by topic or keyword.
- Send comments or request help by e-mail.
- Sign up to receive local and national tax news by e-mail.

You can order related forms and IRS publications by calling 1–800–TAX–FORM (1–800–829–3676). You can order EBSA publications by calling 1–866–444–3272. In addition, most IRS forms and publications are available at your local IRS office.

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Pension and Welfare Plans Required To File Annual Return/Report

All pension benefit plans and welfare benefit plans covered by ERISA must annually file a Form 5500 or Form 5500–SF unless they are eligible for a filing exemption. (Code section 6058 and ERISA sections 104 and 4065). An annual return/report must be filed even if the plan is not ''tax qualified,'' benefits no longer accrue, contributions were not made during this plan year, or contributions are no longer made. Pension benefit plans required to file include both defined benefit plans and defined contribution plans. Profit

sharing, stock bonus, money purchase, 401(k) plans, Code section 403(b) plans and IRA plans established by an employer are among the pension benefit plans for which an annual return/report must be filed. Welfare benefit plans provide benefits such as medical, dental, life insurance, apprenticeship and training, scholarship funds, severance pay, disability, etc.

Plans Exempt From Filing

The DOL has issued regulations under which some pension plans and many welfare plans with fewer than 100 participants are exempt from filing an annual return/report. Do not file a Form 5500–SF for an employee benefit plan that is any of the following:

1. A welfare plan that covers fewer than 100 participants as of the beginning of the plan year and is unfunded, fully insured, or a combination of insured and unfunded. For this purpose:

a. An unfunded welfare benefit plan has its benefits paid as needed directly from the general assets of the employer or the employee organization that sponsors the plan.

Note: Plans which are NOT unfunded include those plans that received employee (or former employee) contributions during the plan year and/or used a trust or separately maintained fund (including a Code section 501(c)(9) trust) to hold plan assets or act as a conduit for the transfer of plan assets during the plan year.

b. A fully insured welfare benefit plan has its benefits provided exclusively through insurance contracts or policies, the premiums of which must be paid directly to the insurance carrier by the employer or employee organization from its general assets or partly from its general assets and partly from contributions by its employees or members (which the employer or organization forwards within 3 months of receipt). The insurance contracts or policies discussed above must be issued by an insurance company or similar organization (such as Blue Cross, Blue Shield or a health maintenance organization) that is qualified to do business in any state.

c. A combination unfunded/insured welfare plan has its benefits provided partially as an unfunded plan and partially as a fully insured plan. An example of such a plan is a welfare plan that provides medical benefits as in a above and life insurance benefits as in b above. *See* 29 CFR 2520.104–20 and the DOL Technical Release 92–01.

Note: A ''voluntary employees' beneficiary association'' as used in Code section 501(c)(9) (''VEBA'') should not be confused with the employee organization or employer that establishes and/or maintains (i.e., sponsors) the welfare benefit plan.

2. An unfunded pension benefit plan or an unfunded or insured welfare benefit plan: (a) whose benefits go only to a select group of management or highly compensated employees, and (b) which meets the terms of 29 CFR 2520.104–23 (including the requirement that a registration statement be timely filed with DOL) or 29 CFR 2520.104–24.

3. Plans maintained only to comply with workers' compensation, unemployment compensation, or disability insurance laws.

4. An unfunded excess benefit plan.

5. A welfare benefit plan maintained outside the United States primarily for persons substantially all of whom are nonresident aliens.

6. A pension benefit plan maintained outside the United States primarily for the benefit of persons substantially all of whom are non-resident aliens.

7. An annuity or custodial account arrangement under Code section 403(b)(1) or (7) not established or maintained by an employer as described in DOL Regulation 29 CFR 2510.3–2(f).

8. A simplified employee pension (SEP) described in Code section 408(k) that conforms to the alternative method of compliance described in 29 CFR 2520.104–48 or 29 CFR 104–49. A SEP is a pension plan that meets certain minimum qualifications regarding eligibility and employer contributions.

9. A Savings Incentive Match Plan for Employees of Small Employers (SIMPLE) that involves SIMPLE IRAs under Code section 408(p).

10. A church welfare plan under ERISA section 3(33).

11. A church pension plan if the pension plan did not elect coverage under Code section 410(d).

12. An unfunded dues financed pension benefit plan that meets the alternative method of compliance provided by 29 CFR 2520.104–27.

13. An individual retirement account or annuity not considered a pension plan under 29 CFR 2510.3–2(d).

14. A governmental plan.

15. A welfare benefit plan that participates in a group insurance arrangement that files a return/report Form 5500 on its behalf. A group insurance arrangement generally is an arrangement that provides benefits to the employees of two or more unaffiliated employers (not in connection with a multiemployer plan or a collectively bargained multiple-employer plan), fully insures one or more welfare plans of each participating employer, uses a trust (or other entity such as a trade association) as the holder of the insurance contracts and uses a trust as the conduit for payment of premiums to the insurance company. For further details, *see* 29 CFR 2520.104–43.

16. An apprenticeship or training plan meeting all of the conditions specified in 29 CFR 2520.104–22.

17. A One-Participant (Owners and Their Spouses) Retirement Plan (generally referred to as a One-Participant Plan) that has elected to file a Form 5500–EZ or is exempt from filing the Form 5500–EZ. A one-participant plan is: (1) A plan that covers only an individual or an individual and his or her spouse who wholly own a trade or business, whether incorporated or unincorporated; or (2) a plan for a partnership that covers only the partners or the partners and the partners' spouses. *See* Specific Instructions for One-Participant Plans. One-participant plans may be eligible to file the Form 5500–SF electronically (*See* How to File—Electronic Filing Requirement instructions) or the paper Form 5500–EZ with the IRS. *See http://www.irs.gov/ep or call 1–877–829–5500.*

18. An unfunded dues financed pension benefit plan that meets the alternative method of compliance provided by 29 CFR 2520.104–27.

For more information on plans that are exempt from filing an annual return/report, *see* the Instructions for Form 5500 Annual Return/Report of Employee Benefit Plan or call the EFAST Help Line at [number to be provided].

Who May File Form 5500–SF

If your plan is required to file an annual return/report, you may file the Form 5500–SF instead of the Form 5500 only if you meet all of the eligibility conditions listed below.

1. The plan (a) covered fewer than 100 participants at the beginning of plan year 2009, or (b) under 29 CFR 2520.103–1(d) was eligible to and filed as a small plan for plan year 2008 and did not cover more than 120 participants at the beginning of plan year 2009 (*see* instructions for line 5);

TIP: If a Code section 403(b) plan would have been eligible to file as a small plan under 29 CFR 2520.103–1(d) in 2008 (i.e., the plan was eligible to file in the previous year under the small plans requirements and has a participant count of less than 121 at the beginning of the 2009 plan year), then it can rely on 29 CFR 2520.103–1(d) to file as a small plan in 2009.

2. The plan does not hold any employer securities at any time during the plan year;

3. At all times during the plan year, the plan is 100% invested in certain secure, easy to value assets such as mutual fund shares, investment contracts with insurance companies and banks valued at least annually, publicly traded securities held by a registered broker dealer, cash and cash equivalents, and plan loans to participants (*see* the instructions for line 6a);

4. The plan is eligible for the waiver of the annual examination and report of an independent qualified public accountant (IQPA) under 29 CFR 2520.104–46 (but not by reason of enhanced bonding), which requirement includes, among others, giving certain disclosures and supporting documents to participants and beneficiaries regarding the plan's investments (*see* instructions for line 6b); and

5. The plan is not a multiemployer plan.

Note: Employee stock ownership plans (ESOPs) and Direct Filing Entities (DFEs) may not file the Form 5500–SF.

TIP: Section III of Schedule D must be completed by DFEs for all participating plans even those plans filing the Form 5500–SF.

Note: One-participant plans should follow the ''Specific Instructions for One-Participant Plans'' in lieu of the instructions 1–5 above.

CAUTION: One-participant plans that are ESOPs cannot file the Form 5500–SF electronically. These plans must file the paper Form 5500–EZ with the IRS.

What To File

Plans required to file an annual return/report that meet all of the conditions for filing the Form 5500–SF may complete and file the Form 5500–SF in accordance with its instructions. Single-employer Defined Benefit pension plans using the Form 5500–SF must also file the Schedule SB (Form 5500), Single-Employer Defined Benefit Plan Actuarial Information (Schedule SB). Money Purchase plans amortizing a waiver using the Form 5500–SF must also file the Schedule MB (Form 5500), Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information (Schedule MB). *See* the instructions for Schedules SB and MB. One-participant plans *see* Specific Instructions for One-Participant Plans. Plans filing under an extension of time or the DOL's Delinquent Filer Voluntary Compliance Program must retain the required supporting documentation with their records (*see* instructions for box C). No other schedules or attachments have to be filed with the Form 5500–SF.

When To File

File the 2009 Form 5500–SF for plan years that began in 2009. The form, and any required schedules and attachments, must be filed by the last day of the 7th calendar month after the end of the plan year (not to exceed 12 months in length) that began in 2009.

Note: If the filing due date falls on a Saturday, Sunday, or Federal holiday, the return may be filed on the next day that is not a Saturday, Sunday, or Federal holiday.

Extension of Time To File

Using Form 5558

If filing under an extension of time based on the filing of an IRS Form 5558, Application For Extension Of Time To File Certain Employee Plan Returns (Form 5558), check the appropriate box on the Form 5500–SF, Part I, item C. A one-time extension of time to file the Form 5500–SF (up to 2½ months) may be obtained by filing IRS Form 5558 on or before the normal due date (not including any extensions) of the annual return/report. You must file the Form 5558 with the Department of the Treasury, Internal Revenue Service Center, Ogden, UT 84201–0027. A copy of the completed extension request must be retained with the filer's records.

Using Extension of Time To File Federal Income Tax Return

An automatic extension of time to file Form 5500 until the due date of the Federal income tax return of the employer will be granted if all of the following conditions are met: (1) The plan year and the employer's tax year are the same; (2) the employer has been granted an extension of time to file its Federal tax return to a date later than the normal due date for filing the Form 5500; and (3) a copy of the application for extension of time to file the Federal income tax return is maintained with the filer's records. An extension of time granted by using this automatic extension procedure CANNOT be extended further by filing a Form 5558, nor can it be extended beyond a total of 9½ months beyond the close of the plan year.

Note: An extension of time to file the Form 5500–SF Return/Report described in this section does not operate as an extension of time to file the PBGC Form 1.

Other Extensions of Time

The IRS, DOL, and PBGC may announce special extensions of time under certain circumstances, such as extensions for presidentially declared disasters or for service in, or in support of, the Armed Forces of the United States in a combat zone. *See http://www.irs.gov* and *http://www.efast.dol.gov* for announcements regarding such special extensions. If you are relying on one of these announced special extensions, check the appropriate box on the Form 5500–SF, Part I, Line C and enter a brief citation to the announcement for the extension in the space provided. For example, indicate ''Disaster Relief Extension'' or ''Combat Zone Extension.''

Delinquent Filer Voluntary Compliance (DFVC) Program

The DFVC Program facilitates voluntary compliance by plan administrators who are delinquent in filing annual return/report forms under Title I of ERISA by permitting administrators to pay reduced civil penalties for voluntarily complying with their DOL annual reporting obligations. If the Form 5500–SF is being filed under the DFVC Program, check the appropriate box on Form 5500–SF. *See http://www.efast.dol.gov* for information concerning the DFVC Program. Do not submit penalty payments to EFAST.

Change in Plan Year

Generally, only defined benefit pension plans need to get approval for a change in plan year. (*See* Code section 412(c)(5)). However, under Rev. Proc. 87–27, 1987–1 C.B. 769, these pension plans may be eligible for automatic approval of a change in plan year.

If a change in plan year for a pension or a welfare plan creates a short plan year, file the form and applicable schedules by the last day of the 7th month after the short plan year ends. Fill in the short plan year beginning and ending dates in the space provided and check the appropriate box in Part I, Line B of the Form 5500–SF. For purposes of this return/report, the short plan year ends on the date of the change in accounting period or upon the complete distribution of assets of the plan. Also see the instructions for Final Return/Report to determine if ''the final return/report'' in Line B should be checked.

Penalties

Plan administrators and plan sponsors must provide complete and accurate information and must otherwise comply fully with the filing requirements. ERISA and the Code provide for the DOL and the IRS, respectively, to assess or impose penalties for not giving complete information and for not filing statements and returns/reports. Certain penalties are administrative (i.e., they may be imposed or assessed in an administrative proceeding by one of the governmental agencies delegated to

administer the collection of the Form 5500–SF data). Others require a legal conviction.

Administrative Penalties

Listed below are various penalties under ERISA and the Code that may be assessed or imposed for not meeting the annual return/report filing requirements. Generally, whether the penalty is assessed under ERISA or the Code, or both, depends upon the agency for which the information is required to be filed. One or more of the following administrative penalties may be assessed or imposed in the event of incomplete filings or filings received after the due date unless it is determined that your explanation for failure to file properly is for reasonable cause:

1. A penalty of up to $1,100 a day for each day a plan administrator fails or refuses to file a complete report. *See* ERISA section 502(c)(2) and 29 CFR 2560.502c–2.

2. A penalty of $25 a day (up to $15,000) for not filing returns for certain plans of deferred compensation, trusts, and annuities, and bond purchase plans by the due date(s). *See* Code section 6652(e).

3. A penalty of $1,000 for not filing an actuarial statement. *See* Code section 6692.

Other Penalties

1. Any individual who willfully violates any provision of Part 1 of Title I of ERISA shall be fined not more than $100,000 or imprisoned not more than 10 years, or both. *See* ERISA section 501.

2. A penalty up to $10,000, five (5) years imprisonment, or both, may be imposed for making any false statement or representation of fact, knowing it to be false, or for knowingly concealing or not disclosing any fact required by ERISA. *See* section 1027, Title 18, U.S. Code, as amended by section 111 of ERISA.

How To File—Electornic Filing Requirement

Under the computerized ERISA Filing Acceptance System (EFAST), you must file your 2009 Form 5500–SF electronically. You may file your 2009 Form 5500–SF on-line, using EFAST's web-based filing system, or you may file through an EFAST-approved vendor. Detailed information on electronic filing is available at (insert web address). For telephone assistance, call the EFAST Help Line at [number to be provided]. The EFAST Help Line is available Monday through Friday from 8 a.m. to 8 p.m., Eastern Time.

CAUTION: Annual reports filed under Title I of ERISA must be made available by plan administrators to plan participants and by the DOL to the public pursuant to ERISA sections 104 and 106. Even though the Form 5500–SF must be filed electronically, the administrator must keep a copy of the Form 5500–SF, including schedules and attachments, with all required manual signatures on file as part of the plan's records and must make a paper copy available on request to participants, beneficiaries, and the DOL as required by section 104 of ERISA and 29 CFR 2520.103–1.

Answer all questions with respect to the plan year unless otherwise explicitly stated in the instructions or on the form itself. Therefore, responses usually apply to the year entered at the top of the first page of the form.

Your entries will be screened. Your entries must satisfy this screening in order to be filed. Once filed, your form may be subject to further detailed review, and your filing may be rejected based upon this further review. To reduce the possibility of correspondence and penalties:

- Complete all lines on the Form 5500–SF unless otherwise specified. Also complete or electronically attach, as required, any applicable schedules and attachments.
- Do not enter ''N/A'' or ''Not Applicable'' on the Form 5500–SF or Schedules SB/MB unless specifically permitted. ''Yes'' or ''No'' questions on the forms and schedules cannot be left blank, but must be answered either ''Yes'' or ''No,'' and not both.

The Form 5500–SF, Schedules SB/MB, and any attachments are open to public inspection, and the contents are public information subject to publication on the Internet. Do not enter social security numbers in response to questions asking for an employer identification number (EIN). Because of privacy concerns, the inclusion of a social security number on the Form 5500–SF or on a schedule or attachment that is open to public inspection may result in the rejection of the filing.

EINs may be obtained by applying for one on Form SS–4, Application for Employer Identification Number. You can obtain Form SS–4 by calling 1–800–TAX–FORM (1–800–829–3676) or at the IRS Web site at *http://www.irs.gov*. The EBSA does not issue EINs.

Signature and Date

The Form 5500–SF Annual Return/Report and any applicable schedules must be signed and dated. The administrator is required under ERISA to maintain a copy of the annual report with all required signatures, as part of the plan's records, even though the return/report is filed electronically. *See* 29 CFR 2520.103–1.

Electronic signatures on annual returns/reports filed under EFAST2 are affected by the applicable statutory and regulatory requirements. Information on those requirements will be made available for electronic filing under EFAST2.

Specific Instructions for One-Participant Plans

A one-participant plan is: (1) A pension benefit plan that covers only an individual or an individual and his or her spouse who wholly own a trade or business, whether incorporated or unincorporated; or (2) a pension benefit plan for a partnership that covers only the partners or the partners and the partners' spouses. One-participant plans may be eligible to file an abbreviated version of the Form 5500–SF electronically or the paper Form 5500–EZ with the IRS.

One-participant plan filers that meet the following conditions are eligible to file an abbreviated Form 5500–SF electronically:

1. The plan is a one-participant plan.

2. The plan meets the minimum coverage requirements of section 410(b) without being combined with any other plan you may have that covers other employees of your business.

3. The plan does not provide benefits for anyone except you, or you and your spouse, or one or more partners and their spouses.

4. The plan does not hold any employer securities.

If you do not meet all the conditions listed above, you must file either the complete Form 5500–SF or the Form 5500–EZ. If you do not meet the fourth condition, you are not eligible to file the Form 5500–SF and must file the complete Form 5500–EZ.

One-participant plans complete only the following questions on the Form 5500–SF: Part I items A, B and C, Part II lines 1a–5a, Part III lines 7a–c, 8a, Part IV line 9a, Part V line 10g, Part VI lines 11–12e.

Note: A Form 5500–SF may be filed for one-participant plans that are either defined contribution plans (which include profit-sharing and money purchase pension plans, but not an ESOP or stock bonus plan) or defined benefit plans.

Note: Actuaries of one-participant plans that are defined benefit plans subject to the minimum funding standards for this plan year must complete Schedule SB and forward the completed Schedule SB to the person responsible for filing the Form 5500–SF. The completed Schedule SB is subject to the

records retention provisions of these instructions. *See* the instruction for Schedule SB.

Note: If you are filing a paper form, you must file the Form 5500–EZ with the IRS (address to be added). You may order the paper Form 5500–EZ by calling 1–800–TAX–FORM (1–800–829–3676).

Note: If you are filing an amendment for a one-participant plan that filed a Form 5500–SF electronically, you must submit the amendment using the Form 5500–SF electronically as well. Similarly, if you are filing an amendment for a one-participant plan that previously filed on a paper Form 5500–EZ, you must submit the amendment using the paper Form 5500–EZ with the IRS.

Specific Line by Line Instructions

Part I—Annual Report Identification Information

Box A—Single-Employer Plan. Check this box if the Form 5500–SF is filed for a single-employer plan. A single-employer plan for purposes of the Form 5500–SF is an employee benefit plan maintained by one employer or one employee organization.

Box A—Multiple-Employer Plan. Check this box if the Form 5500–SF is being filed for a multiple-employer plan. A multiple-employer plan is a plan that is maintained by more than one employer and is not a multiemployer plan. Multiple-employer plans can be collectively bargained and collectively funded, but if covered by PBGC termination insurance, must have properly elected before September 27, 1981, not to be treated as a multiemployer plan under Code section 414(f)(5) or ERISA sections 3(37)(E) and 4001(a)(3), and have not revoked that election, or made an election to be treated as a multiemployer plan under Code section 414(f)(6) or ERISA section 3(37)(G). Participating employers do not file individually for multiple-employer plans. Do not check this box if the employers maintaining the plan are members of the same controlled group.

CAUTION: Multiemployer plans cannot use the Form 5500–SF to satisfy their annual reporting obligations. They must file the Form 5500. For these purposes, a plan is a multiemployer plan if: (a) More than one employer is required to contribute; (b) the plan is maintained pursuant to one or more collective bargaining agreements between one or more employee organizations and more than one employer; and (c) an election under Code section 414(f)(5) and ERISA section 3(37)(E) has not been made. A plan that made a proper election under ERISA section 3(37)(G) and Code section 414(f)(6) on or before Aug. 17, 2007, is also a multiemployer plan.

Box A—One-Participant Plan. Check this box if the Form 5500–SF is being filed for a plan that is: (1) A pension benefit plan that covers only an individual or an individual and his or her spouse who wholly own a trade or business, whether incorporated or unincorporated; or (2) a pension benefit plan for a partnership that covers only the partners, or the partners and the partners' spouses. *See* Specific Instructions for One-Participant Plans.

Box B—First Annual Return/Report. Check this box if an annual return/report has not been previously filed for this plan. For the purpose of completing box B, the Form 5500–EZ is not considered an annual return/report.

Box B—Amended Return/Report. Check this box if you have already filed for the 2009 plan year and are now filing an amended return to correct errors and/or omissions on the previously filed return/report.

Note: File an amended return/report to correct errors and/or omissions in a previously filed annual return/report for the 2009 plan year. The amended Form 5500–SF and any amended schedules must conform to the requirements in these instructions. If you need to file an amended return/report to correct errors and or omissions in a previously filed annual return/report for the 2009 plan year AND you are eligible to file the Form 5500–SF, you may use the Form 5500-SF even if the original filing was a Form 5500. If you determine that you were not eligible to file the Form 5500–SF, your amended return/report must be the Form 5500.

Box B—Final Return/Report. Check this box if this is the final report for the plan. Only check this box if all assets under the plan (including insurance/annuity contracts) have been distributed to the participants and beneficiaries or legally transferred to the control of another plan, and when all liabilities for which benefits may be paid under a welfare benefit plan have been satisfied. Do not mark final return/report if you are reporting participants and/or assets at the end of the plan year. If a trustee is appointed for a terminated defined benefit plan pursuant to ERISA section 4042, the last plan year for which a return/report must be filed is the year in which the trustee is appointed.

Examples

Mergers/Consolidations

A final return/report should be filed for the plan year (12 months or less) that ends when all plan assets were legally transferred to the control of another plan.

Pension and Welfare Plans That Terminated Without Distributing All Assets

If the plan was terminated but all plan assets were not distributed, a return/report must be filed for each year the plan has assets. The return/report must be filed by the plan administrator, if designated, or by the person or persons who actually control the plan's assets/property.

Welfare Plans Still Liable To Pay Benefits

A welfare plan cannot file a final return/report if the plan is still liable to pay benefits for claims that were incurred prior to the termination date, but not yet paid. *See* 29 CFR 2520.104b–2(g)(2)(ii).

Box B—Short Plan Year. Check this box if this form is filed for a period of less than 12 months. Show the dates in the space provided.

Box C. Check the appropriate entry here if:

- You filed for an extension of time to file this form with the IRS using a completed Form 5558, Application for Extension of Time To File Certain Employee Plan Returns (maintain a copy of the Form 5558 with the filer's records).
- You are filing using the automatic extension of time to file the Form 5500 Return/Report until the due date of the Federal income tax return of the employer (maintain a copy of the employer's extension of time to file the income tax return with the filer's records).
- You are filing using a special extension of time to file the Form 5500 Return/Report that has been announced by the IRS, DOL, and PBGC. If you checked that you are using a special extension of time, enter a description of the extension of time in the space provided.

Part II—Basic Plan Information

Line 1a. Enter the formal name of the plan or enough information to identify the plan. Abbreviate if necessary. If an annual return/report has previously been filed on behalf of the plan, regardless of the type of Form that was filed (Form 5500, Form 5500-EZ, Form 5500-SF) use the same abbreviation as was used on the prior filings. Once you use an abbreviation, continue to use it for that plan on all future annual return/report filings with the IRS, DOL, and PBGC. Do not use the same name or abbreviation for any other plan, even if the first plan is terminated.

Line 1b. Enter the three-digit plan or entity number (PN) that the employer or

plan administrator assigned to the plan. This three-digit number, in conjunction with the employer identification number (EIN) entered on line 2b, is used by the IRS, DOL, and PBGC as a unique 12-digit number to identify the plan.

Start at 001 for plans providing pension benefits. Start at 501 for welfare plans. Do not use 888 or 999.

Once you use a plan number, continue to use it for that plan on all future filings with the IRS, DOL, and PBGC. Do not use it for any other plan, even if the first plan is terminated.

For each Form 5500–SF with same EIN (line 2b), when	Assign PN
Codes are entered in line 9a.	• 001 to the first plan. • Consecutively number others as 002, 003 . . .
Codes are entered in line 9b, and not in line 9a. • Consecutively number others at 502, 503 . . .	• 501 to the first plan.

Line 1c. Enter the date the plan first became effective.

Line 2a. Enter the plan sponsor's (employer, if for a single-employer plan) name, postal address (only use a P.O. Box number if the Post Office does not deliver mail to the employer's street address), foreign routing code where applicable, and D/B/A (doing business as) or trade name of the employer if different from the employer's name.

Note: In the case of a multiple-employer plan, if an association or similar entity is not the sponsor, enter the name of a participating employer as sponsor. A plan of a controlled group of corporations should enter the name of one of the sponsoring members. In either case, the same name must be used in all subsequent filings of the Form 5500 Return/Report for the multiple-employer plan or controlled group (see instructions to line 4 concerning change in sponsorship).

Line 2b. Enter the employer's nine-digit employer identification number (EIN). Do not use a Social Security Number. The Form 5500–SF is open to public inspection, and the contents are public information and are subject to publication on the Internet. Because of privacy concerns, the inclusion of a Social Security Number on this line may result in the rejection of the filing.

Employers who do not have an EIN must apply for one on Form SS–4, Application for Employer Identification Number, as soon as possible. You can obtain Form SS–4 by calling 1–800–TAX–FORM (1–800–829–3676) or at the IRS Web Site at *http://www.irs.gov.* The EBSA does not issue EINs.

A multiple-employer plan or plan of a controlled group of corporations should use the EIN of the sponsor identified in line 2a. The EIN must be used in all subsequent filings of the Form 5500–SF (or any subsequent Form 5500 in a year where the plan is not eligible to file the Form 5500–SF) for these plans. (*See* instructions to line 4 concerning change in EIN).

Note: EINs for funds (trusts or custodial accounts) associated with plans are generally not required to be furnished on the Form 5500–SF. The IRS, however, will issue EINs for such funds for other reporting purposes. EINs may be obtained by filing Form SS–4 as explained above. Plan sponsors should use the trust EIN when opening a bank account or conducting other transactions for a trust.

Line 2c. Enter the telephone number for the plan sponsor.

Line 2d. Enter the six-digit business code that best describes the nature of the plan sponsor's business from the list of business codes. If more than one employer or employee organization is involved, enter the business code for the main business activity of the employers and/or employee organizations.

Line 3a. Enter the plan administrator's name, postal address (only use a P.O. Box number if the Post Office does not deliver mail to the employer's street address), and foreign routing code where applicable. Enter ''Same'' if the plan administrator identified on line 3 is the same as the plan sponsor identified on line 2.

Plan administrator for this purpose means:

- The person or group of persons specified as the administrator by the instrument under which the plan is operated;
- The plan sponsor/employer if an administrator is not so designated; or
- Any other person prescribed by regulations if an administrator is not designated and a plan sponsor cannot be identified.

Line 3b. Enter the plan administrator's nine-digit EIN. A plan administrator must have an EIN for Form 5500–SF reporting. If the plan administrator does not have an EIN, it must apply for one as explained in the instructions for line 2b. One EIN should be entered for a group of individuals who are, collectively, the plan administrator.

Note: Employees of the plan sponsor who perform administrative functions for the plan are generally not the plan administrator unless specifically designated in the plan document. If an employee of the plan sponsor is designated as the plan administrator, that employee must obtain an EIN.

Line 3c. Enter the telephone number for the plan administrator.

Line 4. If the plan sponsor's name and/or EIN have changed since the last annual return/report was filed for this plan, enter the plan sponsor's name, EIN, and the plan number as it appeared on the last annual return/report filed.

CAUTION: Failure to indicate on line 4 that a plan was previously identified by a different EIN or PN could result in correspondence from the DOL and the IRS.

Line 5. Enter in element (a) the total number of participants at the beginning of the plan year. Enter in element (b) the total number of participants at the end of the plan year. Enter in element (c) the total number of participants with account balances as of the end of the plan year. Welfare plans and defined benefit plans do not complete element (c).

The description of ''participant'' in the instructions below is only for purposes of these lines.

An individual becomes a participant covered under an employee welfare benefit plan on the earliest of: the date designated by the plan as the date on which the individual begins participation in the plan; the date on which the individual becomes eligible under the plan for a benefit subject only to occurrence of the contingency for which the benefit is provided; or the date on which the individual makes a contribution to the plan, whether voluntary or mandatory. *See* 29 CFR 2510.3–3(d)(1). This includes former employees who are receiving group health continuation coverage benefits pursuant to Part 6 of ERISA and who are covered by the employee welfare benefit plan. Covered dependents are not counted as participants. A child who is an ''alternate recipient'' entitled to health benefits under a qualified medical child support order (QMCSO) should not be counted as a participant for line 5. An individual is not a participant covered under an employee welfare plan on the earliest date on which the individual is ineligible to receive any benefit under the plan even if the contingency for which such benefit is provided should occur, and is not designated by the plan as a participant. *See* 29 CFR 2510.3–3(d)(2).

TIP: Before counting the number of participants, especially in a welfare plan, it is important to determine whether the plan sponsor has established one or more plans for Form 5500/Form 5500–SF reporting purposes. As a matter of plan design, plan sponsors can offer benefits through various structures and combinations. For example a plan sponsor could create (i) one plan providing major medical benefits, dental benefits, and vision

benefits, (ii) two plans with one providing major medical benefits and the other providing self-insured dental and vision benefits, or (iii) three separate plans. You must review the governing documents and actual operations to determine whether welfare benefits are being provided under a single plan or separate plans.

The fact that you have separate insurance policies for each different welfare benefit does not necessarily mean that you have separate plans. Some plan sponsors use a ''wrap'' document to incorporate various benefits and insurance policies into one comprehensive plan. In addition, whether a benefit arrangement is deemed to be a single plan may be different for purposes other than Form 5500–SF reporting. For example, special rules may apply for purposes of HIPAA, COBRA, and Internal Revenue Code compliance. If you need help determining whether you have a single welfare benefit plan for Form 5500–SF reporting purposes, you should consult a qualified benefits consultant or legal counsel.

For pension benefit plans, ''alternate payees'' entitled to benefits under a qualified domestic relations order (QDRO) are not to be counted as participants for this line.

For pension benefit plans, ''participant'' for this line means any individual who is included in one of the categories below:

1. Active participants, i.e., any individuals who are currently in employment covered by a plan and who are earning or retaining credited service under a plan. This includes any individuals who are eligible to elect to have the employer make payments into a Code section 401(k) qualified cash or deferred arrangement. Active participants also include any nonvested individuals who are earning or retaining credited service under a plan. This does not include (a) nonvested former employees who have incurred the break in service period specified in the plan or (b) former employees who have received a ''cash-out'' distribution or deemed distribution of their entire nonforfeitable accrued benefit.

2. Retired or separated participants receiving benefits, i.e., individuals who are retired or separated from employment covered by the plan and who are receiving benefits under the plan. This does not include any individual to whom an insurance company has made an irrevocable commitment to pay all the benefits to which the individual is entitled under the plan.

3. Other retired or separated participants entitled to future benefits, i.e., any individuals who are retired or separated from employment covered by the plan and who are entitled to begin receiving benefits under the plan in the future. This does not include any individual to whom an insurance company has made an irrevocable commitment to pay all the benefits to which the individual is entitled under the plan.

4. Deceased individuals who had one or more beneficiaries who are receiving or are entitled to receive benefits under the plan. This does not include any individual to whom an insurance company has made an irrevocable commitment to pay all the benefits to which the beneficiaries of that individual are entitled under the plan.

Note: One-participant plans skip to Part III.

Line 6. Except for one-participant plans filing the Form 5500–SF in accordance with the instructions, to be eligible to file the Form 5500–SF, a pension or welfare plan must: (1) Cover fewer than 100 participants or be a pension plan eligible to file as a small plan under the 80 to 120 rule in 29 CFR 2520.103–1(d); (2) be eligible for the small plan audit waiver under 29 CFR 2520.104–46 (but not by virtue of enhanced bonding); (3) hold no employer securities; (4) have 100% of its assets in investments that have a readily determinable fair market value for purposes of this annual reporting requirement as described in 29 CFR 2520.103–1(c)(2)(ii)(C); and (5) must not be a multiemployer plan.

Line 6a. To be eligible to file the Form 5500–SF, all of the plan's assets must be ''eligible plan assets.'' Answer line 6a ''Yes'' or ''No.'' Do not leave this question blank. If the answer to line 6a is ''No'' you CANNOT file the Form 5500–SF and must file the Form 5500. *See* discussion under Who May File Form 5500–SF.

For purposes of this line, ''eligible plan assets'' are assets that have a readily determinable fair market value for purposes of this annual reporting requirement as described in 29 CFR 2520.103–1(c)(2)(ii)(C), are not employer securities, and are held or issued by one of the following regulated financial institutions: a bank or similar financial institution as defined in 29 CFR 2550.408b–4(c) (for example, banks, trust companies, savings and loan associations, domestic building and loan associations, and credit unions); an insurance company qualified to do business under the laws of a state; organizations registered as broker-dealers under the Securities Exchange Act of 1934; investment companies registered under the Investment Company Act of 1940; or any other organization authorized to act as a trustee for individual retirement accounts under Code section 408. Examples of assets that would qualify as eligible plan assets for this annual reporting purpose are: mutual fund shares; investment contracts with insurance companies or banks that provide the plan with valuation information at least annually; publicly traded stock held by a registered broker dealer; and cash and cash equivalents held by a bank. Participant loans meeting the requirements of ERISA section 408(b)(1) are also ''eligible plan assets'' for this purpose whether or not they have been deemed distributed.

Line 6b. In addition to all of the plan's assets being eligible plan assets as defined in line 6a, to be able to file the Form 5500–SF the plan also must be exempt from the requirement to be audited annually by an IQPA.

Welfare plans that cover fewer than 100 participants at the beginning of the plan year are exempt from the annual audit requirement. A pension plan is exempt from the annual audit requirement if it covered fewer than 100 participants at the beginning of the plan year or is eligible to file as a small plan under the 80 to 120 rule (described above) and meets the following three requirements for the audit waiver under 29 CFR 2520.104–46: (1) As of the end of the preceding plan year at least 95% of a small pension plan's assets were ''qualifying plan assets;'' (2) the plan includes the required audit waiver disclosure in the Summary Annual Report (SAR), or, in the case of plans subject to section 101(f) of the Act, the annual funding notice (described in § 2520.101–5), furnished to participants and beneficiaries (*see* 29 CFR 2520.104–46 and 2520.104b–10(d)(3) for a model audit waiver disclosure); and (3) in response to a request from any participant or beneficiary, the plan administrator must furnish without charge copies of statements from the regulated financial institutions holding or issuing the plan's ''qualifying plan assets.''

''Qualifying plan assets'' for the purpose of determining whether the plan is exempt from the requirement to be audited annually by an IQPA include: shares issued by an investment company registered under the Investment Company Act of 1940 (*e.g.*, mutual fund shares); investment and annuity contracts issued by any insurance company qualified to do business under the laws of a state; participant loans meeting the

requirements of ERISA section 408(b)(1), whether or not they have been deemed distributed, and any eligible assets, *e.g.*, publicly traded stocks and bonds, held by banks or similar financial institutions, including trust companies, savings and loan associations, domestic building and loan associations, and credit unions; insurance companies qualified to do business under the laws of a state; organizations registered as broker-dealers under the Securities Exchange Act of 1934; investment companies registered under the Investment Company Act of 1940; or any other organization authorized to act as a trustee for individual retirement accounts under Code section 408. In the case of an individual account plan, ''qualifying plan assets'' also include any assets in the individual account of a participant or beneficiary over which the participant or beneficiary had the opportunity to exercise control and with respect to which the participant or beneficiary has been furnished, at least annually, a statement from one of the above regulated financial institutions describing the plan assets held or issued by the institution and the amount of such assets.

CAUTION: In order to be able to file the Form 5500–SF, a small plan must meet the audit waiver conditions by virtue of having 95% or more of its assets as qualifying plan assets in accordance with 29 CFR 2520.104–46(b)(1)(i)(A)(1). If the small plan satisfies the conditions of the audit waiver by virtue of having enhanced fidelity bond under 29 CFR 2520.104–46(b)(1)(i)(A)(2), the plan does not satisfy the conditions for filing the Form 5500–SF and must file the Form 5500, along with the appropriate schedules and attachments. Also, many ''qualifying plan assets'' for audit waiver purposes will also be ''eligible plan assets'' as described in the instructions for line 6a, but the definitions are not the same. For example, real estate held by a bank as trustee for a plan could be a qualifying plan asset for purposes of the small pension plan audit waiver conditions but it would not be a ''eligible plan asset'' for purposes of the plan being eligible to file the Form 5500–SF because real estate would not have a readily determinable fair market value as described in described in 29 CFR 2520.103–1(c)(2)(ii)(C).

Part III—Financial Information

Note: The cash, modified cash, or accrual basis may be used for recognition of transactions in Parts I and II, as long as you use one method consistently. Round off all amounts reported on the Form 5500–SF to the nearest dollar. Any other amounts are subject to rejection. Check all subtotals and totals carefully.

Current value means fair market value where available. Otherwise, it means the fair value as determined in good faith under the terms of the plan by a trustee or a named fiduciary, assuming an orderly liquidation at the time of the determination. *See* ERISA section 3(26).

Line 7—Plan Assets and Liabilities.

Amounts reported on line 7a, 7b, and 7c for the beginning of the plan year must be the same as reported for the end of the plan year for the corresponding lines on the return/report for the preceding plan year. That means that if the Form 5500 was filed for plan year 2008, the amounts reported on the Form 5500–SF line 7a, column (a), 7b, column (a), and 7c, column (a) should correspond to the amounts entered in line 1a, column (b), 1b, column (b), and 1c, column (b) of the 2008 Schedule I (Form 5500) or the amounts entered in line 1f, column (b), 1k, column (b), and 1l, column (b) of the 2008 Schedule H (Form 5500), whichever schedule was filed.

Line 7a. Enter the total amount of plan assets at the beginning of the plan year in column (a). Do not include contributions designated for the 2009 plan year in column (a).

Enter the total amount of plan assets at the end of the plan year in column (b). Do not include in column (b) a participant loan that has been deemed distributed during the plan year under the provisions of Code section 72(p) and Treasury Regulation section 1.72(p)-1, if both the following circumstances apply: (1) Under the plan, the participant loan is treated as a direct investment solely of the participant's individual account; and (2) as of the end of the plan year, the participant is not continuing repayment under the loan.

If the deemed distributed participant loan is included in column (a) and both of these circumstances apply, include the value of the loan as a deemed distribution on line 8e. However, if either of these two circumstances does not apply, the current value of the participant loan (including interest accruing thereon after the deemed distribution) should be included in column (b) without regard to the occurrence of a deemed distribution.

After a participant loan that has been deemed distributed is included in the amount reported on line 8e, it is no longer to be reported as an asset on line 7a unless, in a later year, the participant resumes repayment under the loan. However, such a loan (including interest accruing thereon after the deemed distribution) that has not been repaid is still considered outstanding for purposes of applying Code section 72(p)(2)(A) to determine the maximum amount of subsequent loans. Also, the deemed distribution is not treated as an actual distribution for other purposes, such as the qualification requirements of Code section 401, including, for example, the determination of top-heavy status under Code section 416 and the vesting requirements of Treasury Regulation section 1.411(a)-7(d)(5). *See* Q&As 12 and 19 of Treasury Regulation section 1.72(p)-1.

The entry on line 7a, column (b) (plan assets at end of year) must include the current value of any participant loan included as a deemed distribution in the amount reported for any earlier year if, during the plan year, the participant resumes repayment under the loan. In addition, the amount to be entered on line 8e must be reduced by the amount of the participant loan reported as a deemed distribution for the earlier year.

Line 7b. Enter the total liabilities at the beginning and end of the plan year. Liabilities to be entered here do not include the value of future pension payments to participants. The amount to be entered in line 7b for accrual basis filers includes, among other things:

1. Benefit claims that have been processed and approved for payment by the plan but have not been paid (including all incurred but not reported welfare benefit claims);
2. Accounts payable obligations owed by the plan that were incurred in the normal operations of the plan but have not been paid; and
3. Other liabilities such as acquisition indebtedness and any other amount owed by the plan.

Line 7c. Enter the net assets as of the beginning and end of the plan year. (Subtract line 7b from 7a). Line 7c, column (b) must equal the sum of line 7c, column (a), plus lines 8i (net income (loss)) and 8j (transfers to (from) the plan).

Line 8—Income, Expenses, and Transfers for this Plan Year

Line 8a. Include the total cash contributions received and/or (for accrual basis plans) due to be received.

Line 8a(1). Plans using the accrual basis of accounting must not include contributions designated for years before the 2009 plan year on line 8a(1).

Line 8a(2). For welfare plans, report all employee contributions, including all elective contributions under a cafeteria plan (Code section 125). For pension plans, participant contributions, for purposes of this item, also include elective contributions under a qualified cash or deferred arrangement (Code section 401(k)).

Line 8a(3). Enter the current value, at date contributed, of all other contributions, including rollovers from other plans.

Line 8b. Enter all other plan income for the plan year. Do not include transfers from other plans that are reported on line 8j. Examples of other income received and/or receivable include:

1. Interest on investments (including money market accounts, sweep accounts, etc.)

2. Dividends. (Accrual basis plans should include dividends declared for all stock held by the plan even if the dividends have not been received as of the end of the plan year.)

3. Net gain or loss from the sale of assets.

4. Other income such as unrealized appreciation (depreciation) in plan assets.

Line 8c. Enter the total of all cash contributions (line 8a(1) through 8a(3)) and other plan income (line 8b) during the plan year. If entering a negative number, enter a minus sign ''−'' to the left of the number.

Line 8d. Include (1) payments made (and for accrual basis filers payments due) to or on behalf of participants or beneficiaries in cash, securities, or other property (including rollovers of an individual's accrued benefit or account balance). Include all eligible rollover distributions as defined in Code section 401(a)(31)(D) paid at the participant's election to an eligible retirement plan (including an IRA within the meaning of section 401(a)(31)(E)); (2) payments to insurance companies and similar organizations such as Blue Cross, Blue Shield, and health maintenance organizations for the provision of plan benefits (*e.g.*, paid-up annuities, accident insurance, health insurance, vision care, dental coverage, etc.); and (3) payments made to other organizations or individuals providing benefits. Generally, these payments discussed in (3) are made to individual providers of welfare benefits such as legal services, day care services, and training and apprenticeship services. If securities or other property are distributed to plan participants or beneficiaries, include the current value of the date of distribution.

Line 8e. Include on this line all distributions paid during the plan year of excess deferrals under Code section 402(g)(2)(A)(ii), excess contributions under Code section 401(k)(8), and excess aggregate contributions under Code section 401(m)(6). Include allocable income distributed. Also include on this line any elective deferrals and employee contributions distributed or returned to employees during the plan year in accordance with Treasury Regulation section 1.415–6(b)(6)(iv), as well as any attributable gains that were also distributed.

For line 8e, also include in the total amount a participant loan included in line 7a, column (a) that has been deemed distributed during the plan year under the provisions of Code section 72(p) and Treasury Regulation section 1.72(p)–1 only if both of the following circumstances apply:

1. Under the plan, the participant loan is treated as a directed investment solely of the participant's individual account; and

2. As of the end of the plan year, the participant is not continuing repayment under the loan.

If either of these circumstances does not apply, a deemed distribution of a participant loan should not be included in the total on line 8e. Instead, the current value of the participant loan (including interest accruing thereon after the deemed distribution) should be included on lines 7a, column (b) (plan assets—end of year), and 10j (participant loans—end of year), without regard to the occurrence of a deemed distribution.

Note: The amount to be reported on line 8e must be reduced if, during the plan year, a participant resumes repayment under a participant loan reported as a deemed distribution on line 2g of Schedule H or Schedule I of a prior Form 5500 or line 8e of a prior Form 5500–SF for any earlier year. The amount of the required reduction is the amount of the participant loan that was reported as a deemed distribution on such line for any earlier year. If entering a negative number, enter a minus sign ''−'' to the left of the number. The current value of the participant loan must then be included in line 7a, column (b) (plan assets—end of year).

Although certain participant loans deemed distributed are to be reported on line 8e, and are not to be reported on the Form 5500–SF or on the Schedule H or Schedule I of the Form 5500 as an asset thereafter (unless the participant resumes repayment under the loan in a later year), they are still considered outstanding loans and are not treated as actual distributions for certain purposes. *See* Q&As 12 and 19 of Treasury Regulation section 1.72(p)–1.

Line 8f. The amount to be reported for expenses involving administrative service providers (salaries, fees, and commissions) include the total fees paid (or in the case of accrual basis plans, costs incurred during the plan year but not paid as of the end of the plan year) by the plan for, among others:

1. Salaries to employees of the plan;

2. Fees and expenses for accounting, actuarial, legal, investment management, investment advice, and securities brokerage services;

3. Contract administrator fees; and

4. Fees and expenses for individual plan trustees, including reimbursement for travel, seminars, and meeting expenses.

Line 8g. Other expenses (paid and/or payable) include other administrative and miscellaneous expenses paid by or charged to the plan, including among others office supplies and equipment, telephone, and postage.

Line 8h. Enter the total of all benefits paid or due reported on lines 8d and 8e and all other plan expenses reported on lines 8f and 8g during the year.

Line 8i. Subtract line 8h from line 8c.

Line 8j. Enter the net value of all assets transferred to and from the plan during the plan year including those resulting from mergers and spin-offs. A transfer of assets or liabilities occurs when there is a reduction of assets or liabilities with respect to one plan and the receipt of these assets or the assumption of these liabilities by another plan. Transfers out at the end of the year should be reported as occurring during the plan year.

Note: A distribution of all or part of an individual participant's account balance that is reportable on Form 1099–R, Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc., should not be included on line 8j but must be included in benefit payments reported on Line 8d. Do not submit IRS Form 1099–R with the Form 5500–SF.

Part IV—Plan Characteristics

Line 9. Enter in lines 9a and 9b, as appropriate, in the boxes provided all applicable plan characteristic codes that describe the characteristics of the plan being reported.

LIST OF PLAN CHARACTERISTIC CODES FOR FORM 550–SF LINES 9A AND 9B

Code	
Defined Benefit Pension Features	
1A	Benefits are primarily pay related.
1B	Benefits are primarily flat dollar (includes dollars per year of service).
1C	Cash balance or similar plan " Plan has a "cash balance" formula. For this purpose, a "cash balance" formula is a benefit formula in a defined benefit plan by whatever name (e.g., personal account plan, pension equity plan, life cycle plan, cash account plan, etc.) that rather than, or in addition to, expressing the accrued benefit as a life annuity commencing at normal retirement age, defines benefits for each employee in terms more common to a defined contribution plan such as a single sum distribution amount (e.g., 10 percent of final average pay times years of service, or the amount of the employee's hypothetical account balance).
1D	Floor offset plan " Plan benefits are subject to offset for retirement benefits provided by an employer-sponsored defined contribution plan.
1E	Code section 401(h) arrangement " Plan contains separate accounts under Code section 401(h) to provide employee health benefits.
1F	Code section 414(k) arrangement " Benefits are based partly on the balance of the separate account of the participant (also include appropriate defined contribution pension feature codes).
1G	Covered by PBGC " Plan is covered under the PBGC insurance program (*see* ERISA section 4021).
1H	Plan covered by PBGC that was terminated and closed out for PBGC purposes—Before the end of the plan year (or a prior plan year), (1) the plan terminated in a standard (or distress) termination and completed the distribution of plan assets in satisfaction of all benefit liabilities (or all ERISA Title IV benefits for distress termination); or (2) a trustee was appointed for a terminated plan pursuant to ERISA section 4042.
1I	Frozen Plan—As of the last day of the plan year, the plan provides that no participant will get any new benefit accrual (whether because of service or compensation).
Defined Contribution Pension Features	
2A	Age/Service Weighted or New Comparability or Similar Plan—Age/Service Weighted Plan: Allocations are based on age, service, or age and service. New Comparability or Similar Plan: Allocations are based on participant classifications and a classification(s) consists entirely or predominantly of highly compensated employees; or the plan provides an additional allocation rate on compensation above a specified threshold, and the threshold or additional rate exceeds the maximum threshold or rate allowed under the permitted disparity rules of Code section 401(l).
2B	Target benefit plan.
2C	Money purchase (other than target benefit).
2D	Offset plan " Plan benefits are subject to offset for retirement benefits provided in another plan or arrangement of the employer.
2E	Profit-sharing.
2F	ERISA section 404(c) plan—This plan, or any part of it, is intended to meet the conditions of 29 CFR 2550.404c–1.
2G	Total participant-directed account plan—Participants have the opportunity to direct the investment of all the assets allocated to their individual accounts, regardless of whether 29 CFR 2550.404c–1 is intended to be met.
2H	Partial participant directed account plan—Participants have the opportunity to direct the investment of a portion of the assets allocated to their individual accounts, regardless of whether 29 CFR 2550.404c–1 is intended to be met.
2I	Stock bonus.
2J	Code section 401(k) feature—A cash or deferred arrangement described in Code section 401(k) that is part of a qualified defined contribution plan that provides for an election by employees to defer part of their compensation or receive these amounts in cash.
2K	Code section 401(m) arrangement—Employee contributions are allocated to separate accounts under the plan or employer contributions are based, in whole or in part, on employee deferrals or contributions to the plan. Not applicable if plan is 401(k) plan with only QNECs and/or QMACs. Also not applicable if Code section 403(b)(1), 403(b)(7), or 408 arrangements/accounts annuities.
2L	Code section 403(b)(1) arrangement.
2M	Code section 403(b)(7) accounts.
2N	Code section 408 accounts and annuities.
2R	Participant-directed brokerage accounts provided as an investment option under the plan.
2S	Plan provides for automatic enrollment in plan that has employee contributions deducted from payroll.
2T	Total or partial participant-directed account plan—plan uses default investment account for participants who fail to direct assets in their account.
Other Pension Benefit Features	
3B	Plan covering Self-Employed Individuals.
3C	Plan not intended to be qualified—A plan not intended to be qualified under Code sections 401, 403, or 408.
3D	Master plan—A pension plan that is made available by a sponsor for adoption by employers; that is the subject of a favorable opinion letter; and for which a single funding medium (for example, a trust or custodial account) is established for the joint use of all adopting employers.
3E	Prototype plan—A pension plan that is made available by a sponsor for adoption by employers; that is the subject of a favorable opinion or notification letter; and under which a separate funding medium (for example, a separate trust or custodial account) is established for each participating employer.
3F	Plan sponsor(s) received services of leased employees, as defined in Code section 414(n), during the plan year.
3H	Plan sponsor(s) is (are) a member(s) of a controlled group (Code sections 414(b), (c), or (m)).
3J	U.S.-based plan that covers residents of Puerto Rico and is qualified under both Code section 401 and section 8565 of Puerto Rico Code.

LIST OF PLAN CHARACTERISTIC CODES FOR FORM 550–SF LINES 9A AND 9B—Continued

Code	
	Welfare Benefit Features
4A	Health (other than vision or dental).
4B	Life Insurance.
4C	Supplemental unemployment.
4D	Dental.
4E	Vision.
4F	Temporary disability (accident and sickness).
4G	Prepaid legal.
4H	Long-term disability.
4I	Severance pay.
4J	Apprenticeship and training.
4K	Scholarship (funded).
4L	Death benefits (include travel accident but not life insurance).
4P	Taft-Hartley Financial Assistance for Employee Housing Expenses.
4Q	Other.
4R	Unfunded, fully insured, or combination unfunded/fully insured welfare plan that will not file an annual report for next plan year pursuant to 29 CFR 2520.104–20.
4S	Unfunded, fully insured, or combination unfunded/fully insured welfare plan that stopped filing annual reports in an earlier plan year pursuant to 29 CFR 2520.104–20.
4T	10 or more employer plan under Code section 419A(f)(6).

Part V—Compliance Questions

Line 10. Answer all lines either ''Yes'' or ''No.'' Do not leave any answer blank. For items 10a, b, c, d, e, f, and g, if the answer is ''Yes,'' an amount must be entered.

Note: One-participant plans should only complete question 10g.

Line 10a. Amounts paid by a participant or beneficiary to an employer and/or withheld by an employer for contribution to the plan are participant contributions that become plan assets as of the earliest date on which such contributions can reasonably be segregated from the employer's general assets. *See* 29 CFR 2510.3–102. Plans that check ''Yes'' must enter the aggregate amount of all late contributions for the year. The total amount of the delinquent contributions should be included on line 10a for the year in which the contributions were delinquent and should be carried over and reported again on line 10a for each subsequent year (or on line 4a of Schedule H or I of the Form 5500 if not eligible to file the Form 5500–SF in the subsequent year) until the year after the violation has been fully corrected by payment of the late contributions and reimbursement of the plan for lost earnings or profits. If no participant contributions were received or withheld by the employer during the plan year, answer ''No.''

An employer holding participant contributions commingled with its general assets after the earliest date on which such contributions can reasonably be segregated from the employer's general assets will have engaged in a prohibited use of plan assets (*see* ERISA section 406). If such a nonexempt prohibited transaction occurred with respect to a disqualified person (*see* Code section 4975(e)(2)), file IRS Form 5330, Return of Excise Taxes Related to Employee Benefit Plans, with the IRS to pay any applicable excise tax on the transaction.

Participant loan repayments paid to and/or withheld by an employer for purposes of transmittal to the plan that were not transmitted to the plan in a timely fashion must be reported either on line 4a in accordance with the reporting requirements that apply to delinquent participant contributions or on line 4d. *See* Advisory Opinion 2002–02A, available at *http://www.dol.gov/ebsa.*

Applicants that satisfy both the DOL Voluntary Fiduciary Correction Program (VFCP) and the conditions of Prohibited Transaction Exemption (PTE) 2002–51 are eligible for immediate relief from payment of certain prohibited transaction excise taxes for certain corrected transactions, and are also relieved from the requirement to file the IRS Form 5330 with the IRS. For more information on how to apply under the VFCP, the specific transactions covered (which transactions include delinquent participant contributions to pension and welfare plans), and acceptable methods for correcting violations, *see* 71 FR 20261 (Apr. 19, 2006), and 71 FR 20135 (Apr. 19, 2006). All delinquent participant contributions must be reported on line 10a at least for the year in which they were delinquent even if violations have been fully corrected by the close of the plan year. Information about the VFCP is also available on the Internet at *http://www.dol.gov/ebsa.*

Line 10b. Plans that check ''Yes'' must enter the amount. Check ''Yes'' if any nonexempt transaction with a party-in-interest occurred. Do not check ''Yes'' with respect to transactions that are: (1) Statutorily exempt under Part 4 of Title I of ERISA; (2) administratively exempt under ERISA section 408(a); (3) exempt under Code sections 4975(c) or 4975(d); (4) the holding of participant contributions in the employer's general assets for a welfare plan that meets the conditions of ERISA Technical Release 92–01; or (5) delinquent participant contributions reported on line 10a. You may indicate that an application for an administrative exemption is pending. If you are unsure whether a transaction is exempt or not, you should consult either with a qualified public accountant, legal counsel, or both. If the plan is a qualified pension plan and a nonexempt prohibited transaction occurred with respect to a disqualified person, an IRS Form 5330 is required to be filed with the IRS to pay the excise tax on the transaction.

Non-exempt transactions with a party-in-interest include any direct or indirect:

A. Sale or exchange, or lease, of any property between the plan and a party-in-interest.

B. Lending of money or other extension of credit between the plan and a party-in-interest.

C. Furnishing of goods, services, or facilities between the plan and a party-in-interest.

D. Transfer to, or use by or for the benefit of, a party-in-interest, of any income or assets of the plan.

E. Acquisition, on behalf of the plan, of any employer security or employer real property in violation of ERISA section 407(a).

F. Dealing with the assets of the plan for a fiduciary's own interest or own account.

G. Acting in a fiduciary's individual or any other capacity in any transaction involving the plan on behalf of a party (or represent a party) whose interests are adverse to the interests of the plan or the interests of its participants or beneficiaries.

H. Receipt of any consideration for his or her own personal account by a party-in-interest who is a fiduciary from any party dealing with the plan in connection with a transaction involving the income or assets of the plan.

Party-in-Interest. For purposes of this form, party-in-interest is deemed to include a disqualified person. *See* Code section 4975(e)(2). The term ''party-in-interest'' means, as to an employee benefit plan:

A. Any fiduciary (including, but not limited to, any administrator, officer, trustee or custodian), counsel, or employee of the plan;

B. A person providing services to the plan;

C. An employer, any of whose employees are covered by the plan;

D. An employee organization, any of whose members are covered by the plan;

E. An owner, direct or indirect, of 50% or more of: (1) The combined voting power of all classes of stock entitled to vote or the total value of shares of all classes of stock of a corporation; (2) the capital interest or the profits interest of a partnership; or (3) the beneficial interest of a trust or unincorporated enterprise which is an employer or an employee organization described in C or D;

F. A relative of any individual described in A, B, C, or E;

G. A corporation, partnership, or trust or estate of which (or in which) 50% or more of: (1) The combined voting power of all classes of stock entitled to vote or the total value of shares of all classes of stock of such corporation, (2) the capital interest or profits interest of such partnership, or (3) the beneficial interest of such trust or estate, is owned directly or indirectly, or held by persons described in A, B, C, D, or E;

H. An employee, officer, director (or an individual having powers or responsibilities similar to those of officers or directors), or a 10% or more shareholder directly or indirectly, of a person described in B, C, D, E, or G, or of the employee benefit plan; or

I. A 10% or more (directly or indirectly in capital or profits) partner or joint venturer of a person described in B, C, D, E, or G.

TIP: Applicants that satisfy the VFCP requirements and the conditions of PTE 2002–51 (*see* the instructions for line 10a) are eligible for immediate relief from payment of certain prohibited transaction excise taxes for certain corrected transactions and from the requirement to file the Form 5330 with the IRS. For more information, *see* 71 FR 20261 (Apr. 19, 2006), and 71 FR 20135 (Apr. 19, 2006). When the conditions of PTE 2002–51 have been satisfied, the corrected transactions should be treated as exempt under Code section 4975(c) for the purposes of answering line 10b.

Line 10c. Plans that check ''Yes'' must enter the aggregate amount of fidelity bond coverage for all claims. Check ''Yes'' only if the plan itself (as opposed to the plan sponsor or administrator) is a named insured under a fidelity bond that is from an approved surety covering plan officials and that protects the plan from losses due to fraud or dishonesty as described in 29 CFR Part 2580. Generally, every plan official of an employee benefit plan who ''handles'' funds or other property of such plan must be bonded. Generally, a person shall be deemed to be ''handling'' funds or other property of a plan, so as to require bonding, whenever his or her other duties or activities with respect to given funds are such that there is a risk that such funds could be lost in the event of fraud or dishonesty on the part of such person, acting either alone or in collusion with others. Section 412 of ERISA and 29 CFR Part 2580 describe the bonding requirements, including the definition of ''handling'' (29 CFR 2580.412–6), the permissible forms of bonds (29 CFR 2580.412–10), the amount of the bond (29 CFR Part 2580, subpart C), and certain exemptions such as the exemption for certain banks and insurance companies and the exemption allowing plan officials to purchase bonds from surety companies authorized by the Secretary of the Treasury as acceptable reinsurers on Federal bonds (29 CFR 2580.412–23). Information concerning the list of approved sureties and reinsurers is available on the Internet at *http://www.fms.treas.gov/c570.*

Note: Plans are permitted under certain conditions to purchase fiduciary liability insurance with plan assets. These fiduciary liability insurance policies are not written specifically to protect the plan from losses due to dishonest acts and are not fidelity bonds reported in line 10c.

Line 10d. Check ''Yes'' if the plan suffered or discovered any loss as a result of any dishonest or fraudulent act(s) even if the loss was reimbursed by the plan's fidelity bond or from any other source. If ''Yes'' is checked enter the full amount of the loss. If the full amount of the loss has not yet been determined, provide an estimate as determined in good faith by a plan fiduciary. You must keep, in accordance with ERISA section 107, records showing how the estimate was determined.

CAUTION: Willful failure to report is a criminal offense. *See* ERISA section 501.

Line 10e. If any benefits under the plan are provided by an insurance company, insurance service, or other similar organization (such as Blue Cross, Blue Shield, or a health maintenance organization) or if the plan has investments with insurance companies such as guaranteed investment contracts (GICs), report the total of all insurance fees and commissions paid to agents, brokers and/or other persons directly or indirectly attributable to the contract(s) placed with or retained by the plan.

For purposes of line 10e, commissions and fees include sales or base commissions and all other monetary and non-monetary forms of compensation where the broker's, agent's, or other person's eligibility for the payment or the amount of the payment is based, in whole or in part, on the value (e.g., policy amounts, premiums) of contracts or policies (or classes thereof) placed with or retained by an ERISA plan, including, for example, persistency and profitability bonuses. The amount (or pro rata share of the total) of such commissions or fees attributable to the contract or policy placed with or retained by the plan must be reported. Insurers must provide plan administrators with a proportionate allocation of commissions and fees attributable to each contract. Any reasonable method of allocating commissions and fees to policies or contracts is acceptable, provided the method is disclosed to the plan administrator. A reasonable allocation method could allocate fees and commissions based on a calendar year calculation even if the plan year or policy year was not a calendar year. For additional information on these reporting requirements, see ERISA Advisory Opinion 2005–02A, available on the Internet at *http://www.dol.gov/ebsa.*

Where (1) benefits under a plan have been purchased from and guaranteed by a licensed insurance company, insurance service, or other similar organization, (2) the payments by the insurer to affiliates or third parties for performing administrative activities

were part of the insurer satisfying its contractual obligation to provide benefits under the plan, and (3) there is no direct or indirect charge to the plan for the administrative services other than the insurance premium, the payments by the insurer to the affiliates or third parties do not need to be reported as ''fees and other commissions.''

Reporting is not required for compensation paid by the insurer to third parties for record keeping and claims processing services provided to the insurer as part of the insurer's administration of the insurance policy. Reporting also is not required for compensation paid by the insurer to a ''general agent'' or ''manager'' for that general agent's or manager's management of an agency or performance of administrative functions for the insurer. For this purpose, (1) a ''general agent'' or ''manager'' does not include brokers representing insureds, and (2) payments would not be treated as paid for managing an agency or performance of administrative functions where the recipient's eligibility for the payment or the amount of the payment is dependent or based on the value (e.g., policy amounts, premiums) of contracts or policies (or classes thereof) placed with or retained by ERISA plan(s).

Reporting is not required for occasional gifts or meals of insubstantial value which are tax deductible for federal income tax purposes by the person providing the gift or meal and would not be taxable income to the recipient. For this exemption to be available, the gift or gratuity must be both occasional and insubstantial. For this exemption to apply, the gift must be valued at less than $50, the aggregate value of gifts from one source in a calendar year must be less than $100, but gifts with a value of less than $10 do not need to be counted toward the $100 annual limit. If the $100 aggregate value limit is exceeded, then the aggregate value of all the gifts will be reportable. Gifts from multiple employees of one service provider should be treated as originating from a single source when calculating whether the $100 threshold applies. On the other hand, in applying the threshold to an occasional gift received from one source by multiple employees of a single service provider, the amount received by each employee should be separately determined in applying the $50 and $100 thresholds. For example, if six employees of a broker attend an business conference put on by an insurer designed to educate and explain the insurer's products for employee benefit plans, and the insurer provides, at no cost to the attendees, refreshments valued at $20 per individual, the gratuities would not be reportable on this line even though the total cost of the refreshments for all the employees would be $120. These thresholds are for purposes of line 10a reporting. Filers are cautioned that the payment or receipt of gifts and gratuities of any amount by plan fiduciaries may violate ERISA and give rise to civil liabilities and criminal penalties.

Important Reminder. The insurance company, insurance service, or other similar organization is required under ERISA section 103(a)(2) to provide the plan administrator with the information needed to complete this return/report. Your insurance company must provide you with the information you need to answer this question. If your insurance company, insurance service, or other similar organization does not automatically send you this information, you should make a written request for the information. If you have difficulty getting the information from your insurance company, contact the nearest office of the DOL's Employee Benefits Security Administration.

Line 10f. You must check ''Yes'' if any benefits due under the plan were not timely paid or not paid in full. Include in this amount the total of any outstanding amounts that were not paid when due in previous years that have continued to remain unpaid.

Line 10g. You must check ''Yes'' if the plan had any participant loans outstanding at any time during the plan year and enter the amount outstanding as of the end of the plan year. If no participant loans are outstanding as of the end of the plan year, enter ''0''.

Line 10h. Check ''Yes'' if there was a ''blackout period.'' A blackout period is a temporary suspension of more than three consecutive business days during which participants or beneficiaries of a 401(k) or other individual account pension plan were unable to, or were limited or restricted in their ability to, direct or diversify assets credited to their accounts, obtain loans from the plan, or obtain distributions from the plan. A ''blackout period'' generally does not include a temporary suspension of the right of participants and beneficiaries to direct or diversify assets credited to their accounts, obtain loans from the plan, or obtain distributions from the plan if the temporary suspension is: (1) Part of the regularly scheduled operations of the plan that has been disclosed to participants and beneficiaries; (2) due to a qualified domestic relations order (QDRO) or because of a pending determination as to whether a domestic relations order is a QDRO; (3) due to an action or a failure to take action by an individual participant or because of an action or claim by someone other than the plan regarding a participant's individual account; or (4) by application of federal securities laws. For more information, *see* the DOL's regulation at 29 CFR 2520.101–3 (available at *http://www.dol.gov/ebsa*).

Line 10i. If there was a blackout period, did you provide the required notice not less than 30 days nor more than 60 days in advance of restricting the rights of participants and beneficiaries to change their plan investments, obtain loans from the plan, or obtain distributions from the plan? If so, check ''Yes.'' *See* 29 CFR 2520.101–3 for specific notice requirements and for exceptions from the notice requirement. Also, answer ''Yes'' if one of the exceptions to the notice requirement under 29 CFR 2520.101–3 applies.

Part VI—Pension Funding Compliance

Complete Part VI only if the plan is subject to the minimum funding requirements of Code section 412 or ERISA section 302.

All qualified defined benefit and defined contribution plans are subject to the minimum funding requirements of Code section 412 unless they are described in the exceptions listed under section 412(e)(2). These exceptions include profit-sharing or stock bonus plans, insurance contract plans described in section 412(e)(3), and certain plans to which no employer contributions are made.

Nonqualified employee pension benefit plans are subject to the minimum funding requirements of ERISA section 302 unless specifically exempted under ERISA sections 4(a) or 301(a).

The employer or plan administrator of a single-employer or multiple-employer defined benefit plan that is subject to the minimum funding requirements must file the Schedule SB as an attachment to the Form 5500–SF. Schedule MB is filed for multiemployer defined benefit plans and certain money purchase defined contribution plans (whether they are single or multiemployer plans). However, Schedule MB is not required to be filed for a money purchase defined contribution plan that is subject to the minimum funding requirements unless the plan is currently amortizing a waiver of the minimum funding requirements.

Line 11. If ''Yes'' is checked, you must attach Schedule SB (Form 5500). If this is a defined contribution pension plan,

leave the box blank . One-participant plans, however, do not attach Schedule SB to the Form 5500–SF. Instead one-participant plans keep the Schedule SB in accordance with the applicable records retention requirements.

Line 12. The ''Yes'' box should be checked if the plan is a defined contribution plan subject to the minimum funding requirements of Code section 412 and ERISA section 302. Those money purchase plans (including target benefit plans) that are amortizing a waiver of the minimum funding standard for a prior year should fill out line 12a and then skip to line 13. Those defined contribution plans answering ''Yes'' to the line 12 question that do not fill out line 12a should fill out lines 12b–12e.

Line 12a. If a money purchase defined contribution plan (including a target benefit plan) has received a waiver of the minimum funding standard, and the waiver is currently being amortized, complete lines 3, 9, and 10 of Schedule MB. *See* instructions for Schedule MB. Attach Schedule MB to the Form 5500–SF.

Line 12b. The minimum required contribution for a money purchase defined contribution plan for a plan year is the amount required to be contributed for the year under the formula set forth in the plan document. If there is an accumulated funding deficiency for a prior year that has not been waived, that amount should also be included as part of the contribution required for the current year.

Line 12c. Include all contributions for the plan year made not later than 8½ months after the end of the plan year. Show only contributions actually made to the plan by the date the form is filed. For example, do not include receivable contributions for this purpose.

Line 12d. If the minimum required contribution exceeds the contributions for the plan year made not later than 8½ months after the end of the plan year, the excess is an accumulated funding deficiency for the plan year. File IRS Form 5330, Return of Excise Taxes Related to Employee Benefit Plans, with the IRS to pay the excise tax on the deficiency. There is a penalty for not filing IRS Form 5330 on time.

Line 12e. Will the minimum required contribution remaining in 12d be made no later than 8½ months after the end of the plan year? If ''Yes,'' and contributions are actually made by this date, then there will be no reportable deficiency and Form 5330 will not need to be filed.

Part VII—Plan Terminations and Transfers of Assets

Line 13a. Check ''Yes'' if a resolution to terminate the plan was adopted during this or any prior plan year, unless the termination was revoked and no assets reverted to the employer. If ''Yes'' is checked, enter the amount of plan assets that reverted to the employer during the plan year in connection with the implementation of such termination. Enter ''-0-'' if no reversion occurred during the current plan year.

CAUTION: A Form 5500 must be filed for each year the plan has assets, and, for a welfare benefit plan, if the plan is still liable to pay benefits for claims incurred before the termination date, but not yet paid. See 29 CFR 2520.104b–2(g)(2)(ii).

IRS Form 5310–A, Notice of Plan Merger or Consolidation, Spinoff, or Transfer of Plan Assets or Liabilities; Notice of Qualified Separate Lines of Business, must be filed at least 30 days before any plan merger or consolidation or any transfer of plan assets or liabilities to another plan. There is a penalty for not filing Form 5310–A on time. In addition, a transfer of benefit liabilities involving a plan covered by PBGC insurance may be reportable to the PBGC. *See* PBGC Form 10, Post-Event Notice of Reportable Events, and Form 10-Advance, Advance Notice of Reportable Events.

Line 13b. Check ''Yes'' if all of the plan assets (including insurance/annuity contracts) were distributed to the participants and beneficiaries, legally transferred to the control of another plan, or brought under the control of the PBGC.

Check ''No'' for a welfare benefit plan that is still liable to pay benefits for claims that were incurred before the termination date, but not yet paid. *See* 29 CFR 2520.104b-2(g)(2)(ii).

Line 13c. Enter information concerning assets and/or liabilities transferred from this plan to another plan(s) (including spin-offs) during the plan year. A transfer of assets or liabilities occurs when there is a reduction of assets or liabilities with respect to one plan and the receipt of these assets or the assumption of these liabilities by another plan. Enter the name, EIN, and PN of the transferee plan(s) involved on lines 13c(1), (2), and (3). If you need additional space, include an attachment with the information required for lines 13c(1), (2), and (3) for each additional plan and label the attachment ''Form 5500–SF, line 13c—Additional Plans.''

Do not use a social security number in lieu of an EIN or include an attachment that contains visible social security numbers. The Form 5500–SF is open to public inspection, and the contents are public information and are subject to publication on the Internet. Because of privacy concerns, the inclusion of a social security number on this Form 5500–SF may result in the rejection of the filing.

Note: A distribution of all or part of an individual participant's account balance that is reportable on Form 1099–R should not be included on line 13c. Do not submit Form 1099–R with the Form 5500.

CAUTION: IRS Form 5310–A, Notice of Plan Merger or Consolidation, Spinoff, or Transfer of Plan Assets or Liabilities; Notice of Qualified Separate Lines of Business, must be filed at least 30 days before any plan merger or consolidation or any transfer of plan assets or liabilities to another plan. There is a penalty for not filing Form 5310–A on time. In addition, a transfer of benefit liabilities involving a plan covered by PBGC insurance may be reportable to the PBGC. *See* PBGC Form 10, Post-Event Notice of Reportable Event, and Form 10—Advance, Advance Notice of Reportable Event.

ERISA Compliance Quick Checklist

Compliance with the Employee Retirement Income Security Act (ERISA) begins with knowing the rules. Plan administrators and other plan officials can use this checklist as a quick diagnostic tool for assessing a plan's compliance with certain important ERISA rules; it is not a complete description of all ERISA's rules and it is not a substitute for a comprehensive compliance review. Use of this checklist is voluntary, and it is not to be filed with your Form 5500–SF.

If you answer ''No'' to any of the questions below, you should review your plan's operations because you may not be in full compliance with ERISA's requirements.

1. Have you provided plan participants with a summary plan description, summaries of any material modifications of the plan, and annual summary financial reports?

2. Do you maintain copies of plan documents at the principal office of the plan administrator for examination by participants and beneficiaries?

3. Do you respond to written participant inquiries for copies of plan documents and information within 30 days?

4. Does your plan include written procedures for making benefit claims and appealing denied claims, and are you complying with those procedures?

5. Is your plan covered by a fidelity bond against losses due to fraud or dishonesty?

6. Are the plan's investments diversified so as to minimize the risk of large losses?

7. If the plan permits participants to select the investments in their plan accounts, has the plan provided them with enough information to make informed decisions?

8. Has a plan official determined that the investments are prudent and solely in the interest of the plan's participants and beneficiaries, and evaluated the risks associated with plan investments before making the investments?

9. Did the employer or other plan sponsor send participant contributions to the plan on a timely basis?

10. Did the plan pay participant benefits on time and in the correct amounts?

11. Did the plan give participants and beneficiaries 30 days advance notice before imposing a ''blackout period'' of at least three consecutive business days during which participants or beneficiaries of a 401(k) or other individual account pension plan were unable to change their plan investments, obtain loans from the plan, or obtain distributions from the plan?

If you answer ''Yes'' to any of the questions below, you should review your plan's operations because you may not be in full compliance with ERISA's requirements.

1. Has the plan engaged in any financial transactions with persons related to the plan or any plan official? (For example, has the plan made a loan to or participated in an investment with the employer?)

2. Has the plan official used the assets of the plan for his/her own interest?

3. Have plan assets been used to pay expenses that were not authorized in the plan document, were not necessary to the proper administration of the plan, or were more than reasonable in amount?

If you need help answering these questions or want additional guidance about ERISA requirements, a plan official should contact the U.S. Department of Labor Employee Benefits Security Administration office in your region or consult with the plan's legal counsel or professional employee benefit advisor.

Forms 5500, 5500–SF, and 5500–EZ Codes for Principal Business Activity

Note: The list of business codes published with the Form 5500 instructions will be included in the Short Form instructions and will be updated to reflect the North American Industry Classification System Update for 2007. *See* 70 FR 12390 (Mar. 11, 2005)

OMB CONTROL NUMBERS

Agency	OMB Number
Employee Benefits Security Administration	1210–0110 1210–0089
Internal Revenue Service	1545–1610

OMB CONTROL NUMBERS—Continued

Agency	OMB Number
Pension Benefit Guaranty Corporation	1212–0057

Paperwork Reduction Act Notice

We ask for the information on this form to carry out the law as specified in ERISA and in Code sections 6058(a), and 6059(a). You are required to give us the information. We need it to determine whether the plan is operating according to the law.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books and records relating to a form or its instructions must be retained as long as their contents may become material in the administration of the Internal Revenue Code or are required to be maintained pursuant to Title I or IV of ERISA. The Form 5500–SF returns/reports are open to public inspection and are subject to publication on the Internet.

The time needed to complete and file the form 5500–SF and the Schedules SB/MB reflects the combined requirements of the Internal Revenue Service, Department of Labor, and Pension Benefit Guaranty Corporation. These times will vary depending on individual circumstances. The estimated average times are:

	Pension plans	Welfare plans
Form 5500–SF	2 hr., 32 min.	2 hr., 32 min.
Schedule SB	6 hr., 49 min.	N/A.
Schedule MB	3 hr., 20 min.	N/A.

If you have comments concerning the accuracy of these time estimates or suggestions for making these forms simpler, we would be happy to hear from you. You can write to the Internal Revenue Service, Tax Products Coordinating Committee, SE:W:CAR:MP:T:T:SP, 1111 Constitution Ave., NW., IR–6526, Washington, DC 20224. DO NOT send any of these forms or schedules to this address. The forms and schedules must be filed electronically. *See* How to File—Electronic Filing Requirement.

Appendix C

[Insert photo pages of Form 5500 and Schedules A, SB, MB, C, D, G, H, I, and R, numbered on back of pages as 197–1 through 197–36]

BILLING CODE 4510–29–P

Form 5500	Annual Return/Report of Employee Benefit Plan	OMB Nos. 1210-0110 1210-0089
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code). ▶ **Complete all entries in accordance with the instructions to the Form 5500.**	**2009** **This Form is Open to Public Inspection**

Part I Annual Report Identification Information

For calendar plan year 2009 or fiscal plan year beginning and ending

A This return/report is for: ☐ a multiemployer plan; ☐ a multiple-employer plan; or ☐ a single-employer plan; ☐ a DFE (specify) ___

B This return/report is: ☐ the first return/report; ☐ the final return/report; ☐ an amended return/report; ☐ a short plan year return/report (less than 12 months).

C If the plan is a collectively-bargained plan, check here. . . . . ▶ ☐

D Check box if filing under: ☐ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan	**1b** Three-digit plan number (PN) ▶
	1c Effective date of plan
2a Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.)	**2b** Employer Identification Number (EIN)
	2c Sponsor's telephone number
	2d Business code (see instructions)

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE			
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

3a Plan administrator's name and address (if same as plan sponsor, enter "Same")	**3b** Administrator's EIN	
	3c Administrator's telephone number	

4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:	**4b** EIN	
a Sponsor's name	**4c** PN	

5 Total number of participants at the beginning of the plan year	**5**	
6 Number of participants as of the end of the plan year (welfare plans complete only lines **6a, 6b, 6c,** and **6d**).		
a Active participants	**6a**	
b Retired or separated participants receiving benefits	**6b**	
c Other retired or separated participants entitled to future benefits	**6c**	
d Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	
f Total. Add lines **6d** and **6e**	**6f**	
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:

☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐

9a Plan funding arrangement (check all that apply)	**9b** Plan benefit arrangement (check all that apply)
(1) ☐ Insurance	(1) ☐ Insurance
(2) ☐ Code section 412(e)(3) insurance contracts	(2) ☐ Code section 412(e)(3) insurance contracts
(3) ☐ Trust	(3) ☐ Trust
(4) ☐ General assets of the sponsor	(4) ☐ General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules	**b General Schedules**
(1) ☐ **R** (Retirement Plan Information)	(1) ☐ **H** (Financial Information)
(2) ☐ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary	(2) ☐ **I** (Financial Information – Small Plan)
	(3) ___ **A** (Insurance Information)
	(4) ☐ **C** (Service Provider Information)
(3) ☐ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	(5) ☐ **D** (DFE/Participating Plan Information)
	(6) ☐ **G** (Financial Transaction Schedules)

SCHEDULE A (Form 5500)	Insurance Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ **File as an attachment to Form 5500.** ▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).	**2009** **This Form is Open to Public Inspection**

For calendar plan year 2009 or fiscal plan year beginning and ending

A Name of plan	**B** Three-digit plan number (PN) ▶
C Plan sponsor's name as shown on line 2a of Form 5500.	**D** Employer Identification Number (EIN)

Part I **Information Concerning Insurance Contract Coverage, Fees, and Commissions** Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.

1 Coverage Information:

(a) Name of insurance carrier

(b) EIN	**(c)** NAIC code	**(d)** Contract or identification number	**(e)** Approximate number of persons covered at end of policy or contract year	Policy or contract year **(f)** From	**(g)** To

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in item 3 the agents, brokers, and other persons in descending order of the amount paid.

(a) Total amount of commissions paid	**(b)** Total amount of fees paid

3 Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid **(c)** Amount	**(d)** Purpose	**(e)** Organization code

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid **(c)** Amount	**(d)** Purpose	**(e)** Organization code

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

Schedule A (Form 5500) 2009 Page 2 - ☐

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

Part II **Investment and Annuity Contract Information**

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

4	Current value of plan's interest under this contract in the general account at year end	4	
5	Current value of plan's interest under this contract in separate accounts at year end	5	

6 Contracts With Allocated Funds:

a State the basis of premium rates ▶ _____

b	Premiums paid to carrier	6b	
c	Premiums due but unpaid at the end of the year	6c	
d	If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount.	6d	

Specify nature of costs ▶ _____

e Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity

(3) ☐ other (specify) ▶ _____

f If contract purchased, in whole or in part, to distribute benefits from a terminating plan check here ▶ ☐

7 Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)

a Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee

(3) ☐ guaranteed investment (4) ☐ other ▶ _____

b	Balance at the end of the previous year			7b	
c	Additions: (1) Contributions deposited during the year	7c(1)			
	(2) Dividends and credits	7c(2)			
	(3) Interest credited during the year	7c(3)			
	(4) Transferred from separate account	7c(4)			
	(5) Other (specify below)	7c(5)			
	▶ _____				
	(6)Total additions			7c(6)	
d	Total of balance and additions (add **b** and **c(6)**).			7d	
e	Deductions:				
	(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)			
	(2) Administration charge made by carrier	7e(2)			
	(3) Transferred to separate account	7e(3)			
	(4) Other (specify below)	7e(4)			
	▶ _____				
	(5) Total deductions			7e(5)	
f	Balance at the end of the current year (subtract **e(5)** from **d**)			7f	

Part III Welfare Benefit Contract Information

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organizations(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

8 Benefit and contract type (check all applicable boxes)

- **a** ☐ Health (other than dental or vision)
- **b** ☐ Dental
- **c** ☐ Vision
- **d** ☐ Life insurance
- **e** ☐ Temporary disability (accident and sickness)
- **f** ☐ Long-term disability
- **g** ☐ Supplemental unemployment
- **h** ☐ Prescription drug
- **i** ☐ Stop loss (large deductible)
- **j** ☐ HMO contract
- **k** ☐ PPO contract
- **l** ☐ Indemnity contract
- **m** ☐ Other (specify) ▶

9 Experience-rated contracts:				
a Premiums: (1) Amount received	9a(1)			
(2) Increase (decrease) in amount due but unpaid	9a(2)			
(3) Increase (decrease) in unearned premium reserve	9a(3)			
(4) Earned ((1) + (2) - (3))			9a(4)	
b Benefit charges (1) Claims paid	9b(1)			
(2) Increase (decrease) in claim reserves	9b(2)			
(3) Incurred claims (add (1) and (2))			9b(3)	
(4) Claims charged			9b(4)	
c Remainder of premium: (1) Retention charges (on an accrual basis) --				
(A) Commissions	9c(1)(A)			
(B) Administrative service or other fees	9c(1)(B)			
(C) Other specific acquisition costs	9c(1)(C)			
(D) Other expenses	9c(1)(D)			
(E) Taxes	9c(1)(E)			
(F) Charges for risks or other contingencies	9c(1)(F)			
(G) Other retention charges	9c(1)(G)			
(H) Total retention			9c(1)(H)	
(2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.)			9c(2)	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement			9d(1)	
(2) Claim reserves			9d(2)	
(3) Other reserves			9d(3)	
e Dividends or retroactive rate refunds due. (Do not include amount entered in c(2).)			9e	
10 Nonexperience-rated contracts:				
a Total premiums or subscription charges paid to carrier			10a	
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, item 2 above, report amount.			10b	

Specify nature of costs ▶

Part IV Provision of Information

11 Did the insurance company fail to provide any information necessary to complete Schedule A? ☐ Yes ☐ No

12 If the answer to line 11 is "Yes," specify the information not provided. ▶

SCHEDULE MB (Form 5500)	Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ **File as an attachment to Form 5500 or 5500-SF.**	**2009** **This Form is Open to Public Inspection**

For calendar plan year 2009 or fiscal plan year beginning and ending

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of $1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan	**B** Three-digit plan number (PN) ▶
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF	**D** Employer Identification Number (EIN)

E Type of plan: **(1)** ☐ Multiemployer Defined Benefit **(2)** ☐ Money Purchase (see instructions)

1a Enter the valuation date: Month _____ Day _____ Year _____		
b Assets		
(1) Current value of assets	**1b(1)**	
(2) Actuarial value of assets for funding standard account	**1b(2)**	
c (1) Accrued liability for plan using immediate gain methods	**1c(1)**	
(2) Information for plans using spread gain methods:		
(a) Unfunded liability for methods with bases	**1c(2)(a)**	
(b) Accrued liability under entry age normal method	**1c(2)(b)**	
(c) Normal cost under entry age normal method	**1c(2)(c)**	
(3) Accrued liability under unit credit cost method	**1c(3)**	
d Information on current liabilities of the plan:		
(1) Amount excluded from current liability attributable to pre-participation service (see instructions)	**1d(1)**	
(2) "RPA '94" information :		
(a) Current liability	**1d(2)(a)**	
(b) Expected increase in current liability due to benefits accruing during the plan year	**1d(2)(b)**	
(c) Expected release from "RPA '94" current liability for the plan year	**1d(2)(c)**	
(3) Expected plan disbursements for the plan year	**1d(3)**	

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE	
Signature of actuary	Date
Type or print name of actuary	Most recent enrollment number
Firm name	Telephone number (including area code)
Address of the firm	

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or Form 5500-SF.

Schedule MB (Form 5500) 2009
v.091307

2 Operational information as of beginning of this plan year:

a Current value of the assets (see instructions) **2a**

b "RPA '94" current liability/participant count breakdown:

	(1) Number of participants	(2) Current liability
(1) For retired participants and beneficiaries receiving payment		
(2) For terminated vested participants		
(3) For active participants:		
(a) Non-vested benefits		
(b) Vested benefits		
(c) Total active		
(4) Total		

c If the percentage resulting from dividing line 2a by line 2b(4), column (2), is less than 70%, enter such percentage ..... **2c** %

3 Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer	(c) Amount paid by employee	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer	(c) Amount paid by employee
			Totals ► 3(b)		3(c)

4 Information on plan status:

a Enter code to indicate plan's status (see instructions for attachment of supporting evidence of plan's status). If code is "N," go to item 5 ..... **4a**

b Funded percentage for monitoring plan's status (line 1b(2) divided by line 1c(3)) ..... **4b** %

c Is the plan making the scheduled progress with any applicable funding improvement or rehabilitation plan? ..... ☐ Yes ☐ No

d If the plan is in critical status, were any adjustable benefits reduced? ..... ☐ Yes ☐ No

e If line d is "Yes," enter the reduction in liability resulting from the reduction in adjustable benefits, measured as of the valuation date **4e**

5 Actuarial cost method used as the basis for this plan year's funding standard account computations (check all that apply):

a ☐ Attained age normal **b** ☐ Entry age normal **c** ☐ Accrued benefit (unit credit) **d** ☐ Aggregate

e ☐ Frozen initial liability **f** ☐ Individual level premium **g** ☐ Individual aggregate **h** ☐ Shortfall

i ☐ Reorganization **j** ☐ Other (specify):

k If box h is checked, enter period of use of shortfall method **5k**

l Has a change been made in funding method for this plan year? ..... ☐ Yes ☐ No

m If line l is "Yes," was the change made pursuant to Revenue Procedure 2000-40? ..... ☐ Yes ☐ No

n If line l is "Yes," and line m is "No," enter the date (MM-DD-YYYY) of the ruling letter (individual or class) approving the change in funding method **5n**

6 Checklist of certain actuarial assumptions:

a Interest rate for "RPA '94" current liability ..... **6a** %

		Pre-retirement	Post-retirement
b Rates specified in insurance or annuity contracts		☐ Yes ☐ No ☐ N/A	☐ Yes ☐ No ☐ N/A
c Mortality table code for valuation purposes:			
(1) Males	6c(1)		
(2) Females	6c(2)		
d Valuation liability interest rate	6d	%	%
e Expense loading	6e	%	%
f Salary scale	6f	%	

g Estimated investment return on actuarial value of assets for year ending on the valuation date ..... **6g** %

h Estimated investment return on current value of assets for year ending on the valuation date ..... **6h** %

7 New amortization bases established in the current plan year:

(1) Type of base	(2) Initial balance	(3) Amortization Charge/Credit

8 Miscellaneous information:

a If a waiver of a funding deficiency has been approved for this plan year, enter the date (MM-DD-YYYY) of the ruling letter granting the approval	8a	
b Is the plan required to provide a Schedule of Active Participant Data? (See the instructions.) If "Yes," attach schedule.		☐ Yes ☐ No
c Are any of the plan's amortization bases operating under an extension of time under section 412(e) (as in effect prior to 2008) or section 431(d)(1) of the Code?		☐ Yes ☐ No
d If line c is "Yes," provide the following additional information:		
(1) Was an extension granted automatic approval under section 431(d)(1) of the Code?		☐ Yes ☐ No
(2) If line (1) is "Yes," enter the number of years by which the amortization period was extended	8d(2)	
(3) Was an extension approved by the Internal Revenue Service under section 412(e) (as in effect prior to 2008) or 431(d)(2) of the Code?		☐ Yes ☐ No
(4) If line (3) is "Yes," enter number of years by which the amortization period was extended (not including the number of years in line (2))	8d(4)	
(5) If line (3) is "Yes," enter the date of the ruling letter approving the extension	8d(5)	
(6) If line (3) is "Yes," is the amortization base eligible for amortization using interest rates applicable under section 6621(b) of the Code for years beginning after 2007?		☐ Yes ☐ No
e If box 5h is checked or line 8c is "Yes," enter the difference between the minimum required contribution for the year and the minimum that would have been required without using the shortfall method or extending the amortization base(s)	8e	

9 Funding standard account statement for this plan year:

Charges to funding standard account:				
a Prior year funding deficiency, if any			9a	
b Employer's normal cost for plan year as of valuation date			9b	
c Amortization charges as of valuation date:		Outstanding balance		
(1) All bases except funding waivers and certain bases for which the amortization period has been extended	9c(1)			
(2) Funding waivers	9c(2)			
(3) Certain bases for which the amortization period has been extended	9c(3)			
d Interest as applicable on lines 9a, 9b, and 9c			9d	
e Total charges. Add lines 9a through 9d			9e	
Credits to funding standard account:				
f Prior year credit balance, if any			9f	
g Employer contributions. Total from column (b) of line 3			9g	
		Outstanding balance		
h Amortization credits as of valuation date	9h			
i Interest as applicable to end of plan year on lines 9f, 9g, and 9h			9i	
j Full funding limitation (FFL) and credits:				
(1) ERISA FFL (accrued liability FFL)	9j(1)			
(2) "RPA '94" override (90% current liability FFL)	9j(2)			
(3) FFL credit			9j(3)	
k (1) Waived funding deficiency			9k(1)	
(2) Other credits			9k(2)	
l Total credits. Add lines 9f through 9i, 9j(3), 9k(1), and 9k(2)			9l	
m Credit balance: If line 9l is greater than line 9e, enter the difference			9m	
n Funding deficiency: If line 9e is greater than 9l, enter the difference			9n	

9 o	Current year's accumulated reconciliation account:		
(1)	Due to waived funding deficiency accumulated prior to the 2009 plan year	**9o(1)**	
(2)	Due to amortization bases extended and amortized using the interest rate under section 6621(b) of the Code:		
(a)	Reconciliation outstanding balance as of valuation date	**9o(2)(a)**	
(b)	Reconciliation amount (line 9c(3) balance minus line 9o(2)(a))	**9o(2)(b)**	
(3)	Total as of valuation date	**9o(3)**	
10	Contribution necessary to avoid an accumulated funding deficiency. (See instructions.)	**10**	

11 Has a change been made in the actuarial assumptions for the current plan year? If "Yes," see instructions. ☐ Yes ☐ No

SCHEDULE SB (Form 5500)	Single-Employer Defined Benefit Plan Actuarial Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ **File as an attachment to Form 5500 or 5500-SF.**	**2009** **This Form is Open to Public Inspection**

For calendar plan year 2009 or fiscal plan year beginning and ending

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of $1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan	**B** Three-digit plan number (PN) ▶
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF	**D** Employer Identification Number (EIN)

E Type of plan: **(1)** ☐ Single-employer **(2)** ☐ Multiple-employer

F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☐ More than 500

Part I Basic Information

1 Enter the valuation date: Month _____ Day _____ Year _____

2 Assets:

a Market value	**2a**	
b Actuarial value	**2b**	

3 Funding target/participant count breakdown

		(1) Number of participants	(2) Funding Target
a For retired participants and beneficiaries receiving payment	**3a**		
b For terminated vested participants	**3b**		
c For active participants:			
(1) Non-vested benefits	**3c(1)**		
(2) Vested benefits	**3c(2)**		
(3) Total active	**3c(3)**		
d Total	**3d**		

4 If the plan is at-risk, check box ☐ and complete items (a) and (b)

a Funding target disregarding prescribed at-risk assumptions	**4a**	
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years	**4b**	
5 Effective interest rate	**5**	%
6 Target normal cost	**6**	

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE

Signature of actuary	Date
Type or print name of actuary	Most recent enrollment number
Firm name	Telephone number (including area code)
Address of the firm	

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or 5500-SF. **Schedule SB (Form 5500) 2009**
v.091307

Part II Beginning of year carryover and prefunding balances

		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (Item 13 from prior year)		
8	Portion used to offset prior year's funding requirement (Item 35 from prior year)		
9	Amount remaining (Item 7 minus item 8)		
10	Interest on item 9 using prior year's actual return of _____%		
11	Prior year's excess contributions to be added to prefunding balance:		
a	Excess contributions (Item 38 from prior year)		
b	Interest on (a) using prior year's effective rate of _____%		
c	Total available at beginning of current plan year to add to prefunding balance		
d	Portion of (c) to be added to prefunding balance		
12	Voluntary reduction		
13	Balance at beginning of current year (item 9 + item 10 + item 11d – item 12)		

Part III Funding percentages

14	Funding target attainment percentage	14	%
15	Adjusted funding target attainment percentage	15	%
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	%
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and liquidity shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer	(c) Amount paid by employee	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer	(c) Amount paid by employee
			Totals ► 18(b)		18(c)

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:

a	Contributions allocated toward unpaid minimum required contribution from prior years	19a
b	Contributions made to avoid restrictions adjusted to valuation date	19b
c	Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? ☐ Yes ☐ No

b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☐ Yes ☐ No

c If 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of Quarter of this plan year

(1) 1st	(2) 2nd	(3) 3rd	(4) 4th

Part V Assumptions used to determine funding target and target normal cost

21 Discount rate:

a Segment rates:

1st segment: %	2nd segment: %	3rd segment: %	☐ N/A, full yield curve used

b Applicable month (enter code) **21b**

22 Weighted average retirement age **22**

23 Mortality table (check box): ☐ Prescribed table(s) ☐ Substitute Table (see instructions)

Part VI Miscellaneous items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. ..... ☐ Yes ☐ No

25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ..... ☐ Yes ☐ No

26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. ..... ☐ Yes ☐ No

27 If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment **27**

Part VII Reconciliation of unpaid minimum required contributions for prior years

28 Unpaid minimum required contribution for all prior years **28**

29 Discounted employer contributions allocated toward unpaid minimum required contribution from prior years (item 19a) **29**

30 Remaining amount of unpaid minimum required contributions (item 28 minus item 29) **30**

Part VIII Minimum required contribution for current year

31 Target normal cost (Item 6) **31**

32 Amortization charges:

	Outstanding Balance	Amount
a Net shortfall amortization charge		
b Waiver amortization charge		

33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount **33**

34 Total funding requirement before reflecting carryover/prefunding balances (item 31 + item 32a + item 32b – item 33) **34**

	Carryover balance	Prefunding balance	Amount
35 Balances used to offset funding requirement			

36 Additional cash requirement (item 34 minus item 35) **36**

37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c) **37**

38 Excess contributions for current year (excess, if any, of item 37 over item 36) **38**

39 Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37) **39**

40 Unpaid minimum required contribution for all years **40**

SCHEDULE C (Form 5500)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).	2009
Department of Labor Employee Benefits Security Administration	▶ **File as an attachment to Form 5500.**	**This Form is Open to Public Inspection.**
Pension Benefit Guaranty Corporation		

For calendar plan year 2009 or fiscal plan year beginning and ending

A Name of plan	**B** Three-digit plan number (PN) ▶
C Plan sponsor's name as shown on line 2a of Form 5500	**D** Employer Identification Number (EIN)

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☐ Yes ☐ No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

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(a) Enter name and EIN or address (see instructions)						
(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)						
(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)						
(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 1	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

(a) Enter service provider name as it appears on line 1	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

(a) Enter service provider name as it appears on line 1	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

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Part III **Termination Information on Accountants and Enrolled Actuaries (see instructions)**
(complete as many entries as needed)

a Name:	**b** EIN:
c Position:	
d Address:	**e** Telephone:

Explanation:

a Name:	**b** EIN:
c Position:	
d Address:	**e** Telephone:

Explanation:

a Name:	**b** EIN:
c Position:	
d Address:	**e** Telephone:

Explanation:

a Name:	**b** EIN;
c Position:	
d Address:	**e** Telephone:

Explanation:

a Name:	**b** EIN;
c Position:	
d Address:	**e** Telephone:

Explanation:

SCHEDULE D (Form 5500)	DFE/Participating Plan Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ **File as an attachment to Form 5500.**	**2009** **This Form is Open to Public Inspection.**

For calendar plan year 2009 or fiscal plan year beginning and ending

A Name of plan	**B** Three-digit plan number (PN) ▶
C Plan or DFE sponsor's name as shown on line 2a of Form 5500	**D** Employer Identification Number (EIN)

Part I **Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)**
(Complete as many entries as needed to report all interests in DFEs)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

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Part II **Information on Participating Plans (to be completed by DFEs)**
(Complete as many entries as needed to report all participating plans)

a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN

SCHEDULE G (Form 5500)	Financial Transaction Schedules	OMB No. 1210-0110
Department of Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ **File as an attachment to Form 5500.**	**2009** **This Form is Open to Public Inspection.**

For calendar plan year 2009 or fiscal plan year beginning and ending

A Name of plan:	**B** Three-digit plan number (PN) ▶
C Plan sponsor's name as shown on line 2a of Form 5500	**D** Employer Identification Number (EIN):

Part I Schedule of Loans or Fixed Income Obligations in Default or Classified as Uncollectible

Complete as many entries as needed to report all loans or fixed income obligations in default or classified as uncollectible. Check box (a) if obligor is known to be a party in interest. Attach Overdue Loan Explanation for each loan listed. See Instructions.

(a)	(b) Identity and address of obligor	(c) Detailed description of loan including dates of making and maturity, interest rate, the type and value of collateral, any renegotiation of the loan and the terms of the renegotiation, and other material items
☐		

	Amount received during reporting year			Amount overdue	
(d) Original amount of loan	(e) Principal	(f) Interest	(g) Unpaid balance at end of year	(h) Principal	(i) Interest

(a)	(b) Identity and address of obligor	(c) Detailed description of loan including dates of making and maturity, interest rate, the type and value of collateral, any renegotiation of the loan and the terms of the renegotiation, and other material items
☐		

	Amount received during reporting year			Amount overdue	
(d) Original amount of loan	(e) Principal	(f) Interest	(g) Unpaid balance at end of year	(h) Principal	(i) Interest

(a)	(b) Identity and address of obligor	(c) Detailed description of loan including dates of making and maturity, interest rate, the type and value of collateral, any renegotiation of the loan and the terms of the renegotiation, and other material items
☐		

	Amount received during reporting year			Amount overdue	
(d) Original amount of loan	(e) Principal	(f) Interest	(g) Unpaid balance at end of year	(h) Principal	(i) Interest

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(a)	(b) Identity and address of obligor	(c) Detailed description of loan including dates of making and maturity, interest rate, the type and value of collateral, any renegotiation of the loan and the terms of the renegotiation, and other material items
☐		

	Amount received during reporting year			Amount overdue	
(d) Original amount of loan	(e) Principal	(f) Interest	(g) Unpaid balance at end of year	(h) Principal	(i) Interest

(a)	(b) Identity and address of obligor	(c) Detailed description of loan including dates of making and maturity, interest rate, the type and value of collateral, any renegotiation of the loan and the terms of the renegotiation, and other material items
☐		

	Amount received during reporting year			Amount overdue	
(d) Original amount of loan	(e) Principal	(f) Interest	(g) Unpaid balance at end of year	(h) Principal	(i) Interest

(a)	(b) Identity and address of obligor	(c) Detailed description of loan including dates of making and maturity, interest rate, the type and value of collateral, any renegotiation of the loan and the terms of the renegotiation, and other material items
☐		

	Amount received during reporting year			Amount overdue	
(d) Original amount of loan	(e) Principal	(f) Interest	(g) Unpaid balance at end of year	(h) Principal	(i) Interest

(a)	(b) Identity and address of obligor	(c) Detailed description of loan including dates of making and maturity, interest rate, the type and value of collateral, any renegotiation of the loan and the terms of the renegotiation, and other material items
☐		

	Amount received during reporting year			Amount overdue	
(d) Original amount of loan	(e) Principal	(f) Interest	(g) Unpaid balance at end of year	(h) Principal	(i) Interest

(a)	(b) Identity and address of obligor	(c) Detailed description of loan including dates of making and maturity, interest rate, the type and value of collateral, any renegotiation of the loan and the terms of the renegotiation, and other material items
☐		

	Amount received during reporting year			Amount overdue	
(d) Original amount of loan	(e) Principal	(f) Interest	(g) Unpaid balance at end of year	(h) Principal	(i) Interest

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Part II Schedule of Leases in Default or Classified as Uncollectible

Complete as many entries as needed to report all leases in default or classified as uncollectible. Check box (a) if lessor or lessee is known to be a party in interest. Attach Overdue Lease Explanation for each lease listed. (See instructions)

(a)	(b) Identity of lessor/lessee	(c) Relationship to plan, employer, employee organization or other party-in-interest	(d) Terms and description (type of property, location and date it was purchased, terms regarding rent, taxes, insurance, repairs, expenses, renewal options, date property was leased)
☐			

(e) Original cost	(f) Current value at time of lease	(g) Gross rental receipts during the plan year	(h) Expenses paid during the plan year	(i) Net receipts	(j) Amount in arrears

(a)	(b) Identity of lessor/lessee	(c) Relationship to plan, employer, employee organization or other party-in-interest	(d) Terms and description (type of property, location and date it was purchased, terms regarding rent, taxes, insurance, repairs, expenses, renewal options, date property was leased)
☐			

(e) Original cost	(f) Current value at time of lease	(g) Gross rental receipts during the plan year	(h) Expenses paid during the plan year	(i) Net receipts	(j) Amount in arrears

(a)	(b) Identity of lessor/lessee	(c) Relationship to plan, employer, employee organization or other party-in-interest	(d) Terms and description (type of property, location and date it was purchased, terms regarding rent, taxes, insurance, repairs, expenses, renewal options, date property was leased)
☐			

(e) Original cost	(f) Current value at time of lease	(g) Gross rental receipts during the plan year	(h) Expenses paid during the plan year	(i) Net receipts	(j) Amount in arrears

(a)	(b) Identity of lessor/lessee	(c) Relationship to plan, employer, employee organization or other party-in-interest	(d) Terms and description (type of property, location and date it was purchased, terms regarding rent, taxes, insurance, repairs, expenses, renewal options, date property was leased)
☐			

(e) Original cost	(f) Current value at time of lease	(g) Gross rental receipts during the plan year	(h) Expenses paid during the plan year	(i) Net receipts	(j) Amount in arrears

(a)	(b) Identity of lessor/lessee	(c) Relationship to plan, employer, employee organization or other party-in-interest	(d) Terms and description (type of property, location and date it was purchased, terms regarding rent, taxes, insurance, repairs, expenses, renewal options, date property was leased)
☐			

(e) Original cost	(f) Current value at time of lease	(g) Gross rental receipts during the plan year	(h) Expenses paid during the plan year	(i) Net receipts	(j) Amount in arrears

(a)	(b) Identity of lessor/lessee	(c) Relationship to plan, employer, employee organization or other party-in-interest	(d) Terms and description (type of property, location and date it was purchased, terms regarding rent, taxes, insurance, repairs, expenses, renewal options, date property was leased)
☐			

(e) Original cost	(f) Current value at time of lease	(g) Gross rental receipts during the plan year	(h) Expenses paid during the plan year	(i) Net receipts	(j) Amount in arrears

Schedule G (Form 5500) 2009 Page 4 - ☐

Part III Nonexempt Transactions

Complete as many entries as needed to report all nonexempt transactions. **Caution:** If a nonexempt prohibited transaction occurred with respect to a disqualified person, file Form 5330 with the IRS to pay the excise tax on the transaction.

(a) Identity of party involved	(b) Relationship to plan, employer, or other party-in-interest	(c) Description of transaction including maturity date, rate of interest, collateral, par or maturity value	(d) Purchase price

(e) Selling price	(f) Lease rental	(g) Transaction expenses	(h) Cost of asset	(i) Current value of asset	(j) Net gain (or loss) on each transaction

(a) Identity of party involved	(b) Relationship to plan, employer, or other party-in-interest	(c) Description of transactions including maturity date, rate of interest, collateral, par or maturity value	(d) Purchase price

(e) Selling price	(f) Lease rental	(g) Transaction expenses	(h) Cost of asset	(i) Current value of asset	(j) Net gain (or loss) on each transaction

(a) Identity of party involved	(b) Relationship to plan, employer, or other party-in-interest	(c) Description of transactions including maturity date, rate of interest, collateral, par or maturity value	(d) Purchase price

(e) Selling price	(f) Lease rental	(g) Transaction expenses	(h) Cost of asset	(i) Current value of asset	(j) Net gain (or loss) on each transaction

(a) Identity of party involved	(b) Relationship to plan, employer, or other party-in-interest	(c) Description of transactions including maturity date, rate of interest, collateral, par or maturity value	(d) Purchase price

(e) Selling price	(f) Lease rental	(g) Transaction expenses	(h) Cost of asset	(i) Current value of asset	(j) Net gain (or loss) on each transaction

(a) Identity of party involved	(b) Relationship to plan, employer, or other party-in-interest	(c) Description of transactions including maturity date, rate of interest, collateral, par or maturity value	(d) Purchase price

(e) Selling price	(f) Lease rental	(g) Transaction expenses	(h) Cost of asset	(i) Current value of asset	(j) Net gain (or loss) on each transaction

(a) Identity of party involved	(b) Relationship to plan, employer, or other party-in-interest	(c) Description of transactions including maturity date, rate of interest, collateral, par or maturity value	(d) Purchase price

(e) Selling price	(f) Lease rental	(g) Transaction expenses	(h) Cost of asset	(i) Current value of asset	(j) Net gain (or loss) on each transaction

SCHEDULE H (Form 5500)	Financial Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ▶ **File as an attachment to Form 5500.**	**2009** **This Form is Open to Public Inspection**

For calendar plan year 2009 or fiscal plan year beginning and ending

A Name of plan	**B** Three-digit plan number (PN) ▶
C Plan sponsor's name as shown on line 2a of Form 5500	**D** Employer Identification Number (EIN)

Part I Asset and Liability Statement

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions	1b(2)		
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

		(a) Beginning of Year	(b) End of Year
1d Employer-related investments:			
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f		
Liabilities			
g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through1j)	1k		
Net Assets			
l Net assets (subtract line 1k from line 1f)	1l		

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)		
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		
(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines **2b(2)(A), (B),** and **(C)**	2b(2)(D)		
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)		
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines **2e(1)** through **(3)**	2e(4)		
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unqualified (2) ☐ Qualified (3) ☐ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? ☐ Yes ☐ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: (2) EIN:

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete 4j and 4l. MTIAs also do not complete 4l.

During the plan year:

			Yes	No	Amount
a	Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a			
b	Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	4b			
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c			
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d			
e	Was this plan covered by a fidelity bond?	4e			
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f			
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g			
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h			
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i			
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j			
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k			
l	Has the plan failed to provide any benefit when due under the plan?	4l			
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m			
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? If yes, enter the amount of any plan assets that reverted to the employer this year ☐ Yes ☐ No **Amount:**

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	**5b(2)** EIN(s)	**5b(3)** PN(s)

SCHEDULE I (Form 5500)	Financial Information—Small Plan	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).	2009
Department of Labor Employee Benefits Security Administration	▶ File as an attachment to Form 5500.	This Form is Open to Public Inspection
Pension Benefit Guaranty Corporation		

For calendar plan year 2009 or fiscal plan year beginning and ending

A Name of plan	B Three-digit plan number (PN) ▶
C Plan sponsor's name as shown on line 2a of Form 5500	D Employer Identification Number (EIN)

Complete Schedule I if the plan covered fewer than 100 participants as of the beginning of the plan year. You may also complete Schedule I if you are filing as a small plan under the 80-120 participant rule (see instructions). Complete Schedule H if reporting as a large plan or DFE.

Part I Small Plan Financial Information

Report below the current value of assets and liabilities, income, expenses, transfers and changes in net assets during the plan year. Combine the value of plan assets held in more than one trust. Do not enter the value of the portion of an insurance contract that guarantees during this plan year to pay a specific dollar benefit at a future date. Include all income and expenses of the plan including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. **Round off amounts to the nearest dollar.**

1 **Plan Assets and Liabilities:**		(a) Beginning of Year	(b) End of Year
a Total plan assets	1a		
b Total plan liabilities	1b		
c Net plan assets (subtract line 1b from line 1a)	1c		

2 **Income, Expenses, and Transfers for this Plan Year:**		(a) Amount	(b) Total
a Contributions received or receivable:			
(1) Employers	2a(1)		
(2) Participants	2a(2)		
(3) Others (including rollovers)	2a(3)		
b Noncash contributions	2b		
c Other income	2c		
d Total income (add lines 2a(1), 2a(2), 2a(3), 2b, and 2c)	2d		
e Benefits paid (including direct rollovers)	2e		
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Administrative service providers (salaries, fees, and commissions)	2h		
i Other expenses	2i		
j Total expenses (add lines 2e, 2f, 2g, 2h, and 2i)	2j		
k Net income (loss) (subtract line 2j from line 2d)	2k		
l Transfers to (from) the plan (see instructions)	2l		

3 **Specific Assets:** If the plan held assets at anytime during the plan year in any of the following categories, check "Yes" and enter the current value of any assets remaining in the plan as of the end of the plan year. Allocate the value of the plan's interest in a commingled trust containing the assets of more than one plan on a line-by-line basis unless the trust meets one of the specific exceptions described in the instructions.

		Yes	No	Amount
a Partnership/joint venture interests	3a			
b Employer real property	3b			
c Real estate (other than employer real property)	3c			
d Employer securities	3d			
e Participant loans	3e			

		Yes	No	Amount
3f Loans (other than to participants)	3f			
g Tangible personal property	3g			

Part II Compliance Questions

4 During the plan year:		Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a			
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of plan year or classified during the year as uncollectible? Disregard participant loans secured by the participant's account balance	4b			
c Were any leases to which the plan was a party in default or classified during the year as uncollectible?	4c			
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a.)	4d			
e Was the plan covered by a fidelity bond?	4e			
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f			
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g			
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h			
i Did the plan at any time hold 20% or more of its assets in any single security, debt, mortgage, parcel of real estate, or partnership/joint venture interest?	4i			
j Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4j			
k Are you claiming a waiver of the annual examination and report of an independent qualified public accountant (IQPA) under 29 CFR 2520.104-46? If "No," attach an IQPA's report or 2520.104-50 statement. (See instructions on waiver eligibility and conditions.)	4k			
l Has the plan failed to provide any benefit when due under the plan?	4l			
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m			
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3	4n			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? If "Yes," enter the amount of any plan assets that reverted to the employer this year ☐ Yes ☐ No **Amount:**

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)

SCHEDULE R (Form 5500)	Retirement Plan Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ **File as an attachment to Form 5500.**	**2009** **This Form is Open to Public Inspection.**

For calendar plan year 2009 or fiscal plan year beginning , and ending ,

A Name of plan	**B** Three-digit plan number (PN) ▶
C Plan sponsor's name as shown on line 2a of Form 5500	**D** Employer Identification Number (EIN)

Part I Distributions

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions 1

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): _____ _____

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year. 3

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section of 412 of the Internal Revenue Code or ERISA section 302, skip this Part)

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ Yes ☐ No ☐ N/A

If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 a Enter the minimum required contribution for this plan year 6a

b Enter the amount contributed by the employer to the plan for this plan year 6b

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) 6c

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ Yes ☐ No ☐ N/A

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ Yes ☐ No ☐ N/A

Part III Amendments

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box(es). If no, check the "No" box. ..... ☐ Increase ☐ Decrease ☐ Both ☐ No

Part IV ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ Yes ☐ No

11 a Does the ESOP hold any preferred stock? ..... ☐ Yes ☐ No

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ Yes ☐ No

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ Yes ☐ No

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

Schedule R (Form 5500) 2009 Page 3

14 Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	14a	
b The plan year immediately preceding the current plan year	14b	
c The second preceding plan year	14c	

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	15a	
b The corresponding number for the second preceding plan year	15b	

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	16a	
b If item 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	

17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

19 If the total number of participants is 1,000 or more, complete items (a) through (c)

a Enter the percentage of plan assets held as:
Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate item 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify) _____

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Appendix D

2009 Instructions for Form 5500 and Schedules

Annual Return/Report of Employee Benefit Plan

ERISA refers to the Employee Retirement Income Security Act of 1974, and Code references are to the Internal Revenue Code, unless otherwise noted.

EFAST Processing System

Under the computerized ERISA Filing Acceptance System (EFAST), you must electronically file your 2009 Form 5500. You may file your 2009 Form 5500 on-line, using EFAST's web-based filing system or you may file through an EFAST-approved vendor. For more information, see the instructions for Electronic Filing Requirement.

About the Form 5500

The Form 5500, Annual Return/Report of Employee Benefit Plan, including all required schedules and attachments (Form 5500 Return/Report) is used to report information concerning employee benefit plans and Direct Filing Entities (DFEs). Any administrator or sponsor of an employee benefit plan subject to ERISA must file information about each benefit plan every year (Code section 6058 and ERISA sections 104 and 4065). Some plans participate in certain trusts, accounts, and other investment arrangements that file a Form 5500 Return/Report as DFEs. See Who Must File and When to File.

The Internal Revenue Service (IRS), Department of Labor (DOL), and Pension Benefit Guarantee Corporation (PBGC) have consolidated certain returns and report forms to reduce the filing burden for plan administrators and employers. Employers and administrators who comply with the instructions for the Form 5500 Return/Report generally will satisfy the annual reporting requirements for the IRS and DOL.

Plans covered by the PBGC have special additional requirements, including filing Annual Premium Payment (PBGC Form 1) and reporting certain transactions directly with that agency. See PBGC's Premium Payment Instructions (Form 1 Package).

Each Form 5500 Return/Report must accurately reflect the characteristics and operations of the plan or arrangement being reported. The requirements for completing the Form 5500 Return/Report will vary according to the type of plan or arrangement. The section What to File summarizes what information must be reported for different types of plans and arrangements. The Quick Reference Chart for Form 5500, Schedules and Attachments gives a brief guide to the annual return/report requirements for the 2009 Form 5500.

The Form 5500 Return/Report must be filed electronically. Your entries will be initially screened. Your entries must satisfy this screening in order to be filed. Once filed, your form may be subject to further detailed review and your filing may be rejected based on this further review.

ERISA and the Code provide for the assessment or imposition of penalties for not submitting the required information when due. See Penalties.

Annual reports filed under Title I of ERISA must be made available by plan administrators to plan participants and by the DOL to the public pursuant to ERISA sections 104 and 106.

How To Get Assistance

If you need help completing this form or have related questions, call the EFAST Help Line at [number to be provided] (toll free). The EFAST Help

Line is available Monday through Friday from 8 a.m. to 8 p.m., Eastern Time.

You can access the EFAST Web site 24 hours a day, 7 days a week at *http://www.efast.dol.gov* to:

- View forms and related instructions.
- Get information regarding EFAST, including approved software vendors.
- See answers to frequently asked questions about the Form 5500–SF, the Form 5500 and its Schedules, and EFAST.
- Access the main EBSA and DOL Web sites for news, regulations, and publications.

You can access the IRS Web site 24 hours a day, 7 days a week at *http://www.irs.gov* to:

- View forms, instructions, and publications.
- See answers to frequently asked tax questions.
- Search publications online by topic or keyword.
- Send comments or request help by e-mail.
- Sign up to receive local and national tax news by e-mail.

You can order related forms and IRS publications by calling 1–800–TAX–FORM (1–800–829–3676). You can order EBSA publications by calling 1–866–444–3272. In addition, most IRS forms and publications are available at your local IRS office.

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Section 1: Who Must File

A return/report must be filed every year for every pension benefit plan, welfare benefit plan, and for every entity that files as a DFE as specified below (Code section 6058 and ERISA sections 104 and 4065).

TIP: Plans that have fewer than 100 participants at the beginning of the plan year, are exempt from the requirement that the plan's books and records be audited by an independent qualified public accountant (IQPA) (but not by reason of enhanced bonding), have 100% of their assets invested in certain secure investments with a readily determinable fair market value, hold no employer securities, and are not multiemployer plans, generally are eligible to file the Form 5500–SF, Short Form Annual Return/Report of Small Employer Benefit Plan (Form 5500–SF), in lieu of the Form 5500 Return/Report. For more information on who may file the Form 5500–SF, see *http://www.dol.gov/ebsa.*

Pension Benefit Plan

All pension benefit plans covered by ERISA must file an annual return/report except as provided in this section. This return/report must be filed whether or not the plan is ''tax qualified,'' benefits no longer accrue, contributions were not made this plan year, or contributions are no longer made. Pension benefit plans required to file include both defined benefit plans and defined contribution plans.

The following are among the pension benefit plans for which a return/report must be filed:

1. Profit-sharing, stock bonus, money purchase, 401(k) plans, etc.

2. Annuity arrangements under Code section 403(b)(1).

3. Custodial accounts established under Code section 403(b)(7) for regulated investment company stock.

4. Individual retirement accounts (IRAs) established by an employer under Code section 408(c).

5. Church pension plans electing coverage under Code section 410(d).

6. Pension benefit plans that cover residents of Puerto Rico, the U.S. Virgin Islands, Guam, Wake Island, or American Samoa. This includes a plan that elects to have the provisions of section 1022(i)(2) of ERISA apply.

7. Plans that satisfy the Actual Deferral Percentage requirements of Code section 401(k)(3)(A)(ii) by adopting the ''SIMPLE'' provisions of section 401(k)(11).

See What to File for more information about what must be completed for pension plans.

Do Not File a Form 5500 for a Pension Benefit Plan That Is Any of the Following:

1. An unfunded excess benefit plan. See ERISA section 4(b)(5).

2. An annuity or custodial account arrangement under Code section 403(b)(1) or (7) not established or maintained by an employer as described in DOL Regulation 29 CFR 2510.3–2(f).

3. A Savings Incentive Match Plan for Employees of Small Employers (SIMPLE) that involves SIMPLE IRAs under Code section 408(p).

4. A simplified employee pension plan (SEP) or a salary reduction SEP described in Code section 408(k) that conforms to the alternative method of compliance in 29 CFR 2520.104–48 or 2520.104–49.

5. A church plan not electing coverage under Code section 410(d).

6. A pension plan that is maintained outside the United States primarily for the benefit of persons substantially all of whom are nonresident aliens.

7. An unfunded pension plan for a select group of management or highly compensated employees that meets the requirements of 29 CFR 2520.104–23, including timely filing of a registration statement with the DOL.

8. An unfunded dues financed pension benefit plan that meets the alternative method of compliance provided by 29 CFR 2520.104–27.

9. An individual retirement account or annuity not considered a pension plan under 29 CFR 2510.3–2(d).

10. A governmental plan.

11. One-Participant (Owners and Their Spouses) Retirement Plan (generally referred to as a One-Participant Plan). However, One-Participant Plans must file either the Form 5500–EZ with the IRS or, if eligible, may file the Form 5500–SF

electronically with EFAST. For this purpose, a One-Participant Plan is: (1) A pension benefit plan that covers only an individual or an individual and his or her spouse who wholly own a trade or business, whether incorporated or unincorporated; or (2) a pension benefit plan for a partnership that covers only the partners or the partners and the partners' spouses. *See* the instructions to the Form 5500–EZ, Annual Return of One-Participant (Owners and Their Spouses) Retirement Plan, and the Form 5500–SF for eligibility conditions and filing requirements. For more information go to *http://www.irs.gov/ep* or call 1–877–829–5500.

Welfare Benefit Plan

All welfare benefit plans covered by ERISA are required to file a Form 5500 except as provided in this section. Welfare benefit plans provide benefits such as medical, dental, life insurance, apprenticeship and training, scholarship funds, severance pay, disability, etc. See What to File for more information.

Reminder: The administrator of an employee welfare benefit plan that provides benefits wholly or partially through a Multiple-employer Welfare Arrangement (MEWA), as defined in ERISA section 3(40), must file a Form 5500, unless otherwise exempt.

Do Not File a Form 5500 for a Welfare Benefit Plan That Is Any of the Following:

1. A welfare benefit plan that covered fewer than 100 participants as of the beginning of the plan year and is unfunded, fully insured, or a combination of insured and unfunded.

Note: To determine whether the plan covers fewer than 100 participants for purposes of these filing exemptions for insured and unfunded welfare plans, see instructions for lines 6 and 7 on counting participants in a welfare plan. See also 29 CFR 2510.3–3(d).

a. An unfunded welfare benefit plan has its benefits paid as needed directly from the general assets of the employer or employee organization that sponsors the plan.

Note: Plans that are NOT unfunded include those plans that received employee (or former employee) contributions during the plan year and/or used a trust or separately maintained fund (including a Code section 501(c)(9) trust) to hold plan assets or act as a conduit for the transfer of plan assets during the year. A welfare plan with employee contributions that is associated with a cafeteria plan under Code section 125 may be treated for annual reporting purposes as an unfunded welfare plan if it meets the requirements of DOL Technical Release 92–01, 57 FR 23272 (June 2, 1992) and 58 FR 45359 (Aug. 27, 1993). The mere receipt of COBRA contributions or other after-tax participant contributions would not by itself affect the availability of the relief provided for cafeteria plans that otherwise meet the requirements of DOL Technical Release 92–01. See 61 FR 41220, 41222–23 (Aug. 7, 1996).

b. A fully insured welfare benefit plan has its benefits provided exclusively through insurance contracts or policies, the premiums of which must be paid directly to the insurance carrier by the employer or employee organization from its general assets or partly from its general assets and partly from contributions by its employees or members (which the employer or employee organization forwards within three (3) months of receipt). The insurance contracts or policies discussed above must be issued by an insurance company or similar organization (such as Blue Cross, Blue Shield or a health maintenance organization) that is qualified to do business in any state.

c. A combination unfunded/insured welfare plan has its benefits provided partially as an unfunded plan and partially as a fully insured plan. An example of such a plan is a welfare benefit plan that provides medical benefits as in a above and life insurance benefits as in b above. See 29 CFR 2520.104–20.

Note: A ''voluntary employees' beneficiary association,'' as used in Code section 501(c)(9) (''VEBA''), should not be confused with the employer or employee organization that sponsors the plan. See ERISA section 3(4).

2. A welfare benefit plan maintained outside the United States primarily for persons substantially all of whom are nonresident aliens.

3. A governmental plan.

4. An unfunded or insured welfare plan for a select group of management or highly compensated employees, which meets the requirements of 29 CFR 2520.104–24.

5. An employee benefit plan maintained only to comply with workers' compensation, unemployment compensation, or disability insurance laws.

6. A welfare benefit plan that participates in a group insurance arrangement that files a Form 5500 Return/Report on behalf of the welfare benefit plan as specified in 29 CFR 2520.103–2. See 29 CFR 2520.104–43.

7. An apprenticeship or training plan meeting all of the conditions specified in 29 CFR 2520.104–22.

8. An unfunded dues financed welfare benefit plan exempted by 29 CFR 2520.104–26.

9. A church plan under ERISA section 3(33).

10. A welfare benefit plan solely for (1) an individual or an individual and his or her spouse, who wholly owns a trade or business, whether incorporated or unincorporated, or (2) partners or the partners and the partners' spouses in a partnership. See 29 CFR 2510.3–3(b).

Direct Filing Entity (DFE)

Some plans participate in certain trust, accounts, and other investment arrangements that file the Form 5500 Return/Report as a DFE in accordance with the Direct Filing Entity (DFE) Filing Requirements. A Form 5500 Return/Report must be filed for a master trust investment account (MTIA). A Form 5500 is not required, but may be filed for a common/collective trust (CCT), pooled separate account (PSA), 103–12 investment entity (103–12 IE), or group insurance arrangement (GIA). Plans that participate in CCTs, PSAs, 103–12 IEs, or GIAs that file as DFEs, however, generally are eligible for certain annual reporting relief. For reporting purposes, a CCT, PSA, 103–12 IE, or GIA is not considered a DFE unless a Form 5500 Return/Report is filed for it in accordance with the Direct Filing Entity (DFE) Filing Requirements.

Note: Special requirements also apply to Schedules D and H attached to the Form 5500 filed by plans participating in MTIAs, CCTs, PSAs, and 103–12 IEs. See the instructions for these schedules.

Section 2: When to File

Plans and GIAs. File 2009 returns/reports for plan and GIA years that began in 2009. All required forms, schedules, statements, and attachments must be filed by the last day of the 7th calendar month after the end of the plan or GIA year (not to exceed 12 months in length) that began in 2009. If the plan or GIA year differs from the 2009 calendar year, fill in the fiscal year beginning and ending dates in the space provided.

DFEs other than GIAs. File 2009 Returns/Reports no later than 9½ months after the end of the DFE year that ended in 2009. A Form 5500 Return/Report filed for a DFE must report information for the DFE year (not to exceed 12 months in length). If the DFE year differs from the 2009 calendar year, fill in the fiscal year beginning and ending dates in the space provided.

Short Years. For a plan year of less than 12 months (short plan year), file the form and applicable schedules by the last day of the 7th month after the short plan year ends. Fill in the short plan year beginning and ending dates in the space provided and check the appropriate box in Part I, Line B of the

Form 5500. For purposes of this return/report, the short plan year ends on the date of the change in accounting period or upon the complete distribution of assets of the plan. Also see the instructions for Final Return/Report to determine if ''the final return/report'' in Line B should be checked. Generally, only defined benefit pension plans need to get approval for a change in plan year.

Notes: (1) If the filing due date falls on a Saturday, Sunday, or Federal holiday, the return/report may be filed on the next day that is not a Saturday, Sunday, or Federal holiday. (2) If the 2010 Form 5500 is not available before the plan or DFE filing due date, you may use the 2009 Form 5500 and enter the 2009 fiscal year beginning and ending dates in the space provided.

Extension of Time To File

Using Form 5558

A plan or GIA may obtain a one-time extension of time to file a Form 5500 Return/Report (up to 2½ months) by filing IRS Form 5558, Application for Extension of Time To File Certain Employee Plan Returns, on or before the normal due date (not including any extensions) of the return/report. You MUST file the Form 5558 with the IRS. Approved copies of the Form 5558 will not be returned to the filers. A copy of the completed extension request must, however, be retained with the filer's records.

File Form 5558 with the Department of the Treasury, Internal Revenue Service Center, Ogden, UT 84201–0027.

Using Extension of Time To File Federal Income Tax Return

An automatic extension of time to file the Form 5500 Return/Report until the due date of the Federal income tax return of the employer will be granted if all of the following conditions are met: (1) The plan year and the employer's tax year are the same; (2) the employer has been granted an extension of time to file its Federal income tax return to a date later than the normal due date for filing the Form 5500 Return/Report; and (3) a copy of the application for extension of time to file the Federal income tax return is maintained with the filer's records. An extension of time granted by using this automatic extension procedure CANNOT be extended further by filing a Form 5558, nor can it be extended beyond a total of 9½ months beyond the close of the plan year.

Note: An extension of time to file the Form 5500 Return/Report described in this section does not operate as an extension of time to file a Form 5500 Return/Report for a DFE (other than a GIA) or the PBGC Form 1.

Other Extensions of Time

The IRS, DOL, and PBGC may announce special extensions of time under certain circumstances, such as extensions for Presidentially-declared disasters or for service in, or in support of, the Armed Forces of the United States in a combat zone. See *http://www.irs.gov* and *http://www.efast.dol.gov* for announcements regarding such special extensions. If you are relying on one of these announced special extensions, check the appropriate box on Form 5500, Part I, line D and enter a description of the announced authority for the extension.

Delinquent Filer Voluntary Compliance (DFVC) Program

The DFVC Program facilitates voluntary compliance by plan administrators who are delinquent in filing annual reports under Title I of ERISA by permitting administrators to pay reduced civil penalties for voluntarily complying with their DOL annual reporting obligations. If the Form 5500 Return/Report is being filed under the DFVC Program, check the appropriate item in Form 5500, Part I, line D to indicate that the Form 5500 Return/Report is being filed under the DFVC Program.

See *http://www.efast.dol.gov* for information concerning the submission of penalty payments to the DFVC Program processing center. Do not submit penalty payments to EFAST. [Current instructions for penalty payment submissions will be provided]

Section 3: Electronic Filing Requirement

Under the computerized ERISA Filing Acceptance System (EFAST), you must file your 2009 Form 5500 Return/Report electronically. You may file on-line, using EFAST's web-based filing system, or you may file through an EFAST-approved vendor. Detailed information on electronic filing is available at (insert web address). For telephone assistance, call the EFAST Help Line at [number to be provided]. The EFAST Help Line is available Monday through Friday from 8:00 a.m. to 8:00 p.m., Eastern Time.

CAUTION: Annual reports filed under Title I of ERISA must be made available by plan administrators to plan participants and by DOL to the public pursuant to ERISA sections 104 and 106. Even though the Form 5500 Return/Report must be filed electronically, the administrator must keep a copy of the Form 5500, including schedules and attachments, with all required manual signatures on file as part of the plan's records and must make a paper copy available on request to participants, beneficiaries, and the DOL as required by section 104 of ERISA and 29 CFR 2520.103–1.

Answer all questions with respect to the plan year unless otherwise explicitly stated in the instructions or on the form itself. Therefore, responses usually apply to the 2009 plan year.

Your entries will be initially screened. Your entries must satisfy this screening in order to be filed. Once filed, your form may be subject to further detailed review, and your filing may be rejected based upon this further review. To reduce the possibility of correspondence and penalties:

- Complete all lines on the Form 5500 unless otherwise specified. Also complete or electronically attach, as required, applicable schedules and attachments.
- Do not enter ''N/A'' or ''Not Applicable'' on the Form 5500 Return/Report unless specifically permitted. ''Yes'' or ''No'' questions on the forms and schedules cannot be left blank, but must be answered either ''Yes'' or ''No,'' and not both.

The Form 5500, Schedules, and attachments are open to public inspection, and the contents are public information subject to publication on the Internet. Do not enter social security numbers in response to questions asking for an employer identification number (EIN). Because of privacy concerns, the inclusion of a social security number on the Form 5500 or on a schedule or attachment may result in the rejection of the filing. EINs may be obtained by applying for one on Form SS–4, Application for Employer Identification Number. You can obtain Form SS–4 by calling 1–800–TAX–FORM (1–800–829–3676) or at the IRS Web site at *http://www.irs.gov.* The EBSA does not issue EINs.

Amended Return/Report

File an amended return/report to correct errors and/or omissions in a previously filed and accepted annual return/report for the 2009 plan year. The amended Form 5500 and any amended schedules and/or attachments must conform to the requirements in these Instructions. See the DOL Web site at *http://www.efast.dol.gov* for information on filing amended returns/reports for prior years.

Final Return/Report

If all assets under the plan (including insurance/annuity contracts) have been distributed to the participants and beneficiaries or legally transferred to the control of another plan, and when all

liabilities for which benefits may be paid under a welfare benefit plan have been satisfied, check the final return/report box in Part I, line B at the top of the Form 5500. If a trustee is appointed for a terminated defined benefit plan pursuant to ERISA section 4042, the last plan year for which a return/report must be filed is the year in which the trustee is appointed.

Examples:

Mergers/Consolidations

A final return/report should be filed for the plan year (12 months or less) that ends when all plan assets were legally transferred to the control of another plan.

Pension and Welfare Plans That Terminated Without Distributing All Assets

If the plan was terminated, but all plan assets were not distributed, a return/report must be filed for each year the plan has assets. The return/report must be filed by the plan administrator, if designated, or by the person or persons who actually control the plan's assets/property.

Welfare Plans Still Liable To Pay Benefits

A welfare plan cannot file a final return/report if the plan is still liable to pay benefits for claims that were incurred prior to the termination date, but not yet paid. See 29 CFR 2520.104b–2(g)(2)(ii).

Signature and Date

The Form 5500 Annual Return/Report and any applicable schedules must be signed and dated. The administrator is required under ERISA to maintain a copy of the annual report with all required signatures, as part of the plan's records, even though the return/report is filed electronically. *See* 29 CFR 2520.103–1.

Electronic signatures on annual returns/reports filed under EFAST2 are affected by the applicable statutory and regulatory requirements. Information on those requirements will be made available for electronic filing under EFAST2.

Change in Plan Year

Generally, only defined benefit pension plans need to get approval for a change in plan year. (*See* Code section 412(c)(5).) However, under Rev. Proc. 87–27, 1987–1 C.B. 769, these pension benefit plans may be eligible for automatic approval of a change in plan year. If a change in plan year for a pension or a welfare plan creates a short plan year, the appropriate Box in Part I, line B of the Form 5500 must be checked and a Form 5500, with all required schedules and attachments, must be filed by the last day of the 7th calendar month after the end of the short plan year.

Penalties

Plan administrators and plan sponsors must provide complete and accurate information and must otherwise comply fully with the filing requirements. ERISA and the Code provide for the DOL and IRS, respectively, to assess or impose penalties for not giving complete information and for not filing statements and returns/reports. Certain penalties are administrative (i.e., they may be imposed or assessed by one of the governmental agencies delegated to administer the collection of the annual return/report data). Others require a legal conviction.

Administrative Penalties

Listed below are various penalties under ERISA and the Code that may be assessed or imposed for not meeting the annual return/report filing requirements. Generally whether the penalty is assessed under ERISA or the Code, or both, depends upon the agency for which the information is required to be filed. One or more of the following administrative penalties may be assessed or imposed in the event of incomplete filings or filings received after the due date unless it is determined that your explanation for failure to file properly is for reasonable cause:

1. A penalty of up to $1,100 a day for each day a plan administrator fails or refuses to file a complete report. See ERISA section 502(c)(2) and 29 CFR 2560.502c–2.

2. A penalty of $25 a day (up to $15,000) for not filing returns for certain plans of deferred compensation, trusts and annuities, and bond purchase plans by the due date(s). See Code section 6652(e).

3. A penalty of $1,000 for not filing an actuarial statement. See Code section 6692.

Other Penalties

1. Any individual who willfully violates any provision of Part 1 of Title I of ERISA shall be fined not more than $100,000 or imprisoned not more than 10 years, or both. See section 501 of ERISA.

2. A penalty up to $10,000, five (5) years imprisonment, or both, may be imposed for making any false statement or representation of fact, knowing it to be false, or for knowingly concealing or not disclosing any fact required by ERISA. See section 1027, Title 18, U.S. Code, as amended by section 111 of ERISA.

Section 4: What To File

The Form 5500 Return/Report reporting requirements vary depending on whether the Form 5500 is being filed for a ''large plan,'' a ''small plan,'' and/or a DFE, and on the particular type of plan or DFE involved (e.g., welfare plan, pension plan, common/collective trust (CCT), pooled separate account (PSA), master trust investment account (MTIA), 103–12 IE, or group insurance arrangement (GIA)).

The Instructions below provide detailed information about each of the Form 5500 Return/Report schedules and which plans and DFEs are required to file them. First, the schedules are grouped by type: (1) Pension Schedules and (2) General Schedules. Each schedule is listed separately with a description of the subject matter covered by the schedule and the plans and DFEs that are required to file the schedule.

Filing requirements are also listed by type of filer: (1) Pension Benefit Plan Filing Requirements; (2) Welfare Benefit Plan Filing Requirements; and (3) DFE Filing Requirements. For each filer type there is a separate list of the schedules that must be filed with the Form 5500 (including where applicable, separate lists for large plan filers, small plan filers, and different types of DFEs).

The filing requirements are summarized in a ''Quick Reference Chart for Form 5500, Schedules, and Attachments.''

Generally, a return/report filed for a pension benefit plan or welfare benefit plan that covered fewer than 100 participants as of the beginning of the plan year should be completed following the requirements below for a ''small plan,'' and a return/report filed for a plan that covered 100 or more participants as of the beginning the plan year should be completed following the requirements below for a ''large plan.''

Use the number of participants required to be entered in line 5 of the Form 5500 to determine whether a plan is a ''small plan'' or a ''large plan.''

Exceptions:

(1) *80–120 Participant Rule*: If the number of participants reported on line 5 is between 80 and 120, and a Form 5500 Return/Report was filed for the prior plan year, you may elect to complete the return/report in the same category (''large plan'' or ''small plan'') as was filed for the prior return/report. Thus, if a Form 5500 Return/Report was filed for the 2008 plan year as a small

plan, including the Schedule I if applicable, and the number entered on line 5 of the 2009 Form 5500 is 120 or less, you may elect to complete the 2009 Form 5500 and schedules in accordance with the instructions for a small plan, including, for eligible filers, filing the Form 5500–SF, instead of the Form 5500 Return/Report.

(2) *Short Plan Year Rule*: If the plan had a short plan year of 7 months or less for either the prior plan year or the plan year being reported on the 2009 Form 5500, an election can be made to defer filing the accountant's report in accordance with 29 CFR 2520.104–50. If such an election was made for the prior plan year, the 2009 Form 5500 Return/Report must be completed following the requirements for a large plan, including the attachment of the Schedule H and the accountant's reports, regardless of the number of participants entered in Part II, line 5.

Form 5500 Schedules

Pension Schedules

Schedule R (Retirement Plan Information)—is required for a pension benefit plan that is a defined benefit plan or is otherwise subject to Code section 412 or ERISA section 302. Schedule R may also be required for certain other pension benefit plans unless otherwise specified under Limited Pension Plan Reporting. For additional information, see the Schedule R instructions.

Schedule SB (Single-Employer Defined Benefit Plan Actuarial Information)— is required for most single-employer defined benefit plans, including multiple-employer defined benefit pension plans. For additional information, see the instructions for the Schedule SB.

Schedule MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information)—is required for most multiemployer defined benefit pension plans and for defined contribution pension plans that currently amortize a waiver of the minimum funding requirements specified in the instructions for the Schedule MB. For additional information, see the instructions for the Schedule MB.

General Schedules

Schedule H (Financial Information)—is required for pension benefit plans and welfare plans filing as ''large plans'' and for all DFE filings. Employee benefit plans, 103–12 IEs, and GIAs filing the Schedule H are generally required to engage an independent qualified pubic accountant (IQPA) and attach a report of the IQPA pursuant to ERISA section 103(a)(3)(A). These plans and DFEs are also generally required to attach to the Form 5500 Return/Report a ''Schedule of Assets (Held at End of Year)'' and, if applicable, a ''Schedule of Assets (Acquired and Disposed of Within Year),'' a ''Schedule of Reportable Transactions,'' and a ''Schedule of Delinquent Participant Contributions.'' For additional information, see the Schedule H instructions.

Exceptions: Insured, unfunded, or combination unfunded/insured welfare plans, as described in 29 CFR 2520.104–44(b)(1), and certain pension plans and arrangements described in 29 CFR 2520.104–44(b)(2) and in Limited Pension Plan Reporting, are exempt from completing the Schedule H.

Schedule I (Financial Information—Small Plan) is required for all pension benefit plans and welfare benefit plans filing the Form 5500 Return/Report, rather than the Form 5500–SF, as ''small plans,'' except for certain pension benefit plans and arrangements described in 29 CFR 2520.104–44(b)(2) and in Limited Pension Plan Reporting. For additional information, see the Schedule I instructions.

Schedule A (Insurance Information)—is required if any benefits under an employee benefit plan are provided by an insurance company, insurance service or other similar organization (such as Blue Cross, Blue Shield, or a health maintenance organization). This includes investment contracts with insurance companies, such as guaranteed investment contracts and pooled separate accounts. For additional information, see the Schedule A instructions.

Note: Do not file Schedule A for Administrative Services Only (ASO) contracts. Do not file Schedule A if a Schedule A is filed for the contract as part of the Form 5500 Return/Report filed directly by an MTIA or 103–12 IE.

Schedule C (Service Provider Information)—is required for a large plan, MTIA, 103–12 IE, or GIA if (1) any service provider who rendered services to the plan or DFE during the plan or DFE year received $5,000 or more in compensation, directly or indirectly from the plan or DFE, or (2) an accountant and/or enrolled actuary has been terminated. For additional information, see the Schedule C instructions.

Schedule D (DFE/Participating Plan Information)—Part I is required for a plan or DFE that invested or participated in any MTIAs, 103–12 IEs, CCTs, and/or PSAs. Part II is required when the Form 5500 Return/Report is filed for a DFE. For additional information, see the Schedule D instructions.

Schedule G (Financial Transaction Schedules)—is required for a large plan, MTIA, 103–12 IE, or GIA when Schedule H (Financial Information) lines 4b, 4c, and/or 4d are checked ''Yes.'' Part I of the Schedule G reports loans or fixed income obligations in default or classified as uncollectible. Part II of the Schedule G reports leases in default or classified as uncollectible. Part III of the Schedule G reports non-exempt transactions. For additional information, see the Schedule G instructions.

CAUTION: An unfunded, fully insured, or combination unfunded/insured welfare plan with 100 or more participants exempt under 29 CFR 2520.104–44 from completing Schedule H must still complete Schedule G, Part III, to report nonexempt transactions.

Pension Benefit Plan Filing Requirements

Pension benefit plan filers must complete the Form 5500, including the signature block, and unless otherwise specified, attach the following schedules and information:

Small Pension Plan

The following schedules (including any additional information required by the instructions to the schedules) must be attached to a Form 5500 filed for a small pension plan that is neither exempt from filing nor is filing the Form 5500–SF.

1. Schedule A (as many as needed), to report insurance, annuity, and investment contracts held by the plan.
2. Schedule SB or MB, to report actuarial information, if applicable.
3. Schedule D, Part I, to list any CCTs, PSAs, MTIAs, and 103–12 IEs in which the plan invested at any time during the plan year.
4. Schedule I, to report small plan financial information, unless exempt.
5. Schedule R, to report retirement plan information, if applicable.

CAUTION: If Schedule I, line 4k, is checked ''No,'' you must attached the report of the independent qualified public accountant (IQPA) or a statement that the plan is eligible and elects to defer attaching the IQPA's opinion pursuant to 29 CFR 2520.104–50 in connection with a short plan year of seven months or less.

Large Pension Plan

The following schedules (including any additional information required by the instructions to the schedules) must

be attached to a Form 5500 filed for a large pension plan.

1. Schedule A (as many as needed), to report insurance, annuity, and investment contracts held by the plan.

2. Schedule SB or MB, to report actuarial information, if applicable.

3. Schedule C, if applicable, to report information on service providers and, if applicable, any terminated accountants or enrolled actuaries.

4. Schedule D, Part I, to list any CCTs, PSAs, MTIAs, and 103–12 IEs in which the plan invested at any time during the plan year.

5. Schedule G, to report loans or fixed income obligations in default or determined to be uncollectible as of the end of the plan year, leases in default or classified as uncollectible, and nonexempt transaction, i.e., file Schedule G if Schedule H (Form 5500) lines 4b, 4c, and/or 4d are checked ''Yes.''

6. Schedule H, to report large plan financial information, unless exempt.

7. Schedule R, to report retirement plan information, if applicable.

CAUTION: You must attach the report of the independent qualified public accountant (IQPA) identified on Schedule H, Line 3c, unless line 3d(2) is checked.

Limited Pension Plan Reporting

The pension benefit plans or arrangements described below are eligible for limited annual reporting:

1. IRA Plans: A pension plan using individual retirement accounts or annuities (as described in Code section 408) as the sole funding vehicle for providing pension benefits need complete only Form 5500, Part I and Part II, lines 1 through 5, and 8 (enter pension feature code 2N).

2. Fully Insured Pension Plan: A pension benefit plan providing benefits exclusively through an insurance contract or contracts that are fully guaranteed and that meet all of the conditions of 29 CFR 2520.104–44(b)(2) during the entire plan year must complete all the requirements listed under this Pension Benefit Plan Filing Requirements section, except that such a plan is exempt from attaching Schedule H, Schedule I, and an independent qualified public accountant's (IQPA's) opinion, and from the requirement to engage an IQPA.

A pension benefit plan that has insurance contracts of the type described in 29 CFR 2520.104–44 as well as other assets must complete all requirements for a pension benefit plan, except that the value of the plan's allocated contracts (see below) should not be reported in Part I of Schedule H or I. All other assets should be reported on Schedule H or Schedule I, and any other required schedules. If Schedule H is filed, an IQPA's report must be attached in accordance with the Schedule H instructions.

Note: For purposes of the annual return/report and the alternative method of compliance set forth in 29 CFR 2520.104–44, a contract is considered to be ''allocated'' only if the insurance company or organization that issued the contract unconditionally guarantees, upon receipt of the required premium or consideration, to provide a retirement benefit of a specified amount. This amount must be provided to each participant without adjustment for fluctuations in the market value of the underlying assets of the company or organization, and each participant must have a legal right to such benefits, which is legally enforceable directly against the insurance company or organization. For example, deposit administration, immediate participation guarantee, and guaranteed investment contracts are NOT allocated contracts for Form 5500 Return/Report purposes.

Welfare Benefit Plan Filing Requirements

Welfare benefit plan filers must complete the Form 5500, including the signature block and, unless otherwise specified, attach the following schedules and information:

Small Welfare Plan

The following schedules (including any additional information required by the instructions to the schedules) must be attached to a Form 5500 filed for a small welfare plan not exempt from filing that also is not eligible to file Form 5500–SF:

1. Schedule A (as many as needed), to report insurance contracts held by the plan.

2. Schedule D, Part I, to list any CCTs, PSAs, MTIAs, and 103–12 IEs in which the plan participated at any time during the plan year.

3. Schedule I, to report small plan financial information.

Large Welfare Plan

The following schedules (including any additional information required by the instructions to the schedules) must be attached to a Form 5500 filed for a large welfare plan.

1. Schedule A (as many as needed), to report insurance and investment contracts held by the plan.

2. Schedule C, if applicable, to report information on service providers and any terminated accountants or actuaries.

3. Schedule D, Part I, to list any CCTs, PSAs, MTIAs, and 103–12 IEs in which the plan invested at any time during the plan year.

4. Schedule G, to report loans or fixed income obligations in default or determined to be uncollectible as of the end of the plan year, leases in default or classified as uncollectible, and nonexempt transactions, i.e., file Schedule G if Schedule H (Form 5500) lines 4b, 4c, and/or 4d are checked ''Yes'' or if a large welfare plan that is not required to file a Schedule H has nonexempt transactions.

5. Schedule H, to report financial information, unless exempt.

CAUTION: Attach the report of the independent qualified public accountant (IQPA) identified on Schedule H, line 3c, unless line 3d(2) is checked.

TIP: Neither Schedule H nor an IQPA's opinion should be attached to a Form 5500 filed for an unfunded, fully insured or combination unfunded/insured welfare plan that covered 100 or more participants as of the beginning of the plan year which meets the requirements of 29 CFR 2520.104–44. However, Schedule G, Part III, must be attached to the Form 5500 to report any nonexempt transactions. A welfare benefit plan that uses a ''voluntary employees' beneficiary association'' (VEBA) under Code section 501(c)(9) is generally not exempt from the requirement of engaging an IQPA.

Direct Filing Entity (DFE) Filing Requirements

Some plans participate in certain trusts, accounts, and other investment arrangements that file the Form 5500 Return/Report as a DFE. A Form 5500 Return/Report must be filed for a master trust investment account (MTIA). A Form 5500 Return/Report is not required but may be filed for a common/collective trust (CCT), pooled separate account (PSA), 103–12 investment entity (103–12 IE), or group insurance arrangement (GIA). However, plans that participate in CCTs, PSAs, 103–12 IEs, or GIAs that file as DFEs generally are eligible for certain annual reporting relief. For reporting purposes, a CCT, PSA, 103–12 IE, or GIA is considered a DFE only when a Form 5500 and all required schedules attachments are filed for it in accordance with the following instructions.

Only one Form 5500 Return/Report should be filed for each DFE for all plans participating in the DFE; however, the Form 5500 Return/Report filed for the DFE, including all required schedules and attachments, must report information for the DFE year (not to exceed 12 months in length) that ends with or within the participating plan's year. Any Form 5500 Return/Report filed for a DFE is an integral part of the

annual report of each participating plan, and the plan administrator may be subject to penalties for failing to file a complete annual report unless both the DFE's Form 5500 Return/Report and the plan's Form 5500 Return/Report are properly filed. The information required for a Form 5500 Return/Report filed for a DFE varies according to the type of DFE. The following paragraphs provide specific guidance for the reporting requirements for each type of DFE.

Master Trust Investment Account (MTIA)

The administrator filing a Form 5500 Return/Report for an employee benefit plan is required to file or have a designee also file a Form 5500 Return/Report for each MTIA in which the plan participated at any time during the plan year. For reporting purposes, a ''master trust'' is a trust for which a regulated financial institution (as defined below) serves as trustee or custodian (regardless of whether such institution exercises discretionary authority or control with respect to the management of assets held in the trust), and in which assets of more than one plan sponsored by a single-employer or by a group of employers under common control are held.

''Common control'' is determined on the basis of all relevant facts and circumstances (whether or not such employers are incorporated). A ''regulated financial institution'' means a bank, trust company, or similar financial institution that is regulated, supervised, and subject to periodic examination by a state or Federal agency. A securities brokerage firm is not a ''similar financial institution'' as used here. See DOL Advisory Opinion 93–21A (available at *http://www.dol.gov/ebsa*).

The assets of a master trust are considered for reporting purposes to be held in one or more ''investment accounts.'' A ''master trust investment account'' may consist of a pool of assets or a single asset. Each pool of assets held in a master trust must be treated as a separate MTIA if each plan that has an interest in the pool has the same fractional interest in each asset in the pool as its fractional interest in the pool, and if each such plan may not dispose of its interest in any asset in the pool without disposing of its interest in the pool. A master trust may also contain assets that are not held in such a pool. Each such asset must be treated as a separate MTIA.

Notes: (1) If a MTIA consists solely of one plan's asset(s) during the reporting period, the plan may report the asset(s) either as an investment account on a MTIA's Form 5500, or as a plan asset(s) that is not part of the master trust (and therefore subject to all instructions concerning assets not held in a master trust) on the plan's Form 5500. (2) If a master trust holds assets attributable to participant or beneficiary directed transactions under an individual account plan and the assets are interests in registered investment companies, interests in contracts issued by an insurance company licensed to do business in any state, interests in common/collective trusts maintained by a bank, trust company or similar institution, or have a current value that is readily determinable on an established market, those assets may be treated as a single MTIA. The Form 5500 Return/Report submitted for the MTIA must comply with the instructions for a Large Pension Plan, unless otherwise specified in the forms and instructions.

The MTIA must file:

1. Form 5500, except lines C, D, 1c, 2d, and 6 through 9. Be certain to enter ''M'' in Part 1, A.
2. Schedule A (as many as needed) to report insurance, annuity and investment contracts held by the MTIA.
3. Schedule C, if applicable, to report service provider information. Part II is not required for a MTIA.
4. Schedule D, to list CCTs, PSAs, and 103–12 IEs in which the MTIA invested at any time during the MTIA year and to list all plans that participated in the MTIA during its year.
5. Schedule G, to report loans or fixed income obligations in default or determined to be uncollectible as of the end of the MTIA year, all leases in default or classified as uncollectible, and nonexempt transactions.
6. Schedule H, except lines 1b(1), 1b(2), 1c(8), 1g, 1h, 1i, 2a, 2b(1)(E), 2e, 2f, 2g, 4a, 4e, 4f, 4g, 4h, 4k, 4l, 4m, 4n, and 5, to report financial information. An independent qualified public accountant's (IQPA's) opinion is not required for a MTIA.
7. Additional information required by the instructions to the above schedules, including, for example, the schedules of assets held for investment and the schedule of reportable transactions. For purposes of the schedule of reportable transactions, the 5% figure shall be determined by comparing the current value of the transaction at the transaction date with the current value of the investment account assets at the beginning of the applicable fiscal year of the MTIA. All attachments must be properly labeled.

Common/Collective Trust (CCT) and Pooled Separate Account (PSA)

A Form 5500 Return/Report is not required to be filed for a CCT or PSA. However, the administrator of a large plan or DFE that participates in a CCT or PSA that files as specified below is entitled to reporting relief that is not available to plans or DFEs participating in a CCT or PSA for which a Form 5500 Return/Report is not filed.

For reporting purposes, ''common/collective trust'' and ''pooled separate account'' are, respectively: (1) A trust maintained by a bank, trust company, or similar institution or (2) an account maintained by an insurance carrier, which are regulated, supervised, and subject to periodic examination by a state or Federal agency in the case of a CCT, or by a state agency in the case of a PSA, for the collective investment and reinvestment of assets contributed thereto from employee benefit plans maintained by more than one employer or controlled group of corporations as that term is used in Code section 1563. See 29 CFR 2520.103–3, 103–4, 103–5, and 103–9.

Note: For reporting purposes, a separate account that is not considered to be holding plan assets pursuant to 29 CFR 2510.3–101(h)(1)(iii) does not constitute a pooled separate account. The Form 5500 Return/Report submitted for a CCT or PSA must comply with the instructions for a Large Pension Plan, unless otherwise specified in the forms and instructions.

The CCT or PSA must file:

1. Form 5500, except lines C, D, 1c, 2d, and 6 through 9. Enter ''C'' or ''P, as appropriate, in Part I, line A.
2. Schedule D, to list all CCTs, PSAs, MTIAs, and 103–12 IEs in which the CCT or PSA invested at any time during the CCT or PSA year and to list in Part II all plans that participated in the CCT or PSA during its year.
3. Schedule H, except lines 1b(1), 1b(2), 1c(8), 1d, 1e, 1g, 1h, 1i, 2a, 2b(1)(E), 2e, 2f, and 2g, to report financial information. Part IV and an independent qualified public accountant's (IQPA's) opinion are not required for a CCT or PSA.

CAUTION: Different requirements apply to the Schedules D and H attached to the Form 5500 filed by plans and DFEs participating in CCTs and PSAs, depending upon whether a DFE Form 5500 Return/Report has been filed for the CCT or PSA. See the instructions for these schedules.

103–12 Investment Entity (103–12 IE)

DOL Regulation 2520.103–12 provides an alternative method of reporting for plans that invest in an entity (other than a MTIA, CCT, or PSA), whose underlying assets include ''plan assets'' within the meaning of 29 CFR 2510.3–101 of two or more plans that are not members of a ''related group'' of employee benefit plans. Such an entity for which a Form 5500 Return/Report is filed constitutes a ''103–12

IE.'' A Form 5500 Return/Report is not required to be filed for such entities; however, filing a Form 5500 Return/Report as a 103–12 IE provides certain reporting relief, including the limitation of the examination and report of the independent qualified public accountant (IQPA) provided by 29 CFR 2520.103–12(d), to participating plans and DFEs. For this reporting purpose, a ''related group'' of employee benefit plans consists of each group of two or more employee benefit plans (1) each of which receives 10% or more of its aggregate contributions from the same employer or from a member of the same controlled group of corporations (as determined under Code section 1563(a), without regard to Code section 1563(a)(4) thereof); or (2) each of which is either maintained by, or maintained pursuant to a collective-bargaining agreement negotiated by, the same employee organization or affiliated employee organizations. For purposes of this paragraph, an ''affiliate'' of an employee organization means any person controlling, controlled by, or under common control with such organization. See 29 CFR 2520.103–12.

The Form 5500 Return/Report submitted for a 103–12 IE must comply with the instructions for a Large Pension Plan, unless otherwise specified in the forms and instructions.

The 103–12 IE must file:

1. Form 5500, except lines C, D, 1c, 2d, and 6 through 9. Enter ''E'' in Part I, line A.
2. Schedule A (as many as needed), to report insurance, annuity and investment contracts held by the 103–12 IE.
3. Schedule C, if applicable, to report service provider information and any terminated accountants.
4. Schedule D, to list all CCTs, PSAs, and 103–12 IEs in which the 103–12 IE invested at any time during the 103–12 IE's year, and to list all plans that participated in the 103–12 IE during its year.
5. Schedule G, to report loans or fixed income obligations in default or determined to be uncollectible as of the end of the 103–12 IE year, leases in default or classified as uncollectible, and nonexempt transactions.
6. Schedule H, except lines 1b(1), 1b(2), 1c(8), 1d, 1e, 1g, 1h, 1i, 2a, 2b(1)(E), 2e, 2f, 2g, 4a, 4e, 4f, 4g, 4h, 4j, 4k, 4l, 4m, 4n, and 5, to report financial information.
7. Additional information required by the instructions to the above schedules, including, for example, the report of the independent qualified public account (IQPA) identified on Schedule H, line 3c, and the schedule(s) of assets held for investment. All attachments must be properly labeled.

Group Insurance Arrangement (GIA)

Each welfare benefit plan that is part of a group insurance arrangement is exempted from the requirement to file a Form 5500 Return/Report if a consolidated Form 5500 Return/Report for all the plans in the arrangement was filed in accordance with 29 CFR 2520.104–43. For reporting purposes, a ''group insurance arrangement'' provides benefits to the employees of two or more unaffiliated employers (not in connection with a multiemployer plan or a collectively-bargained multiple-employer plan), fully insures one or more welfare plans of each participating employer, uses a trust or other entity as the holder of the insurance contracts, and uses a trust as the conduit for payment of premiums to the insurance company.

The GIA must file:

1. Form 5500, except lines C and 2d. Enter ''G'' in Part I, line A.
2. Schedule A (as many as needed), to report insurance, annuity and investment contracts held by the GIA.
3. Schedule C, if applicable, to report service provider information and any terminated accountants.
4. Schedule D, to list all CCTs, PSAs, and 103–12 IEs in which the GIA invested at any time during the GIA year, and to list all plans that participated in the GIA during its year.
5. Schedule G, to report loans or fixed income obligations in default or determined to be uncollectible as of the end of the GIA year, leases in default or classified as uncollectible, and nonexempt transactions.
6. Schedule H, except lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, and 5, to report financial information.
7. Additional information required by the instructions to the above schedules, including, for example, the report of the independent qualified accountant (IQPA) identified on Schedule H, line 3c, the schedules of assets held for investment and the schedule of reportable transactions. All attachments must be properly labeled.

Section 5: Line-by-Line Instructions

Instructions of Part I and Part II of 2009 Form 5500

Part I—Annual Return/Report Identification Information

File the 2009 Form 5500 Return/Report for a plan year that began in 2009 or a DFE year that ended in 2009. If the plan or DFE year is not the 2009 calendar year, enter the dates in Part I. The 2009 Form 5500 Return/Report must be filed electronically. Because of this, filings for 2009 plan years, including short plan years, cannot use prior year paper forms.

One Form 5500 is generally filed for each plan or entity described in the instructions to boxes in line A. Do not check more than one box.

A separate Form 5500 must be filed by each employer participating in a plan or program of benefits in which the funds attributable to each employer are available to pay benefits only for that employer's employees, even if the plan is maintained by a controlled group.

A ''controlled group'' is generally considered one employer for Form 5500 reporting purposes. A ''controlled group'' is a controlled group of corporations under Code section 414(b), a group of trades or businesses under common control under Code section 414(c), or an affiliated service group under Code section 414(m).

Box A (Multiemployer Plan). Check this box if the Form 5500 is filed for a multiemployer plan. A plan is a multiemployer plan if: (a) More than one employer is required to contribute, (b) the plan is maintained pursuant to one or more collective bargaining agreements between one or more employee organizations and more than one employer, and (c) an election under Code section 414(f)(5) and ERISA section 3(37)(E) has not been made. A plan that has made a proper election under ERISA section 3(37)(G) and Code section 414(f)(6) on or before Aug. 17, 2007, is also a multiemployer plan. Participating employers do not file individually for these plans. See 29 CFR 2510.3–37.

Box A (Single-Employer Plan). Check this box if the Form 5500 is filed for a single-employer plan. A single-employer plan for this Form 5500 reporting purpose is an employee benefit plan maintained by one employer or one employee organization.

Box A (Multiple-Employer Plan). Check this box if the Form 5500 is being filed for a multiple-employer plan. A multiple-employer plan is a plan that is maintained by more than one employer and is not one of the plans already described. Multiple-employer plans can be collectively bargained and collectively funded, but, if covered by PBGC termination insurance, must have properly elected before September 27, 1981, not to be treated as a multiemployer plan under Code section 414(f)(5) or ERISA sections 3(37)(E) and 4001(a)(3). Participating employers do not file individually for these plans. Do not check this box if the employers

maintaining the plan are members of the same controlled group.

Box A (Direct Filing Entity). Check this box and enter the correct letter from the following chart in the space provided to indicate the type of entity.

Type of entity	Enter the letter
Master trust investment account	M
Common/collective trust	C
Pooled separate account	P
103–12 investment entity	E
Group insurance arrangement	G

Note: A separate annual report with an ''M'' entered on Form 5500, box A, must be filed for each MTIA.

Box B (First Return/Report). Check this box if an annual return/report has not been previously filed for this plan or DFE. For the purpose of completing box B, the Form 5500-EZ is not considered an annual return/report.

Box B (Amended Return/Report). Check this box if this Form 5500 Return/Report is being submitted as an amended return/report to correct errors and/or omissions on a previously filed Form 5500 Return/Report for the 2009 plan year.

Box B (Final Return/Report). Check this box if this Form 5500 Return/Report is the last annual return/report required to be submitted for this plan. (See Final Return/Report.)

Note: Do not check box B (Final Return/Report) if ''4R'' is entered on line 8b for a welfare plan that is not required to file a Form 5500 Return/Report for the next plan year because the welfare plan has become eligible for an annual reporting exemption. For example, certain unfunded and insured welfare plans may be required to file the 2008 Form 5500 and be exempt from filing a Form 5500 Return/Report for the plan year 2009 if the number of participants covered as of the beginning of the 2009 plan year drops below 100. See Who Must File. Should the number of participants covered by such a plan increase to 100 or more in a future year, the plan must resume filing the Form 5500 Return/Report and enter ''4S'' on line 8b on that year's Form 5500. See 29 CFR 2520.104–20.

Box B (Short Plan Year Return/Report). Check this box if this Form 5500 Return/Report is being filed for a plan year of less than 12 months. Show the dates in the space provided.

Box C. Check box C when the contributions to the plan and/or the benefits paid by the plan are subject to the collective bargaining process (even if the plan is not established and administered by a joint board of trustees and even if only some of the employees covered by the plan are members of a collective bargaining unit that negotiates contributions and/or benefits). The contributions and/or benefits do not have to be identical for all employees under the plan.

Box D. Check the appropriate entry here if:

- You filed for an extension of time to file this form with the IRS using a completed Form 5558, Application for Extension of Time To File Certain Employee Plan Returns (maintain a copy of the Form 5558 with the filer's records).
- You are filing using the automatic extension of time to file the Form 5500 Return/Report until the due date of the Federal income tax return of the employer (maintain a copy of the employer's extension of time to file the income tax return with the filer's records).
- You are filing using a special extension of time to file the Form 5500 Return/Report that has been announced by the IRS, DOL, and PBGC. If you checked that you are using a special extension of time, enter a description of the extension of time in the space provided.
- You are filing under DOL's Delinquent Filer Voluntary Compliance (DVFC) Program.

Part II—Basic Plan Information

Line 1a. Enter the formal name of the plan or DFE, or enough information to identify the plan or DFE. Abbreviate if necessary. If an annual return/report has previously been filed on behalf of the plan, regardless of the type of Form that was filed (Form 5500, Form 5500-EZ, Form 5500-SF) use the same abbreviation as was used on the prior filings. Once you use an abbreviation, continue to use it for that plan on all future annual return/report filings with the IRS, DOL, and PBGC. Do not use the same name or abbreviation for any other plan, even if the first plan is terminated.

Line 1b. Enter the three-digit plan or entity number (PN) the employer or plan administrator assigned to the plan or DFE. This three-digit number, in conjunction with the employer identification number (EIN) entered on line 2b, is used by the IRS, DOL, and PBGC as a unique 12-digit number to identify the plan or DFE.

Start at 001 for plans providing pension benefits or DFEs as illustrated in the table below. Start at 501 for welfare plans and GIAs. Do not use 888 or 999. Once you use a plan or DFE number, continue to use it for that plan or DFE on all future filings with the IRS, DOL, and PBGC. Do not use it for any other plan or DFE, even if the first plan or DFE is terminated.

For each Form 5500 with the same EIN (line 2b), when	Assign PN
Part II, box 8a is checked, or Part I, A is checked and an M, C, P, or E is entered.	001 to the first plan or DFE. Consecutively number others as 002, 003, . . .
Part II, Box 8b is checked and 8a is not checked, or Part I, A is checked and a G is entered.	501 to the first plan or GIA. Consecutively number others as 502, 503, . . .

Line 1c. Enter the date the plan first became effective.

Line 2a.

1. Enter the name of the plan sponsor or, in the case of a Form 5500 filed for a DFE, the name of the insurance company, financial institution, or other sponsor of the DFE (e.g., in the case of a GIA, the trust or other entity that holds the insurance contract, or in the case of an MTIA, one of the sponsoring employers). If the plan covers only the employees of one employer, enter the employer's name.

The term ''plan sponsor'' means:

- The employer, for an employee benefit plan that a single-employer established or maintains;
- The employee organization in the case of a plan of an employee organization; or
- The association, committee, joint board of trustees, or other similar group of representatives of the parties who establish or maintain the plan, if the plan is established or maintained jointly by one or more employers and one or more employee organizations, or by two or more employers.

Note: In the case of a multiple-employer plan, if an association or similar entity is not the sponsor, enter the name of a participating employer as sponsor. A plan of a controlled group of corporations should enter the name of one of the sponsoring members. In either case, the same name must be used in all subsequent filings of the Form 5500 Return/Report for the multiple-employer plan or controlled group (see instructions to line 4 concerning change in sponsorship).

2. Enter any ''in care of '' (C/O) name.

3. Enter the street address. A post office box number may be entered if the Post Office does not deliver mail to the sponsor's street address.

4. Enter the name of the city.

5. Enter the two-character abbreviation of the U.S. state or possession and zip code.

6. Enter the foreign routing code, if applicable. Leave U.S. state and zip code blank if entering a foreign routing code and country name.

7. Enter the foreign country, if applicable.

8. Enter the D/B/A (doing business as) or trade name of the sponsor if different from the plan sponsor's name.

9. Enter any second address. Use only a street address, not a P.O. Box, here.

Line 2b. Enter the nine-digit employer identification number (EIN) assigned to the plan sponsor/employer, for example, 00–1234567. In the case of a DFE, enter the EIN assigned to the CCT, PSA, MTIA, 103–12 IE, or GIA. Do not use a social security number in lieu of an EIN. The Form 5500 is open to public inspection, and the contents are public information and are subject to publication on the Internet. Because of privacy concerns, the inclusion of a social security number on this line may result in the rejection of the filing.

EINs may be obtained by applying for one on Form SS–4, Application for Employer Identification Number, as soon as possible. You can obtain Form SS–4 by calling 1–800–TAX–FORM (1–800–829–3676) or at the IRS Web Site at *http://www.irs.gov.* The EBSA does not issue EINs.

A multiple-employer plan or plan of a controlled group of corporations should use the EIN of the sponsor identified in line 2a. This EIN must be used in all subsequent filings of the Form 5500 Return/Report for these plans (see instructions to line 4 concerning change in EIN).

If the plan sponsor is a group of individuals, get a single EIN for the group. When you apply for a number, enter on line 1 of Form SS–4 the name of the group, such as ''Joint Board of Trustees of the Local 187 Machinists'' Retirement Plan.'' EINs may be obtained by filing Form SS–4 as explained above.

Note: EINs for funds (trusts or custodial accounts) associated with plans (other than DFEs) are generally not required to be furnished on the Form 5500; the IRS will issue EINs for such funds for other reporting purposes. EINs may be obtained by filing Form SS–4 as explained above. Plan sponsors should use the trust EIN described above when opening a bank account or conducting other transactions for a trust that require an EIN.

Line 2c. Enter the telephone number for the plan sponsor.

Line 2d. Enter the six-digit business code that best describes the nature of the plan sponsor's business from the list of business codes in Form 5500 Codes for Principal Business Activity, contained in these Instructions. If more than one employer or employee organization is involved, enter the business code for the main business activity of the employers and/or employee organizations.

Line 3a. Please limit your response to the information required below:

1. Enter the name of the plan administrator unless the administrator is the sponsor identified in line 2 or the Form 5500 is submitted for a DFE (Part I, box A should be checked and enter the appropriate DFE code). If this is the case, enter the word ''same'' on line 3a and leave the remainder of line 3a, and all of lines 3b and 3c blank.

Plan administrator means:

- The person or group of persons specified as the administrator by the instrument under which the plan is operated;
- The plan sponsor/employer if an administrator is not so designated; or
- Any other person prescribed by regulations if an administrator is not designated and a plan sponsor cannot be identified.

2. Enter any ''in care of'' (C/O) name.

3. Enter the street address. A post office box number may be entered if the Post Office does not deliver mail to the administrator's street address.

4. Enter the name of the city.

5. Enter the two-character abbreviation of the U.S. state or possession and zip code.

6. Enter the foreign routing code and foreign country, if applicable. Leave U.S. state and zip code blank if entering foreign routing code and country information.

Line 3b. Enter the plan administrator's nine-digit EIN. A plan administrator must have an EIN for Form 5500 reporting purposes. If the plan administrator does not have an EIN, apply for one as explained in the instructions for line 2b. One EIN should be entered for a group of individuals who are, collectively, the plan administrator.

Note: Employees of the plan sponsor who perform administrative functions for the plan are generally not the plan administrator unless specifically designated in the plan document. If an employee of the plan sponsor is designated as the plan administrator, that employee must get an EIN.

Line 4. If the plan sponsor's or DFE's name and/or EIN have changed since the last return/report was filed for this plan or DFE, enter the plan sponsor's or DFE's name, EIN, and the plan number as it appeared on the last return/report filed.

CAUTION: The failure to indicate on Line 4 that a plan was previously identified by a different Employer Identification Number (EIN) or Plan Number (PN) could result in correspondence from the DOL and the IRS.

Lines 5 and 6. All filers must complete both lines 5 and 6 unless the Form 5500 is filed for an IRA Plan eligible for Limited Pension Plan Reporting or for a DFE.

The description of ''participant'' in the instructions below is only for purposes of these lines.

For welfare plans, the number of participants should be determined by reference to 29 CFR 2510.3–3(d)(1), which provides that an individual becomes a participant covered under an employee welfare benefit plan on the earlier of: the date designated by the plan as the date on which the individual begins participation in the plan; the date on which the individual becomes eligible under the plan for a benefit subject only to occurrence of the contingency for which the benefit is provided; or the date on which the individual makes a contribution to the plan, whether voluntary or mandatory. ''Participants'' includes former employees who are receiving group health continuation coverage benefits pursuant to Part 6 of ERISA and who are covered by the employee welfare benefit plan. Covered dependents are not counted as participants or beneficiaries.

A child who is an ''alternate recipient'' entitled to health benefits under a qualified medical child support order should not be counted as a participant for lines 5 and 6. An individual is not a participant covered under an employee welfare plan on the earliest date on which the individual (A) is ineligible to receive any benefit under the plan even if the contingency for which such benefit is provided should occur, and (B) is not designated by the plan as a participant. See 29 CFR 2510.3–3(d)(2).

TIP: Before counting the number of participants in welfare plans, it is important for Form 5500 Return/Report purposes to determine whether the plan sponsor has established one or more plans. As a matter of plan design, plan sponsors can offer benefits through various structures and combinations. For example, a plan sponsor could create (i) one plan providing major medical benefits, dental benefits, and vision benefits, (ii) two plans with one providing major medical benefits and the other providing self-insured dental

and vision benefits, or (iii) three separate plans. You must review the governing documents and actual operations to determine whether welfare benefits are being provided under a single plan or separate plans.

The fact that you have separate insurance policies for each different welfare benefit does not necessarily mean that you have separate plans. Some plan sponsors use a ''wrap'' document to incorporate various benefits and insurance policies into one comprehensive plan. In addition, whether a benefit arrangement is deemed to be a single plan may be different for purposes other than the Form 5500 Return/Report. For example, special rules may apply for purposes of HIPAA, COBRA, and Internal Revenue Code compliance. If you need help determining whether you have a single welfare benefit plan for purposes of the Form 5500 Return/Report, you should consult a qualified benefits consultant or legal counsel.

For pension benefit plans, ''alternate payees'' entitled to benefits under a qualified domestic relations order (QDRO) are not to be counted as participants for these lines.

For pension benefit plans, ''participant'' means any individual who is included in one of the categories below:

1. Active participants include any individuals who are currently in employment covered by a plan and who are earning or retaining credited service under a plan. This category includes any individuals who are eligible to elect to have the employer make payments to a Code section 401(k) qualified cash or deferred arrangement. Active participants also include any nonvested individuals who are earning or retaining credited service under a plan. This category does not include (a) nonvested former employees who have incurred the break in service period specified in the plan or (b) former employees who have received a ''cash-out'' distribution or deemed distribution of their entire nonforfeitable accrued benefit.

2. Retired or separated participants receiving benefits are any individuals who are retired or separated from employment covered by the plan and who are receiving benefits under the plan. This category does not include any individual to whom an insurance company has made an irrevocable commitment to pay all the benefits to which the individual is entitled under the plan.

3. Other retired or separated participants entitled to future benefits are any individuals who are retired or separated from employment covered by the plan and who are entitled to begin receiving benefits under the plan in the future. This category does not include any individual to whom an insurance company has made an irrevocable commitment to pay all the benefits to which the individual is entitled under the plan.

4. Deceased individuals who had one or more beneficiaries who are receiving or are entitled to receive benefits under the plan. This category does not include an individual if an insurance company has made an irrevocable commitment to pay all the benefits to which the beneficiaries of that individual are entitled under the plan.

Line 6g. Enter the number of participants included on line 6f (total participants at the end of the plan year) who have account balances. For example, for a Code section 401(k) plan the number entered on line 6g should be the number of participants counted on line 6f who have made a contribution to the plan for this plan year or any prior plan year. Defined benefit plans should leave line 6g blank.

Line 6h. Include any individual who terminated employment during this plan year, whether or not he or she (a) incurred a break in service, (b) received an irrevocable commitment from an insurance company to pay all the benefits to which he or she is entitled under the plan, and/or (c) received a cash distribution or deemed cash distribution of his or her nonforfeitable accrued benefit. Multiemployer plans and multiple-employer plans that are collectively bargained do not have to complete line 6h.

Line 7. For multiemployer plans, enter the total number of employers obligated to contribute to the plan. For purposes of line 7 of the Form 5500, an employer obligated to contribute means each employer for the 2009 plan year, who is a party to the collective bargaining agreement(s) pursuant to which the plan is maintained or who otherwise may be subject to withdrawal liability pursuant to section 4203 of the Act. Any two or more contributing entities (e.g., places of business with separate collective bargaining agreements) that have the same nine-digit employer identification number (EIN) must be aggregated and counted as a single-employer for this purpose.

Line 8—Benefits Provided Under the Plan. In Line 8a or 8b, as appropriate, enter all applicable plan characteristic codes from the List of Plan Characteristic Codes in these Instructions that describe the characteristics of the plan being reported.

CAUTION: Applicable to plan sponsors of Puerto Rico plans. Enter condition code 3C only in instances where there was no election made under section 1022(i)(2) of ERISA and, therefore, the plan does not intend to qualify under section 401(a) of the Code. If an election was made under section 1022(i)(2) of ERISA, do not enter condition code 3C.

Line 9—Funding and Benefit Arrangements. Check all boxes that apply to indicate the funding and benefit arrangements used during the plan year. The ''funding arrangement'' is the method for the receipt, holding, investment, and transmittal of plan assets prior to the time the plan actually provides benefits. The ''benefit arrangement'' is the method by which the plan provides benefits to participants.

For the purposes of line 9:

''Insurance'' means the plan has an account, contract, or policy with an insurance company, insurance service, or other similar organization (such as Blue Cross, Blue Shield, or a health maintenance organization) during the plan or DFE year. (This includes investments with insurance companies such as guaranteed investment contracts (GICs).) An annuity account arrangement under Code section 403(b)(1) that is required to complete the Form 5500 Return/Report should mark ''insurance'' for both the plan funding arrangement and plan benefit arrangement. Do not check ''insurance'' if the sole function of the insurance company was to provide administrative services.

''Code section 412(e)(3) insurance contracts'' are contracts that provide retirement benefits under a plan that are guaranteed by an insurance carrier. In general, such contracts must provide for level premium payments over the individual's period of participation in the plan (to retirement age), premiums must be timely paid as currently required under the contract, no rights under the contract may be subject to a security interest, and no policy loans may be outstanding. If a plan is funded exclusively by the purchase of such contracts, the otherwise applicable minimum funding requirements of section 412 of the Code and section 302 of ERISA do not apply for the year and neither the Schedule MB nor SB is required to be filed.

''Trust'' includes any fund or account that receives, holds, transmits, or invests plan assets other than an account or policy of an insurance company. A custodial account arrangement under Code section 403(b)(7) that is required to complete

the Form 5500 Return/Report should mark ''trust'' for both the plan funding arrangement and plan benefit arrangement.

''General assets of the sponsor'' means either the plan had no assets or some assets were commingled with the general assets of the plan sponsor prior to the time the plan actually provided the benefits promised.

Example. If the plan holds all its assets invested in registered investment companies and other non-insurance company investments until it purchases annuities to pay out the benefits promised under the plan, box 9a(3) should be checked as the funding arrangement and box 9b(1) should be checked as the benefit arrangement.

Note: An employee benefit plan that checks boxes 9a(1), 9a(2), 9b(1), and/or 9b(2) must attach Schedule A (Form 5500), Insurance Information, to provide information concerning each contract year ending with or within the plan year. See the instructions to the Schedule A and enter the number of Schedules A on line 10b(3), if applicable.

Line 10. Check the boxes on line 10 to indicate the schedules being filed and, where applicable, count the schedules and enter the number of attached schedules in the space provided.

2009 Instructions for Schedule A (Form 5500) Insurance Information

General Instructions

Who Must File

Schedule A (Form 5500), Insurance Information (Schedule A), must be attached to the Form 5500 filed for every defined benefit pension plan, defined contribution pension plan, and welfare benefit plan required to file a Form 5500 if any benefits under the plan are provided by an insurance company, insurance service, or other similar organization (such as Blue Cross, Blue Shield, or a health maintenance organization). This includes investment contracts with insurance companies such as guaranteed investment contracts (GICs). In addition, Schedules A must be attached to a Form 5500 filed for GIAs, MTIAs, and 103–12 IEs for each insurance or annuity contract held in the MTIA, or 103–12 IE or by the GIA.

TIP: If Form 5500 line 9a(1), 9a(2), 9b(1), or 9b(2) is checked, indicating that either the plan funding arrangement or plan benefit arrangement includes an account, policy, or contract with an insurance company (or similar organization), at least one Schedule A would be required to be attached to the Form 5500 filed for the pension or welfare plan to provide information concerning the contract year ending with or within the plan year.

Do not file Schedule A for a contract that is an Administrative Services Only (ASO) contract, a fidelity bond or policy, or a fiduciary liability insurance policy. Also, if a Schedule A for a contract or policy is filed as part of a Form 5500 Return/Report for a MTIA or 103–12 IE that holds the contract, do not include a Schedule A for the contract or policy on the Form 5500s filed for the plans participating in the MTIA or 103–12 IE.

Check the Schedule A box on the Form 5500 (Part II, line 10b(3)), and enter the number attached in the space provided if one or more Schedules A are attached to the Form 5500.

Specific Instructions

Information entered on Schedule A should pertain to the insurance contract or policy year ending with or within the plan year (for reporting purposes, a year cannot exceed 12 months).

Example: If an insurance contract year begins on July 1 and ends on June 30, and the plan year begins on January 1 and ends on December 31, the information on the Schedule A attached to the 2009 Form 5500 should be for the insurance contract year ending on June 30, 2009.

Exception: If the insurance company maintains records on the basis of a plan year rather than a policy or contract year, the information entered on Schedule A may pertain to the plan year instead of the policy or contract year.

Include only the contracts issued to or held by the plan, GIA, MTIA, or 103–12 IE for which the Form 5500 Return/Report is being filed.

Lines A, B, C, and D. This information must be the same as reported in Part II of the Form 5500 to which this Schedule A is attached. The plan name may be abbreviated.

Do not use a social security number in lieu of an EIN. The Schedule A and its attachments are open to public inspection, and the contents are public information and are subject to publication on the Internet. Because of privacy concerns, the inclusion of a social security number on this Schedule A or any of its attachments may result in the rejection of the filing. EINs may be obtained by applying for one on Form SS–4, Application for Employer Identification Number, as soon as possible. You can obtain Form SS–4 by calling 1–800–TAX–FORM (1–800–829–3676) or at the IRS Web Site at *http://www.irs.gov*. The EBSA does not issue EINs.

Part I—Information Concerning Insurance Contract Coverage, Fees, and Commissions

Line 1(c). Enter the code number assigned by the National Association of Insurance Commissioners (NAIC) to the insurance company. If none has been assigned, enter zeros (-0-) in the spaces provided.

Line 1(d). If individual policies with the same carrier are grouped as a unit for purposes of this report, and the group does not have one identification number, you may use the contract or identification number of one of the individual contracts, provided this number is used consistently to report these contracts as a group and the plan administrator maintains the records necessary to disclose all the individual contract numbers in the group upon request. Use separate Schedules A to report individual contracts that cannot be grouped as a unit.

Line 1(e). Since plan coverage may fluctuate during the year, the administrator should estimate the number of persons that were covered by the contract at the end of the policy or contract year. Where contracts covering individual employees are grouped, compute entries as of the end of the plan year.

Lines 1(f) and (g). Enter the beginning and ending dates of the policy year for the contract identified in 1(d). Enter ''N/A'' in 1(f) if separate contracts covering individual employees are grouped.

Line 2. Report on line 2 the totals of all insurance fees and commissions directly or indirectly attributable to the contract or policy placed with or retained by the plan.

Totals. Enter on line 2 the total of all such commissions and fees paid to agents, brokers, and other persons listed on line 3. Complete a separate line 3 item (elements (a) through (e)) for each person listed.

For purposes of lines 2 and 3, commissions and fees include sales and base commissions and all other monetary and non-monetary forms of compensation where the broker's, agent's, or other person's eligibility for the payment or the amount of the payment is based, in whole or in part, on the value (e.g., policy amounts, premiums) of contracts or policies (or classes thereof) placed with or retained by an ERISA plan, including, for example, persistency and profitability bonuses. The amount (or pro rata share of the total) of such commissions or fees attributable to the contract or policy placed with or retained by the plan must be reported in line 2 and in line 3, elements (b) and/or (c) as appropriate.

Insurers must provide plan administrators with a proportionate allocation of commissions and fees attributable to each contract. Any reasonable method of allocating commissions and fees to policies or contracts is acceptable, provided the method is disclosed to the plan administrator. A reasonable allocation method could allocate fees and commissions to a Schedule A based on a calendar year calculation even if the plan year or policy year was not a calendar year. For additional information on these Schedule A reporting requirements, ''*see*'' ERISA Advisory Opinion 2005–02A, available on the Internet at *http://www.dol.gov/ebsa*.

Where benefits under a plan are purchased from and guaranteed by an insurance company, insurance service, or other similar organization, and the contract or policy is reported on a Schedule A, payments of reasonable monetary compensation by the insurer out of its general assets to affiliates or third parties for performing administrative activities necessary for the insurer to fulfill its contractual obligation to provide benefits, where there is no direct or indirect charge to the plan for the administrative services other than the insurance premium, then the payments for administrative services by the insurer to the affiliates or third parties do not need to be reported on lines 2 and 3 of Schedule A. This would include compensation for services such as recordkeeping and claims processing services provided by a third party pursuant to a contract with the insurer to provide those services but would not include compensation provided by the insurer incidental to the sale or renewal of a policy, such as finder's fees, insurance brokerage commissions and fees, or similar fees.

Schedule A reporting also is not required for compensation paid by the insurer to a ''general agent'' or ''manager'' for that general agent's or manager's management of an agency or performance of administrative functions for the insurer. For this purpose, (1) a ''general agent'' or ''manager'' does not include brokers representing insureds, and (2) payments would not be treated as paid for managing an agency or performance of administrative functions where the recipient's eligibility for the payment or the amount of the payment is dependent or based on the value (e.g., policy amounts, premiums) of contracts or policies (or classes thereof) placed with or retained by ERISA plan(s).

Schedule A reporting is not required for occasional gifts or meals of insubstantial value which are tax deductible for federal income tax purposes by the person providing the gift or meal and would not be taxable income to the recipient. For this exemption to be available, the gift or gratuity must be both occasional and insubstantial. For this exemption to apply, the gift must be valued at less than $50, the aggregate value of gifts from one source in a calendar year must be less than $100, but gifts with a value of less than $10 do not need to be counted toward the $100 annual limit. If the $100 aggregate value limit is exceeded, then the aggregate value of all the gifts will be reportable. Gifts from multiple employees of one service provider should be treated as originating from a single source when calculating whether the $100 threshold applies. On the other hand, in applying the threshold to an occasional gift received from one source by multiple employees of a single service provider, the amount received by each employee should be separately determined in applying the $50 and $100 thresholds. For example, if six employees of a broker attend a business conference put on by an insurer designed to educate and explain the insurer's products for employee benefit plans, and the insurer provides, at no cost to the attendees, refreshments valued at $20 per individual, the gratuities would not be reportable on lines 2 and 3 of the Schedule A even though the total cost of the refreshments for all the employees would be $120. These thresholds are for purposes of Schedule A reporting. Filers are cautioned that the payment or receipt of gifts and gratuities of any amount by plan fiduciaries may violate ERISA and give rise to civil liabilities and criminal penalties.

Line 3. Identify agents, brokers, and other persons individually in descending order of the amount paid. Complete as many entries as necessary to report all required information. Complete elements (a) through (e) for each person as specified below.

Element (a). Enter the name and address of the agents, brokers, or other persons to whom commissions or fees were paid.

Element (b). Report all sales and base commissions here. For purposes of this element, sales and/or base commissions are monetary amounts paid by an insurer that are charged directly to the contract or policy and that are paid to a licensed agent or broker for the sale or placement of the contract or policy. All other payments should be reported in element (c) as fees.

Element (c). Fees to be reported here represent payments by an insurer attributable directly or indirectly to a contract or policy to agents, brokers, and other persons for items other than sales and/or base commissions (e.g., service fees, consulting fees, finders' fees, profitability and persistency bonuses, awards, prizes, and non-monetary forms of compensation). Fees paid to persons other than agents and brokers should be reported here, not in Parts II and III on Schedule A as acquisition costs, administrative charges, etc.

Element (d). Enter the purpose(s) for which fees were paid.

Element (e). Enter the most appropriate organization code for the broker, agent, or other person entered in element (a).

Code Type of Organization

1—Banking, Savings & Loan Association, Credit Union, or other similar financial institution.

2—Trust Company.

3—Insurance Agent or Broker.

4—Agent or Broker other than insurance.

5—Third party administrator.

6—Investment Company/Mutual Fund.

7—Investment Manager/Adviser.

8—Labor Union.

9—Foreign entity (e.g., an agent or broker, bank, insurance company, etc., not operating within the jurisdictional boundaries of the United States).

0—Other.

For plans, GIAs, MTIAs, and 103–12 IEs required to file Part I of Schedule C, commissions and fees listed on the Schedule A are also to be reported on Schedule C, unless the only compensation in relation to the plan or DFE consists of insurance fees and commissions listed on the Schedule A.

Part II—Investment and Annuity Contract Information

Line 4. Enter the current value of the plan's interest at year end in the contract reported on line 7, e.g., deposit administration (DA), immediate participation guarantee (IPG), or guaranteed investment contracts (GIC).

Exception: Contracts reported on line 7 need not be included on line 4 if (1) the Schedule A is filed for a defined benefit pension plan and the contract was entered into before March 20, 1992, or (2) the Schedule A is filed for a defined contribution pension plan and the contract is a fully benefit-responsive contract, i.e., it provides a liquidity guarantee by a financially responsible third party of principal and previously accrued interest for liquidations, transfers, loans, or hardship withdrawals initiated by plan participants exercising their rights to withdraw, borrow, or transfer funds

under the terms of a defined contribution plan that does not include substantial restrictions to participants' access to plan funds.

Important Reminder. Plans may treat multiple individual annuity contracts, including Code section 403(b)(1) annuity contracts, issued by the same insurance company as a single group contract for reporting purposes on Schedule A.

Line 6a. The rate information called for here may be furnished by attaching the appropriate schedules of current rates filed with the appropriate state insurance department or by providing a statement regarding the basis of the rates. Enter ''see attached'' if appropriate.

Lines 7a through 7f. Report contracts with unallocated funds. Do not include portions of these contracts maintained in separate accounts. Show deposit fund amounts rather than experience credit records when both are maintained.

Part III—Welfare Benefit Contract Information

Line 8i. Report a stop-loss insurance policy that is an asset of the plan.

Note: Employers sponsoring welfare plans may purchase a stop-loss insurance policy with the employer as the insured to help the employer manage its risk associated with its liabilities under the plan. These employer contracts with premiums paid exclusively out of the employer's general assets without any employee contributions generally are not plan assets and are not reportable on Schedule A.

Part IV—Provision of Information

The insurance company, insurance service, or other similar organization is required under ERISA section 103(a)(2) to provide the plan administrator with the information needed to complete this return/report. If you do not receive this information in a timely manner, contact the insurance company, insurance service, or other similar organization. If information is missing on Schedule A due to a refusal to provide information, check ''Yes'' on line 11 and enter a description of the information not provided on line 12.

TIP. As noted above, the insurance company, insurance service, or other similar organization is statutorily required to provide all of the information necessary to complete the return/report, but need not provide the information on a Schedule itself. If you do not receive this information in a timely manner, you should contact the insurance company, insurance service, or other similar organization and advise them that the plan administrator will identify the provider on the Schedule A if the required information is not provided.

2009 Instructions for Schedule MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information)

[reserved]

2009 Instructions for Schedule SB (Single-employer Defined Benefit Plan Actuarial Information)

[reserved]

2009 Instructions for Schedule C (Form 5500) Service Provider Information

Who Must File

Schedule C (Form 5500), Service Provider Information (Schedule C) must be attached to a Form 5500 filed for a large pension or welfare benefit plan, an MTIA, a 103–12IE, or a GIA, to report certain information concerning service providers. Remember to check the Schedule C box on the form 5500 (Part II, line 10b(4)) if a Schedule C is attached to the Form 5500.

Part I of the Schedule C must be completed to report persons who rendered services to or who had transactions with the plan or DFE during the reporting year if the person received, directly or indirectly, $5,000 or more in reportable compensation in connection with services rendered to the plan or DFE, or their position with the plan except:

1. Employees of the plan whose only compensation in relation to the plan was less than $25,000 for the plan year;
2. Employees of the plan sponsor or other business entity where the plan sponsor or business entity is reported on the Schedule C as a service provider, provided the employee did not separately receive reportable direct or indirect compensation in relation to the plan;
3. Persons whose only compensation in relation to the plan consists of insurance fees and commissions listed in a Schedule A filed for the plan; and
4. Payments made directly by the plan sponsor that are not reimbursed by the plan.

Only line 1 of Part I of the Schedule C must be completed for persons who received only ''eligible indirect compensation'' as defined below.

Part II of the Schedule C must be completed to report service providers who fail or refuse to provide information necessary to complete Part I of this Schedule.

Part III of the Schedule C must be completed to report a termination in the appointment of an accountant or enrolled actuary during the 2009 plan year.

TIP: Health and welfare plans that meet the conditions of the limited exemption at 2520.104–44 or Technical Release 92–01 are not required to complete and file a Schedule C.

GENERAL INSTRUCTIONS

Lines A, B, C, and D. This information must be the same as reported in Part II of the Form 5500 to which this Schedule C is attached. The plan name may be abbreviated.

Do not use a social security number in line D in lieu of an EIN. The Schedule C and its attachments are open to public inspection, and the contents are public information subject to publication on the Internet. Because of privacy concerns, the inclusion of a social security number on this Schedule C or any of its attachments may result in the rejection of the filing. EINs may be obtained by applying for one on Form SS–4, Application for Employer Identification Number. You can obtain Form SS–4 by calling 1–800–TAX–FORM (1–800–829–3676) or at the IRS Web Site at *http://www.irs.gov.* The EBSA does not issue EINs.

Do not list the PBGC or the IRS on Schedule C as service providers.

Either the cash or accrual basis may be used for the recognition of transactions reported on the Schedule C as long as you use one method consistently.

If service provider compensation is reported on a Schedule C filed as part of a Form 5500 filed for a MTIA or 103–12IE, do not report the same compensation again on the Schedules C filed for the plans that participate in the MTIA or 103–12IE.

SPECIFIC INSTRUCTIONS

Part I—Service Provider Information

You must enter the information required for each person receiving $5,000 or more in total direct or indirect compensation (i.e., money or anything else of value) in connection with services rendered to the plan or the person's position with the plan during the plan year.

Example. A plan had service providers, A, B, C, and D, who received $12,000, $6,000, $4,500, and $430, respectively, in direct and indirect compensation from the plan. Service providers A and B must be identified separately by name, EIN, etc. As service providers C and D each received less than $5,000, they do not need to be reported on the Schedule C.

For Schedule C purposes, reportable compensation includes money and any other thing of value (for example, gifts, awards, trips) received by a person,

directly or indirectly, from the plan (including fees charged as a percentage of assets and deducted from investment returns) in connection with services rendered to the plan, or the person's position with the plan. The term ''person'' includes individuals, trades and businesses (whether incorporated or unincorporated). *See* ERISA section 3(9). Persons that provide investment management, recordkeeping, claims processing, participant communication, brokerage, and other services to the plan as part of an investment contract are considered to be providing services to the plan for purposes of Schedule C reporting and would be required to be identified in Part I if they received $5,000 or more in reportable compensation for providing those services. The investment of plan assets and payment of premiums for insurance contracts, however, are not in and of themselves payments for services rendered to the plan for purposes of Schedule C reporting and the investment and payment of premiums themselves are not reportable compensation for purposes of Part I.

Direct Compensation: Payments made directly by the plan for services rendered to the plan or because of a person's position with the plan are reportable as direct compensation. Direct payments by the plan would include, for example, direct payments by the plan out of a plan account, charges to plan forfeiture accounts and fee recapture accounts, charges to a plan's trust account before allocations are made to individual participant accounts, and direct charges to plan participant individual accounts. Payments made by the plan sponsor, which are not reimbursed by the plan, are not subject to Schedule C reporting requirements even if the sponsor is paying for services rendered to the plan.

Indirect Compensation: Compensation received from sources other than directly from the plan or plan sponsor is reportable on Schedule C as indirect compensation from the plan if the compensation was received in connection with services rendered to the plan during the plan year or the person's position with the plan. For this purpose, compensation is considered to have been received in connection with the person's position with the plan or for services rendered to the plan if the person's eligibility for a payment or the amount of the payment is based, in whole or in part, on services that were rendered to the plan or on a transaction or series of transactions with the plan. Indirect compensation would not include compensation that would have been received had the service not been rendered or the transaction had not taken place and that cannot be reasonably allocated to the services performed or transaction(s) with the plan. Examples of reportable indirect compensation include fees and expense reimbursement payments received by a person from mutual funds, bank commingled trusts, insurance company pooled separate accounts, and other separately managed accounts and pooled investment funds in which the plan invests that are charged against the fund or account and reflected in the value of the plan's investment (such as management fees paid by a mutual fund to its investment adviser, sub-transfer agency fees, shareholder servicing fees, account maintenance fees, and 12b–1 distribution fees). Other examples of reportable indirect compensation are finder's fees, float revenue, brokerage commissions (regardless of whether the broker is granted discretion), research or other products or services, other than execution, received from a broker-dealer or other third party in connection with securities transactions (soft dollars), and other transaction based fees received in connection with transactions or services involving the plan whether or not they are capitalized as investment costs.

Special Rules for non-monetary compensation of insubstantial value, guaranteed benefit insurance policies, bundled service arrangements, and allocating compensation among multiple plans:

Excludable Non-Monetary Compensation: You may exclude non-monetary compensation of insubstantial value (such as gifts or meals of insubstantial value) which is tax deductible for federal income tax purposes by the person providing the gift or meal and would not be taxable income to the recipient. The gift or gratuity must be valued at less than $50, and the aggregate value of gifts from one source in a calendar year must be less than $100, but gifts with a value of less than $10 do not need to be counted toward the $100 limit. If the $100 aggregate value limit is exceeded, then the value of all the gifts will be reportable. Gifts received by one person from multiple employees of one entity must be treated as originating from a single source when calculating whether the $100 threshold applies. On the other hand, gifts received from one person by multiple employees of one entity can be treated as separate compensation when calculating the $50 and $100 thresholds.

CAUTION: These thresholds are for purposes of Schedule C reporting only. Filers are strongly cautioned that gifts and gratuities of any amount paid to or received by plan fiduciaries may violate ERISA and give rise to civil liabilities and criminal penalties.

Fully Insured Group Health And Similarly Fully Insured Benefits: Where benefits under a plan are purchased from and guaranteed by an insurance company, insurance service, or other similar organization, and the contract or policy is reported on a Schedule A, payments of reasonable monetary compensation by the insurer out of its general assets to persons for performing administrative activities necessary for the insurer to fulfill its contractual obligation to provide benefits, where there is no direct or indirect charge to the plan for the administrative services other than the insurance premium, would not be treated as indirect compensation for services provided to the plan for Schedule C reporting purposes. This would include compensation for services such as recordkeeping and claims processing services provided by a third party pursuant to a contract with the insurer to provide those services but would not include compensation provided by the insurer incidental to the sale or renewal of a policy, such as finder's fees, insurance brokerage commissions and fees, or similar fees. Insurance investment contracts are not eligible for this exception.

Bundled Service Arrangements: For Schedule C reporting purposes, a bundled service arrangement includes any service arrangements where the plan hires one company to provide a range of services either directly from the company, through affiliates or subcontractors, or through a combination, which are priced to the plan as a single package rather than on a service-by-service basis. A bundled service arrangement would also include an investment transaction in which the plan receives a range of services either directly from the investment provider, through affiliates or subcontractors, or through a combination.

Direct payments by the plan to the bundled service provider should be reported as direct compensation to the bundled service provider. Such direct payments by the plan do not need to be allocated among affiliates or subcontractors and also reported as indirect compensation received by the affiliates or subcontractors unless the amount paid to the affiliate or subcontractor is set on a per transaction basis, e.g., brokerage fees and commissions.

Fees charged to the plan's investment and reflected in the net value of the investment, such as management fees paid by mutual funds to their investment advisers, float revenue,

commissions (including ''soft dollars''), finder's fees, 12b–1 distribution fees, account maintenance fees, and shareholder servicing fees, must be treated as separate compensation by the person receiving the fee for purposes of Schedule C reporting. For each person who is a fiduciary to the plan or provides one or more of the following services to the plan—contract administrator, consulting, investment advisory (plan or participants), investment management, securities brokerage, or recordkeeping—commissions and other transaction based fees, finder's fees, float revenue, soft dollar and other non-monetary compensation, would also be required to be treated as separate compensation for Schedule C purposes even if those fees were paid from mutual fund management fees or other fees charged to the plan's investment and reflected in the net value of the investment. Other revenue sharing payments among members of a bundled service arrangement do not need to be allocated among affiliates or subcontractors and treated as indirect compensation received by the affiliates or subcontractors in determining whether the affiliate or subcontractor must be separately identified on line 2 of the Schedule C.

Allocating Compensation Among Multiple Plans: Where reportable compensation is received in connection with several plans or DFEs, any reasonable method of allocating the compensation among the plans or DFEs may be used provided that the allocation method is disclosed to the plan administrator. In calculating the $5,000 threshold for purposes of determining whether a person must be identified in Part I, include the amount of compensation received by the person that is attributable to the plan or DFE filing the Form 5500, not the aggregate amount received in connection with all the plans or DFEs.

Affiliates: For purposes of Schedule C reporting, an ''affiliate'' of a person includes any person, directly or indirectly, through one or more intermediaries, controlling, controlled by, or under common control with the person applying principles consistent with the regulations prescribed under section 414(c) of the Code.

Line 1. Check ''Yes'' or ''No'' on line 1a to indicate whether you are relying on the alternative reporting option for a person or persons who received only eligible indirect compensation. If you check ''Yes'' on line 1a, provide as many entries in line 1b as necessary to identify the person or persons who provided you with the necessary disclosures regarding the indirect compensation.

If any indirect compensation is either not of the type described below or if the plan did not receive the written disclosures described below, the indirect compensation is not ''eligible indirect compensation'' for purposes of Part I.

(1) Eligible Indirect Compensation: Indirect compensation that is fees or expense reimbursement payments charged to investment funds and reflected in the value of the investment or return on investment of the participating plan or its participants finders' fees ''soft dollar'' revenue, float revenue, and/or brokerage commissions or other transaction-based fees for transactions or services involving the plan that were not paid directly by the plan or plan sponsor (whether or not they are capitalized as investment costs).

(2) Written Disclosures: For the indirect compensation to be eligible indirect compensation you must have received written materials that disclosed and described (a) the existence of the indirect compensation; (b) the services provided for the indirect compensation or the purpose for payment of the indirect compensation; (c) the amount (or estimate) of the compensation or a description of the formula used to calculate or determine the compensation; and (d) the identity of the party or parties paying and receiving the compensation. The written disclosures for a bundled arrangement must separately disclose and describe each element of indirect compensation that would be required to be separately reported if you were not relying on this alternative reporting option.

CAUTION: If any person received eligible indirect compensation and either direct compensation and/or indirect compensation that does not meet the requirements of this line to be eligible indirect compensation, you cannot rely on the alternative reporting option for that person and must complete line 2 for each such person who received $5,000 or more in direct and indirect compensation.

Line 2. Except for those persons for whom you answered ''Yes'' to line 1 above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation. Start with the most highly compensated and list in descending order of compensation. Enter in element (a) the person's name and complete elements (a) through (h) as specified below. Use as many entries as necessary to list all persons and information required to be reported.

Element (a). Enter the EIN for the person identified in element (a). If the name of an individual is entered in element (a) and the individual does not have an EIN, enter the EIN of the individual's employer. If the person is self-employed and does not have an EIN, you may enter the person's address and telephone number. Do not use a social security number in lieu of an EIN. The Schedule C and its attachments are open to public inspection and are subject to publication on the Internet. Because of privacy concerns, the inclusion of a social security number on this Schedule C or any of its attachments may result in the rejection of the filing.

Element (b). Select from the list below all codes that describe the services provided and compensation received. Enter as many codes as apply.

10 Accounting (including auditing)
11 Actuarial
12 Claims processing
13 Contract Administrator
14 Plan Administrator
15 Recordkeeping and information management (computing, tabulating, data processing, etc.)
16 Consulting (general)
17 Consulting (pension)
18 Custodial (other than securities)
19 Custodial (securities)
20 Trustee (individual)
21 Trustee (bank, trust company or similar financial institution)
22 Insurance agents and brokers
50 Direct payments from the plan
51 Investment management fees paid directly by plan
52 Investment management fees paid indirectly by plan (e.g., mutual fund investment adviser management fees)
53 Insurance brokerage commissions and fees
54 Sales loads (front end and deferred)
55 Other commissions
56 Non-monetary compensation
57 Redemption fees
58 Product termination fees (surrender charges, etc.)
59 Shareholder servicing fees
60 Sub-transfer agency fees
61 Finders fees/placement fees
62 Float revenue

23 Insurance services	63 Distribution (12b–1) fees
24 Trustee (discretionary)	64 Recordkeeping fees
25 Trustee (directed)	65 Shareholder servicing fees
26 Investment advisory (participants)	65 Account maintenance fees
27 Investment advisory (plan)	66 Insurance mortality and expense charge
28 Investment management	67 Other insurance wrap fees
29 Legal	68 ''Soft dollar'' commissions
30 Employee (plan)	69 Insurance brokerage commissions and fees
31 Named fiduciary	70 Consulting fees
32 Real estate brokerage	71 Securities brokerage commissions and fees
33 Securities brokerage	72 Other investment fees and expenses
34 Valuation (appraisals, etc.)	73 Other insurance fees and expenses
35 Employee (plan sponsor)	
36 Copying and duplicating	
37 Participant loan processing	
38 Participant communication	
39 Investment Company/Mutual Fund	
40 Foreign entity (e.g., an agent or broker, bank, insurance company, etc. not operating within jurisdictional boundaries of the United States	
49 Other Services	99 Other Fees

Element (c). Enter any relationship of the person identified in element (a) to the plan sponsor, to the participating employer or employee organization, or to any person known to be a party-in-interest, for example, employee of employer, vice-president of employer, union officer, affiliate of plan recordkeeper, etc.

Element (d). Enter the total amount of compensation received directly from the plan for services rendered to the plan during the plan year. If a service provider charges the plan a fee or commission, but agrees to offset the fee or commission with any revenue received from a party other than the plan or plan sponsor, for example, as part of a commission recapture or other offset arrangement, only the amount paid directly by the plan after any revenue sharing offset should be entered in Element (d). Do not leave element (d) blank—if no direct compensation was received, enter ''0.''

Element (e). Check ''Yes'' if the person identified in element (a), or any related person, received during the plan year indirect compensation in connection with the person's position with the plan or services provided to the plan. (See instructions above on definition of indirect compensation). If the answer is ''No,'' skip elements (f) through (h) for the person identified in element (a).

Element (f). Check ''Yes'' if any of the indirect compensation was eligible indirect compensation for which the plan received the necessary disclosures. See instructions for Line 1 for definition of eligible indirect compensation. Check ''No'' if none of the indirect compensation was eligible indirect compensation.

Element (g). Enter the total of all indirect compensation that is not eligible indirect compensation for which the plan received the necessary disclosures. Do not leave blank. If none, enter ''0''.

Element (h). Check ''Yes'' if the service provider, instead of an amount or an estimated amount, gave the plan a formula or other description of the method used to determine some or all of the indirect compensation received.

Line 3. For each person identified in Line 2 who is a fiduciary to the plan or provides one or more of the following services to the plan '' contract administrator, consulting, investment advisory (plan or participants), investment management, securities brokerage, or recordkeeping '' enter the requested information for each source from whom the person received indirect compensation if (1) the amount of the compensation was $1,000 or more, or (2) the plan was given a formula or other description of the method used to determine the indirect compensation rather than an amount or estimated amount of the indirect compensation.

Part II—Service Providers Who Fail or Refuse To Provide Information

Line 4. Provide the requested information for each plan fiduciary or service provider who you believe failed or refused to provide any of the information necessary to complete Part I of this Schedule.

Important Reminder. Before identifying a fiduciary or service provider as a person who failed or refused to provide information, you should contact the fiduciary or service provider to request the necessary information and tell them that you will list them on the Schedule C as a fiduciary or service provider who failed or refused to provide information if they do not provide the necessary information.

Part III—Termination Information on Accountants and Enrolled Actuaries

Complete Part III if there was a termination in the appointment of an accountant or enrolled actuary during the 2009 plan year. This information must be provided on the Form 5500 Return/Report for the plan year during which the termination occurred. For example, if an accountant was terminated in the 2009 plan year after completing work on an audit for the 2007 plan year, the termination should be reported on the Schedule C filed with the 2009 plan year Form 5500. If the accountant is a firm (such as a corporation, partnership, etc.), report when the service provider (not an individual within the firm) was terminated. An enrolled actuary is by definition an individual and not a firm, and you must report when the individual is terminated.

Provide an explanation of the reasons for the termination of an accountant or enrolled actuary. Include a description of any material disputes or matters of disagreement concerning the termination, even if resolved prior to the termination. If an individual is listed, and the individual does not have an EIN, the EIN to be entered should be the EIN of the individual's employer. Do not use a social security number in lieu of an EIN. The Schedule C and its attachments are open to public inspection, and the contents are public information and are subject to publication on the Internet. Because of privacy concerns, the inclusion of a social security number on this Schedule C or any of its attachments may result in the rejection of the filing.

The plan administrator must also provide the terminated accountant or enrolled actuary with a copy of the explanation for the termination provided in Part III of the Schedule C,

along with a completed copy of the notice below.

Notice to Terminated Accountant Or Enrolled Actuary

I, as plan administrator, verify that the explanation that is reproduced below or attached to this notice is the explanation concerning your termination reported on the Schedule C (Form 5500) attached to the 2009 Form 5500, Annual Return/Report of Employee Benefit Plan for the _____(enter name of plan). This Form 5500 is identified in line 2b by the nine-digit EIN__–____(enter sponsor's EIN), and in line 1b by the three-digit PN____(enter plan number).

You have the opportunity to comment to the Department of Labor concerning any aspect of this explanation.

Comments should include the name, EIN, and PN of the plan and be submitted to: Office of Enforcement, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, DC 20210.

Signed

Dated

2009 Instructions for Schedule D (Form 5500) DFE/Participating Plan Information

General Instructions

Purpose of Schedule

When the Form 5500 Return/Report is filed for a plan or Direct Filing Entity (DFE) that invested or participated in any master trust investment accounts (MTIAs), 103–12 Investment Entities (103–12 IEs), common/collective trusts (CCTs) and/or pooled separate accounts (PSAs), Part I provides information about these entities. When the Form 5500 Return/Report is filed for a DFE, Part II provides information about plans participating in the DFE.

Who Must File

Employee Benefit Plans: Schedule D (Form 5500), DFE/Participating Plan Information (Schedule D), must be attached to a Form 5500 filed for an employee benefit plan that participated or invested in one or more CCTs, PSAs, MTIAs, or 103–12 IEs at anytime during the plan year.

Direct Filing Entities: Schedule D must be attached to a Form 5500 filed for a CCT, PSA, MTIA, 103–12 IE or Group Insurance Arrangement (GIA), as a Direct Filing Entity (*i.e.*, when ''a DFE'' is checked on Part I, Line A of the Form 5500). For more information, see instructions for Direct Filing Entity (DFE) Filing Requirements.

Check the Schedule D box on the Form 5500 (Part II, line 10b(5)) if a Schedule D is attached to the Form 5500. As many repeating entries must be completed as necessary to report the required information.

Specific Instructions

Lines A, B, C, and D. The information must be the same as reported in Part II of the Form 5500 to which this Schedule D is attached. The plan name may be abbreviated.

Do not use a social security number in line D in lieu of an EIN. The Schedule D and its attachments are open to public inspection, and the contents are public information and are subject to publication on the Internet. Because of privacy concerns, the inclusion of a social security number on this Schedule D or any of its attachments may result in the rejection of the filing.

EINs may be obtained by applying for one on Form SS–4, Application for Employer Identification Number, as soon as possible. You can obtain Form SS–4 by calling 1–800–TAX–FORM (1–800–829–3676) or at the IRS Web Site at *http://www.irs.gov.* The EBSA does not issue EINs.

Part I—Information on Interests in MTIAs, CCTs, PSAs, and 103–12 IEs (To Be Completed by Plans and DFEs)

Complete as many repeating entries as necessary to enter the information specified below for all MTIAs, CCTs, PSAs, and 103–12 IEs in which the plan or DFE filing the Form 5500 Return/Report participated at any time during the plan or DFE year.

Complete a separate item (elements (a) through (e)) for each MTIA, CCT, PSA, or 103–12 IE.

Element (a). Enter the name of the MTIA, CCT, PSA, or 103–12 IE in which the plan or DFE filing the Form 5500 Return/Report participated at any time during the plan or DFE year.

Element (b). Enter the name of the sponsor of the MTIA, CCT, PSA, or 103–12 IE named in (a).

Element (c). Enter the nine-digit employer identification number (EIN) and three-digit plan/entity number (PN) for each MTIA, CCT, PSA, or 103–12 IE named in (a). This must be the same DFE EIN/PN as reported on lines 2b and 1b of the Form 5500 filed for the DFE. If a Form 5500 was not filed for a CCT or PSA named in element (a), enter the EIN for the CCT or PSA and enter 000 for the PN. Do not use a social security number in lieu of an EIN. The Schedule D and its attachments are open to public inspection, and the contents are public information and are subject to publication on the Internet.

Because of privacy concerns, the inclusion of a social security number on this Schedule D or any of its attachments may result in the rejection of the filing.

Element (d). Enter an M, C, P, or E, as appropriate, (see table below) to identify the type of entity (MTIA, CCT, PSA, or 103–12 IE).

Type of entity	Enter in (d)
MTIA	M
CCT	C
PSA	P
103–12 IE	E

Element (e). Enter the dollar value of the plan's or DFE's interest as of the end of the year. If the plan or DFE for which this Schedule D is filed had no interest in the MTIA, CCT, PSA, or 103–12 IE listed at the end of the year, enter ''0'.

Example for Part I: If a plan participates in an MTIA, the MTIA is named in element (a); the MTIA's sponsor is named in element (b); the MTIA's EIN and PN is entered in element (c) (such as: 12–3456789–001); an ''M'' is entered in element (d); and the dollar value of the plan's interest in the MTIA as of the end of the plan year is entered in element (e).

If the plan also participates in a CCT for which a Form 5500 was not filed, the CCT is named in another element (a); the name of the CCT sponsor is entered in element (b); the EIN for the CCT, followed by 000 is entered in element (c) (such as: 99–8765432–000); a ''C'' is entered in element (d); and the dollar value of the plan's interest in the CCT is entered in element (e).

If the plan also participates in a PSA for which a Form 5500 was filed, the PSA is named in a third element (a); the name of the PSA sponsor is entered in element (b); the PSA's EIN and PN are entered in element (c) (such as: 98–7655555–001); a ''P'' is entered in element (d); and the dollar value of the plan's interest in the PSA is entered in element (e).

Part II—Information on Participating Plans (To Be Completed Only by DFEs)

Complete as many repeating entries as necessary to enter the information specified below for all plans that invested or participated in the DFE at any time during the DFE year.

Complete a separate item (elements (a) through (c)) for each plan.

Element (a). Enter the name of each plan that invested or participated in the DFE at any time during the DFE year. GIAs need not complete element (a).

Element (b). Enter the sponsor of each investing or participating plan. This section must be completed by DFEs for all participating plans even if those

plans are filing the Form 5500–SF and not the Form 5500 and Schedule D.

Element (c). Enter the nine-digit EIN and three-digit PN for each plan named in element (a). This is the EIN and PN entered on lines 2b and 1b of the plan's Form 5500 or Form 5500–SF. GIAs should enter the EIN of the sponsor listed in element (b). Do not use a social security number in lieu of an EIN. The Schedule D and its attachments are open to public inspection, and the contents are public information and are subject to publication on the Internet. Because of privacy concerns, the inclusion of a social security number on this Schedule D or any of its attachments may result in the rejection of the filing.

2009 Instructions for Schedule G (Form 5500) Financial Transaction Schedules

General Instructions

Who Must File

Schedule G (Form 5500), Financial Transaction Schedules (Schedule G), must be attached to a Form 5500 filed for a plan, MTIA, 103–12 IE, or GIA to report loans or fixed income obligations in default or determined to be uncollectible as of the end of the plan year, leases in default or classified as uncollectible, and nonexempt transactions. See Schedule H lines 4b, 4c, and/or 4d.

Check the Schedule G box on the Form 5500 (Part II, line 10b(6)) if a Schedule G is attached to the Form 5500. As many entries must be completed as necessary to report the required information.

The Schedule G consists of three parts. Part I of the Schedule G reports any loans or fixed income obligations in default or determined to be uncollectible as of the end of the plan year. Part II of the Schedule G reports any leases in default or classified as uncollectible. Part III of the Schedule G reports nonexempt transactions.

Specific Instructions

Lines A, B, C, and D. This information must be the same as reported in Part II of the Form 5500 to which this Schedule G is attached. The plan name may be abbreviated.

Do not use a social security number in line D in lieu of an EIN. The Schedule G and its attachments are open to public inspection, and the contents are public information and are subject to publication on the Internet. Because of privacy concerns, the inclusion of a social security number on this Schedule G or any of its attachments may result in the rejection of the filing.

EINs may be obtained by applying for one on Form SS–4, Application for Employer Identification Number, as soon as possible. You can obtain Form SS–4 by calling 1–800–TAX–FORM (1–800–829–3676) or at the IRS Web Site at *http://www.irs.gov.* The EBSA does not issue EINs.

Part I—Loans or Fixed Income Obligations in Default or Classified as Uncollectible

List all loans or fixed income obligations in default or determined to be uncollectible as of the end of the plan year or the fiscal year of the GIA, MTIA, or 103–12 IE. Include:

- Obligations where the required payments have not been made by the due date;
- Fixed income obligations that have matured, but have not been paid, for which it has been determined that payment will not be made; and
- Loans that were in default even if renegotiated later during the year.

Note: Identify in element (a) each obligor known to be a party-in-interest to the plan.

Provide, on a separate attachment, an explanation of what steps have been taken or will be taken to collect overdue amounts for each loan listed and label the attachment ''Schedule G, Part I—Overdue Loan Explanation.''

The due date, payment amount, and conditions for determining default in the case of a note or loan are usually contained in the documents establishing the note or loan. A loan is in default when the borrower is unable to pay the obligation upon maturity. Obligations that require periodic repayment can default at any time. Generally loans and fixed income obligations are considered uncollectible when payment has not been made and there is little probability that payment will be made. A fixed income obligation has a fixed maturity date at a specified interest rate.

Do not report in Part I participant loans under an individual account plan with investment experience segregated for each account, that are made in accordance with 29 CFR 2550.408b–1, and that are secured solely by a portion of the participant's vested accrued benefit. Report all other participant loans in default or classified as uncollectible on Part I, and list each such loan individually.

Part II—Leases in Default or Classified as Uncollectible

List any leases in default or classified as uncollectible. A lease is an agreement conveying the right to use property, plant, or equipment for a stated period. A lease is in default when the required payment(s) has not been made. An uncollectible lease is one where the required payments have not been made and for which there is little probability that payment will be made. Provide, on a separate attachment, an explanation of what steps have been taken or will be taken to collect overdue amounts for each lease listed and label the attachment ''Schedule G, Part II—Overdue Lease Explanation.''

Part III—Nonexempt Transactions

All nonexempt party-in-interest transactions must be reported, regardless of whether disclosed in the accountant's report, unless the nonexempt transaction is:

1. Statutorily exempt under Part 4 of Title I of ERISA;
2. Administratively exempt under ERISA section 408(a);
3. Exempt under Code sections 4975(c) or 4975(d);
4. The holding of participant contributions in the employer's general assets for a welfare plan that meets the conditions of ERISA Technical Release 92–01;
5. A transaction of a 103–12 IE with parties other than the plan; or
6. A delinquent participant contribution reported on Schedule H, line 4a.

Nonexempt transactions with a party-in-interest include any direct or indirect:

A. Sale or exchange, or lease, of any property between the plan and a party-in-interest.

B. Lending of money or other extension of credit between the plan and a party-in-interest.

C. Furnishing of goods, services, or facilities between the plan and a party-in-interest.

D. Transfer to, or use by or for the benefit of, a party-in-interest, of any income or assets of the plan.

E. Acquisition, on behalf of the plan, of any employer security or employer real property in violation of ERISA section 407(a).

F. Dealing with the assets of the plan for a fiduciary's own interest or own account.

G. Acting in a fiduciary's individual or any other capacity in any transaction involving the plan on behalf of a party (or represent a party) whose interests are adverse to the interests of the plan or the interests of its participants or beneficiaries.

H. Receipt of any consideration for his or her own personal account by a party-in-interest who is a fiduciary from any party dealing with the plan in connection with a transaction involving the income or assets of the plan.

For purposes of this form, party-in-interest is deemed to include a disqualified person. See Code section 4975(e)(2). The term ''party-in-interest'' means, as to an employee benefit plan:

A. Any fiduciary (including, but not limited to, any administrator, officer, trustee or custodian), counsel, or employee of the plan;

B. A person providing services to the plan;

C. An employer, any of whose employees are covered by the plan;

D. An employee organization, any of whose members are covered by the plan;

E. An owner, direct or indirect, of 50% or more of: (1) The combined voting power of all classes of stock entitled to vote or the total value of shares of all classes of stock of a corporation, (2) the capital interest or the profits interest of a partnership, or (3) the beneficial interest of a trust or unincorporated enterprise that is an employer or an employee organization described in C or D;

F. A relative of any individual described in A, B, C, or E;

G. A corporation, partnership, or trust or estate of which (or in which) 50% or more of:

(1) The combined voting power of all classes of stock entitled to vote or the total value of shares of all classes of stock of such corporation, (2) the capital interest or profits interest of such partnership, or (3) the beneficial interest of such trust or estate is owned directly or indirectly, or held by, persons described in A, B, C, D, or E;

H. An employee, officer, director (or an individual having powers or responsibilities similar to those of officers or directors), or a 10% or more shareholder, directly or indirectly, of a person described in B, C, D, E, or G, or of the employee benefit plan; or

I. A 10% or more (directly or indirectly in capital or profits) partner or joint venturer of a person described in B, C, D, E, or G.

CAUTION: An unfunded, fully insured, or combination unfunded/insured welfare plan with 100 or more participants exempt under 29 CFR 2520.104–44 from completing Schedule H must still complete Schedule G, Part III, to report nonexempt transactions.

If you are unsure whether a transaction is exempt or not, you should consult with either the plan's independent qualified public accountant (IQPA) or legal counsel or both.

You may indicate that an application for an administrative exemption is pending.

If the plan is a qualified pension plan and a nonexempt prohibited transaction occurred with respect to a disqualified person, an IRS Form 5330, Return of Excise Taxes Related to Employee Benefit Plans, is required to be filed with the IRS to pay the excise tax on the transaction.

TIP: The DOL Voluntary Fiduciary Correction Program (VFCP) describes how to apply, the specific transactions covered (which transactions include delinquent participant contributions to pension and welfare plans), and acceptable methods for correcting violations. In addition, applicants that satisfy both the VFCP requirements and the conditions of Prohibited Transaction Exemption (PTE) 2002–51 are eligible for immediate relief from payment of certain prohibited transaction excise taxes for certain corrected transactions, and are also relieved from the obligation to file the Form 5330 with the IRS. For more information, see 71 FR 20261 (Apr. 19, 2006) and 71 FR 20135 (Apr. 19, 2006). If the conditions of PTE 2002–51 are satisfied, corrected transactions should be treated as exempt under Code section 4975(c) for the purposes of answering Schedule G, Part III. Information about the VFCP is also available on the Internet at *http://www.dol.gov/ebsa.*

2009 Instructions for Schedule H (Form 5500) Financial Information

General Instructions

Who Must File

Schedule H (Form 5500) must be attached to a Form 5500 filed for a pension benefit plan or a welfare benefit plan that covered 100 or more participants as of the beginning of the plan year and a Form 5500 filed for an MTIA, CCT, PSA, 103–12 IE, or GIA. See the instructions to the Form 5500 for Direct Filing Entity (DFE) Filing Requirements.

Exceptions:

(1) Insured, unfunded, or a combination of unfunded/insured welfare plans and fully insured pension benefit plans that meet the requirements of 29 CFR 2520.104–44 are exempt from completing the Schedule H.

(2) If a Schedule I was filed for the plan for the 2008 plan year and the plan covered fewer than 121 participants as of the beginning of the 2009 plan year, the Schedule I may be completed instead of a Schedule H. *See* What To File. If eligible, such a plan may file the Form 5500–SF instead of the Form 5500 and its schedules, including the Schedule I. *See* Instructions for Form 5500–SF.

(3) Plans that file a Form 5500–SF for the 2009 plan year are not required to file a Schedule H for that year.

Check the Schedule H box on the Form 5500 (Part II, line 10b(1)) if a Schedule H is attached to the Form 5500. Do not attach both a Schedule H and a Schedule I to the same Form 5500.

Specific Instructions

Lines A, B, C, and D. This information must be the same as reported in Part II of the Form 5500 to which this Schedule H is attached. The plan name may be abbreviated.

Do not use a social security number in line D in lieu of an EIN. The Schedule H and its attachments are open to public inspection, and the contents are public information and are subject to publication on the Internet. Because of privacy concerns, the inclusion of a social security number on this Schedule H or any of its attachments may result in the rejection of the filing.

EINs may be obtained by applying for one on Form SS–4, Application for Employer Identification Number, as soon as possible. You can obtain Form SS–4 by calling 1–800–TAX–FORM (1–800–829–3676) or at the IRS Web Site at *http://www.irs.gov.* The EBSA does not issue EINs.

Note: The cash, modified cash, or accrual basis may be used for recognition of transactions in Parts I and II, as long as you use one method consistently. Round off all amounts reported on the Schedule H to the nearest dollar. Any other amounts are subject to rejection. Check all subtotals and totals carefully.

If the assets of two or more plans are maintained in a fund or account that is not a DFE, a registered investment company, or the general account of an insurance company under an unallocated contract (see the instructions for lines 1c(9) through 1c(14)), complete Parts I and II of the Schedule H by entering the plan's allocable part of each line item.

Exception: When completing Part II of the Schedule H for a plan or DFE that participates in a CCT or PSA for which a Form 5500 has not been filed, do not allocate the income of the CCT or PSA and expenses that were subtracted from the gross income of the CCT or PSA in determining their net investment gain (loss). Instead, enter the CCT or PSA net gain (loss) on line 2b(6) or (7) in accordance with the instructions for these lines.

If assets of one plan are maintained in two or more trust funds, report the combined financial information in Parts I and II.

Current value means fair market value where available. Otherwise, it means the

fair value as determined in good faith under the terms of the plan by a trustee or a named fiduciary, assuming an orderly liquidation at the time of the determination. See ERISA section 3(26).

Note: For the 2009 plan year, plans that provide participant-directed brokerage accounts as an investment alternative (and have entered pension feature code ''2R'' on line 8a of the Form 5500) may report investments in assets made through participant-directed brokerage accounts either:

1. As individual investments on the applicable asset and liability categories in Part I and the income and expense categories in Part II, or

2. By including on line 1c(15) the total aggregate value of the assets and on line 2c the total aggregate investment income (loss) before expenses, provided the assets are not loans, partnership or joint-venture interests, real property, employer securities, or investments that could result in a loss in excess of the account balance of the participant or beneficiary who directed the transaction. Expenses charged to the accounts must be reported on the applicable expense line items. Participant-directed brokerage account assets reported in the aggregate on line 1c(15) should be treated as one asset held for investment for purposes of the line 4i schedules, except that investments in tangible personal property must continue to be reported as separate assets on the line 4i schedules.

In the event that investments made through a participant-directed brokerage account are loans, partnership or joint venture interests, real property, employer securities, or investments that could result in a loss in excess of the account balance of the participant or beneficiary who directed the transaction, such assets must be broken out and treated as separate assets on the applicable asset and liability categories in Part I, income and expense categories in Part II, and on the line 4i schedules. The remaining assets in the participant-directed brokerage account may be reported in the aggregate as set forth in paragraph 2 above.

Columns (a) and (b). Enter the current value on each line as of the beginning and end of the plan year.

Note: Amounts reported in column (a) must be the same as reported for the end of the plan year for corresponding line items of the return/report for the preceding plan year. Do not include contributions designated for the 2009 plan year in column (a).

Line 1a. Total noninterest bearing cash includes, among other things, cash on hand or cash in a noninterest bearing checking account.

Line 1b(1). Noncash basis filers must include contributions due the plan by the employer but not yet paid. Do not include other amounts due from the employer such as the reimbursement of an expense or the repayment of a loan.

Line 1b(2). Noncash basis filers must include contributions withheld by the employer from participants and amounts due directly from participants that have not yet been received by the plan. Do not include the repayment of participant loans.

Line 1b(3). Noncash basis filers must include amounts due to the plan that are not includable in lines 1b(1) or 1b(2). These amounts may include investment income earned but not yet received by the plan and other amounts due to the plan such as amounts due from the employer or another plan for expense reimbursement or from a participant for the repayment of an overpayment of benefits.

Line 1c(1). Include all assets that earn interest in a financial institution account such as interest bearing checking accounts, passbook savings accounts, or money market accounts.

Line 1c(2). Include securities issued or guaranteed by the U.S. Government or its designated agencies, such as U.S. Savings Bonds, Treasury bonds, Treasury bills, FNMA, and GNMA.

Line 1c(3). Include investment securities (other than employer securities defined below in 1d(1)) issued by a corporate entity at a stated interest rate repayable on a particular future date such as most bonds, debentures, convertible debentures, commercial paper and zero coupon bonds. Do not include debt securities of governmental units that should be reported on line 1c(2) or 1c(15).

''Preferred'' means any of the above securities that are publicly traded on a recognized securities exchange and the securities have a rating of ''A'' or above. If the securities are not ''Preferred,'' list them as ''Other.''

Line 1c(4)(A). Include stock issued by corporations (other than employer securities defined in 1d(1) below) which is accompanied by preferential rights such as the right to share in distributions of earnings at a higher rate or which has general priority over the common stock of the same entity. Include the value of warrants convertible into preferred stock.

Line 1c(4)(B). Include any stock (other than employer securities defined in 1d(1)) that represents regular ownership of the corporation and is not accompanied by preferential rights. Include the value of warrants convertible into common stock.

Line 1c(5). Include the value of the plan's participation in a partnership or joint venture if the underlying assets of the partnership or joint venture are not considered to be plan assets under 29 CFR 2510.3–101. Do not include the value of a plan's interest in a partnership or joint venture that is a 103–12 Investment Entity (103–12 IE). Include the value of a 103–12 IE in line 1c(12).

Line 1c(6). Include the current value of both income and non-income producing real property owned by the plan. Do not include the value of property that is employer real property or property used in plan operations that must be reported on lines 1d and 1e, respectively.

Line 1c(7). Enter the current value of all loans made by the plan, except participant loans reportable on line 1c(8). Include the sum of the value of loans for construction, securities loans, commercial and/or residential mortgage loans that are not subject to Code section 72(p) (either by making or participating in the loans directly or by purchasing loans originated by a third party), and other miscellaneous loans.

Line 1c(8). Enter the current value of all loans to participants including residential mortgage loans that are subject to Code section 72(p). Include the sum of the value of the unpaid principal balances, plus accrued but unpaid interest, if any, for participant loans made under an individual account plan with investment experience segregated for each account that are made in accordance with 29 CFR 2550.408b-1 and secured solely by a portion of the participant's vested accrued benefit.

When applicable, combine this amount with the current value of any other participant loans. Do not include in column (b) a participant loan that has been deemed distributed during the plan year under the provisions of Code section 72(p) and Treasury Regulation section 1.72(p)–1, if both of the following circumstances apply:

1. Under the plan, the participant loan is treated as a directed investment solely of the participant's individual account; and

2. As of the end of the plan year, the participant is not continuing repayment under the loan.

If both of these circumstances apply, report the loan as a deemed distribution on line 2g. However, if either of these circumstances does not apply, the current value of the participant loan (including interest accruing thereon after the deemed distribution) must be included in column (b) without regard to the occurrence of a deemed distribution.

Note: After a participant loan that has been deemed distributed is reported on line 2g, it is no longer to be reported as an asset on

Schedule H or Schedule I unless, in a later year, the participant resumes repayment under the loan. However, such a loan (including interest accruing thereon after the deemed distribution) that has not been repaid is still considered outstanding for purposes of applying Code section 72(p)(2)(A) to determine the maximum amount of subsequent loans. Also, the deemed distribution is not treated as an actual distribution for other purposes, such as the qualification requirements of Code section 401, including, for example, the determination of top-heavy status under Code section 416 and the vesting requirements of Treasury Regulation section 1.411(a)–7(d)(5). See Q&As 12 and 19 of Treasury Regulation section 1.72(p)–1.

The entry on line 1c(8), column (b), of Schedule H (participant loans—end of year) or on line 1a, column (b), of Schedule I (plan assets—end of year) must include the current value of any participant loan that was reported as a deemed distribution on line 2g for any earlier year if the participant resumes repayment under the loan during the plan year. In addition, the amount to be entered on line 2g must be reduced by the amount of the participant loan that was reported as a deemed distribution on line 2g for the earlier year.

Lines 1c(9), (10), (11), and (12). Enter the total current value of the plan's or DFE's interest in DFEs on the appropriate lines as of the beginning and end of the plan or DFE year. The value of the plan's or DFE's interest in each DFE at the end of the plan or DFE year must be reported on the Schedule D (Form 5500).

CAUTION: The plan's or DFE's interest in common/collective trusts (CCTs) and pooled separate accounts (PSAs) for which a DFE Form 5500 has not been filed may not be included on lines 1c(9) or 1c(10). The plan's or DFE's interest in the underlying assets of such CCTs and PSAs must be allocated and reported in the appropriate categories on a line-by-line basis on Part I of the Schedule H.

Note: For reporting purposes, a separate account that is not considered to be holding plan assets pursuant to 29 CFR 2510.3–101(h)(1)(iii) does not constitute a PSA.

Line 1c(14). Use the same method for determining the value of the insurance contracts reported here as you used for line 4 of Schedule A, or, if line 4 is not required, line 7 of Schedule A.

Line 1c(15). Include all other investments not includable in lines 1c(1) through (14), such as options, index futures, repurchase agreements, state and municipal securities, collectibles, and other personal property.

Line 1d(1). An employer security is any security issued by an employer (including affiliates) of employees covered by the plan. These may include common stocks, preferred stocks, bonds, zero coupon bonds, debentures, convertible debentures, notes, and commercial paper.

Line 1d(2). The term ''employer real property'' means real property (and related personal property) that is leased to an employer of employees covered by the plan, or to an affiliate of such employer. For purposes of determining the time at which a plan acquires employer real property for purposes of this line, such property shall be deemed to be acquired by the plan on the date on which the plan acquires the property or on the date on which the lease to the employer (or affiliate) is entered into, whichever is later.

Line 1e. Include the current (not book) value of the buildings and other property used in the operation of the plan. Buildings or other property held as plan investments should be reported in lines 1c(6) and 1d(2). Do not include the value of future pension payments on lines 1g, h, i, j, or k.

Line 1g. Noncash basis plans must include the total amount of benefit claims that have been processed and approved for payment by the plan. Include welfare plan ''incurred but not reported'' (IBNR) benefit claims on this line.

Line 1h. Noncash basis plans must include the total amount of obligations owed by the plan which were incurred in the normal operations of the plan and have been approved for payment by the plan but have not been paid.

Line 1i. ''Acquisition indebtedness,'' for debt-financed property other than real property, means the outstanding amount of the principal debt incurred:

1. By the organization in acquiring or improving the property;

2. Before the acquisition or improvement of the property if the debt was incurred only to acquire or improve the property; or

3. After the acquisition or improvement of the property if the debt was incurred only to acquire or improve the property and was reasonably foreseeable at the time of such acquisition or improvement. For further explanation, see Code section 514(c).

Line 1j. Noncash basis plans must include amounts owed for any liabilities that would not be classified as benefit claims payable, operating payables, or acquisition indebtedness.

Line 1l. The entry in column (b) must equal the sum of the entry in column (a) plus lines 2k, 2l(1), and 2l(2).

Line 2a. Include the total cash contributions received and/or (for accrual basis plans) due to be received.

Note: Plans using the accrual basis of accounting should not include contributions designated for years before the 2009 plan year on line 2a.

Line 2a(1)(B). For welfare plans, report all employee contributions, including all elective contributions under a cafeteria plan (Code section 125). For pension benefit plans, participant contributions, for purposes of this item, also include elective contributions under a qualified cash or deferred arrangement (Code section 401(k)).

Line 2a(2). Use the current value, at date contributed, of securities or other noncash property.

Line 2b(1)(A). Enter interest earned on interest-bearing cash, including earnings from sweep accounts, STIF accounts, money market accounts, certificates of deposit, etc. This is the interest earned on the investments reported on line 1c(1).

Line 2b(1)(B). Enter interest earned on U.S. Government Securities. This is the interest earned on the investments reported on line 1c(2).

Line 2b(1)(C). Generally, this is the interest earned on securities that are reported on lines 1(c)(3)(A) and (B) and 1d(1).

Line 2b(2). Generally, the dividends are for investments reported on line 1c(4)(A) and (B), 1(c)(13), and 1d(1). For accrual basis plans, include any dividends declared for stock held on the date of record, but not yet received as of the end of the plan year.

Line 2b(3). Generally, rents represent the income earned on the real property that is reported in items 1c(6) and 1d(2). Enter rents as a ''Net'' figure. Net rents are determined by taking the total rent received and subtracting all expenses directly associated with the property. If the real property is jointly used as income producing property and for the operation of the plan, net that portion of the expenses attributable to the income producing portion of the property against the total rents received.

Line 2b(4). Enter in column (b) the total of net gain (loss) on sale of assets. This equals the sum of the net realized gain (or loss) on each asset held at the beginning of the plan year which was sold or exchanged during the plan year, and on each asset that was both acquired and disposed of within the plan year.

Note: As current value reporting is required for the Form 5500, assets are revalued to current value at the end of the plan year. For purposes of this form, the

increase or decrease in the value of assets since the beginning of the plan year (if held on the first day of the plan year) or their acquisition date (if purchased during the plan year) is reported in line 2b(5) below, with two exceptions: (1) The realized gain (or loss) on each asset that was disposed of during the plan year is reported in 2b(4) (NOT on line 2b(5)), and (2) the net investment gain (or loss) from CCTs, PSAs, MTIAs, 103–12 IEs, and registered investment companies is reported in lines 2b(6) through (10).

The sum of the realized gain (or loss) on assets sold or exchanged during the plan year is to be calculated as follows:

1. Enter in 2b(4)(A), column (a), the sum of the amount received for these former assets;

2. Enter in 2b(4)(B), column (a), the sum of the current value of these former assets as of the beginning of the plan year and the purchase price for assets both acquired and disposed of during the plan year; and

3. Enter in 2b(4)(C), column (b), the result obtained when 2b(4)(B) is subtracted from 2b(4)(A). If entering a negative number, enter a minus sign ''-'' to the left of the number.

Note: Bond write-offs must be reported as realized losses.

Line 2b(5). Subtract the current value of assets at the beginning of the year plus the cost of any assets acquired during the plan year from the current value of assets at the end of the year to obtain this figure. If entering a negative number, enter a minus sign ''–'' to the left of the number. Do not include the value of assets reportable in lines 2b(4) and 2b(6) through 2b(10).

Lines 2b(6), (7), (8), and (9). Report all earnings, expenses, gains or losses, and unrealized appreciation or depreciation included in computing the net investment gain (or loss) from all CCTs, PSAs, MTIAs, and 103–12 IEs here. If some plan funds are held in any of these entities and other plan funds are held in other funding media, complete all applicable subitems of line 2 to report plan earnings and expenses relating to the other funding media. The net investment gain (or loss) allocated to the plan for the plan year from the plan's investment in these entities is equal to:

1. The sum of the current value of the plan's interest in each entity at the end of the plan year,

2. Minus the current value of the plan's interest in each entity at the beginning of the plan year,

3. Plus any amounts transferred out of each entity by the plan during the plan year, and

4. Minus any amounts transferred into each entity by the plan during the plan year.

Enter the net gain as a positive number or the net loss as a negative number.

Note: Enter the combined net investment gain or loss from all CCTs and PSAs, regardless of whether a DFE Form 5500 was filed for the CCTs and PSAs.

Line 2b(10). Enter net investment gain (loss) from registered investment companies here. Compute in the same manner as discussed above for lines 2b(6) through (9).

Line 2c. Include all other plan income earned that is not included in lines 2a or 2b. Do not include transfers to or from other plans reported in line 2l.

Line 2e(1). Include the current value of all cash, securities, or other property at the date of distribution. Include all eligible rollover distributions as defined in Code section 401(a)(31)(C) paid at the participant's election to an eligible retirement plan (including an IRA within the meaning of section 401(a)(31)(D)).

Line 2e(2). Include payments to insurance companies and similar organizations such as Blue Cross, Blue Shield, and health maintenance organizations for the provision of plan benefits (e.g., paid-up annuities, accident insurance, health insurance, vision care, dental coverage, stop-loss insurance whose claims are paid to the plan (or which is otherwise an asset of the plan)), etc.

Line 2e(3). Include all payments made to other organizations or individuals providing benefits. Generally, these are individual providers of welfare benefits such as legal services, day care services, training, and apprenticeship services.

Line 2f. Include on this line all distributions paid during the plan year of excess deferrals under Code section 402(g)(2)(A)(ii), excess contributions under section 401(k)(8), and excess aggregate contributions under section 401(m)(6). Include allocable income distributed. Also include on this line any elective deferrals and employee contributions distributed or returned to employees during the plan year in accordance with Treasury Regulation section 1.415–6(b)(6)(iv), as well as any attributable gains that were also distributed.

Line 2g. Report on line 2g a participant loan that has been deemed distributed during the plan year under the provisions of Code section 72(p) and Treasury Regulation section 1.72(p)–1 only if both of the following circumstances apply:

1. Under the plan, the participant loan is treated as a directed investment solely of the participant's individual account; and

2. As of the end of the plan year, the participant is not continuing repayment under the loan.

If either of these circumstances does not apply, a deemed distribution of a participant loan must not be reported on line 2g. Instead, the current value of the participant loan (including interest accruing thereon after the deemed distribution) must be included on line 1c(8), column (b) (participant loans—end of year), without regard to the occurrence of a deemed distribution.

Note: The amount to be reported on line 2g of Schedule H or Schedule I must be reduced if, during the plan year, a participant resumes repayment under a participant loan reported as a deemed distribution on line 2g for any earlier year. The amount of the required reduction is the amount of the participant loan reported as a deemed distribution on line 2g for the earlier year. If entering a negative number, enter a minus sign ''–'' to the left of the number. The current value of the participant loan must then be included in line 1c(8), column (b), of Schedule H (participant loans—end of year) or in line 1a, column (b), of Schedule I (plan assets—end of year).

Although certain participant loans that are deemed distributed are to be reported on line 2g of the Schedule H or Schedule I, and are not to be reported on the Schedule H or Schedule I as an asset thereafter (unless the participant resumes repayment under the loan in a later year), they are still considered outstanding loans and are not treated as actual distributions for certain purposes. See Q&As 12 and 19 of Treasury Regulation section 1.72(p)–1.

Line 2h. Interest expense is a monetary charge for the use of money borrowed by the plan. This amount should include the total of interest paid or to be paid (for accrual basis plans) during the plan year.

Line 2i. Report all administrative expenses (by specified category) paid by or charged to the plan, including those that were not subtracted from the gross income of CCTs, PSAs, MTIAs, and 103–12 IEs in determining their net investment gain(s) or loss(es). Expenses incurred in the general operations of the plan are classified as administrative expenses.

Line 2i(1). Include the total fees paid (or in the case of accrual basis plans costs incurred during the plan year but not paid as of the end of the plan year) by the plan for outside accounting, actuarial, legal, and valuation/appraisal services. Include fees for the annual audit of the plan by an independent qualified public accountant (IQPA); for payroll audits; for accounting/bookkeeping services; for actuarial services rendered to the plan; and to a

lawyer for rendering legal opinions, litigation, and advice (but not for providing legal services as a benefit to plan participants). Report here fees and expenses for corporate trustees and individual plan trustees, including reimbursement of expenses associated with trustees, such as lost time, seminars, travel, meetings, etc. Include the fee(s) for valuations or appraisals to determine the cost, quality, or value of an item such as real property, personal property (gemstones, coins, etc.), and for valuations of closely held securities for which there is no ready market. Do not include amounts paid to plan employees to perform bookkeeping/accounting functions that should be included in line 2i(4).

Line 2i(2). Enter the total fees paid (or in the case of accrual basis plans, costs incurred during the plan year but not paid as of the end of the plan year) to a contract administrator for performing administrative services for the plan. For purposes of the return/report, a contract administrator is any individual, partnership or corporation, responsible for managing the clerical operations (e.g., handling membership rosters, claims payments, maintaining books and records) of the plan on a contractual basis. Do not include salaried staff or employees of the plan or banks or insurance carriers.

Line 2i(3). Enter the total fees paid (or in the case of accrual basis plans, costs incurred during the plan year but not paid as of the end of the plan year) to an individual, partnership or corporation (or other person) for advice to the plan relating to its investment portfolio. These may include fees paid to manage the plan's investments, fees for specific advice on a particular investment, and fees for the evaluation of the plan's investment performance.

Line 2i(4). Other expenses are those that cannot be included in lines 2i(1) through 2i(3). These may include plan expenditures such as salaries and other compensation and allowances (e.g., payment of premiums to provide health insurance benefits to plan employees), expenses for office supplies and equipment, cars, telephone, postage, rent, expenses associated with the ownership of a building used in the operation of the plan, and all miscellaneous expenses.

Line 2l. Include in these reconciliation figures the value of all transfers of assets or liabilities into or out of the plan resulting from, among other things, mergers and consolidations. A transfer of assets or liabilities occurs when there is a reduction of assets or liabilities with respect to one plan and the receipt of these assets or the assumption of these liabilities by another plan. A transfer is not a shifting of one plan's assets or liabilities from one investment to another. A transfer is not a distribution of all or part of an individual participant's account balance that is reportable on IRS Form 1099–R, Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc., (see the instructions for line 2e). Transfers out at the end of the year should be reported as occurring during the plan year.

Note: If this Schedule H is filed for a DFE, report the value of all asset transfers to the DFE, including those resulting from contributions to participating plans on line 2l(1), and report the total value of all assets transferred out of the DFE, including assets withdrawn for disbursement as benefit payments by participating plans, on line 2l(2). Contributions and benefit payments are considered to be made to/by the plan (not to/by a DFE).

Line 3. The administrator of an employee benefit plan who files a Schedule H generally must engage an IQPA pursuant to ERISA section 103(a)(3)(A) and 29 CFR 2520.103–1(b). This requirement also applies to a Form 5500 Return/Report filed for a 103–12 IE and for a GIA (see 29 CFR 2520.103–12 and 29 CFR 2520.103–2). The IQPA's report must be attached to the Form 5500 Return/Report when a Schedule H is attached unless line 3d(1) or 3d(2) on the Schedule H is checked.

29 CFR 2520.103–1(b) requires that any separate financial statements prepared in order for the IQPA to form the opinion and notes to these financial statements must be attached to the Form 5500 Return/Report. Any separate statements must include the information required to be disclosed in Parts I and II of the Schedule H; however, they may be aggregated into categories in a manner other than that used on the Schedule H. The separate statements must consist of reproductions of Parts I and II or statements incorporating by references Parts I and II. See ERISA section 103(a)(3)(A), and the DOL regulations 29 CFR 2520.103–1(a)(2) and (b), 2520.103–2, and 2520.104–50.

Note: Delinquent participant contributions reported on line 4a should be treated as part of the separate schedules referenced in ERISA section 103(a)(3)(A) and 29 CFR 2520.103–1(b) and 2520.103–2(b) for purposes of preparing the IQPA's opinion described on line 3 even though they are no longer required to be listed on Part III of the Schedule G. If the information contained on line 4a is not presented in accordance with regulatory requirements, i.e., when the IQPA concludes that the scheduled information required by Line 4a does not contain all the required information or contains information that is inaccurate or is inconsistent with the plan's financial statements, the IQPA report must make the appropriate disclosures in accordance with generally accepted auditing standards. Delinquent participant contributions that are exempt because they satisfy the DOL voluntary fiduciary correction program (VFCP) requirements and the conditions of prohibited transaction exemption (PTE) 2002–51 do not need to be treated as part of the schedule of nonexempt party-in-interest transactions.

If the required IQPA's report is not attached to the Form 5500 Return/Report, the filing is subject to rejection as incomplete and penalties may be assessed.

Lines 3a(1) through 3a(4). These boxes identify the type of opinion offered by the accountant.

Line 3a(1). Check if an unqualified opinion was issued. Generally, an unqualified opinion is issued when the IQPA concludes that the plan's financial statements present fairly, in all material respects, the financial status of the plan as of the end of the period audited and the changes in its financial status for the period under audit in conformity with generally accepted accounting principles (GAAP) or an other comprehensive basis of accounting (OCBOA), e.g., cash basis.

Line 3a(2). Check if a qualified opinion was issued. Generally, a qualified opinion is issued by an IQPA when the plan's financial statements present fairly, in all material respects, the financial status of the plan as of the end of the audit period and the changes in its financial status for the period under audit in conformity with GAAP or OCBOA, except for the effects of one or more matters described in the opinion.

Line 3a(3). Check if a disclaimer of opinion was issued. A disclaimer of opinion is issued when the IQPA does not express an opinion on the financial statements because he or she has not performed an audit sufficient in scope to enable him or her to form an opinion on the financial statements.

Line 3a(4). Check if the plan received an adverse accountant's opinion. Generally, an adverse opinion is issued by an IQPA when the plan's financial statements do not present fairly, in all material respects, the financial status of the plan as of the end of the audit period and the changes in its financial status for the period under audit in conformity with GAAP or OCBOA.

Line 3b. Check ''Yes'' if a box is checked on line 3a and the scope of the plan's audit was limited pursuant to DOL regulations 29 CFR 2520.103–8 and 2520.103–12(d) because the

examination and report of an IQPA did not extend to: (a) Statements or information regarding assets held by a bank, similar institution or insurance carrier that is regulated and supervised and subject to periodic examination by a state or federal agency provided that the statements or information are prepared by and certified to by the bank or similar institution or an insurance carrier, or (b) information included with the Form 5500 Return/Report filed for a 103–12 IE.

The term ''similar institution'' as used here does not extend to securities brokerage firms (see DOL Advisory Opinion 93–21A). See 29 CFR 2520.103–8 and 2520.103–12(d).

Note: These regulations do not exempt the plan administrator from engaging an IQPA or from attaching the IQPA's report to the Form 5500 Return/Report. If you check line 3b, you must also check the appropriate box on line 3a to identify the type of opinion offered by the IQPA.

Line 3c. Enter the name and EIN of the accountant (or accounting firm) in the space provided on line 3c. Do not use a social security number in lieu of an EIN. The Schedule H is open to public inspection, and the contents are public information and are subject to publication on the Internet. Because of privacy concerns, the inclusion of a social security number on this Schedule H may result in the rejection of the filing.

Line 3d(1). Check this box only if the Schedule H is being filed for a CCT, PSA, or MTIA.

Line 3d(2). Check this box if the plan has elected to defer attaching the IQPA's opinion for the first of two (2) consecutive plan years, one of which is a short plan year of seven (7) months or fewer. The Form 5500 for the first of the two years must be complete and accurate, with all required schedules and attachments, except for the IQPA's report, including an attachment explaining why one of the two plan years is of seven or fewer months duration and stating that the annual report for the immediately following plan year will include a report of an IQPA with respect to the financial statements and accompanying schedules for both of the two plan years. The Form 5500 Return/Report for the second year must include: (a) Financial schedules and statements for both plan years; (b) a report of an IQPA with respect to the financial schedules and statements for each of the two plan years (regardless of the number of participants covered at the beginning of each plan year); and (c) a statement identifying any material differences between the unaudited financial information submitted with the first Form 5500 and the audited financial information submitted with the second Form 5500. *See* 29 CFR 2520.104–50.

Note: Do not check the box on line 3d(2) if the Form 5500 Return/Report is filed for a 103–12 IE or a GIA. A deferral of the IQPA's opinion is not permitted for a 103–12 IE or a GIA. If an E or G is entered on Form 5500, Part I, line A(4), an IQPA's opinion must be attached to the Form 5500 Return/Report, and the type of opinion must be reported on Schedule H, line 3a.

Lines 4a through 4n. Plans completing Schedule H must answer all these lines either ''Yes'' or ''No.'' If lines 4a through 4h are ''Yes'' or line 4l is ''Yes'' an amount must be entered where indicated.

Report investments in CCTs, PSAs, MTIAs, and 103–12 IEs, but not the investments made by these entities. Plans with all of their funds held in a master trust must check ''No'' on lines 4b, 4c, 4i, and 4j. CCTs and PSAs do not complete Part IV. MTIAs, 103–12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, or 4n. 103–12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

Line 4a. Amounts paid by a participant or beneficiary to an employer and/or withheld by an employer for contribution to the plan are participant contributions that become plan assets as of the earliest date on which such contributions can reasonably be segregated from the employer's general assets (*see* 29 CFR 2510.3–102). An employer holding these assets after that date commingled with its general assets will have engaged in a prohibited use of plan assets (*see* ERISA section 406). If such a nonexempt prohibited transaction occurred with respect to a disqualified person (see Code section 4975(e)(2)), file IRS Form 5330, Return of Excise Taxes Related to Employee Benefit Plans, with the IRS to pay any applicable excise tax on the transaction.

Plans that check ''Yes'' must enter the aggregate amount of all late contributions for the year. The total amount of the delinquent contributions must be included on line 4a of the Schedule H or I, as applicable, for the year in which the contributions were delinquent and must be carried over and reported again on line 4a of the Schedule H or I, as applicable, for each subsequent year until the year after the violation has been fully corrected, which correction includes payment of the late contributions and reimbursement of the plan for lost earnings or profits. If no participant contributions were received or withheld by the employer during the plan year, answer ''No.''

Participant loan repayments paid to and/or withheld by an employer for purposes of transmittal to the plan that were not transmitted to the plan in a timely fashion must be reported either on line 4a in accordance with the reporting requirements that apply to delinquent participant contributions or on line 4d. *See* Advisory Opinion 2002–02A, available at *http://www.dol.gov/ebsa.*

TIP: Delinquent participant contributions reported on line 4a must be treated as part of the separate schedules referenced in ERISA section 103(a)(3)(A) and 29 CFR 2520.103–1(b) and 2520.103–2(b) for purposes of preparing the IQPA's opinion described on line 3 even though they are no longer required to be listed on Part III of the Schedule G. If the information contained on line 4a is not presented in accordance with regulatory requirements, i.e., when the IQPA concludes that the scheduled information required by line 4a does not contain all the required information or contains information that is inaccurate or is inconsistent with the plan's financial statements, the IQPA report must make the appropriate disclosures in accordance with generally accepted auditing standards. For more information, *see* EBSA's Frequently Asked Questions About Reporting Delinquent Contributions on the Form 5500, available on the Internet at *http://www.dol.gov/ebsa.* These Frequently Asked Questions clarify that plans have an obligation to include delinquent participant contributions on their financial statements and supplemental schedules and that the IQPA's report covers such delinquent contributions even though they are no longer required to be included on Part III of the Schedule G. Although all delinquent participant contributions must be reported on line 4a, delinquent contributions for which the DOL VFCP requirements and the conditions of PTE 2002–51 have been satisfied do not need to be treated as nonexempt party-in-interest transactions.

The VFCP describes how to apply the specific transactions covered (which transactions include delinquent participant contributions to pension and welfare plans), and acceptable methods for correcting violations. In addition, applicants that satisfy both the VFCP requirements and the conditions of PTE 2002–51 are eligible for immediate relief from payment of certain prohibited transaction excise taxes for certain corrected transactions, and are also

relieved from the obligation to file the IRS Form 5330 with the IRS. For more information, *see* 71 FR 20261 (Apr. 19, 2006) and 71 FR 20135 (Apr. 19, 2006).

All delinquent participant contributions must be reported on line 4a even if violations have been corrected. Information about the VFCP is also available on the Internet at *http://www.dol.gov/ebsa.*

Line 4a Schedule. Attach a Schedule of Delinquent Participant Contributions using the format below if you entered ''Yes.'' If you choose to include participant loan repayments on line 4a, you must apply the same supplemental schedule and IQPA disclosure requirements to the loan repayments as applied to delinquent transmittals of participant contributions.

SCHEDULE H LINE 4A.—SCHEDULE OF DELINQUENT PARTICIPATION CONTRIBUTIONS

Participant Contributions Transferred Late to Plan	Total that Constitute Nonexempt Prohibited Transactions			Total Fully Corrected Under VFCP and PTE 2002–51
	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	
Check here if Late Participant Loan Repayments are included: ☐				

Line 4b. Plans that check ''Yes'' must enter the amount and complete Part I of Schedule G. The due date, payment amount and conditions for determining default of a note or loan are usually contained in the documents establishing the note or loan. A loan by the plan is in default when the borrower is unable to pay the obligation upon maturity. Obligations that require periodic repayment can default at any time. Generally, loans and fixed income obligations are considered uncollectible when payment has not been made and there is little probability that payment will be made. A fixed income obligation has a fixed maturity date at a specified interest rate. Do not include participant loans made under an individual account plan with investment experience segregated for each account that were made in accordance with 29 CFR 2550.408b–1 and secured solely by a portion of the participant's vested accrued benefit.

Line 4c. Plans that check ''Yes'' must enter the amount and complete Part II of Schedule G. A lease is an agreement conveying the right to use property, plant, or equipment for a stated period. A lease is in default when the required payment(s) has not been made. An uncollectible lease is one where the required payments have not been made and for which there is little probability that payment will be made.

Line 4d. Plans that check ''Yes'' must enter the amount and complete Part III of Schedule G. Check ''Yes'' if any nonexempt transaction with a party-in-interest occurred regardless of whether the transaction is disclosed in the IQPA's report. Do not check ''Yes'' or complete Schedule G, Part III, with respect to transactions that are: (1) Statutorily exempt under Part 4 of Title I of ERISA; (2) administratively exempt under ERISA section 408(a); (3) exempt under Code sections 4975(c) or 4975(d); (4) the holding of participant contributions in the employer's general assets for a welfare plan that meets the conditions of ERISA Technical Release 92–01; (5) a transaction of a 103–12 IE with parties other than the plan; or (6) delinquent participant contributions reported on line 4a.

Note: See the instructions for Part III of the Schedule G concerning non-exempt transactions and parties-in-interest.

You may indicate that an application for an administrative exemption is pending. If you are unsure as to whether a transaction is exempt or not, you should consult with either the plan's IQPA or legal counsel or both.

TIP: Applicants that satisfy the VFCP requirements and the conditions of PTE 2002–51 (see the instructions for line 4a) are eligible for immediate relief from payment of certain prohibited transaction excise taxes for certain corrected transactions, and are also relieved from the obligation to file the IRS Form 5330 with the IRS. For more information, *see* 71 FR 20261 (Apr. 19, 2006) and 71 FR 20135 (Apr. 19, 2006). When the conditions of PTE 2002–51 have been satisfied, the corrected transactions should be treated as exempt under Code section 4975(c) for the purposes of answering line 4d.

Line 4e. Plans that check ''Yes'' must enter the aggregate amount of fidelity bond coverage for all claims. Check ''Yes'' only if the plan itself (as opposed to the plan sponsor or administrator) is a named insured under a fidelity bond from an approved surety covering plan officials and that protects the plan as described in 29 CFR Part 2580. Generally, every plan official of an employee benefit plan who ''handles'' funds or other property of such plan must be bonded. Generally, a person shall be deemed to be ''handling'' funds or other property of a plan, so as to require bonding, whenever his or her other duties or activities with respect to given funds are such that there is a risk that such funds could be lost in the event of fraud or dishonesty on the part of such person, acting either alone or in collusion with others. Section 412 of ERISA and 29 CFR Part 2580 describe the bonding requirements, including the definition of ''handling'' (29 CFR 2580.412–6), the permissible forms of bonds (29 CFR 2580.412–10), the amount of the bond (29 CFR Part 2580, subpart C), and certain exemptions such as the exemption for unfunded plans, certain banks and insurance companies (ERISA section 412), and the exemption allowing plan officials to purchase bonds from surety companies authorized by the Secretary of the Treasury as acceptable reinsurers on Federal bonds (29 CFR 2580.412–23). Information concerning the list of approved sureties and reinsurers is available on the Internet at *http://www.fms.treas.gov/c570.*

NOTE: Plans are permitted under certain conditions to purchase fiduciary liability insurance with plan assets. These fiduciary liability insurance policies are not written specifically to protect the plan from losses due to dishonest acts and are not fidelity bonds reported in line 4e.

Line 4f. Check ''Yes'' if the plan suffered or discovered any loss as a result of any dishonest or fraudulent act(s) even if the loss was reimbursed by the plan's fidelity bond or from any other source. If ''Yes'' is checked enter the full amount of the loss. If the full amount of the loss has not yet been determined, provide an estimate as determined in good faith by a plan fiduciary. You must keep, in accordance with ERISA section 107, records showing how the estimate was determined.

CAUTION: Willful failure to report is a criminal offense. See ERISA section 501.

Lines 4g and 4h. Current value means fair market value where available. Otherwise, it means the fair value as determined in good faith under the terms of the plan by a trustee or a named fiduciary, assuming an orderly liquidation at the time of the determination. See ERISA section 3(26).

An accurate assessment of fair market value is essential to a pension plan's ability to comply with the requirements set forth in the Code (e.g., the exclusive benefit rule of Code section 401(a)(2), the limitations on benefits and contributions under Code section 415, and the minimum funding requirements under Code section 412) and must be determined annually.

Examples of assets that may not have a readily determinable value on an established market (e.g., NYSE, AMEX, over the counter, etc.) include real estate, nonpublicly traded securities, shares in a limited partnership, and collectibles. Do not check ''Yes'' on line 4g for mutual fund shares or insurance company investment contracts. Also do not check ''Yes'' on line 4g if the plan is a defined contribution plan and the only assets the plan holds that do not have a readily determinable value on an established market are: (1) Participant loans not in default or (2) assets over which the participant exercises control within the meaning of section 404(c) of ERISA.

Although the current value of plan assets must be determined each year, there is no requirement that the assets (other than certain nonpublicly traded employer securities held in ESOPs) be valued every year by independent third-party appraisers.

Enter in the amount column the fair market value of the assets referred to on line 4g whose value was not readily determinable on an established market and which were not valued by an independent third-party appraiser in the plan year. Generally, as it relates to these questions, an appraisal by an independent third party is an evaluation of the value of an asset prepared by an individual or firm who knows how to judge the value of such assets and does not have an ongoing relationship with the plan or plan fiduciaries except for preparing the appraisals.

Line 4i. Check ''Yes'' if the plan had any assets held for investment purposes, and attach a schedule of assets held for investment purposes at end of year, a schedule of assets held for investment purposes that were both acquired and disposed of within the plan year, or both, as applicable. The schedules must use the format set forth below or a similar format. See 29 CFR 2520.103–11.

Assets held for investment purposes shall include:

- Any investment asset held by the plan on the last day of the plan year; and
- Any investment asset purchased during the plan year and sold before the end of the plan year except:

1. Debt obligations of the U.S. or any U.S. agency.
2. Interests issued by a company registered under the Investment Company Act of 1940 (e.g., a mutual fund).
3. Bank certificates of deposit with a maturity of one year or less.
4. Commercial paper with a maturity of 9 months or less if it is valued in the highest rating category by at least two nationally recognized statistical rating services and is issued by a company required to file reports with the Securities and Exchange Commission under section 13 of the Securities Exchange Act of 1934.
5. Participations in a bank common or collective trust.
6. Participations in an insurance company pooled separate account.
7. Securities purchased from a broker-dealer registered under the Securities Exchange Act of 1934 and either: (1) Listed on a national securities exchange and registered under section 6 of the Securities Exchange Act of 1934 or (2) quoted on NASDAQ.

Assets held for investment purposes shall not include any investment that was not held by the plan on the last day of the plan year if that investment is reported in the annual report for that plan year in any of the following:

1. The schedule of loans or fixed income obligations in default required by Schedule G, Part I;
2. The schedule of leases in default or classified as uncollectible required by Schedule G, Part II;
3. The schedule of non-exempt transactions required by Schedule G, Part III; or
4. The schedule of reportable transactions required by Schedule H, line 4j.

Line 4i schedules. The first schedule required to be attached is a schedule of all assets held for investment purposes at the end of the plan year, aggregated and identified by issue, maturity date, rate of interest, collateral, par or maturity value, cost and current value, and, in the case of a loan, the payment schedule.

In column (a), place an asterisk (*) on the line of each identified person known to be a party-in-interest to the plan. In column (c), include any restriction on transferability of corporate securities. (Include lending of securities permitted under Prohibited Transactions Exemption 81–6.)

This schedule must be clearly labeled ''Schedule H, line 4i—Schedule of Assets (Held At End of Year).''

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value	(d) Cost	(e) Current value

The second schedule required to be attached is a schedule of investment assets that were both acquired and disposed of within the plan year. This schedule must be clearly labeled ''Schedule H, line 4i—Schedule of Assets (Acquired and Disposed of Within Year).''

(a) Identity of issue, borrower, lessor, or similar party	(b) Description of investment including maturity date, rate of interest, collateral, par, or maturity value	(c) Costs of acquisitions	(d) Proceeds of dispositions

(a) Identity of issue, borrower, lessor, or similar party	(b) Description of investment including maturity date, rate of interest, collateral, par, or maturity value	(c) Costs of acquisitions	(d) Proceeds of dispositions

Notes: (1) Participant loans under an individual account plan with investment experience segregated for each account, that are made in accordance with 29 CFR 2550.408b–1 and that are secured solely by a portion of the participant's vested accrued benefit, may be aggregated for reporting purposes in item 4i. Under identity of borrower enter ''Participant loans,'' under rate of interest enter the lowest rate and the highest rate charged during the plan year (e.g., 8%–10%), under the cost and proceeds columns enter zero, and under current value enter the total amount of these loans. (2) Column (d) cost information for the Schedule of Assets (Held At End of Year) and the column (c) cost of acquisitions information for the Schedule of Assets (Acquired and Disposed of Within Year) may be omitted when reporting investments of an individual account plan that a participant or beneficiary directed with respect to assets allocated to his or her account (including a negative election authorized under the terms of the plan). Likewise, investments in Code section 403(b)(1) annuity contracts and Code section 403(b)(7) custodial accounts may also be omitted. (3) Participant-directed brokerage account assets reporting in the aggregate on line 1c(15) must be treated as one asset held for investment for purposes of the line 4i schedules, except investments in tangible personal property must continue to be reported as separate assets on the line 4i schedules. Investments in Code section 403(b) annuity contracts and Code section 403(b)(7) custodial accounts should also be treated as one asset held for investment for purposes on the line 4i schedules.

Line 4j. Check ''Yes'' and attach to the Form 5500 the following schedule if the plan had any reportable transactions (see 29 CFR 2520.103–6 and the examples provided in the regulation). The schedule must use the format set forth below or a similar format. *See* 29 CFR 2520.103–11.

A reportable transaction includes:

1. A single transaction within the plan year in excess of 5% of the current value of the plan assets;

2. Any series of transactions with or in conjunction with the same person, involving property other than securities, which amount in the aggregate within the plan year (regardless of the category of asset and the gain or loss on any transaction) to more than 5% of the current value of plan assets;

3. Any transaction within the plan year involving securities of the same issue if within the plan year any series of transactions with respect to such securities amount in the aggregate to more than 5% of the current value of the plan assets; and

4. Any transaction within the plan year with respect to securities with, or in conjunction with, a person if any prior or subsequent single transaction within the plan year with such person, with respect to securities, exceeds 5% of the current value of plan assets.

The 5% figure is determined by comparing the current value of the transaction at the transaction date with the current value of the plan assets at the beginning of the plan year. If this is the initial plan year, you may use the current value of plan assets at the end of the plan year to determine the 5% figure.

If the assets of two or more plans are maintained in one trust, except as provided below, the plan's allocable portion of the transactions of the trust shall be combined with the other transactions of the plan, if any, to determine which transactions (or series of transactions) are reportable (5%) transactions.

For investments in common/collective trusts (CCTs), pooled separate accounts (PSAs), 103–12 IEs and registered investment companies, determine the 5% figure by comparing the transaction date value of the acquisition and/or disposition of units of participation or shares in the entity with the current value of the plan assets at the beginning of the plan year. If the Schedule H is attached to a Form 5500 filed for a plan with all plan funds held in a master trust, check ''No'' on line 4j. Plans with assets in a master trust that have other transactions should determine the 5% figure by subtracting the current value of plan assets held in the master trust from the current value of all plan assets at the beginning of the plan year and check ''Yes'' or ''No,'' as appropriate. Do not include individual transactions of CCTs, PSAs, master trust investment accounts (MTIAs), 103–12 IEs, and registered investment companies in which this plan or DFE invests.

In the case of a purchase or sale of a security on the market, do not identify the person from whom purchased or to whom sold.

Special rule for certain participant-directed transactions. Transactions under an individual account plan that a participant or beneficiary directed with respect to assets allocated to his or her account (including a negative election authorized under the terms of the plan) should not be treated for purposes of line 4j as reportable transactions. The current value of all assets of the plan, including these participant-directed transactions, should be included in determining the 5% figure for all other transactions.

Line 4j schedule. The schedule required to be attached is a schedule of reportable transactions that must be clearly labeled ''Schedule H, line 4j—Schedule of Reportable Transactions.''

(a) Identity of party involved	(b) Description of asset (include interest rate and maturity in case of a loan)	(c) Purchase price	(d) Selling price	(e) Lease rental	(f) Expense incurred with transaction	(g) Cost of asset	(h) Current value of asset on transaction date	(i) Net gain or (loss)

Line 4k. Check ''Yes'' if all the plan assets (including insurance/annuity contracts) were distributed to the participants and beneficiaries, legally transferred to the control of another

plan, or brought under the control of the PBGC.

Check ''No'' for a welfare benefit plan that is still liable to pay benefits for claims incurred before the termination date, but not yet paid. See 29 CFR 2520.104b–2(g)(2)(ii).

Line 4l. You must check ''Yes'' if any benefits due under the plan were not timely paid or not paid in full. Include in this amount the total of any outstanding amounts that were not paid when due in previous years that have continued to remain unpaid.

Line 4m. Check ''Yes'' if there was a ''blackout period.'' A blackout period is a temporary suspension of more than three consecutive business days during which participants or beneficiaries of a 401(k) or other individual account pension plan were unable to, or were limited or restricted in their ability to, direct or diversify assets credited to their accounts, obtain loans from the plan, or obtain distributions from the plan. A ''blackout period'' generally does not include a temporary suspension of the right of participants and beneficiaries to direct or diversify assets credited to their accounts, obtain loans from the plan, or obtain distributions from the plan if the temporary suspension is: (1) Part of the regularly scheduled operations of the plan that has been disclosed to participants and beneficiaries; (2) due to a qualified domestic relations order (QDRO) or because of a pending determination as to whether a domestic relations order is a QDRO; (3) due to an action or a failure to take action by an individual participant or because of an action or claim by someone other than the plan regarding a participant's individual account; or (4) by application of federal securities laws. For more information, *see* 29 CFR 2520.101–3 (available at *http://www.dol.gov/ebsa*).

Line 4n. If there was a blackout period, did you provide the required notice not less than 30 days nor more than 60 days in advance of restricting the rights of participants and beneficiaries to change their plan investments, obtain loans from the plan, or obtain distributions from the plan? If so, check ''Yes.'' *See* 29 CFR 2520.101–3 for specific notice requirements and for exceptions from the notice requirement. Also, answer ''Yes'' if one of the exceptions to the notice requirement under 29 CFR 2520.101–3 applies.

Line 5a. Check ''Yes'' if a resolution to terminate the plan was adopted during this or any prior plan year, unless the termination was revoked and no assets reverted to the employer. If ''Yes'' is checked, enter the amount of plan assets that reverted to the employer during the plan year in connection with the implementation of such termination. Enter ''-0-'' if no reversion occurred during the current plan year.

CAUTION: A Form 5500 must be filed for each year the plan has assets, and, for a welfare benefit plan, if the plan is still liable to pay benefits for claims incurred before the termination date, but not yet paid. See 29 CFR 2520.104b–2(g)(2)(ii).

Line 5b. Enter information concerning assets and/or liabilities transferred from this plan to another plan(s) (including spinoffs) during the plan year. A transfer of assets or liabilities occurs when there is a reduction of assets or liabilities with respect to one plan and the receipt of these assets or the assumption of these liabilities by another plan. Enter the name, EIN, and PN of the transferee plan(s) involved on lines 5b(1), (2), and (3). If you need additional space, include an attachment with the information required for lines 5b(1), (2), and (3) for each additional plan and label the attachment ''Schedule H, line 5b—Additional Plans.''

Do not use a social security number in lieu of an EIN or include an attachment that contains visible social security numbers. The Schedule H is open to public inspection, and the contents are public information and are subject to publication on the Internet. Because of privacy concerns, the inclusion of a social security number on this Schedule H or the inclusion of a visible social security number on an attachment may result in the rejection of the filing.

Note: A distribution of all or part of an individual participant's account balance that is reportable on Form 1099–R should not be included on line 5b. Do not submit Form 1099–R with the Form 5500.

CAUTION: IRS Form 5310–A, Notice of Plan Merger or Consolidation, Spinoff, or Transfer of Plan Assets or Liabilities; Notice of Qualified Separate Lines of Business, must be filed at least 30 days before any plan merger or consolidation or any transfer of plan assets or liabilities to another plan. There is a penalty for not filing Form 5310–A on time. In addition, a transfer of benefit liabilities involving a plan covered by PBGC insurance may be reportable to the PBGC. *See* PBGC Form 10, Post-Event Notice of Reportable Events, and Form 10-Advance, Advance Notice of Reportable Events.

2009 Instructions for Schedule I (Form 5500) Financial Information—Small Plan

General Instructions

Who Must File

Schedule I (Form 5500), Financial Information—Small Plan, must be attached to a Form 5500 filed for pension benefit plans and welfare benefit plans that covered fewer than 100 participants as of the beginning of the plan year and that are not eligible to file Form 5500–SF.

Note: If a Schedule I was filed for the plan for the 2008 plan year and the plan covered fewer than 121 participants as of the beginning of the 2009 plan year, the Schedule I may be completed instead of a Schedule H.

Exception: Certain insured, unfunded or combination unfunded/insured welfare plans are exempt from filing the Form 5500 and the Schedule I. In addition, certain fully insured pension benefit plans are exempt from completing the Schedule I. See the Form 5500 instructions for Who Must File and Limited Pension Plan Reporting for more information.

Check the Schedule I box on the Form 5500 (Part II, line 10b(2)) if a Schedule I is attached to the Form 5500. Do not attach both a Schedule I and a Schedule H to the same Form 5500.

Specific Instructions

Lines A, B, C, and D. This information must be the same as reported in Part II of the Form 5500 to which this Schedule I is attached. The plan name may be abbreviated.

Do not use a social security number in line D in lieu of an EIN. The Schedule I and its attachments are open to public inspection, and the contents are public information and are subject to publication on the Internet. Because of privacy concerns, the inclusion of a social security number on this Schedule I or any of its attachments may result in the rejection of the filing.

EINs may be obtained by applying for one on Form SS–4, Application for Employer Identification Number, as soon as possible. You can obtain Form SS–4 by calling 1–800–TAX–FORM (1–800–829–3676) or at the IRS Web Site at *www.irs.gov*. The EBSA does not issue EINs.

Note: Use the cash, modified cash, or accrual basis for recognition of transactions, as long as you use one method consistently. Round off all amounts reported on the Schedule I to the nearest dollar. Any other amounts are subject to rejection. Check all subtotals and totals carefully.

If the assets of two or more plans are maintained in one fund, such as when

an employer has two plans funded through a single trust (except a DFE), complete Parts I and II by entering the plan's allocable part of each line item.

If assets of one plan are maintained in two or more trust funds, report the combined financial information in Part I.

Current value means fair market value where available. Otherwise, it means the fair value as determined in good faith under the terms of the plan by a trustee or a named fiduciary, assuming an orderly liquidation at time of the determination. See ERISA section 3(26).

Part I—Small Plan Financial Information

Amounts reported on lines 1a, 1b, and 1c for the beginning of the plan year must be the same as reported for the end of the plan year for corresponding lines on the return/report for the preceding plan year.

Do not include contributions designated for the 2009 plan year in column (a).

Line 1a. A plan with assets held in common/collective trusts (CCTs), pooled separate accounts (PSAs), master trust investment accounts (MTIAs), and/or 103–12 IEs must also attach Schedule D.

Use the same method for determining the value of the plan's interest in an insurance company general account (unallocated contracts) that you used for line 4 of Schedule A, or, if line 4 is not required, line 7 of Schedule A.

Note: Do not include in column (b) a participant loan that has been deemed distributed during the plan year under the provisions of Code section 72(p) and Treasury Regulation section 1.72(p)–1, if both of the following circumstances apply:

1. Under the plan, the participant loan is treated as a directed investment solely of the participant's individual account; and
2. As of the end of the plan year, the participant is not continuing repayment under the loan.

If the deemed distributed participant loan is included in column (a) and both of these circumstances apply, report the loan as a deemed distribution on line 2g. However, if either of these circumstances does not apply, the current value of the participant loan (including interest accruing thereon after the deemed distribution) should be included in column (b) without regard to the occurrence of a deemed distribution.

After a participant loan that has been deemed distributed is reported on line 2g, it is no longer to be reported as an asset on Schedule H or Schedule I unless, in a later year, the participant resumes repayment under the loan. However, such a loan (including interest accruing thereon after the deemed distribution) that has not been repaid is still considered outstanding for purposes of applying Code section 72(p)(2)(A) to determine the maximum amount of subsequent loans. Also, the deemed distribution is not treated as an actual distribution for other purposes, such as the qualification requirements of Code section 401, including, for example, the determination of top-heavy status under Code section 416 and the vesting requirements of Treasury Regulation section 1.411(a)–7(d)(5). See Q&As 12 and 19 of Treasury Regulation section 1.72(p)–1.

The entry on line 1a, column (b), of Schedule I (plan assets—end of year) or on line 1c(8), column (b), of Schedule H (participant loans—end of year) must include the current value of any participant loan reported as a deemed distribution on line 2g for any earlier year if, during the plan year, the participant resumes repayment under the loan. In addition, the amount to be entered on line 2g must be reduced by the amount of the participant loan reported as a deemed distribution on line 2g for the earlier year.

Line 1b. Enter the total liabilities at the beginning and end of the plan year. Liabilities to be entered here do not include the value of future pension payments to plan participants. However, the amount to be entered in line 1b for accrual basis filers includes, among other things:

1. Benefit claims that have been processed and approved for payment by the plan but have not been paid (including all incurred but not reported welfare benefit claims);
2. Accounts payable obligations owed by the plan that were incurred in the normal operations of the plan but have not been paid; and
3. Other liabilities such as acquisition indebtedness and any other amount owed by the plan.

Line 1c. Enter the net assets as of the beginning and end of the plan year. (Subtract line 1b from 1a). Line 1c, column (b) must equal the sum of line 1c, column (a) plus lines 2j and 2k.

Line 2a. Include the total cash contributions received and/or (for accrual basis plans) due to be received.

Line 2a(1). Plans using the accrual basis of accounting must not include contributions designated for years before the 2009 plan year on line 2a(1).

Line 2a(2). For welfare plans, report all employee contributions, including all elective contributions under a cafeteria plan (Code section 125). For pension benefit plans, participant contributions, for purposes of this item, also include elective contributions under a qualified cash or deferred arrangement (Code section 401(k)).

Line 2b. Use the current value, at date contributed, of securities or other noncash property.

Line 2c. Enter all other plan income for the plan year. Do not include transfers from other plans that are reported on line 2k. Other income received and/or receivable would include:

1. Interest on investments (including money market accounts, sweep accounts, STIF accounts, etc.)
2. Dividends. (Accrual basis plans should include dividends declared for all stock held by the plan even if the dividends have not been received as of the end of the plan year.)
3. Rents from income-producing property owned by the plan.
4. Royalties.
5. Net gain or loss from the sale of assets.
6. Other income, such as unrealized appreciation (depreciation) in plan assets. To compute this amount subtract the current value of all assets at the beginning of the year plus the cost of any assets acquired during the plan year from the current value of all assets at the end of the year minus assets disposed of during the plan year.

Line 2d. Enter the total of all cash contributions (line 2a(1) through (3)), noncash contributions (line 2b), and other plan income (line 2c) during the plan year. If entering a negative number, enter a minus sign "–" to the left of the number.

Line 2e. Include: (1) Payments made (and for accrual basis filers payments due) to or on behalf of participants or beneficiaries in cash, securities, or other property (including rollovers of an individual's accrued benefit or account balance). Include all eligible rollover distributions as defined in Code section 401(a)(31)(D) paid at the participant's election to an eligible retirement plan (including an IRA within the meaning of section 401(a)(31)(E)); (2) payments to insurance companies and similar organizations such as Blue Cross, Blue Shield, and health maintenance organizations for the provision of plan benefits (e.g., paid-up annuities, accident insurance, health insurance, vision care, dental coverage, etc.); and (3) payments made to other organizations or individuals providing benefits.

Generally, these payments discussed in (3) are made to individual providers of welfare benefits such as legal services, day care services, and training and apprenticeship services. If securities or other property are

distributed to plan participants or beneficiaries, include the current value on the date of distribution.

Line 2f. Include all distributions paid during the plan year of excess deferrals under Code section 402(g)(2)(A)(ii), excess contributions under section 401(k)(8), and excess aggregate contributions under section 401(m)(6), allocable income distributed, and any elective deferrals and employee contributions distributed or returned to employees during the plan year in accordance with Treasury Regulation section 1.415–6(b)(6)(iv), as well as any attributable gains that were also distributed.

Line 2g. Report on line 2g a participant loan included in line 1a, column (a) (participant loans—beginning of year) and that has been deemed distributed during the plan year under the provisions of Code section 72(p) and Treasury Regulation section 1.72(p)–1 only if both of the following circumstances apply:

1. Under the plan, the participant loan is treated as a directed investment solely of the participant's individual account; and

2. As of the end of the plan year, the participant is not continuing repayment under the loan.

If either of these circumstances does not apply, a deemed distribution of a participant loan should not be reported on line 2g. Instead, the current value of the participant loan including interest accruing thereon after the deemed distribution) should be included on line 1a, column (b) (plan assets—end of year), without regard to the occurrence of a deemed distribution.

Note: The amount to be reported on line 2g of Schedule H or Schedule I must be reduced if, during the plan year, a participant resumes repayment under a participant loan reported as a deemed distribution on line 2g for any earlier year. The amount of the required reduction is the amount of the participant loan that was reported as a deemed distribution on line 2g for the earlier year. If entering a negative number, enter a minus sign '' – '' to the left of the number. The current value of the participant loan must then be included in line 1c(8), column (b), of Schedule H (participant loans—end of year) or in line 1a, column (b), of Schedule I (plan assets—end of year).

Although certain participant loans deemed distributed are to be reported on line 2g of the Schedule H or Schedule I, and are not to be reported on the Schedule H or Schedule I as an asset thereafter (unless the participant resumes repayment under the loan in a later year), they are still considered outstanding loans and are not treated as actual distributions for certain purposes. See Q&As 12 and 19 of Treasury Regulation section 1.72(p)–1.

Line 2h. The amount to be reported for expenses involving administrative service providers (salaries, fees, and commissions) include the total fees paid (or in the case of accrual basis plans, costs incurred during the plan year but not paid as of the end of the plan year) by the plan for, among others:

1. Salaries to employees of the plan;

2. Fees and expenses for accounting, actuarial, legal, investment management, investment advice, and securities brokerage services;

3. Contract administrator fees;

4. Fees and expenses for individual plan trustees, including reimbursement for travel, seminars, and meeting expenses; and

5. Fees and expenses paid for valuations and appraisals of real estate and closely held securities.

Line 2i. Other expenses (paid and/or payable) include other administrative and miscellaneous expenses paid by or charged to the plan, including among others, office supplies and equipment, telephone, postage, rent and expenses associated with the ownership of a building used in operation of the plan.

Line 2j. Enter the total of all benefits paid or due as reported on lines 2e, 2f, and 2g and all other plan expenses (lines 2h and 2i) during the year.

Line 2l. Enter the net value of all assets transferred to and from the plan during the plan year including those resulting from mergers and spinoffs. A transfer of assets or liabilities occurs when there is a reduction of assets or liabilities with respect to one plan and the receipt of these assets or the assumption of these liabilities by another plan. Transfers out at the end of the year should be reported as occurring during the plan year.

Note: A distribution of all or part of an individual participant's account balance that is reportable on Form 1099–R, Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc., should not be included on line 2l but must be included in benefit payments reported on line 2e. Do not submit IRS Form 1099–R with Form 5500.

Lines 3a through 3g. You must check either ''Yes'' or ''No'' on each line to report whether the plan held any assets in the listed categories at any time during the plan year. If ''Yes'' is checked on any line, enter in the amount column for that line the current value of the assets held at the end of the plan year or ''0'' if no assets remain in the category at the end of the plan year. You should allocate the value of the plan's interest in a commingled trust containing the assets of more than one plan on a line-by-line basis, except do not include on lines 3a through 3g the value of the plan's interest in any CCT, PSA, MTIA, or 103–12 IE (see Instructions for definitions of CCT, PSA, MTIA, and 103–12 IE).

Line 3a. Enter the value of the plan's participation in a partnership or joint venture, unless the partnership or joint venture is a 103–12 IE.

Line 3b. The term ''employer real property'' means real property (and related personal property) that is leased to an employer of employees covered by the plan, or to an affiliate of such employer. For purposes of determining the time at which a plan acquires employer real property for purposes of this line, such property shall be deemed to be acquired by the plan on the date on which the plan acquires the property or on the date on which the lease to the employer (or affiliate) is entered into, whichever is later.

Line 3d. An employer security is any security issued by an employer (including affiliates) of employees covered by the plan. These may include common stocks, preferred stocks, bonds, zero coupon bonds, debentures, convertible debentures, notes, and commercial paper.

Line 3e. Enter the current value of all loans to participants including residential mortgage loans that are subject to Code section 72(p). Include the sum of the value of the unpaid principal balances, plus accrued but unpaid interest, if any, for participant loans made under an individual account plan with investment experience segregated for each account that are made in accordance with 29 CFR 2550.408b–1 and secured solely by a portion of the participant's vested accrued benefit. When applicable, combine this amount with the current value of any other participant loans. Do not include any amount of a participant loan deemed distributed during the plan year under the provisions of Code section 72(p) and Treasury Regulation section 1.72(p)–1, if both of the following circumstances apply:

1. Under the plan, the participant loan is treated as a directed investment solely of the participant's individual account; and

2. As of the end of the plan year, the participant is not continuing repayment under the loan.

If both of these circumstances apply, report the loan as a deemed distribution on line 2g. However, if either of these circumstances does not apply, the current value of the participant loan (including interest accruing thereon after the deemed distribution) should be

included on line 3e without regard to the occurrence of a deemed distribution.

Note: After participant loans have been deemed distributed and reported on line 2g of the Schedule I or H, they are no longer required to be reported as assets on the Schedule I or H. However, such loans (including interest accruing thereon after the deemed distribution) that have not been repaid are still considered outstanding for purposes of applying Code section 72(p)(2)(A) to determine the maximum amount of subsequent loans. Also, the deemed distribution is not treated as an actual distribution for other purposes, such as the qualification requirements of Code section 401, including, for example, the determination of top-heavy status under Code section 416 and the vesting requirements of Treasury Regulation section 1.411(a)–7(d)(5). See Q&As 12 and 19 of Treasury Regulation section 1.72(p)–1.

Line 3f. Enter the current value of all loans made by the plan, except participant loans reportable on line 3e. Include the sum of the value of loans for construction, securities loans, commercial and/or residential mortgage loans that are not subject to Code section 72(p) (either by making or participating in the loans directly or by purchasing loans originated by a third party), and other miscellaneous loans.

Line 3g. Include all property that has concrete existence and is capable of being processed, such as goods, wares, merchandise, furniture, machines, equipment, animals, automobiles, etc. This includes collectibles, such as works of art, rugs, antiques, metals, gems, stamps, coins, alcoholic beverages, musical instruments, and historical objects (documents, clothes, etc.). Do not include the value of a plan's interest in property reported on lines 3a through 3f, or intangible property, such as patents, copyrights, goodwill, franchises, notes, mortgages, stocks, claims, interests, or other property that embodies intellectual or legal rights.

Part II—Compliance Questions

Answer all lines either ''Yes'' or ''No,'' and if lines 4a through 4i are ''Yes'' or line 4l is ''Yes,'' an amount must be entered. If you check ''No'' on line 4k you must attach the report of an independent qualified public accountant (IQPA) or a statement that the plan is eligible and elects to defer attaching the IQPA's opinion pursuant to 29 CFR 2520.104–50 in connection with a short plan year of seven months or less. Plans with all of their funds held in a master trust should check ''No'' on Schedule I, lines 4b, c, and i.

Line 4a. Amounts paid by a participant or beneficiary to an employer and/or withheld by an employer for contribution to the plan are participant contributions that become plan assets as of the earliest date on which such contributions can reasonably be segregated from the employer's general assets (see 29 CFR 2510.3–102). An employer holding these assets after that date commingled with its general assets will have engaged in a prohibited use of plan assets (see ERISA section 406). If such a nonexempt prohibited transaction occurred with respect to a disqualified person (see Code section 4975(e)(2)), file Form 5330, Return of Excise Taxes Related to Employee Benefit Plans, with the IRS to pay any applicable excise tax on the transaction.

Plans that check ''Yes'' must enter the aggregate amount of all late contributions for the year. The total amount of the delinquent contributions must be included on line 4a of the Schedule H or I, as applicable, for the year in which the contributions were delinquent and must be carried over and reported again on line 4a of the Schedule H or I, as applicable, for each subsequent year until the year after the violation has been fully corrected, which correction includes payment of the late contributions and reimbursement of the plan for lost earnings or profits. If no participant contributions were received or withheld by the employer during the plan year, answer ''No.''

Participant loan repayments paid to and/or withheld by an employer for purposes of transmittal to the plan that were not transmitted to the plan in a timely fashion must be reported either on line 4a in accordance with the reporting requirements that apply to delinquent participant contributions or on line 4d. *See* Advisory Opinion 2002–02A, available at *http://www.dol.gov/ebsa*.

TIP: For those Schedule I filers required to submit an IQPA report, delinquent participant contributions reported on line 4a must be treated as part of the separate schedules referenced in ERISA section 103(a)(3)(A) and 29 CFR 2520.103–1(b) and 2520.103–2(b) for purposes of preparing the IQPA's opinion even though they are no longer required to be listed on Part III of the Schedule G. If the information contained on line 4a is not presented in accordance with regulatory requirements, i.e., when the IQPA concludes that the scheduled information required by line 4a does not contain all the required information or contains information that is inaccurate or is inconsistent with the plan's financial statements, the IQPA report must make the appropriate disclosures in accordance with generally accepted auditing standards. For more information, *see* EBSA's Frequently Asked Questions About Reporting Delinquent Contributions on the Form 5500, available on the Internet at *http://www.dol.gov/ebsa*. These Frequently Asked Questions clarify that plans have an obligation to include delinquent participant contributions on their financial statements and supplemental schedules and that the IQPA's report covers such delinquent contributions even though they are no longer required to be included on Part III of the Schedule G. Although all delinquent participant contributions must be reported on line 4a, delinquent contributions for which the DOL Voluntary Fiduciary Correction Program (VFCP) requirements and the conditions of Prohibited Transaction Exemption (PTE) 2002–51 have been satisfied do not need to be treated as nonexempt party-in-interest transactions.

The VFCP describes how to apply, the specific transactions covered (which transactions include delinquent participant contributions to pension and welfare plans), and acceptable methods for correcting violations. In addition, applicants that satisfy both the VFCP requirements and the conditions of PTE 2002–51 are eligible for immediate relief from payment of certain prohibited transaction excise taxes for certain corrected transactions, and are also relieved from the obligation to file the IRS Form 5330 with the IRS. For more information, *see* 71 FR 20261 (Apr. 19, 2006) and 71 FR 20135 (Apr. 19, 2006). All delinquent participant contributions must be reported on line 4a even if violations have been corrected. Information about the VFCP is also available on the Internet at *http://www.dol.gov/ebsa*.

Line 4a Schedule. Attach a Schedule of Delinquent Participant Contributions using the format below if you entered ''Yes'' on Line 4a and you are checking ''No'' on Line 4k because you are not claiming the audit waiver for the plan. If you choose to include participant loan repayments on Line 4a, you must apply the same supplemental schedule and IQPA disclosure requirements to the loan repayments as apply to delinquent transmittals of participant contributions.

SCHEDULE I LINE 4A.—SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS

Participant contributions transferred late to plan	Total that constitute nonexempt prohibited transactions			Total fully corrected under VFCP and PTE 2002–51
	Contributions not corrected	Contributions corrected outside VFCP	Contributions pending correction in VFCP	
Note here if Late Participant Loan Repayments are included: ☐				

Line 4b. Plans that check ''Yes'' must enter the amount. The due date, payment amount and conditions for determining default of a note or loan are usually contained in the documents establishing the note or loan. A loan by the plan is in default when the borrower is unable to pay the obligation upon maturity. Obligations that require periodic repayment can default at any time. Generally, loans and fixed income obligations are considered uncollectible when payment has not been made and there is little probability that payment will be made. A fixed income obligation has a fixed maturity date at a specified interest rate. Do not include participant loans made under an individual account plan with investment experience segregated for each account that were made in accordance with 29 CFR 2550.408b–1 and secured solely by a portion of the participant's vested accrued benefit.

Line 4c. Plans that check ''Yes'' must enter the amount. A lease is an agreement conveying the right to use property, plant or equipment for a stated period. A lease is in default when the required payment(s) has not been made. An uncollectible lease is one where the required payments have not been made and for which there is little probability that payment will be made.

Line 4d. Plans that check ''Yes'' must enter the amount. Check ''Yes'' if any nonexempt transaction with a party-in-interest occurred regardless of whether the transaction is disclosed in the IQPA's report. Do not check ''Yes'' with respect to transactions that are: (1) Statutorily exempt under Part 4 of Title I of ERISA; (2) administratively exempt under ERISA section 408(a); (3) exempt under Code sections 4975(c) or 4975(d); (4) the holding of participant contributions in the employer's general assets for a welfare plan that meets the conditions of ERISA Technical Release 92–01; (5) a transaction of a 103–12 IE with parties other than the plan; or (6) delinquent participant contributions reported on line 4a. You may indicate that an application for an administrative exemption is pending. If you are unsure whether a transaction is exempt or not, you should consult with either a qualified public accountant, legal counsel, or both. If the plan is a qualified pension plan and a nonexempt prohibited transaction occurred with respect to a disqualified person, an IRS Form 5330 should be filed with the IRS to pay the excise tax on the transaction.

TIP: Applicants that satisfy the VFCP requirements and the conditions of PTE 2002–51 (see the instructions for line 4a) are eligible for immediate relief from payment of certain prohibited transaction excise taxes for certain corrected transactions, and are also relieved from the obligation to file the Form 5330 with the IRS. For more information, *see* 71 FR 20261 (Apr. 19, 2006) and 71 FR 20135 (Apr. 19, 2006). When the conditions of PTE 2002–51 have been satisfied, the corrected transactions should be treated as exempt under Code section 4975(c) for the purposes of answering line 4d.

Party-in-Interest. For purposes of this form, party-in-interest is deemed to include a disqualified person. See Code section 4975(e)(2). The term ''party-in-interest'' means, as to an employee benefit plan:

A. Any fiduciary (including, but not limited to, any administrator, officer, trustee or custodian), counsel, or employee of the plan;

B. A person providing services to the plan;

C. An employer, any of whose employees are covered by the plan;

D. An employee organization, any of whose members are covered by the plan;

E. An owner, direct or indirect, of 50% or more of: (1) The combined voting power of all classes of stock entitled to vote or the total value of shares of all classes of stock of a corporation, (2) the capital interest or the profits interest of a partnership, or (3) the beneficial interest of a trust or unincorporated enterprise that is an employer or an employee organization described in C or D;

F. A relative of any individual described in A, B, C, or E;

G. A corporation, partnership, or trust or estate of which (or in which) 50% or more of: (1) The combined voting power of all classes of stock entitled to vote or the total value of shares of all classes of stock of such corporation, (2) the capital interest or profits interest of such partnership, or (3) the beneficial interest of such trust or estate is owned directly or indirectly, or held by, persons described in A, B, C, D, or E;

H. An employee, officer, director (or an individual having powers or responsibilities similar to those of officers or directors), or a 10% or more shareholder, directly or indirectly, of a person described in B, C, D, E, or G, or of the employee benefit plan; or

I. A 10% or more (directly or indirectly in capital or profits) partner or joint venturer of a person described in B, C, D, E, or G.

Nonexempt transactions with a party-in-interest include any direct or indirect:

A. Sale or exchange, or lease, of any property between the plan and a party-in-interest.

B. Lending of money or other extension of credit between the plan and a party-in-interest.

C. Furnishing of goods, services, or facilities between the plan and a party-in-interest.

D. Transfer to, or use by or for the benefit of, a party-in-interest, of any income or assets of the plan.

E. Acquisition, on behalf of the plan, of any employer security or employer real property in violation of ERISA section 407(a).

F. Dealing with the assets of the plan for a fiduciary's own interest or own account.

G. Acting in a fiduciary's individual or any other capacity in any transaction involving the plan on behalf of a party (or represent a party) whose interests are adverse to the interests of the plan or the interests of its participants or beneficiaries.

H. Receipt of any consideration for his or her own personal account by a party-in-interest who is a fiduciary from any party dealing with the plan in connection with a transaction involving the income or assets of the plan.

Line 4e. Plans that check ''Yes'' must enter the aggregate amount of fidelity bond coverage for all claims. Check ''Yes'' only if the plan itself (as opposed

to the plan sponsor or administrator) is a named insured under a fidelity bond from an approved surety covering plan officials and that protects the plan as described in 29 CFR part 2580. Generally, every plan official of an employee benefit plan who ''handles'' funds or other property of such plan must be bonded. Generally, a person shall be deemed to be ''handling'' funds or other property of a plan, so as to require bonding, whenever his or her other duties or activities with respect to given funds are such that there is a risk that such funds could be lost in the event of fraud or dishonesty on the part of such person, acting either alone or in collusion with others. Section 412 of ERISA and 29 CFR part 2580 describe the bonding requirements, including the definition of ''handling'' (29 CFR 2580.412–6), the permissible forms of bonds (29 CFR 2580.412–10), the amount of the bond (29 CFR part 2580, subpart C), and certain exemptions such as the exemption for unfunded plans, certain banks and insurance companies (ERISA section 412), and the exemption allowing plan officials to purchase bonds from surety companies authorized by the Secretary of the Treasury as acceptable reinsurers on Federal bonds (29 CFR 2580.412–23). Information concerning the list of approved sureties and reinsurers is available on the Internet at *http://www.fms.treas.gov/c570*.

Note: Plans are permitted under certain conditions to purchase fiduciary liability insurance with plan assets. These fiduciary liability insurance policies are not written specifically to protect the plan from losses due to dishonest acts and are not fidelity bonds reported in line 4e.

Line 4f. Check ''Yes'' if the plan suffered or discovered any loss as a result of any dishonest or fraudulent act(s) even if the loss was reimbursed by the plan's fidelity bond or from any other source. If ''Yes'' is checked enter the full amount of the loss. If the full amount of the loss has not yet been determined, provide an estimate as determined in good faith by a plan fiduciary. You must keep, in accordance with ERISA section 107, records showing how the estimate was determined.

CAUTION: Willful failure to report is a criminal offense. See ERISA section 501.

Lines 4g and 4h. Current value means fair market value where available. Otherwise, it means the fair value as determined in good faith under the terms of the plan by a trustee or a named fiduciary, assuming an orderly liquidation at time of the determination. See ERISA section 3(26).

An accurate assessment of fair market value is essential to a pension plan's ability to comply with the requirements set forth in the Code (e.g., the exclusive benefit rule of Code section 401(a)(2), the limitations on benefits and contributions under Code section 415, and the minimum funding requirements under Code section 412) and must be determined annually.

Examples of assets that may not have a readily determinable value on an established market (e.g., NYSE, AMEX, over the counter, etc.) include real estate, nonpublicly traded securities, shares in a limited partnership, and collectibles. Do not check ''Yes'' on line 4g for mutual fund shares or insurance company investment contracts. Also do not check ''Yes'' on line 4g if the plan is a defined contribution plan and the only assets the plan holds, that do not have a readily determinable value on an established market are: (1) Participant loans not in default, or (2) assets over which the participant exercises control within the meaning of section 404(c) of ERISA.

Although the current value of plan assets must be determined each year, there is no requirement that the assets (other than certain nonpublicly traded employer securities held in ESOPs) be valued every year by independent third-party appraisers.

Enter in the amount column the fair market value of the assets referred to on line 4g whose value was not readily determinable on an established market and which were not valued by an independent third-party appraiser in the plan year. Generally, as it relates to these questions, an appraisal by an independent third party is an evaluation of the value of an asset prepared by an individual or firm who knows how to judge the value of such assets and does not have an ongoing relationship with the plan or plan fiduciaries except for preparing the appraisals.

Line 4i. Include as a single security all securities of the same issue. An example of a single issue is a certificate of deposit issued by the XYZ Bank on July 1, 2008, which matures on June 30, 2009, and yields 5.5%. For the purposes of line 4i, do not check ''Yes'' for securities issued by the U.S. Government or its agencies. Also, do not check ''Yes'' for securities held as a result of participant-directed transactions.

Line 4j. Check ''Yes'' if all the plan assets (including insurance/annuity contracts) were distributed to the participants and beneficiaries, legally transferred to the control of another plan, or brought under the control of the PBGC.

Check ''No'' for a welfare benefit plan that is still liable to pay benefits for claims that were incurred before the termination date, but not yet paid. See 29 CFR 2520.104b–2(g)(2)(ii).

Line 4k. Check ''Yes'' if you are claiming a waiver of the annual examination and report of an independent qualified public accountant (IQPA) under 29 CFR 2520.104–46. You are eligible to claim the waiver if the Schedule I is being filed for:

1. A small welfare plan, or
2. A small pension plan for a plan year that began on or after April 18, 2001, that complies with the conditions of 29 CFR 2520.104–46 summarized below.

Check ''No'' and attach the report of the IQPA meeting the requirements of 29 CFR 2520.103–1(b) if you are not claiming the waiver. Also check ''No,'' and attach the required IQPA reports or the required explanatory statement if you are relying on 29 CFR 2520.104–50 in connection with a short plan year of seven months or less. At the top of any attached 2520.104–50 statement, enter ''2520.104–50 Statement, Schedule I, Line 4k.''

For more information on the requirements for deferring an IQPA report pursuant to 29 CFR 2520.104–50 in connection with a short plan year of seven months or less and the contents of the required explanatory statement, see the instructions for Schedule H, line 3d(2) or call the EFAST Help Line at [number to be provided].

Note: For plans that check ''No,'' the IQPA report must make the appropriate disclosures in accordance with generally accepted auditing standards if the information reported on line 4a is not presented in accordance with regulatory requirements.

The following summarizes the conditions of 29 CFR 2520.104–46 that must be met for a small pension plan with a plan year beginning on or after April 18, 2001, to be eligible for the waiver. For more information regarding these requirements, see the EBSA's Frequently Asked Questions On The Small Pension Plan Audit Waiver Regulation and 29 CFR 2520.104–46, which are available at *http://www.dol.gov/ebsa*, or call the EFAST Help Line at [number to be provided].

Condition 1: At least 95 percent of plan assets are ''qualifying plan assets'' as of the end of the preceding plan year, or any person who handles assets of the plan that do not constitute qualifying plan assets is bonded in accordance with the requirements of ERISA section 412 (see the instructions for line 4e), except that the amount of the bond shall

not be less than the value of such non-qualifying assets.

The determination of the ''percent of plan assets'' as of the end of the preceding plan year and the amount of any required bond must be made at the beginning of the plan's reporting year for which the waiver is being claimed. For purposes of this line, you will have satisfied the requirement to make these determinations at the beginning of the plan reporting year for which the waiver is being claimed if they are made as soon after the date when such year begins as the necessary information from the preceding reporting year can practically be ascertained. See 29 CFR 2580.412–11, 14 and 19 for additional guidance on these determinations, and 29 CFR 2580.412–15 for procedures to be used for estimating these amounts if there is no preceding plan year.

The term ''qualifying plan assets,'' for purposes of this line, means:

1. Any assets held by any of the following regulated financial institutions:

a. A bank or similar financial institution as defined in 29 CFR 2550.408b–4(c);

b. An insurance company qualified to do business under the laws of a state;

c. An organization registered as a broker-dealer under the Securities Exchange Act of 1934; or

d. Any other organization authorized to act as a trustee for individual retirement accounts under Code section 408.

2. Shares issued by an investment company registered under the Investment Company Act of 1940 (e.g., mutual funds);

3. Investment and annuity contracts issued by any insurance company qualified to do business under the laws of a state;

4. In the case of an individual account plan, any assets in the individual account of a participant or beneficiary over which the participant or beneficiary has the opportunity to exercise control and with respect to which the participant or beneficiary is furnished, at least annually, a statement from a regulated financial institution referred to above describing the assets held or issued by the institution and the amount of such assets;

5. Qualifying employer securities, as defined in ERISA section 407(d)(5); and

6. Participant loans meeting the requirements of ERISA section 408(b)(1).

Condition 2: The administrator must include in the summary annual report (SAR) or, in the case of plans subject to section 101(f) of the Act, the annual funding notice (described in § 2520.101–5), furnished to participants and beneficiaries in accordance with 29 CFR 2520.104b–10:

1. The name of each regulated financial institution holding or issuing qualifying plan assets and the amount of such assets reported by the institution as of the end of the plan year (this SAR disclosure requirement does not apply to qualifying employer securities, participant loans and individual account assets described in paragraphs 4, 5 and 6 above);

2. The name of the surety company issuing the fidelity bond, if the plan has more than 5% of its assets in non-qualifying plan assets;

3. A notice that participants and beneficiaries may, upon request and without charge, examine or receive from the plan evidence of the required bond and copies of statements from the regulated financial institutions describing the qualifying plan assets; and

4. A notice that participants and beneficiaries should contact the EBSA Regional Office if they are unable to examine or obtain copies of the regulated financial institution statements or evidence of the required bond, if applicable.

A Model Notice that plans can use to satisfy the enhanced SAR (or Annual Funding Notice) disclosure requirements to be eligible for the audit waiver is available as an Appendix to 29 CFR 2520.104–46.

Condition 3: In addition, in response to a request from any participant or beneficiary, the administrator, without charge to the participant or beneficiary, must make available for examination, or upon request furnish copies of, each regulated financial institution statement and evidence of any required bond.

Examples. Plan A, which has a plan year that began on or after April 18, 2001, had total assets of $600,000 as of the end of the 2000 plan year that included: Investments in various bank, insurance company and mutual fund products of $520,000; investments in qualifying employer securities of $40,000; participant loans (meeting the requirements of ERISA section 408(b)(1)), totaling $20,000; and a $20,000 investment in a real estate limited partnership. Because the only asset of the plan that did not constitute a ''qualifying plan asset'' is the $20,000 real estate limited partnership investment and that investment represents less than 5% of the plan's total assets, no fidelity bond is required as a condition for the plan to be eligible for the waiver for the 2001 plan year.

Plan B is identical to Plan A except that of Plan B's total assets of $600,000 as of the end of the 2000 plan year, $558,000 constitutes ''qualifying plan assets'' and $42,000 constitutes non-qualifying plan assets. Because 7%—more than 5%—of Plan B's assets do not constitute ''qualifying plan assets,'' Plan B, as a condition to be eligible for the waiver for the 2001 plan year, must ensure that it has a fidelity bond in an amount equal to at least $42,000 covering persons handling its non-qualifying plan assets. Inasmuch as compliance with ERISA section 412 generally requires the amount of the bond be not less than 10% of the amount of all the plan's funds or other property handled, the bond acquired for section 412 purposes may be adequate to cover the non-qualifying plan assets without an increase (i.e., if the amount of the bond determined to be needed for the relevant persons for section 412 purposes is at least $42,000). As demonstrated by the foregoing example, where a plan has more than 5% of its assets in non-qualifying plan assets, the required bond is for the total amount of the non-qualifying plan assets, not just the amount in excess of 5%.

If you need further information regarding these requirements, see 29 CFR 2520.104–46 which is available at *http://www.dol.gov/ebsa* or call the EFAST Help Line at [number to be provided].

Line 4l. You must check ''Yes'' if any benefits due under the plan were not timely paid or not paid in full. Include in this amount the total of any outstanding amounts that were not paid when due in previous years that have continued to remain unpaid.

Line 4m. Check ''Yes'' if there was a ''blackout period.'' A blackout period is a temporary suspension of more than three consecutive business days during which participants or beneficiaries of a 401(k) or other individual account pension plan were unable to, or were limited or restricted in their ability to, direct or diversify assets credited to their accounts, obtain loans from the plan, or obtain distributions from the plan. A ''blackout period'' generally does not include a temporary suspension of the right of participants and beneficiaries to direct or diversify assets credited to their accounts, obtain loans from the plan, or obtain distributions from the plan if the temporary suspension is: (1) Part of the regularly scheduled operations of the plan that has been disclosed to participants and beneficiaries; (2) due to a qualified domestic relations order (QDRO) or because of a pending determination as to whether a domestic relations order is a QDRO; (3) due to an action or a failure to take action by an

individual participant or because of an action or claim by someone other than the plan regarding a participant's individual account; or (4) by application of federal securities laws. For more information, *see* 29 CFR 2520.101–3 (available at *http://www.dol.gov/ebsa*).

Line 4n. If there was a blackout period, did you provide the required notice not less than 30 days nor more than 60 days in advance of restricting the rights of participants and beneficiaries to change their plan investments, obtain loans from the plan, or obtain distributions from the plan? If so, check ''Yes.'' *See* 29 CFR 2520.101–3 for specific notice requirements and for exceptions from the notice requirement. Also, answer ''Yes'' if one of the exceptions to the notice requirement under 29 CFR 2520.101–3 applies.

Line 5a. Check ''Yes'' if a resolution to terminate the plan was adopted during this or any prior plan year, unless the termination was revoked and no assets reverted to the employer. If ''Yes'' is checked, enter the amount of plan assets that reverted to the employer during the plan year in connection with the implementation of such termination. Enter ''-0-'' if no reversion occurred during the current plan year.

CAUTION: A Form 5500 must be filed for each year the plan has assets, and, for a welfare benefit plan, if the plan is still liable to pay benefits for claims that were incurred before the termination date, but not yet paid. *See* 29 CFR 2520.104b–2(g)(2)(ii).

Line 5b. Enter information concerning assets and/or liabilities transferred from this plan to another plan(s) (including spinoffs) during the plan year. A transfer of assets or liabilities occurs when there is a reduction of assets or liabilities with respect to one plan and the receipt of these assets or the assumption of these liabilities by another plan. Enter the name, EIN, and PN of the transferee plan(s) involved on lines 5b(1), b(2) and b(3). If you need additional space, include an attachment with the information required for 5b(1), (2), and (3) for each additional plan and label the attachment, ''Schedule I, line 5b—Additional Plans.''

Do not use a social security number in lieu of an EIN or include an attachment that contains visible social security numbers. The Schedule I and its attachments are open to public inspection, and the contents are public information and are subject to publication on the Internet. Because of privacy concerns, the inclusion of a social security number on this Schedule I or the inclusion of a visible social security number on an attachment may result in the rejection of the filing.

Note: A distribution of all or part of an individual participant's account balance that is reportable on IRS Form 1099–R should not be included on line 5b. Do not submit IRS Form 1099–R with the Form 5500.

CAUTION: IRS Form 5310–A, Notice of Plan Merger or Consolidation, Spinoff, or Transfer of Plan Assets or Liabilities; Notice of Qualified Separate Lines of Business, must be filed at least 30 days before any plan merger or consolidation or any transfer of plan assets or liabilities to another plan. There is a penalty for not filing IRS Form 5310–A on time. In addition, a transfer of benefit liabilities involving a plan covered by PBGC insurance may be reportable to the PBGC. *See* PBGC Form 10, Post-Event Notice of Reportable Events, and PBGC Form 10—Advance, Advance Notice of Reportable Events.

2009 Instructions for Schedule R (Form 5500) Retirement Plan Information

General Instructions

Purpose of Schedule

Schedule R (Form 5500), Retirement Plan Information, reports certain information on plan distributions, funding, and the adoption of amendments increasing the value of benefits in a defined benefit pension plan, as well as certain information on ESOPs and multiemployer defined benefit plans.

Who Must File

Schedule R must be attached to a Form 5500 filed for both tax qualified and nonqualified pension benefit plans. The parts of the Schedule R that must be completed depend on whether the plan is subject to the minimum funding standards of Code section 412 or ERISA section 302 and the type of plan. *See* line item requirements under ''Specific Instructions'' for more details.

Exceptions: (1) Schedule R should not be completed when the Form 5500 Return/Report is filed for a pension plan that uses, as the sole funding vehicle for providing benefits, individual retirement accounts or annuities (as described in Code section 408). *See* the Form 5500 instructions for Limited Pension Plan Reporting for more information.

(2) Schedule R also should not be completed if each of the following conditions is met:

- The plan is not a defined benefit plan or otherwise subject to the minimum funding standards of Code section 412 or ERISA section 302.
- No plan benefits that would be reportable on line 1 of Part I of this Schedule R were distributed during the plan year. See the instructions for Part I, line 1, below.
- No benefits, as described in the instructions for Part I, line 2, below, were paid during the plan year other than by the plan sponsor or plan administrator. (This condition is not met if benefits were paid by the trust or any other payor(s) which are reportable on IRS Form 1099–R, Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc, using an EIN other than that of the plan sponsor or plan administrator reported on line 2b or 3b of Form 5500.)
- Unless the plan is a profit-sharing, ESOP or stock bonus plan, no plan benefits of living or deceased participants were distributed during the plan year in the form of a single sum distribution. See the instructions for Part I, line 3, below.
- The plan is not an ESOP.
- The plan is not a multiemployer defined benefit plan.

Check the Schedule R box on the Form 5500 (Part II, line 10a(1)) if a Schedule R is attached to the Form 5500.

Specific Instructions

Lines A, B, C, and D. This information must be the same as reported in Part II of the Form 5500 to which this Schedule R is attached. The plan name may be abbreviated.

Do not use a Social Security number in line D in lieu of an EIN. The Schedule R and its attachments are open to public inspection, and the contents are public information and are subject to publication on the Internet. Because of privacy concerns, the inclusion of a Social Security number on this Schedule R or any of its attachments may result in the rejection of the filing.

EINs may be obtained by applying for one on IRS Form SS–4, Application for Employer Identification Number, as soon as possible. You can obtain an IRS Form SS–4 by calling 1–800–TAX–FORM (1–800–829–3676) or at the IRS Web Site at *http://www.irs.gov.* The EBSA does not issue EINs.

Part I—Distributions

''Distribution'' includes only payments of benefits during the plan year, in cash, in kind, by purchase for the distributee of an annuity contract from an insurance company, or by distribution of life insurance contracts. It does not include corrective distributions of excess deferrals, excess contributions, or excess aggregate contributions, or the income allocable to any of these amounts. It also does not

include the distribution of elective deferrals or the return of employee contributions to correct excess annual additions under Code section 415, or the gains attributable to these amounts. Finally, it does not include a loan treated as a distribution under Code section 72(p); however, it does include a distribution of a plan loan offset amount as defined in section 1.402(c)–2, Q&A 9(b).

''Participant'' for purposes of Schedule R means any present of former employee who at any time during the plan year had an accrued benefit (account balance in a defined contribution plan) in the plan.

Line 1. Enter the total value of all distributions made during the year (regardless of when the distribution began) in any form other than cash, annuity contracts issued by an insurance company, distribution of life insurance contracts, marketable securities, within the meaning of Code section 731(c)(2), or plan loan offset amounts. Do not include eligible rollover distributions paid directly to eligible retirement plans in a direct rollover under Code section 401(a)(31) unless such direct rollovers include property other than that enumerated in the preceding sentence.

Line 2. Enter the EIN(s) of any payor(s) (other than the plan sponsor or plan administrator on line 2b or 3b of the Form 5500) who paid benefits reportable on IRS Form 1099–R on behalf of the plan to participants or beneficiaries during the plan year. This is the EIN that appears on the IRS Forms 1099–R that are issued to report the payments. Include the EIN of the trust if different than that of the sponsor or plan administrator. If more than two payors made such payments during the year, enter the EINs of the two payors who paid the greatest dollar amounts during the year, in cash or in kind, that are reportable on IRS Form 1099–R, regardless of when the payment began, but take into account payments from an insurance company under an annuity only in the year the contract was purchased.

Line 3. Enter the number of living or deceased participants whose benefits under the plan were distributed during the plan year in the form of a single sum distribution. For this purpose, a distribution of a participant's benefits will not fail to be a single sum distribution merely because, after the date of the distribution, the plan makes a supplemental distribution as a result of earnings or other adjustments made after the date of the single sum distribution. Also include any participants whose benefits were distributed in the form of a direct rollover to the trustee or custodian of a qualified plan or individual retirement account.

Part II—Funding Information

Complete Part II only if the plan is subject to the minimum funding requirements of Code section 412 or ERISA section 302.

All qualified defined benefit and defined contribution plans are subject to the minimum funding requirements of Code section 412 unless they are described in the exceptions listed under section 412(e)(2). These exceptions include profit-sharing or stock bonus plans, insurance contract plans described in section 412(e)(3), and certain plans to which no employer contributions are made.

Nonqualified employee pension benefit plans are subject to the minimum funding requirements of ERISA section 302 unless specifically exempted under ERISA sections 4(a) or 301(a).

The employer or plan administrator of a single-employer or multiple-employer defined benefit plan that is subject to the minimum funding requirements must file the Schedule SB as an attachment to Form 5500. Schedule MB is filed for multiemployer defined benefit plans and certain money purchase defined contribution plans (whether they are single or multiemployer plans). However, Schedule MB is not required to be filed for a money purchase defined contribution plan that is subject to the minimum funding requirements unless the plan is currently amortizing a waiver of the minimum funding requirements.

Line 4. Check ''Yes'' if, for purposes of computing the minimum funding requirements for the plan year, the plan administrator is making an election intended to satisfy the requirements of Code section 412(d)(2) or ERISA section 302(d)(2). Under Code section 412(d)(2) and ERISA section 302(d)(2), a plan administrator may elect to have any amendment, adopted after the close of the plan year for which it applies, treated as having been made on the first day of the plan year if all of the following requirements are met:

1. The requirement is adopted no later than two and one-half months after the close of such plan year (two years for a multiemployer plan);

2. The amendment does not reduce the accrued benefit of any participant determined as of the beginning of such plan year; and

3. The amendment does not reduce the accrued benefit of any participant determined as of the adoption of the amendment unless the plan administrator notified the Secretary of the Treasury of the amendment and the Secretary either approved the amendment or failed to disapprove the amendment within 90 days after the date the notice was filed.

See Temporary Regulations section 11.412(c)–7(b) for details on when and how to make the election and what information to include on the statement of election, which must be filed with the Form 5500 Return/Report.

Line 5. If a money purchase defined contribution plan (including a target benefit plan) has received a waiver of the minimum funding standard, and the waiver is currently being amortized, complete lines 3, 9, and 10 of Schedule MB. See instructions for Schedule MB. Attach Schedule MB to Form 5500. The Schedule MB does not need to be signed by an enrolled actuary for a money purchase defined contribution plan.

Line 6a. The minimum required contribution for a money purchase defined contribution plan for a plan year is the amount required to be contributed for the year under the formula set forth in the plan document. If there is an accumulated funding deficiency for a prior year that has not been waived, that amount should also be included as part of the contribution required for the current year.

Line 6b. Include all contributions for the plan year made not later than 8½ months after the end of the plan year. Show only contributions actually made to the plan by the date the form is filed. For example, do not include receivable contributions for this purpose.

Line 6c. If the minimum required contribution exceeds the contributions for the plan year made not later than 8½ months after the end of the plan year, the excess is an accumulated funding deficiency for the plan year. File IRS Form 5330, Return of Excise Taxes Related to Employee Benefit Plans, with the IRS to pay the excise tax on the deficiency. There is a penalty for not filing IRS Form 5330 on time.

Line 7. Will the minimum required contribution remaining in 6c be made no later than 8½ months after the end of the plan year? If ''Yes,'' and contributions are actually made by this date, then there will be no reportable deficiency and IRS Form 5330 will not need to be filed.

Line 8. A revenue procedure providing for automatic approval for a change in funding method for a plan year generally does not apply unless the plan administrator or an authorized representative of the plan sponsor explicitly agrees to the change. If a

change in funding method made pursuant to such a revenue procedure (or class ruling letter) is to be applicable for the current plan year, this line generally must be checked ''Yes.'' In certain situations, however, the requirement that the plan administrator or an authorized representative of the plan sponsor agree to the change in funding method will be satisfied if the plan administrator or an authorized representative of the plan sponsor is made aware of the change. In these situations, this line must be checked ''N/A.'' *See* section 6.01(2) of Rev. Proc. 2000–40, 2000–42 I.R.B. 357.

Part III—Amendments

Line 9.

• Check ''No'' if no amendments were adopted during this plan year that increased or decreased the value of benefits.

• Check ''Increase'' if an amendment was adopted during the plan year that increased the value of benefits in any way. This includes an amendment providing for an increase in the amount of benefits or rate of accrual, more generous lump sum factors, COLAs, more rapid vesting, additional payment forms, and/or earlier eligibility for some benefits.

• Check ''Decrease'' if an amendment was adopted during the plan year that decreased the value of benefits in any way. This includes a decrease in future accruals, closure of the plan to new employees, and accruals being frozen for some or all participants.

• If the amendments that were adopted increased the value of some benefits but decreased the value of others, check ''Both.''

Part IV—ESOP Information

Line 11b. A loan is a ''back-to-back loan'' if the following requirements are satisfied:

1. The loan from the employer corporation to the ESOP qualifies as an exempt loan under DOL regulations at 29 CFR 2550.408b–3 and under Treasury Regulation sections 54.4975–7 and 54.4975–11; and

2. The repayment terms of the loan from the sponsoring corporation to the ESOP are substantially similar to the repayment terms of the loan from the commercial lender to the sponsoring employer.

Part V—Additional Employer Information for Multiemployer Defined Benefit Pension Plans

Line 13. Line 13 should be completed only by multiemployer defined benefit pension plans that are subject to the minimum funding standards (see Code section 412 and Part 3 of Title I of ERISA). Enter the information on Lines 13a through 13e for any employer that contributed more than five (5) percent of the plan's total contributions for the 2009 plan year. The employers should be listed in descending order according to the dollar amount of their contributions to the plan. Complete as many entries as are necessary to list all employers that contributed more than five (5) percent of the plan's contributions.

Line 13a. Enter the name of the contributing employer to the plan.

Line 13b. Enter the EIN number of the contributing employer to the plan. Do not enter a social security number in lieu of an EIN. The Form 5500 is open to public inspection, and the contents are public information and are subject to publication on the Internet. Because of privacy concerns, the inclusion of a social security number on this line may result in the rejection of the filing.

EINs may be obtained by applying for one on IRS Form SS–4, Application for Employer Identification Number. You can obtain an IRS Form SS–4 by calling 1–800–TAX–FORM (1–800–829–3676) or at the IRS Web Site at *http://www.irs.gov.* The EBSA does not issue EINs.

Line 13c. Dollar Amount Contributed. Enter the total dollar amount contributed to the plan by the employer for all covered workers in all locations for the plan year. Do not include the portion of an aggregated contribution that is for another plan, such as a welfare benefit plan, a defined contribution pension plan or another defined benefit pension plan.

Line 13d. Collective Bargaining Agreement Expiration Date. Enter the date on which the employer's collective bargaining agreement expires. If the employer has more than one collective bargaining agreement requiring contributions to the plan, check the box and include, as an attachment, a summary of each applicable expiration date.

Line 13e. Contribution Rate Information. Enter the information in (e)(1) and (e)(2). If the employer uses different contribution rates for different classifications of employees or different places of business, check the box and instead of completing items (e)(1) and (e)(2), include, as an attachment, a list of each applicable contribution rate with a description of the rate, providing the information in (e)(1) and (e)(2); skip line 13(e)(1) and 13(e)(2).

Line 13(e)(1). Contribution Rate (dollars and cents). Enter the employer's contribution rate per contribution base unit (e.g., if the contribution rate is $xx.xx per covered hour worked, enter $xx.xx). If the employer's contribution rate changed during the plan year, enter the last contribution rate in effect for the plan year.

Line 13e(2). Base Unit Measure. Check the contribution base unit on which the contribution rate is based. If the contribution rate is not measured on an hourly, weekly, or unit-of-production basis, check ''other'' and indicate the basis of measurement.

Lines 14–17—[RESERVED]

Part VI—Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

Lines 18 and 19—[RESERVED]

LIST OF PLAN CHARACTERISTIC CODES FOR FORM 5500 LINES 8A AND 8B

Code	
Defined Benefit Pension Features	
1A	Benefits are primarily pay related.
1B	Benefits are primarily flat dollar (includes dollars per year of service).
1C	Cash balance or similar plan—Plan has a ''cash balance'' formula. For this purpose, a ''cash balance'' formula is a benefit formula in a defined benefit plan by whatever name (e.g., personal account plan, pension equity plan, life cycle plan, cash account plan, etc.) that rather than, or in addition to, expressing the accrued benefit as a life annuity commencing at normal retirement age, defines benefits for each employee in terms more common to a defined contribution plan such as a single sum distribution amount (e.g., 10 percent of final average pay times years of service, or the amount of the employee's hypothetical account balance).
1D	Floor offset plan—Plan benefits are subject to offset for retirement benefits provided by an employer-sponsored defined contribution plan.

LIST OF PLAN CHARACTERISTIC CODES FOR FORM 5500 LINES 8A AND 8B—Continued

Code	
1E	Code section 401(h) arrangement—Plan contains separate accounts under Code section 401(h) to provide employee health benefits.
1F	Code section 414(k) arrangement—Benefits are based partly on the balance of the separate account of the participant (also include appropriate defined contribution pension feature codes).
1G	Covered by PBGC—Plan is covered under the PBGC insurance program (see ERISA section 4021).
1H	Plan covered by PBGC that was terminated and closed out for PBGC purposes—Before the end of the plan year (or a prior plan year), (1) the plan terminated in a standard (or distress) termination and completed the distribution of plan assets in satisfaction of all benefit liabilities (or all ERISA Title IV benefits for distress termination); or (2) a trustee was appointed for a terminated plan pursuant to ERISA section 4042.
1I	Frozen Plan—As of the last day of the plan year, the plan provides that no participant will get any new benefit accrual (whether because of service or compensation).
Defined Contribution Pension Features	
2A	Age/Service Weighted or New Comparability or Similar Plan—Age/Service Weighted Plan: Allocations are based on age, service, or age and service. New Comparability or Similar Plan: Allocations are based on participant classifications and a classification(s) consists entirely or predominantly of highly compensated employees; or the plan provides an additional allocation rate on compensation above a specified threshold, and the threshold or additional rate exceeds the maximum threshold or rate allowed under the permitted disparity rules of Code section 401(l).
2B	Target benefit plan.
2C	Money purchase (other than target benefit).
2D	Offset plan—Plan benefits are subject to offset for retirement benefits provided in another plan or arrangement of the employer.
2E	Profit-sharing.
2F	ERISA section 404(c) plan—This plan, or any part of it, is intended to meet the conditions of 29 CFR 2550.404c–1.
2G	Total participant-directed account plan—Participants have the opportunity to direct the investment of all the assets allocated to their individual accounts, regardless of whether 29 CFR 2550.404c–1 is intended to be met.
2H	Partial participant directed account plan—Participants have the opportunity to direct the investment of a portion of the assets allocated to their individual accounts, regardless of whether 29 CFR 2550.404c–1 is intended to be met.
2I	Stock bonus.
2J	Code section 401(k) feature—A cash or deferred arrangement described in Code section 401(k) that is part of a qualified defined contribution plan that provides for an election by employees to defer part of their compensation or receive these amounts in cash.
2K	Code section 401(m) arrangement—Employee contributions are allocated to separate accounts under the plan or employer contributions are based, in whole or in part, on employee deferrals or contributions to the plan. Not applicable if plan is 401(k) plan with only QNECs and/or QMACs. Also not applicable if Code section 403(b)(1), 403(b)(7), or 408 arrangements/accounts annuities.
2L	Code section 403(b)(1) arrangement.
2M	Code section 403(b)(7) accounts.
2N	Code section 408 accounts and annuities—*See* Limited Pension Plan Reporting instructions for pension plan utilizing individual Code section 408(b) retirement accounts or annuities as the funding vehicle for providing benefits.
2O	ESOP other than a leveraged ESOP.
2P	Leveraged ESOP—An ESOP that acquires employer securities with borrowed money or other debt-financing techniques.
2Q	The employer maintaining this ESOP is an S corporation.
2R	Participant-directed brokerage accounts provided as an investment option under the plan.
2S	Plan provides for automatic enrollment in plan that has employee contributions deducted from payroll.
2T	Total or partial participant-directed account plan—plan uses default investment account for participants who fail to direct assets in their account.
Other Pension Benefit Features	
3B	Plan covering Self-Employed Individuals.
3C	Plan not intended to be qualified—A plan not intended to be qualified under Code sections 401, 403, or 408.
3D	Master plan—A pension plan that is made available by a sponsor for adoption by employers; that is the subject of a favorable opinion letter; and for which a single funding medium (for example, a trust or custodial account) is established for the joint use of all adopting employers.
3E	Prototype plan—A pension plan that is made available by a sponsor for adoption by employers; that is the subject of a favorable opinion or notification letter; and under which a separate funding medium (for example, a separate trust or custodial account) is established for each participating employer.
3F	Plan sponsor(s) received services of leased employees, as defined in Code section 414(n), during the plan year.
3H	Plan sponsor(s) is (are) a member(s) of a controlled group (Code sections 414(b), (c), or (m)).
3I	Plan requiring that all or part of employer contributions be invested and held, at least for a limited period, in employer securities.
3J	U.S.-based plan that covers residents of Puerto Rico and is qualified under both Code section 401 and section 8565 of Puerto Rico Code.
Welfare Benefit Features	
4A	Health (other than vision or dental).
4B	Life Insurance.
4C	Supplemental unemployment.
4D	Dental.
4E	Vision.
4F	Temporary disability (accident and sickness).

LIST OF PLAN CHARACTERISTIC CODES FOR FORM 5500 LINES 8A AND 8B—Continued

Code	
4G	Prepaid legal.
4H	Long-term disability.
4I	Severance pay.
4J	Apprenticeship and training.
4K	Scholarship (funded).
4L	Death benefits (include travel accident but not life insurance).
4P	Taft-Hartley Financial Assistance for Employee Housing Expenses.
4Q	Other.
4R	Unfunded, fully insured, or combination unfunded/fully insured welfare plan that will not file a Form 5500 for next plan year pursuant to 29 CFR 2520.104–20.
4S	Unfunded, fully insured, or combination unfunded/fully insured welfare plan that stopped filing Form 5500s in an earlier plan year pursuant to 29 CFR 2520.104–20.
4T	10 or more employer plan under Code section 419A(f)(6).
4U	Collectively bargained welfare benefit arrangement under Code section 419A(f)(5).

ERISA Compliance Quick Checklist

Compliance with the Employee Retirement Income Security Act (ERISA) begins with knowing the rules. Plan administrators and other plan officials can use this checklist as a quick diagnostic tool for assessing a plan's compliance with certain important ERISA rules; it is not a complete description of all ERISA's rules and it is not a substitute for a comprehensive compliance review. Use of this checklist is voluntary, and it is not to be filed with your Form 5500.

If you answer ''No'' to any of the questions below, you should review your plan's operations because you may not be in full compliance with ERISA's requirements.

1. Have you provided plan participants with a summary plan description, summaries of any material modifications of the plan, and annual summary financial reports?

2. Do you maintain copies of plan documents at the principal office of the plan administrator for examination by participants and beneficiaries?

3. Do you respond to written participant inquires for copies of plan documents and information within 30 days?

4. Does your plan include written procedures for making benefit claims and appealing denied claims, and are you complying with those procedures?

5. Is your plan covered by a fidelity bond against losses due to fraud or dishonesty?

6. Are the plan's investments diversified so as to minimize the risk of large losses?

7. If the plan permits participants to select the investments in their plan accounts, has the plan provided them with enough information to make informed decisions?

8. Has a plan official determined that the investments are prudent and solely in the interest of the plan's participants and beneficiaries, and evaluated the risks associated with plan investments before making the investments?

9. Did the employer or other plan sponsor send participant contributions to the plan on a timely basis?

10. Did the plan pay participant benefits on time and in the correct amounts?

11. Did the plan give participants and beneficiaries 30 days advance notice before imposing a ''blackout period'' of at least three consecutive business days during which participants or beneficiaries of a 401(k) or other individual account pension plan were unable to change their plan investments, obtain loans from the plan, or obtain distributions from the plan?

If you answer ''Yes'' to any of the questions below, you should review your plan's operations because you may not be in full compliance with ERISA's requirements.

1. Has the plan engaged in any financial transactions with persons related to the plan or any plan official? (For example, has the plan made a loan to or participated in an investment with the employer?)

2. Has the plan official used the assets of the plan for his/her own interest?

3. Have plan assets been used to pay expenses that were not authorized in the plan document, were not necessary to the proper administration of the plan, or were more than reasonable in amount?

If you need help answering these questions or want additional guidance about ERISA requirements, a plan official should contact the U.S. Department of Labor Employee Benefits Security Administration office in your region or consult with the plan's legal counsel or professional employee benefit advisor.

QUICK REFERENCE CHART OF FORM 5500 SCHEDULES AND ATTACHMENTS [1]

[This chart provides only general guidance—please see specific Form 5500 instructions for complete filing requirements.]

	Large Pension Plan	Small Pension Plan	Large Welfare Plan	Small Welfare Plan	DFE
Form 5500	Must complete	Must complete [3]	Must complete [2]	Must complete [2 3]	Must complete.
Schedule A (Insurance Information).	Must complete if plan has insurance contracts.	Must complete if plan has insurance contracts.	Must complete if plan has insurance contracts.	Must complete if plan has insurance contracts.	Must complete if MTIA, 103–12 IE, or GIA has insurance contracts.
Schedule MB (Actuarial Information).	Must complete if multi-employer defined benefit plan or money purchase plan subject to minimum funding standards [4].	Must complete if multi-employer defined benefit plan or money purchase plan subject to minimum funding standards [4].	Not required	Not required	Not required.

QUICK REFERENCE CHART OF FORM 5500 SCHEDULES AND ATTACHMENTS [1]—Continued

[This chart provides only general guidance—please see specific Form 5500 instructions for complete filing requirements.]

	Large Pension Plan	Small Pension Plan	Large Welfare Plan	Small Welfare Plan	DFE
Schedule SB (Actuarial Information).	Must complete if single-employer or multiple-employer defined benefit plan.	Must complete if single-employer or multiple-employer defined benefit plan.	Not required	Not required	Not required.
Schedule C Service Provider Information.	Must complete if service provider was paid $5,000 or more and/or an accountant or actuary was terminated.	Not required	Must complete if service provider was paid $5,000 or more and/or an accountant or actuary was terminated.	Not required	MTIAs, GIAs, and 103–12 IEs must complete Part I if service provider paid $5,000 or more. GIAs and 103–12 IEs must complete Part II if accountant was terminated.
Schedule D DFE/Participating Plan Information.	Must complete Part I if plan participated in a CCT, PSA, MTIA, or 103–12 IE.	Must complete Part I if plan participated in a CCT, PSA, MTIA, or 103–12 IE.	Must complete Part I if plan participated in a CCT, PSA, MTIA, or 103–12 IE.	Must complete Part I if plan participated in a CCT, PSA, MTIA, or 103–12 IE.	All DFEs must complete Part II, and DFEs that invest in a CCT, PSA, or 103–12 IE must also complete Part I.
Schedule G (Financial Schedules).	Must complete if Schedule H, lines 4b, 4c, or ad are "yes".	Not required	Must complete if Schedule H, lines 4b, 4c, or 4d are "Yes" [2].	Not required	Must complete if Schedule H, lines 4b, 4c, or 4d for a GIA, MTIA or 103–12 IE are "Yes."
Schedule H (Financial Information).	Must complete [5]	Not required	Must complete [2 5]	Not required	All DFEs must complete Parts I, II, and III. MTIAs, GIAs and 103–12 IEs must also complete Part IV.[5]
Schedule I (Small Plan Financial Information).	Not required	Must complete [3]	Not required	Must complete [3]	Not required.
Schedule R (Pension Plan Information).	Must complete [6]	Must complete [3 6]	Not required	Not required	Not required.
Accountant's Report	Must attach	Not required	Must attach	Not required	Must attach for a GIA or 103–12 IE.

[1] This chart provides only general guidance. Not all rules and requirements are reflected. Refer to specific Form 5500 instructions for complete information on filing requirements (e.g., Who Must File and What to File). For example, a pension plan is exempt from filing any schedules if the plan uses Code section 408 individual retirement accounts as the sole funding vehicle for providing benefits. *See* Limited Pension Plan Reporting.

[2] Unfunded, fully insured and combination unfunded/fully insured welfare plans covering fewer than 100 participants at the beginning of the plan year that meet the requirements of 29 CFR 2520.104–20 are exempt from filing an annual report. (*See* Who Must File). Such a plan with 100 or more participants must file an annual report, but is exempt under 29 CFR 2520.104–44 from the accountant's report requirement and completing Schedule H, but MUST complete Schedule G, Part III, to report any nonexempt transactions. See What To File.

[3] Small pension benefit plans and small welfare plans not exempt from filing an annual return/report may be eligible to file the Form 5500–SF. (*See* Who May File of the instructions for the Form 5500–SF).

[4] Certain money purchase defined contribution plans are required to complete Schedule MB in accordance with the instructions. Also see instructions for line 5 of Schedule R and line 12a of 5500–SF.

[5] Schedules of assets and reportable (5%) transactions also must be filed with the Form 5500 if Schedule H, line 4i or 4j is "Yes."

[6] A pension plan is exempt from filing Schedule R if each of the following conditions is met:

- The plan is not a defined benefit plan or otherwise subject to the minimum funding standards of Code section 412 or ERISA section 302.
- No plan benefits that would be reportable on line 1 of Part I of this Schedule R were distributed during the plan year. See the instructions for Part I, line 1, below.
- No benefits, as described in the instructions for Part I, line 2, below, were paid during the plan year other than by the plan sponsor or plan administrator. (This condition is not met if benefits were paid by the trust or any other payor(s) which are reportable on IRS Form 1099–R, Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc., using an EIN other than that of the plan sponsor or plan administrator reported on line 2b or 3b of Form 5500.)
- Unless the plan is a profit-sharing, ESOP or stock bonus plan, no plan benefits of living or deceased participants were distributed during the plan year in the form of a single sum distribution. See the instructions for Part I, line 3, below.
- The plan is not an ESOP.
- The plan is not a multiemployer defined benefit plan.

OMB CONTROL NUMBERS

Agency	OMB No.
Employee Benefits Security Administration	1210–0110 1210–0089

OMB CONTROL NUMBERS—Continued

Agency	OMB No.
Internal Revenue Service	1545–1610

OMB CONTROL NUMBERS—Continued

Agency	OMB No.
Pension Benefit Guaranty Corporation	1212–0057

Paperwork Reduction Act Notice

We ask for the information on this form to carry out the law as specified in ERISA and in Code sections 6058(a) and 6059(a). You are required to give us the information. We need it to determine whether the plan is operating according to the law.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books and records relating to a form or its instructions must be retained as long as their contents may become material in the administration of the Internal Revenue Code or are required to be maintained pursuant to Title I or IV of ERISA. The Form 5500 return/reports are open to public inspection and are subject to publication on the Internet.

The time needed to complete and file the forms listed below reflects the combined requirements of the Internal Revenue Service, Department of Labor, and Pension Benefit Guaranty Corporation. These times will vary depending on individual circumstances. The estimated average times are:

	Pension plans		Welfare plans	
	Large	Small	Large	Small
Form 5500	1 hr., 54 min	1 hr., 19 min	1 hr., 45 min	1 hr., 14 min
Schedule A	2 hr., 52 min	2 hr., 51 min	3 hr., 39 min	2 hr., 43 min.
Schedule SB	6 hr., 38 min	6 hr., 49 min	N/A	N/A.
Schedule MB	7 hr., 52 min	4 hr., 14 min	N/A	N/A.
Schedule C	3 hr., 4 min	N/A	3 hr., 38 min	N/A.
Schedule D	1 hr., 39 min	20 min	1 hr., 52 min	20 min.
Schedule G	11 hr., 29 min	N/A	11 hr	N/A.
Schedule H	7 hr., 42 min	N/A	8hr., 35 min	N/A.
Schedule I	N/A	2 hr., 5 min	N/A	1 hr., 55 min.
Schedule R	1 hr., 43 min	1 hr., 5 min	N/A	N/A.

If you have comments concerning the accuracy of these time estimates or suggestions for making these forms simpler, we would be happy to hear from you. You can write to the Internal Revenue Service, Tax Products Coordinating Committee, SE:W:CAR:MP:T:T:SP, 1111 Constitution Ave., NW., IR–6526, Washington, DC 20224. DO NOT send any of these forms or schedules to this address. The forms and schedules must be filed electronically. *See* How to File—Electronic Filing Requirement.

Forms 5500, 5500–SF, and 5500–EZ Codes for Principal Business Activity

This list of principal business activities and their associated codes is designed to classify an enterprise by the type of activity in which it is engaged. These principal activity codes are based on the North American Industry Classification System.[25]

Agriculture, Forestry, Fishing and Hunting

Crop Production

111100 Oilseed & Grain Farming
111210 Vegetable & Melon Farming (including potatoes & yams)
111300 Fruit & Tree Nut Farming
111400 Greenhouse, Nursery, & Floriculture Production
111900 Other Crop Farming (including tobacco, cotton, sugarcane, hay, peanut, sugar beet, & all other crop farming)

Animal Production

112111 Beef Cattle Ranching & Farming
112112 Cattle Feedlots
112120 Dairy Cattle & Milk Production
112210 Hog & Pig Farming
112300 Poultry & Egg Production
112400 Sheep & Goat Farming
112510 Animal Aquaculture (including shellfish & finfish farms & hatcheries)
112900 Other Animal Production

Forestry and Logging

113110 Timber Tract Operations
113210 Forest Nurseries & Gathering of Forest Products
113310 Logging

Fishing, Hunting and Trapping

114110 Fishing
114210 Hunting & Trapping

Support Activities for Agriculture and Forestry

115110 Support Activities for Crop Production (including cotton ginning, soil preparation, planting, & cultivating)
115210 Support Activities for Animal Production
115310 Support Activities For Forestry

Mining

211110 Oil & Gas Extraction
212110 Coal Mining
212200 Metal Ore Mining
212310 Stone Mining & Quarrying
212320 Sand, Gravel, Clay, & Ceramic & Refractory Minerals Mining & Quarrying
212390 Other Nonmetallic Mineral Mining & Quarrying
213110 Support Activities for Mining

Utilities

221100 Electric Power Generation, Transmission & Distribution
221210 Natural Gas Distribution
221300 Water, Sewage, & Other Systems
221500 Combination Gas & Electric

Construction

Construction of Buildings

236110 Residential Building Construction
236200 Nonresidential Building Construction Heavy and Civil Engineering Construction
237100 Utility System Construction
237210 Land Subdivision
237310 Highway, Street, & Bridge Construction
237990 Other Heavy & Civil Engineering Construction Specialty Trade Contractors
238100 Foundation, Structure, & Building Exterior Contractors (including framing carpentry, masonry, glass, roofing, & siding)
238210 Electrical Contractors
238220 Plumbing, Heating, & Air-Conditioning Contractors
238290 Other Building Equipment Contractors
238300 Building Finishing Contractors (including drywall, insulation, painting, wallcovering, flooring, tile, & finish carpentry)
238900 Other Specialty Trade Contractors (including site preparation)

[25] The codes will be updated periodically from one Form year to another to reflect changes in the North American Industry Classification System. See, e.g., North American Industry Classification System—Update for 2007, 70 FR 12390 (Mar. 11, 2005).

Beverage and Tobacco Product Manufacturing

312110 Soft Drink & Ice Mfg
312120 Breweries
312130 Wineries
312140 Distilleries
312200 Tobacco

Manufacturing

Textile Mills and Textile Product Mills

313000 Textile Mills
314000 Textile Product Mills

Apparel Manufacturing

315100 Apparel Knitting Mills
315210 Cut & Sew Apparel Contractors
315220 Men's & Boys' Cut & Sew Apparel Mfg
315230 Women's & Girls' Cut & Sew Apparel Mfg
315290 Other Cut & Sew Apparel Mfg
315990 Apparel Accessories & Other Apparel Mfg

Leather and Allied Product Manufacturing

316110 Leather & Hide Tanning & Finishing
316210 Footwear Mfg (including rubber & plastics)
316990 Other Leather & Allied Product Mfg

Wood Product Manufacturing

321110 Sawmills & Wood Preservation
321210 Veneer, Plywood, & Engineered Wood Product Mfg
21900 Other Wood Product Mfg

Paper Manufacturing

322100 Pulp, Paper, & Paperboard Mills
322200 Converted Paper Product Mfg

Printing and Related Support Activities

323100 Printing & Related Support Activities

Petroleum and Coal Products Manufacturing

324110 Petroleum Refineries (including integrated)
324120 Asphalt Paving, Roofing, & Saturated Materials Mfg
324190 Other Petroleum & Coal Products Mfg

Chemical Manufacturing

325100 Basic Chemical Mfg
325200 Resin, Synthetic Rubber, & Artificial & Synthetic Fibers & Filaments Mfg
325300 Pesticide, Fertilizer, & Other Agricultural Chemical Mfg
325410 Pharmaceutical & Medicine Mfg
325500 Paint, Coating, & Adhesive Mfg
325600 Soap, Cleaning Compound, & Toilet Preparation Mfg
325900 Other Chemical Product & Preparation Mfg

Plastics and Rubber Products Manufacturing

326100 Plastics Product Mfg
326200 Rubber Product Mfg

Nonmetallic Mineral Product Manufacturing

327100 Clay Product & Refractory Mfg
327210 Glass & Glass Product Mfg
327300 Cement & Concrete Product Mfg
327400 Lime & Gypsum Product Mfg
327900 Other Nonmetallic Mineral Product Mfg

Primary Metal Manufacturing

331110 Iron & Steel Mills & Ferroalloy Mfg
331200 Steel Product Mfg from Purchased Steel
331310 Alumina & Aluminum Production & Processing
331400 Nonferrous Metal (except Aluminum) Production & Processing
331500 Foundries Fabricated Metal Product Manufacturing
332110 Forging & Stamping
332210 Cutlery & Handtool Mfg
332300 Architectural & Structural Metals Mfg
332400 Boiler, Tank, & Shipping Container Mfg
332510 Hardware Mfg
332610 Spring & Wire Product Mfg
332700 Machine Shops; Turned Product; & Screw, Nut, & Bolt Mfg
332810 Coating, Engraving, Heat Treating, & Allied Activities
332900 Other Fabricated Metal Product Mfg

Machinery Manufacturing

333100 Agriculture, Construction, & Mining Machinery Mfg
333200 Industrial Machinery Mfg
333310 Commercial & Service Industry Machinery Mfg
333410 Ventilation, Heating, Air-Conditioning, & Commercial Refrigeration Equipment Mfg
333510 Metalworking Machinery Mfg
333610 Engine, Turbine & Power Transmission Equipment Mfg
333900 Other General Purpose Machinery Mfg Computer and Electronic Product Manufacturing
334110 Computer & Peripheral Equipment Mfg
334200 Communications Equipment Mfg
334310 Audio & Video Equipment Mfg
334410 Semiconductor & Other Electronic Component Mfg
334500 Navigational, Measuring, Electromedical, & Control Instruments Mfg
334610 Manufacturing & Reproducing Magnetic & Optical Media

Electrical Equipment, Appliance, and Component Manufacturing

335100 Electric Lighting Equipment Mfg
335200 Household Appliance Mfg
335310 Electrical Equipment Mfg
335900 Other Electrical Equipment & Component Mfg

Transportation Equipment Manufacturing

336100 Motor Vehicle Mfg
336210 Motor Vehicle Body & Trailer Mfg
336300 Motor Vehicle Parts Mfg
336410 Aerospace Product & Parts Mfg
336510 Railroad Rolling Stock Mfg
336610 Ship & Boat Building
336990 Other Transportation Equipment Mfg

Furniture and Related Product Manufacturing

337000 Furniture & Related Product Mfg

Miscellaneous Manufacturing

339110 Medical Equipment & Supplies Mfg
339900 Other Miscellaneous Mfg

Wholesale Trade Merchant

Wholesalers, Durable Goods

423100 Motor Vehicle & Motor Vehicle Parts & Supplies
423200 Furniture & Home Furnishings
423300 Lumber & Other Construction Materials
423400 Professional & Commercial Equipment & Supplies
423500 Metals & Minerals (except Petroleum)
423600 Electrical & Electronic Goods
423700 Hardware, Plumbing & Heating Equipment & Supplies
423800 Machinery, Equipment, & Supplies
423910 Sporting & Recreational Goods & Supplies
423920 Toy & Hobby Goods & Supplies
423930 Recyclable Materials
423940 Jewelry, Watches, Precious Stones, & Precious Metals
423990 Other Miscellaneous Durable Goods

Merchant Wholesalers, Nondurable Goods

424100 Paper & Paper Products
424210 Drugs & Druggists' Sundries
424300 Apparel, Piece Goods, & Notions
424400 Grocery & Related Products
424500 Farm Product Raw Materials
424600 Chemical & Allied Products

424700 Petroleum & Petroleum Products
424800 Beer, Wine, & Distilled Alcoholic Beverages
424910 Farm Supplies
424920 Books, Periodicals, & Newspapers
424930 Flower, Nursery Stock, & Florists' Supplies
424940 Tobacco & Tobacco Products
424950 Paint, Varnish, & Supplies
424990 Other Miscellaneous Nondurable Goods

Wholesale Electronic Markets and Agents and Brokers

425110 Business to Business Electronic Markets
425120 Wholesale Trade Agents & Brokers

Retail Trade

Motor Vehicle and Parts Dealers

441110 New Car Dealers
441120 Used Car Dealers
441210 Recreational Vehicle Dealers
441221 Motorcycle Dealers
441222 Boat Dealers
441229 All Other Motor Vehicle Dealers
441300 Automotive Parts, Accessories, & Tire Stores

Furniture and Home Furnishings Stores

442110 Furniture Stores
442210 Floor Covering Stores
442291 Window Treatment Stores
442299 All Other Home Furnishings Stores

Electronics and Appliance Stores

443111 Household Appliance Stores
443112 Radio, Television, & Other Electronics Stores
443120 Computer & Software Stores
443130 Camera & Photographic Supplies Stores

Building Material and Garden Equipment and Supplies Dealers

444110 Home Centers
444120 Paint & Wallpaper Stores
444130 Hardware Stores
444190 Other Building Material Dealers
444200 Lawn & Garden Equipment & Supplies Stores

Food and Beverage Stores

445110 Supermarkets and Other Grocery (except Convenience) Stores
445120 Convenience Stores
445210 Meat Markets
445220 Fish & Seafood Markets
445230 Fruit & Vegetable Markets
445291 Baked Goods Stores
445292 Confectionery & Nut Stores
445299 All Other Specialty Food Stores
445310 Beer, Wine, & Liquor Stores

Health and Personal Care Stores

446110 Pharmacies & Drug Stores
446120 Cosmetics, Beauty Supplies, & Perfume Stores
446130 Optical Goods Stores
446190 Other Health & Personal Care Stores

Gasoline Stations

447100 Gasoline Stations (including convenience stores with gas)

Clothing and Clothing Accessories Stores

448110 Men's Clothing Stores
448120 Women's Clothing Stores
448130 Children's & Infants' Clothing Stores
448140 Family Clothing Stores
448150 Clothing Accessories Stores
448190 Other Clothing Stores
448210 Shoe Stores
448310 Jewelry Stores
448320 Luggage & Leather Goods Stores

Sporting Goods, Hobby, Book, and Music Stores

451110 Sporting Goods Stores
451120 Hobby, Toy, & Game Stores
451130 Sewing, Needlework, & Piece Goods Stores
451140 Musical Instrument & Supplies Stores
451211 Book Stores
451212 News Dealers & Newsstands
451220 Prerecorded Tape, Compact Disc, & Record Stores

General Merchandise Stores

452110 Department Stores
452900 Other General Merchandise Stores

Miscellaneous Store Retailers

453110 Florists
453210 Office Supplies & Stationery Stores
453220 Gift, Novelty, & Souvenir Stores
453310 Used Merchandise Stores
453910 Pet & Pet Supplies Stores
453920 Art Dealers
453930 Manufactured (Mobile) Home Dealers
453990 All Other Miscellaneous Store

Retailers (including tobacco, candle, & trophy shops)

Nonstore Retailers

454110 Electronic Shopping & Mail-Order Houses
454210 Vending Machine Operators
454311 Heating Oil Dealers
454312 Liquefied Petroleum Gas (bottled gas) Dealers
454319 Other Fuel Dealers
454390 Other Direct Selling Establishments (including door-to-door retailing, frozen food plan providers, party plan merchandisers, & coffee-break service providers)

Transportation and Warehousing Air, Rail, and Water Transportation

481000 Air Transportation
482110 Rail Transportation
483000 Water

Transportation

Truck Transportation

484110 General Freight Trucking, Local
484120 General Freight Trucking, Long-distance
484200 Specialized Freight Trucking

Transit and Ground Passenger Transportation

485110 Urban Transit Systems
485210 Interurban & Rural Bus Transportation
485310 Taxi Service
485320 Limousine Service
485410 School & Employee Bus Transportation
485510 Charter Bus Industry
485990 Other Transit & Ground Passenger Transportation

Pipeline Transportation

486000 Pipeline Transportation Scenic & Sightseeing Transportation
487000 Scenic & Sightseeing

Transportation Support Activities for Transportation

488100 Support Activities for Air Transportation
488210 Support Activities for Rail Transportation
488300 Support Activities for Water Transportation
488410 Motor Vehicle Towing
488490 Other Support Activities for Road Transportation
488510 Freight Transportation Arrangement
488990 Other Support Activities for Transportation Couriers and Messengers
492110 Couriers
492210 Local Messengers & Local Delivery

Warehousing and Storage

493100 Warehousing & Storage (except lessors of miniwarehouses & self-storage units)

Information Publishing Industries (except Internet)

511110 Newspaper Publishers
511120 Periodical Publishers
511130 Book Publishers
511140 Directory & Mailing List Publishers

511190 Other Publishers
511210 Software Publishers Motion Picture and Sound Recording Industries
512100 Motion Picture & Video Industries (except video rental)
512200 Sound Recording Industries Broadcasting (except Internet)
515100 Radio & Television Broadcasting
515210 Cable & Other Subscription Programming

Internet Publishing and Broadcasting

516110 Internet Publishing & Broadcasting Telecommunications
517000 Telecommunications (including paging, cellular, satellite, cable & other program distribution, resellers, & other telecommunications)

Internet Service Providers, Web Search Portals, and Data Processing Services

518111 Internet Service Providers
518112 Web Search Portals
518210 Data Processing, Hosting, & Related Services Other Information Services
519100 Other Information Services (including news syndicates & libraries)

Finance and Insurance Depository Credit Intermediation

522110 Commercial Banking
522120 Savings Institutions
522130 Credit Unions
522190 Other Depository Credit Intermediation

Nondepository Credit Intermediation

522210 Credit Card Issuing
522220 Sales Financing
522291 Consumer Lending
522292 Real Estate Credit (including mortgage bankers & originators)
522293 International Trade Financing
522294 Secondary Market Financing
522298 All Other Nondepository Credit Intermediation Activities Related to Credit Intermediation
522300 Activities Related to Credit Intermediation (including loan brokers, check clearing, & money transmitting)

Securities, Commodity Contracts, and Other Financial Investments and Related Activities

523110 Investment Banking & Securities Dealing
523120 Securities Brokerage
523130 Commodity Contracts Dealing
523140 Commodity Contracts Brokerage
523210 Securities & Commodity Exchanges
523900 Other Financial Investment Activities (including portfolio management & investment advice)

Insurance Carriers and Related Activities

524140 Direct Life, Health, & Medical Insurance & Reinsurance Carriers
524150 Direct Insurance & Reinsurance (except Life, Health & Medical) Carriers
524210 Insurance Agencies & Brokerages
524290 Other Insurance Related Activities (including third-party administration of insurance and pension funds)

Funds, Trusts, and Other Financial Vehicles

525100 Insurance & Employee Benefit Funds
525910 Open-End Investment Funds (Form 1120–RIC)
525920 Trusts, Estates, & Agency Accounts
525930 Real Estate Investment Trusts (Form 1120–REIT)
525990 Other Financial Vehicles (including mortgage REITs & closed-end investment funds)

''Offices of Bank Holding Companies'' and ''Offices of Other Holding Companies'' are located under Management of Companies (Holding Companies).

Real Estate and Rental and Leasing Real Estate

531110 Lessors of Residential Buildings & Dwellings (including equity REITs)
531114 Cooperative Housing (including equity REITs)
531120 Lessors of Nonresidential Buildings (except Miniwarehouses) (including equity REITs)
531130 Lessors of Miniwarehouses & Self-Storage Units (including equity REITs)
531190 Lessors of Other Real Estate Property (including equity REITs)
531210 Offices of Real Estate Agents & Brokers
531310 Real Estate Property Managers
531320 Offices of Real Estate Appraisers
531390 Other Activities Related to Real Estate

Rental and Leasing Services

532100 Automotive Equipment Rental & Leasing
532210 Consumer Electronics & Appliances Rental
532220 Formal Wear & Costume Rental
532230 Video Tape & Disc Rental
532290 Other Consumer Goods Rental
532310 General Rental Centers
532400 Commercial & Industrial Machinery & Equipment Rental & Leasing

Lessors of Nonfinancial Intangible Assets (except copyrighted works)

533110 Lessors of Nonfinancial Intangible Assets (except copyrighted works)

Professional, Scientific, and Technical Services Legal Services

541110 Offices of Lawyers
541190 Other Legal Services Accounting, Tax Preparation, Bookkeeping, and Payroll Services
541211 Offices of Certified Public Accountants
541213 Tax Preparation Services
541214 Payroll Services
541219 Other Accounting Services Architectural, Engineering, and Related Services
541310 Architectural Services
541320 Landscape Architecture Services
541330 Engineering Services
541340 Drafting Services
541350 Building Inspection Services
541360 Geophysical Surveying & Mapping Services
541370 Surveying & Mapping (except Geophysical) Services
541380 Testing Laboratories Specialized Design Services
541400 Specialized Design Services (including interior, industrial, graphic, & fashion design)

Computer Systems Design and Related Services

541511 Custom Computer Programming Services
541512 Computer Systems Design Services
541513 Computer Facilities Management Services
541519 Other Computer Related Services

Other Professional, Scientific, and Technical Services

541600 Management, Scientific, & Technical Consulting Services
541700 Scientific Research & Development Services
541800 Advertising & Related Services
541910 Marketing Research & Public Opinion Polling
541920 Photographic Services
541930 Translation & Interpretation Services
541940 Veterinary Services
541990 All Other Professional, Scientific, & Technical Services

Management of Companies (Holding Companies)

551111 Offices of Bank Holding Companies
551112 Offices of Other Holding Companies

Administrative and Support and Waste Management and Remediation Services

Administrative and Support Services

561110 Office Administrative Services
561210 Facilities Support Services
561300 Employment Services
561410 Document Preparation Services
561420 Telephone Call Centers
561430 Business Service Centers (including private mail centers & copy shops)
561440 Collection Agencies
561450 Credit Bureaus
561490 Other Business Support Services (including repossession services, court reporting, & stenotype services)
561500 Travel Arrangement & Reservation Services
561600 Investigation & Security Services
561710 Exterminating & Pest Control Services
561720 Janitorial Services
561730 Landscaping Services
561740 Carpet & Upholstery Cleaning Services
561790 Other Services to Buildings & Dwellings
561900 Other Support Services (including packaging & labeling services, & convention & trade show organizers)

Waste Management and Remediation Services

562000 Waste Management & Remediation Service

Educational Services

611000 Educational Services (including schools, colleges, & universities)

Health Care and Social Assistance Offices of Physicians and Dentists

621111 Offices of Physicians (except mental health specialists)
621112 Offices of Physicians, Mental Health Specialists
621210 Offices of Dentists Offices of Other Health Practitioners
621310 Offices of Chiropractors
621320 Offices of Optometrists
621330 Offices of Mental Health Practitioners (except Physicians)
621340 Offices of Physical, Occupational & Speech Therapists, & Audiologists
621391 Offices of Podiatrists
621399 Offices of All Other Miscellaneous Health Practitioners Outpatient Care Centers
621410 Family Planning Centers
621420 Outpatient Mental Health & Substance Abuse Centers
621491 HMO Medical Centers
621492 Kidney Dialysis Centers
621493 Freestanding Ambulatory Surgical & Emergency Centers
621498 All Other Outpatient Care Centers Medical and Diagnostic Laboratories
621510 Medical & Diagnostic Laboratories Home Health Care Services
621610 Home Health Care Services Other Ambulatory Health Care Services
621900 Other Ambulatory Health Care Services (including ambulance services & blood & organ banks)

Hospitals

622000 Hospitals Nursing and Residential Care Facilities
623000 Nursing & Residential Care Facilities Social Assistance
624100 Individual & Family Services
624200 Community Food & Housing, & Emergency & Other Relief Services
624310 Vocational Rehabilitation Services
624410 Child Day Care Services

Arts, Entertainment, and Recreation Performing Arts, Spectator Sports, and Related Industries

711100 Performing Arts Companies
711210 Spectator Sports (including sports clubs & racetracks)
711300 Promoters of Performing Arts, Sports, & Similar Events
711410 Agents & Managers for Artists, Athletes, Entertainers, & Other Public Figures
711510 Independent Artists, Writers, & Performers Museums, Historical Sites, and Similar Institutions
712100 Museums, Historical Sites, & Similar Institutions Amusement, Gambling, and Recreation Industries
713100 Amusement Parks & Arcades
713200 Gambling Industries
713900 Other Amusement & Recreation Industries (including golf courses, skiing facilities, marinas, fitness centers, & bowling centers)

Accommodation and Food Services Accommodation

721110 Hotels (except Casino Hotels) & Motels
721120 Casino Hotels
721191 Bed & Breakfast Inns
721199 All Other Traveler Accommodation
721210 RV (Recreational Vehicle) Parks & Recreational Camps
721310 Rooming & Boarding Houses Food Services and Drinking Places
722110 Full-Service Restaurants
722210 Limited-Service Eating Places
722300 Special Food Services (including food service contractors & caterers)
722410 Drinking Places (Alcoholic Beverages)

Other Services

Repair and Maintenance

811110 Automotive Mechanical & Electrical Repair & Maintenance
811120 Automotive Body, Paint, Interior & Glass Repair
811190 Other Automotive Repair & Maintenance (including oil change & lubrication shops & car washes)
811210 Electronic & Precision Equipment Repair & Maintenance
811310 Commercial & Industrial Machinery & Equipment (except Automotive & Electronic) Repair & Maintenance
811410 Home & Garden Equipment & Appliance Repair & Maintenance
811420 Reupholstery & Furniture Repair
811430 Footwear & Leather Goods Repair
811490 Other Personal & Household Goods Repair & Maintenance

Personal and Laundry Services

812111 Barber Shops
812112 Beauty Salons
812113 Nail Salons
812190 Other Personal Care Services (including diet & weight reducing centers)
812210 Funeral Homes & Funeral Services
812220 Cemeteries & Crematories
812310 Coin-Operated Laundries & Drycleaners
812320 Drycleaning & Laundry Services (except Coin-Operated)
812330 Linen & Uniform Supply
812910 Pet Care (except Veterinary) Services
812920 Photofinishing
812930 Parking Lots & Garages
812990 All Other Personal Services

Religious, Grantmaking, Civic, Professional, and Similar Organizations

813000 Religious, Grantmaking, Civic, Professional, & Similar Organizations (including condominium and homeowners associations)
813930 Labor Unions and Similar Labor Organizations
921000 Governmental Instrumentality or Agency

Statutory Authority

Accordingly, pursuant to the authority in sections 101, 103, 104, 109, 110, and 4065 of ERISA and section 6058 of the Code, the Form 5500 Annual Return/Report and the instructions thereto are amended as set forth herein, including the addition of the proposed Short Form 5500 and the replacement of the Schedule B with Schedules SB and MB.

Signed at Washington, DC, this 30th day of October 2007.

Bradford P. Campbell,

Assistant Secretary, Employee Benefits Security Administration, U.S. Department of Labor.

Joseph Grant,

Director, Employee Plans, Tax Exempt and Government Entities Division, Internal Revenue Service.

Charles E.F. Millard,

Interim Director, Pension Benefit Guaranty Corporation.

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