



Set up Questionnaire

The following information is required to complete the set-up of your OnePersonPlus Defined Benefit Plan. Administration of your plan is provided by Dedicated Defined Benefit Services LLC, one of the leading providers of administrative services for 1-5 person defined benefit plans in the US. All answers are confidential. The questionnaire must be completed and signed by the employer with the assistance of a Dedicated DB consultant and/or your financial or tax advisor. Please call 1-866-269-2706 with any questions.

Employer Information

- 1) Legal Name of Employer:** _____
DBA Name (if applicable): _____
Owner(s)' Name: _____
Owner(s)' Email Address: _____
Mailing Address of Employer: _____
City: _____ State: _____ Zip: _____
Phone: _____ Fax: _____
- 2) Employer ID # :** _____
- 3) Entity Type:** C-corp S-corp Partnership Sole Proprietor LLC Other _____
If an LLC, how is it taxed? Sole Proprietor Partnership C-Corp S-Corp
- 4) Employer's Fiscal Year End:** _____ **Date of Incorporation or Date Business Began:** _____
If business entity type has changed, please explain under Notes (Item 21).
- 5) Principal Business Activity:** _____ **Six Digit Business Code:** _____
- 6) Retirement Plan you want Dedicated DB to administer:** DB DB+401(k) 401(k) ONLY
• The 401(k) is *only* available to plans that cover either (i) an owner only, or (ii) an owner and spouse.
• In addition to the defined benefit plan contribution, the IRS allows elective deferrals (\$16,500 plus \$5,500 catch-up if age 50 or over) and a 6% profit sharing contribution to the 401(k) plan.
- 7) Enter estimated Defined Benefit contribution you wish to make: \$** _____
All contribution amounts are **ESTIMATES ONLY** until we receive your final year-end data and the contribution is approved by our actuary.
- 8) Financial Representative:**
Name: _____
Company: _____ Phone: _____
Email: _____ Fax: _____
Mailing Address: _____
- 9) Accountant:**
Name: _____
Company: _____ Phone: _____
Email: _____ Fax: _____
Mailing Address: _____

Plan Information

10) **Effective Date of Plan (usually the first day of the current fiscal year):** _____

11) **Trustee(s) (usually the owner):** _____

12) **Eligibility Requirements:**

Union employees and nonresident aliens earning no U.S. income are not eligible to participate in the plan. Eligible employees will enter the plan on the semi-annual date after completing the following requirements:

Age Requirement:

- Age 21
- Other: _____ (not greater than 21)

Service Requirement:

- None (allows part-time employees to enter the plan)
- 1 Year of Service
- 2 Years of Service (requires 100% vesting)

13) **Vesting Schedule for Employer Contributions:**

- 100% Vested Immediately
- 6 Year Graded—0/20/40/60/80/100
- 3 Year Cliff—0/0/100

14) **Other Plans:**

Does the employer sponsor any other plans?

Yes; Description _____

If Yes, amount already contributed for 2011 to other plan: \$ _____

No

Has the employer sponsored any plans that have been terminated?

Yes; Description _____

No

15) **Related Employers:**

If your business is part of a controlled group or affiliated service group, employees of all members of the group must be covered by this plan. Please review the items below and check any that apply to you.

- | Yes | No | |
|--------------------------|--------------------------|---|
| <input type="checkbox"/> | <input type="checkbox"/> | Do any owners (or spouses) of the employer own interests in other businesses? |
| <input type="checkbox"/> | <input type="checkbox"/> | Is the employer part of a controlled group of businesses? |
| <input type="checkbox"/> | <input type="checkbox"/> | Is the employer part of an affiliated service group? |
| <input type="checkbox"/> | <input type="checkbox"/> | Does the employer have any leased employees? |

Census Information

16) Owner's Name: _____

Date of Birth: _____ Date of Hire: _____ % of Ownership: _____

Please list any additional owner and compensation history under Notes (Item 21).

17) Compensation (See instructions on next page)

Owner's 2011 Expected Compensation: _____

Compensation History: please list the last three years of Compensation, plus any previous years if higher:

| Year | Compensation | 1/2 Self-Employment Tax (if applicable) | Plan Contributions (if applicable) |
|-------|--------------|---|------------------------------------|
| _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ |

18) If you have employees, please complete the following:

| Name | Date of Birth | Date of Hire | Compensation | Over 1000 Hours? | Officer? |
|-------|---------------|--------------|--------------|--|--|
| _____ | _____ | _____ | _____ | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| _____ | _____ | _____ | _____ | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| _____ | _____ | _____ | _____ | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| _____ | _____ | _____ | _____ | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |

19) What is the first plan year of administration that Dedicated DB is responsible for: 2011 2012 Other

20) Is this plan covered by the Pension Benefit Guaranty Corporation (see next page)? Yes No

21) Notes/Other Information

Please sign and date below. By signing this form, you are acknowledging as the sponsoring Employer that you have received and read the OnePersonPlus db Plan Proposal, understand the fees set forth in the proposal, and understand that a defined benefit plan has a required annual contribution. With that understanding, you are authorizing the establishment of the plan based on the information provided in this questionnaire. Please retain a copy of this questionnaire for your files.

Signature: _____ Date: _____

Please make your check for the setup fee payable to Dedicated Defined Benefit Services LLC

Mail this signed form with your check to:
Dedicated Defined Benefit Services LLC
550 North Brand Boulevard
Suite 1610
Glendale, CA 91203

General Information

Compensation

The following table illustrates compensation for owner(s) depending on entity type:

| Type of Entity | Source of Income | Plan Compensation |
|---------------------|---|---------------------------|
| Corporation | W-2 Income | W-2 Income |
| S-Corporation | W-2 Income + Schedule K-1 (Form 1120-S) | W-2 Income only |
| Sole Proprietorship | Schedule C, line 31 | Earned Income (calculate) |
| Partnership | Schedule K-1 (Form 1065), line 14a | Earned Income (calculate) |

Notes

Limited Liability Company – see table above depending on how the LLC is taxed. By default, LLCs are taxed as sole proprietorships or partnerships, but the LLC can make a special election to be taxed as a corporate entity.

Plan compensation is limited to \$245,000 for plan years beginning in 2011.

Employees, other than owners, are paid W-2 income for all entity types.

Earned Income = Net Profit – 1/2 self employment tax – plan contribution.

The retirement plan deduction for a sole proprietor/partner is limited to Net Profit – 1/2 SE tax.

Other Notes About Compensation

- 1) When entering Compensation History do not list compensation paid from an unrelated business. For example, if your business began in 2011 and before that you worked for ABC Inc., do not list compensation paid by ABC Inc.
- 2) For S-corporations, Schedule K-1 dividend distributions cannot be used as Compensation.
- 3) In general, Compensation does not include "passive income" such as income from investments or property.
- 4) Compensation must be received only from the employer (plan sponsor) establishing the plan.
- 5) Please refer to your CPA to determine where deductions are taken on the appropriate tax return.

Fidelity Bond

If your plan has participants other than owners and their spouses, it is required by ERISA that Plan Fiduciaries be bonded for plan assets. A Fidelity Bond is necessary to protect the plan against loss through fraud or dishonesty on the part of the plan officials. Plan Fiduciaries should be insured for a minimum of 10% of the plan assets, but not less than \$1,000. The maximum amount required is \$500,000. A Fidelity Bond may be obtained through your business property and casualty insurance carrier.

PBGC Coverage

Defined Benefit plans are required to be covered by the Pension Benefit Guaranty Corporation (PBGC) insurance program with the following exceptions:

- Professional Service Employer with less than 25 participants
- Owners only / with spouse

A professional service individual includes, but is not limited to, physicians, dentists, chiropractors, osteopaths, optometrists, other licensed practitioners of the healing arts, attorneys at law, public accountants, engineers, architects, draftsmen, actuaries, psychologist, scientists, and performing artists.

If required to be covered by the program, premiums will need to be paid to the PBGC.