

# 1991 Instructions for Form 5500

## Annual Return/Report of Employee Benefit Plan (With 100 or more participants)

(Code references are to the Internal Revenue Code. ERISA refers to the Employee Retirement Income Security Act of 1974.)

**Paperwork Reduction Act Notice.**—We ask for the information on this form to carry out the law as specified in ERISA and Code section 6039D. You are required to give us the information. We need it to determine whether the plan is operating according to the law.

The time needed to complete and file the forms listed below reflects the combined requirements of the Internal Revenue Service, Department of Labor, Pension Benefit Guaranty Corporation, and the Social Security Administration. These times will vary depending on individual circumstances. The estimated average times are:

	Recordkeeping	Learning about the law or the form	Preparing the form	Copying, assembling, and sending the form to the IRS
Form 5500 (initial filers)	87 hrs., 3 min.	8 hrs., 51 min.	13 hrs., 27 min.	48 min.
Form 5500 (all other filers)	81 hrs., 19 min.	8 hrs., 51 min.	13 hrs., 22 min.	48 min.
Schedule A (Form 5500)	17 hrs., 28 min.	28 min.	1 hr., 42 min.	16 min.
Schedule B (Form 5500)	33 hrs., 58 min.	2 hrs., 19 min.	3 hrs., 3 min.	.....
Schedule C (Form 5500)	5 hrs., 16 min.	18 min.	23 min.	.....
Schedule E (Form 5500) (non leveraged ESOP)	1 hr., 40 min.	12 min.	14 min.	.....
Schedule E (Form 5500) (leveraged ESOP)	10 hrs., 2 min.	1 hr., 41 min.	1 hr., 56 min.	.....
Schedule P (Form 5500)	1 hr., 40 min.	30 min.	32 min.	.....
Schedule SSA (Form 5500)	6 hrs., 42 min.	12 min.	19 min.	...

If you have comments concerning the accuracy of these time estimates or suggestions for making these forms more simple, we would be happy to hear from you. You can write to both the **Internal Revenue Service**, Washington, DC 20224, Attention: IRS Reports Clearance Officer, T:FP; and the **Office of Management and Budget**, Paperwork Reduction Project (1210-0016), Washington, DC 20503. DO NOT send this form to either of these offices. Instead, see the instructions on page 2 for information on where to file.

File 1991 forms for plan years that started in 1991. If the plan year differs from the calendar year, fill in the fiscal year space just under the form title. For a short plan year, see Section 1, instruction B on page 1.

**Reminder:** The return/report will be considered incomplete and penalties may be imposed if information required to be submitted on a schedule is not typed or printed on the appropriate schedule, such as the Schedule A (Form 5500). See "Schedules" on page 5. An annual return/report must be filed for employee welfare benefit plans which provide benefits wholly or partially through a Multiple Employer Welfare Arrangement (MEWA) as defined in ERISA section 3(40), unless otherwise exempt (see page 2).

In addition to filing this form with IRS, plans covered by the Pension Benefit Guaranty Corporation (PBGC) termination insurance program must file their Annual Premium Payment, PBGC Form 1, directly with that agency.

**Penalties.**—ERISA and the Code provide for the assessment or imposition of penalties for not giving complete information and not filing statements and returns/reports. Certain penalties are administrative; that is, they may be imposed or assessed by one of the governmental agencies delegated to administer the collection of the Form 5500-series data. Others require a legal conviction.

**A. Administrative Penalties.**—Listed below are various penalties for not meeting the Form 5500 series filing requirements. One or more of the following five 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 \$1,000 a day for each day a plan administrator fails or refuses to file a complete return/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, certain trusts and annuities, and bond purchase plans by the due date(s). See Code section 6652(e). This penalty also applies to returns required to be filed under Code section 6039D.

3. A penalty of \$1 a day (up to \$5,000) for each participant for whom a registration statement (Schedule SSA (Form 5500)) is required but not filed. See Code section 6652(d)(1).

4. A penalty of \$1 a day (up to \$1,000) for not filing a notification of change of status of a plan. See Code section 6652(d)(2).

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

**B. Other Penalties.**—

1. Any individual who willfully violates any provision of Part 1 of Title 1 of ERISA shall be fined not more than \$5,000 or imprisoned not more than 1 year, or both. See ERISA section 501.

2. A penalty of up to \$10,000, 5 years imprisonment, or both, 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 Use This Instruction Booklet

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## Section 1

**A. Who Must File.**—Any administrator or sponsor of an employee benefit plan subject to ERISA must file information about each plan **every year** (Code section 6058 and ERISA sections 104 and 4065). Also required to file, for each year, is every employer maintaining a specified fringe benefit plan as described in Code section 6039D except Code sections 79, 105, 106 and 129 plans. These plans are not required to file until further notice from IRS. The Internal Revenue Service (IRS), Department of Labor (DOL), and Pension Benefit Guaranty Corporation (PBGC) have consolidated their returns and report forms to minimize the filing burden for plan administrators and employers. The chart on page 4 gives a brief guide to the type of return/report to be filed.

**B. When To File.**—File all required forms and schedules by the last day of the 7th month after the plan year ends. For a short plan year, file the form and applicable schedules by the last day of the 7th month after the short plan year ends. For purposes of this return/report, the short plan year ends upon

the date of the change in accounting period or upon the complete distribution of the assets of the plan. (Also see Section 3.) If the current year Form 5500 is not available before the due date of your short plan year return/report, use the latest year form available and change the date printed on the return/report to the current year. Also show the dates your short plan year began and ended.

**Request for Extension of Time To File.**—A one time extension of time up to 2½ months may be granted for filing returns/reports if **Form 5558, Application for Extension of Time To File Certain Employee Plan Returns**, is filed **before the normal due date (not including any extensions) of the return/report.**

**Exception:** Plans are automatically granted extensions of time to file Form 5500 until the due date of the Federal income tax return of the employer if all 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. (3) A copy of the IRS extension of time to file the Federal income tax return is attached to the Form 5500 filed with IRS. An extension granted by using this exception CANNOT be extended further by filing a Form 5558.

**Note:** An extension of time to file the return/report does not operate as an extension of time to file the PBGC Form 1.

**C. Where To File.**—Please file the return/report with the Internal Revenue Service Center indicated below. No street address is needed.

See page 5 for the filing address for investment arrangements filing directly with DOL.

If the principal office of the plan sponsor or the plan administrator is located in	Use the following Internal Revenue Service Center address
Connecticut, Delaware, District of Columbia, Foreign Address, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Puerto Rico, Rhode Island, Vermont, Virginia	Holtsville, NY 00501
Alabama, Alaska, Arkansas, California, Florida, Georgia, Hawaii, Idaho, Louisiana, Mississippi, Nevada, North Carolina, Oregon, South Carolina, Tennessee, Washington	Atlanta, GA 39901
Arizona, Colorado, Illinois, Indiana, Iowa, Kansas, Kentucky, Michigan, Minnesota, Missouri, Montana, Nebraska, New Mexico, North Dakota, Ohio, Oklahoma, South Dakota, Texas, Utah, West Virginia, Wisconsin, Wyoming	Memphis, TN 37501
All Form 5500EZ filers	Andover, MA 05501

## Section 2

**A. Kinds of Plans.**—Employee benefit plans include pension benefit plans and welfare benefit plans. File the applicable return/report for any of the following plans.

(a) *Pension benefit plan.*—This is an employee pension benefit plan covered by

ERISA. The return/report is due whether or not the plan is qualified and even if benefits no longer accrue, contributions were not made this plan year, or contributions are no longer made ("frozen plan" or "wasting trust"). See Section 3 "Final Return/Report" on page 6.

Pension benefit plans required to file include defined benefit plans and defined contribution plans (e.g., profit-sharing, stock bonus, money purchase plans, etc.). The following are among the pension benefit plans for which a return/report must be filed:

- (i) Annuity arrangements under Code section 403(b)(1).
- (ii) Custodial account established under Code section 403(b)(7) for regulated investment company stock.
- (iii) Individual retirement account established by an employer under Code section 408(c).
- (iv) Pension benefit plan maintained outside the United States primarily for nonresident aliens if the employer who maintains the plan is:

- (A) a domestic employer, or
- (B) a foreign employer with income derived from sources within the U.S. (including foreign subsidiaries of domestic employers) and deducts contributions to the plan on its U.S. income tax return. See "Plans Excluded From Filing" below.
- (v) Church plans electing coverage under Code section 410(d).
- (vi) A plan that covers residents of Puerto Rico, the 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.

See "Items To Be Completed on Form 5500" on page 4 for more information about what questions need to be completed by pension plans.

(b) *Welfare benefit plan.*—This is an employee welfare benefit plan covered by Part 1 of Title I of ERISA. Welfare plans would provide benefits such as medical, dental, life insurance, apprenticeship and training, scholarship funds, severance pay, disability, etc.

See "Items To Be Completed on Form 5500" on page 4 for more information about what questions need to be completed for welfare benefit plans.

(c) *Fringe benefit plan.*—Group legal services plans described in Code section 120, cafeteria plans described in Code section 125, and educational assistance programs described in Code section 127 are considered fringe benefit plans and generally are required to file the annual information specified by Code section 6039D. However, Code section 127 educational assistance programs which provide only job-related training which is deductible under Code section 162 do not need to file Form 5500.

See "Items To Be Completed on Form 5500" on pages 4 and 5 for more information about how to complete this form for a fringe benefit plan.

**B. Plans Excluded From Filing (this does not apply if you are a fringe benefit plan required to file by Code section 6039D).**—Do not file a return/report for an employee benefit plan that is any of the following:

(a) A welfare benefit plan which covered fewer than 100 participants as of the beginning of the plan year and is: (i) fully insured, (ii) unfunded, or (iii) a combination of insured and unfunded.

(1) 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.

(2) A fully insured welfare benefit plan has its benefits provided exclusively through insurance contracts or policies, the premiums of which must be paid directly 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).

(3) 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 which provides medical benefits as in (1) above and life insurance benefits as in (2) above.

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 can legally do business in any state. A plan meeting (1) above cannot have any assets at any time during the plan year.

"Directly," as used in (1) above, means that the plan cannot use a trust or separately maintained fund (including a Code section 501(c)(9) trust) to hold plan assets or to act as a conduit for the transfer of plan assets.

See 29 CFR 2520.104-20.

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

(b) An unfunded pension benefit plan or an unfunded or insured welfare benefit plan: (1) whose benefits go only to a select group of management or highly compensated employees, and (2) which meets the terms of Department of Labor Regulations 29 CFR 2520.104-23 (including the requirement that a notification statement be filed with DOL) or 29 CFR 2520.104-24.

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

(d) An unfunded excess benefit plan.

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

(f) A pension benefit plan maintained outside the United States if it is a qualified foreign plan within the meaning of Code section 404A(e) that does not qualify for the treatment provided in Code section 402(c).

(g) An annuity arrangement described in 29 CFR 2510.3-2(f).

(h) A simplified employee pension (SEP) described in Code section 408(k) which conforms to the alternative method of compliance described in 29 CFR 2520.104-48 or 29 CFR 2520.104-49. A SEP is a pension plan which meets certain minimum

qualifications regarding eligibility and employer contributions.

(i) A church plan not electing coverage under Code section 410(d) or a governmental plan.

(j) A welfare benefit plan (other than a fringe benefit plan) that participates in a group insurance arrangement that files a return/report Form 5500 on behalf of the welfare benefit plan. See 29 CFR 2520.104-43.

(k) An apprenticeship or training plan meeting all of the conditions specified in 29 CFR 2520.104-22.

**C. Kinds of Filers.**—The different types of plan entities that file the forms are described below. (Also see instructions for item 4 on page 7.)

(a) *Single-employer plan.*—If one employer or one employee organization maintains a plan, file a separate return/report for the plan. If the employer or employee organization maintains more than one such plan, file a separate return/report for each plan.

If a member of either a controlled group of corporations, a group of trades or businesses under common control, or an affiliated service group maintains a plan that does not involve other group members, file a separate return/report as a single-employer plan.

If several employers participate in a program of benefits wherein the funds attributable to each employer are available only to pay benefits to that employer's employees, each employer must file a separate return/report.

(b) *Plan for controlled group of corporations, group of trades or businesses under common control, or an affiliated service group.*—These groups are defined in Code sections 414(b), (c), and (m), and are referred to as controlled groups.

If the benefits are payable to participants from the plan's total assets without regard to contributions by each participant's employer, file one return/report for the plan. On the return/report for the plan, complete item 22 only for the controlled group's employees.

**Exception:** Employers who participate in a pension plan of one of the groups listed above but who are not members of the group must file a separate return/report. The return/report should be filed on Form 5500-C/R regardless of the number of participants. The years you are required to file pages 1 and 3 through 6 as Form 5500-C complete only items 1 through 7a, 9, and 22. The years you file pages 1 and 2 as Form 5500-R complete only items 1 through 7a, 8a, and 8b. These participating employers must enter code F in item 4 of the Form 5500-C/R.

If several employers participate in a program of benefits wherein the funds attributable to each employer are available only to pay benefits to that employer's employees, each employer must file a separate return/report as a single employer plan.

(c) *Multiemployer plan.*—Multiemployer plans are plans: (1) to which more than one employer is required to contribute, (2) which are maintained pursuant to one or more collective bargaining agreements, and (3) have not made the election under Code section 414(f)(5) and ERISA section 3(37)(E). File one return/report for each of these plans. Contributing employers do not file individually

with respect to such plans. See Code section 414 for more information.

(d) *Multiple-employer-collectively-bargained plan.*—A multiple-employer-collectively-bargained plan involves more than one employer, is collectively bargained and collectively funded, and, if covered by PBGC termination insurance, had properly elected before 9-27-81 not to be treated as a multiemployer plan under Code section 414(f)(5) or ERISA sections 3(37)(E) and 4001(a)(3). File one return/report for each such plan. Participating employers do not file individually for these plans.

**Note:** Filers described in (c) or (d) above complete item 22 only if a plan: (1) benefits employees who are not collective bargaining unit employees, or (2) only covers collective bargaining unit employees and 2% or more of them are professionals.

(e) *Multiple-employer plan (other).*—A multiple-employer plan (other) involves more than one employer and is not one of the plans already described. A multiple-employer plan (other) includes only plans whose contributions from individual employers are available to pay benefits to all participants. File one return/report for each such plan.

**Exception:** Each employer participating in a multiple-employer plan (other) which provides pension benefits must file a Form 5500-C/R regardless of the number of participants. For the years you are required to file pages 1 and 3 through 6 as Form 5500-C, complete only items 1 through 7a, 9, and 22. For the years you file pages 1 and 2 as Form 5500-R, complete only items 1 through 7a, 8a, and 8b. Each participating employer filing the Form 5500-C/R must enter code F in item 4.

**Note:** If a participating employer is also the sponsor of the multiple-employer plan (other), the plan number on the return/report filed for the plan should be 333 and if more than one plan they should be consecutively numbered starting with 333.

The Form 5500-C or Form 5500-R filed by the participating employer should list the appropriate plan number.

If more than one employer participates in the plan and the plan provides that each employer's contributions are available to pay benefits only for that employer's employees who are covered by the plan, one annual return/report must be filed for each participating employer. These filers will be considered single employers and should complete the entire form.

(f) *Group insurance arrangement.*—A group insurance arrangement is an arrangement which provides benefits to the employees of two or more unaffiliated employers (not in connection with a multiemployer plan or a multiple-employer-collectively-bargained plan), fully insures one or more welfare plans of each participating employer, and uses a trust (or other entity such as a trade association) as the holder of the insurance contracts and the conduit for payment of premiums to the insurance company.

You do not need to file a separate return/report for a welfare benefit plan that is part of a group insurance arrangement if a consolidated return/report for all the plans in the arrangement was filed by the trust or other entity according to 29 CFR 2520.104-43. Form 5500 is required by 29

CFR 2520.103-2 to be part of the consolidated report.

**D. Investment Arrangements Filing Directly With DOL.**—Some plans invest in certain trusts, accounts, and other investment arrangements which may file information concerning themselves and their relationship with employee benefit plans directly with DOL (as specified on pages 5 and 6). Plans participating in an investment arrangement as described in paragraphs a through c below are required to attach certain additional information to the return/report filed with IRS as specified below.

**a. Common/Collective Trust and Pooled Separate Account**

(i) *Definition.* For reporting purposes, a "common/collective trust" is a trust maintained by a bank, trust company, or similar institution which is regulated, supervised, and subject to periodic examination by a state or Federal agency 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 the term is used in Code section 1563. For reporting purposes, a "pooled separate account" is an account maintained by an insurance carrier which is regulated, supervised, and subject to periodic examination by a state agency 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 the term is used in Code section 1563. See 29 CFR sections 2520.103-3, 2520.103-4, 2520.103-5, and 2520.103-9.

**Note:** For reporting purposes, a separate account not considered to be holding plan assets pursuant to 29 CFR 2510.3-101(h)(1)(iii) shall not constitute a pooled separate account.

(ii) *Additional Information Required To Be Attached to the Form 5500 for Plans Participating in Common/Collective Trusts and Pooled Separate Accounts.*—A plan participating in a common/collective trust or pooled separate account must complete the annual return/report and attach either: (1) the most recent statement of the assets and liabilities of any common/collective trust or pooled separate account, or (2) a certification that: (A) the statement of the assets and liabilities of the common/collective trust or pooled separate account has been submitted directly to DOL by the financial institution or insurance carrier; (B) the plan has received a copy of the statement; and (C) includes the EIN and other numbers used by the financial institution or insurance carrier to identify the trusts or accounts in the direct filing made with DOL.

**b. Master Trust**

(i) *Definition.* 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.

A "regulated financial institution" means a bank, trust company, or similar financial

## Summary of Filing Requirements for Employers and Plan Administrators (File forms ONLY with IRS)

Type of plan	What to file	When to file
Most pension plans with only one participant or one participant and that participant's spouse	Form 5500EZ	File all required forms and schedules for each plan by the last day of the 7th month after the plan year ends.
Pension plan with fewer than 100 participants	Form 5500-C/R	
Pension plan with 100 or more participants	Form 5500	
Annuity under Code section 403(b)(1) or trust under Code section 408(c)	Form 5500 or 5500-C/R	
Custodial account under Code section 403(b)(7)	Form 5500 or 5500-C/R	
Welfare benefit plan with 100 or more participants*	Form 5500	
Welfare benefit plan with fewer than 100 participants (see exception on page 1 of these instructions)*	Form 5500-C/R	
Pension or welfare plan with 100 or more participants (see instructions for item 29)	Financial statements, schedules, and accountant's opinion	
Pension or welfare plan with benefits provided by an insurance company	Schedule A (Form 5500)	
Pension plan that requires actuarial information	Schedule B (Form 5500)	
Pension or welfare plan with 100 or more participants	Schedule C (Form 5500)	
Pension plan with ESOP benefits	Schedule E (Form 5500)	
Pension plan filing a registration statement identifying separated participants with deferred vested benefits from a pension plan	Schedule SSA (Form 5500)	

\*This includes Code section 6039D filers.

institution which is regulated, supervised, and subject to periodic examination by a state or Federal agency. Common control is determined on the basis of all relevant facts and circumstances (whether or not such employers are incorporated). See 29 CFR 2520.103-1(e).

For reporting purposes, the assets of a master trust are considered 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 master trust investment account if each plan which 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 which are not held in such a pool. Each such asset must be treated as a separate master trust investment account.

Financial information must generally be provided with respect to each master trust investment account as specified on pages 5 and 6.

(ii) **Additional Information Required To Be Attached to the Form 5500 for Plans Participating in Master Trusts.** A plan participating in a master trust must complete the annual return/report and attach a schedule listing each master trust investment account in which the plan has an interest indicating the plan's name, EIN, and plan number and the name of the master trust used in the master trust information filed with DOL (see pages 5 and 6). In tabular format, show the net value of the plan's interest in each investment account at the beginning and end of the plan year, and the net investment gain (or loss) allocated to the plan for the plan year from the investment account (see instructions for items 34c(11) through (15) on page 17).

**Note:** If a master trust investment account consists solely of one plan's asset(s) during the reporting period, the plan may report the asset(s) either as an investment account to be reported as part of the master

trust report filed directly with DOL or as a plan asset(s) which is not part of the master trust (and therefore subject to all instructions pertaining to assets not held in a master trust).

### c. 103-12 Investment Entities

**Definition.** 29 CFR 2520.103-12 provides an alternative method of reporting for plans which invest in an entity (other than an investment arrangement filing with DOL described in a or b above), the underlying assets of which include "plan assets" (within the meaning of 29 CFR 2510.3-101) of two or more plans which are not members of a "related group" of employee benefit plans. For reporting purposes, a "related group" 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.

For reporting purposes, the investment entities described above with respect to which the required information is filed directly with DOL constitute "103-12 investment entities" (103-12 IEs).

**E. What To File.**—This section describes the different categories of the 5500 series of forms and schedules. In addition, this section also lists items to be completed by different types of Form 5500 filers. In addition, this section contains a description of the special filing requirements for plans that invest in certain investment arrangements. For a brief guide illustrating which forms and schedules are required by different types of plans and filers, see the chart above.

## Forms

**Form 5500.**—File Form 5500, Annual Return/Report of Employee Benefit Plan, annually for each plan with 100 or more participants at the beginning of the plan year.

**Form 5500-C/R.**—File Form 5500-C/R, Return/Report of Employee Benefit Plan, for each pension benefit plan, welfare benefit plan, and fringe benefit plan (unless otherwise exempted) with fewer than 100 participants (one-participant plans see "Form 5500EZ" below) at the beginning of the plan year.

**Note:** Generally, under the filing requirement explained above, if the number of plan participants increases to 100 or more, or decreases to under 100, from one year to the next, you would have to file a different form from that filed the previous year. However, there is an exception to this rule. You may continue to file the same form you filed last year, provided that at the beginning of this plan year the plan had at least 80 participants, but not more than 120.

**Form 5500EZ.**—Form 5500EZ, Annual Return of One-Participant Pension Benefit Plan, should be filed by most 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.

See Form 5500EZ and its instructions to see if the plan meets the requirements for filing the form.

**Form 8822.**—Form 8822, Change of Address, may be used to notify the IRS if the plan's mailing address changes after the return/report has been filed.

### Items To Be Completed on Form 5500

Certain kinds of plans and certain kinds of filers that are required to submit an annual Form 5500 are not required to complete the entire form. These are described below, by type of plan. Check the list of headings to see if your plan is affected.

**1. Welfare Benefit Plans**—Welfare benefit plans generally must complete the following items on the Form 5500: 1 through 6a; 6c, 7a(4), b, c, and d; 8a, b, e, and f; 9a, b, c, and f; 10a through d; 11 through 14; 28 through 32; and 34 through 36.

**2. Fringe Benefit Plans**—For a Form 5500 filed only for fringe benefit plans described in Code sections 120, 125 and 127, complete only items 1 through 6a, 7a(4), 7b, 9a and b, 22h, 22m, and 35g and h. Do NOT file 5500 Schedules A, B, C, E, P or SSA (Form 5500).

If the annual return/report is also for a welfare benefit plan (see "Who Must File" on page 1), complete the above items and those specified for welfare benefit plans in "1" above.

**3. Pension Plans**—In general, most pension plans (defined benefit and defined contribution) are required to complete all items on the form. However, some items need not be completed by certain types of pension plans, as described below.

**a. Plans exclusively using a tax deferred annuity arrangement under Code section 403(b)(1).** These plans (see "Who Must File" on page 1) need only complete items 1 through 5, 6b (enter code 4), and 9.

**b. Plans exclusively using a custodial account for regulated investment company stock under Code section 403(b)(7).** These plans need only complete items 1 through 5, 6b (enter code 5), and 9.

**c. Individual Retirement Account Plan.**—A pension plan utilizing individual retirement accounts or annuities (as described in Code section 408) as the sole funding vehicle for providing benefits need only complete items 1 through 5, 6b (enter code 6), and 9.

**d. Fully Insured Pension Plan.**—A pension benefit plan providing benefits exclusively through an insurance contract, or contracts that are fully guaranteed and which meet all of the conditions of 29 CFR 2520.104-44 need only complete items 1 through 29, 32, and 33.

A pension plan which includes both insurance contracts of the type described in 29 CFR 2520.104-44 as well as other assets should limit its reporting in items 34 and 35 to those other assets.

**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 "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, without adjustment for fluctuations in the market value of the underlying assets of the company or organization, to each participant, and each participant has a legal right to such benefits which is legally enforceable directly against the insurance company or organization.

**e. Nonqualified pension benefit plans maintained outside the U.S.**—Nonqualified pension benefit plans maintained outside the United States primarily for nonresident aliens required to file a return/report (see "Who Must File" on page 1) need only complete items 1 through 8c, 9 through 12, and 15 through 17.

**4. Plans of More Than One Employer**—All plans of more than one employer (plans of a

controlled group, multiemployer plans, multiple-employer-collectively-bargained plans, and multiple-employer plan (other)) generally should complete all applicable (welfare or pension) items on the form except for item 6d. Only single-employer pension plans must complete this item.

## Schedules

The various schedules to be attached to the return/report are listed below.

**Note:** All attachments to the Forms 5500, and 5500-C/R must include the name of the plan, the plan sponsor's EIN, and plan number (PN) as found in items 5a, 1b, and 5c, respectively.

**Attach Schedule A (Form 5500), Insurance Information,** to Form 5500, or 5500-C/R, 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 investments with insurance companies such as guaranteed investment contracts (GICs).)

**Exceptions:** (1) Schedule A (Form 5500) is not needed if the plan covers only: (a) an individual, or an individual and his or her spouse, who wholly owns a trade or business, whether incorporated or unincorporated; or (b) a partner in a partnership, or a partner and his or her spouse.

(2) A Schedule A (Form 5500) is not required to be filed with the Form 5500 or Form 5500-C/R if a Schedule A (Form 5500) is filed for the contract as part of the master trust or 103-12 IE information filed directly with DOL.

Do not file a Schedule A (Form 5500) with a Form 5500EZ.

**Attach Schedule B (Form 5500), Actuarial Information,** to Form 5500, 5500-C/R, or 5500EZ for most defined benefit pension plans. See the instructions for Schedule B.

**Attach Schedule C (Form 5500), Service Provider and Trustee Information,** to Form 5500. See item 28 and the instructions to Schedule C.

**Attach Schedule E (Form 5500), ESOP Annual Information,** to Form 5500, 5500-C/R, or 5500EZ for all pension benefit plans with ESOP benefits. See the instructions for Schedule E.

**Schedule SSA (Form 5500), Annual Registration Statement Identifying Separated Participants With Deferred Vested Benefits,** may be needed for separated participants. See "When To Report Separated Participants" in the instructions for Schedule SSA.

**Schedule P (Form 5500), Annual Return of Fiduciary of Employee Benefit Trust.**—Any fiduciary (trustee or custodian) of an organization that is qualified under Code section 401(a) and exempt from tax under Code section 501(a) who wants to protect the organization under the statute of limitations provided in Code section 6501(a) must file a Schedule P (Form 5500).

File the Schedule P (Form 5500) as an attachment to Form 5500, 5500-C/R or 5500EZ for the plan year in which the trust year ends.

## Other Filings

### Reporting Requirements for Investment Arrangements Filing Directly with DOL

Certain investment arrangements for employee benefit plans file financial information directly with DOL. These arrangements include common/collective trusts, pooled separate accounts, master trusts, and 103-12 IEs. Definitions of these investment arrangements may be found on pages 3 and 4. Their DOL filing requirements are described below.

#### 1. Common/Collective Trust and Pooled Separate Account Information To Be Filed Directly With DOL

Financial institutions and insurance carriers filing the statement of the assets and liabilities of a common/collective trust or pooled separate account should identify the trust or account by providing the EIN of the trust or account, or (if more than one trust or account is covered by the same EIN) both the EIN and any additional number assigned by the financial institution or insurance carrier (such as: 99-1234567 Trust No. 1); and a list of all plans participating in the trust or account, identified by the plan number, EIN, and name of the plan sponsor. The direct filing should be addressed to:

Common/Collective Trust (OR)  
Pooled Separate Account  
Pension and Welfare Benefits  
Administration  
U.S. Department of Labor, Room N5644  
200 Constitution Avenue, NW  
Washington, DC 20210

#### 2. Master Trust Information To Be Filed Directly With DOL

The following information with respect to a master trust must be filed with DOL by the plan administrator or by a designee, such as the administrator of another plan participating in the master trust or the financial institution serving as trustee of the master trust, no later than the date on which the plan's return/report is due. While only one copy of the required information should be filed for all plans participating in the master trust, the information is an integral part of the return/report of each participating plan, and the plan's return/report will not be deemed complete unless all the information is filed within the prescribed time.

**Note:** If a master trust investment account consists solely of one plan's asset(s) during the reporting period, the plan may report the(se) asset(s) either as an investment account to be reported as part of the master trust report filed directly with DOL or as a plan asset(s) which is not part of the master trust (and therefore subject to all instructions pertaining to assets not held in a master trust).

Each of the following statements and schedules must indicate the name of the master trust and the name of the master trust investment account. The information shall be filed with DOL by mailing it to:

Master Trust  
Pension and Welfare Benefits  
Administration  
U.S. Department of Labor, Room N5644  
200 Constitution Avenue, NW  
Washington, DC 20210

a. The name and fiscal year of the master trust and the name and address of the master trustee.

b. A list of all plans participating in the master trust, showing each plan's name, EIN, PN, and its percentage interest in each master trust investment account as of the beginning and end of the fiscal year of the master trust ending with or within the plan year.

c. A Schedule A (Form 5500) for each insurance or annuity contract held in the master trust.

d. A statement, in the same format as Part I of Schedule C (Form 5500), for each master trust investment account showing amounts of compensation paid during the fiscal year of the master trust ending with or within the plan year to persons providing services with respect to the investment account and subtracted from the gross income of the investment account in determining the net increase (decrease) in net assets of the investment account.

e. A statement for each master trust investment account showing the assets and liabilities of the investment account at the beginning and end of the fiscal year of the master trust ending with or within the plan year, grouped in the same categories as those specified in item 34 of Form 5500.

f. A statement for each master trust investment account showing the income and expenses, changes in net assets, and net increase (decrease) in net assets of each such investment account during the fiscal year of the master trust ending with or within the plan year, in the categories specified in item 35 of Form 5500. In place of item 35a, show the total of all transfers of assets into the investment account by participating plans. In place of item 35j, show the total of all transfers of assets out of the investment account by participating plans.

g. Schedules, in the format set forth in the instructions for item 30 of Form 5500, of the following items with respect to each master trust investment account for the fiscal year of the master trust ending with or within the plan year: assets held for investment, nonexempt party-in-interest transactions, defaulted or uncollectible loans and leases, and 5% transactions involving assets in the investment account. 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 master trust.

### 3. 103-12 IE Information To Be Filed Directly With DOL

The information described below must be filed with the DOL by the sponsor of the 103-12 IE no later than the date on which the plan's return/report is due before the plan administrator can elect the alternative method of reporting. While only one copy of the required information should be filed for the 103-12 IE, the information is an integral part of the return/report of each plan electing the alternative method of compliance.

The filing address is:

103-12 Investment Entity  
Pension and Welfare Benefits  
Administration

U. S. Department of Labor, Room N5644

200 Constitution Avenue, NW  
Washington, DC 20210

a. The name, fiscal year, and EIN of the 103-12 IE and the name and address of the sponsor of the 103-12 IE. If more than one 103-12 IE is covered by the same EIN, they shall be sequentially numbered as follows: 99-1234567 Entity No. 1.

b. A list of all plans participating in the 103-12 IE, showing each plan's name, EIN, PN, and its percentage interest in the 103-12 IE as of the beginning and end of the fiscal year of the 103-12 IE ending with or within the plan year.

c. A Schedule A (Form 5500) for each insurance or annuity contract held in the 103-12 IE.

d. A statement, in the same format as Part I of Schedule C (Form 5500), for the 103-12 IE showing amounts of compensation paid during the fiscal year of the 103-12 IE ending with or within the plan year to persons providing services to the 103-12 IE.

e. A statement showing the assets and liabilities at the beginning and end of the fiscal year of the 103-12 IE ending with or within the plan year, grouped in the same categories as those specified in item 34 of Form 5500.

f. A statement showing the income and expenses, changes in net assets, and net increase (decrease) in net assets during the fiscal year of the 103-12 IE ending with or within the plan year, grouped in the same categories as those specified in item 35 of Form 5500. In place of item 35a, show the total of all transfers of assets into the 103-12 IE by participating plans. In place of item 35j, show the total of all transfers of assets out of the 103-12 IE by participating plans.

g. Schedules, in the format set forth in the instructions for item 30 of Form 5500 (except item 30d) with respect to the 103-12 IE for the fiscal year of the 103-12 IE ending with or within the plan year. Substitute the term "103-12 IE" in place of the word "plan" when completing the schedules.

h. A report of an independent qualified public accountant regarding the above items and other books and records of the 103-12 IE that meets the requirements of 29 CFR 2520.103-1(b)(5).

## Section 3

### General Information

**Final Return/Report.**—If all assets under the plan (including insurance/annuity contracts) have been distributed to the participants and beneficiaries or distributed to 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 at the top of the form filed for such plan. The year of complete distribution is the last year a return/report must be filed for the plan. For purposes of this paragraph, a complete distribution will occur in the year in which the assets of a terminated plan are brought under the control of PBGC.

For a defined benefit plan covered by PBGC, a PBGC Form 1 must be filed and a premium must be paid until the end of the plan year in which the assets are distributed or brought under the control of PBGC.

Filing the return/report marked "Final return" and indicating that the plan

terminated satisfies the notification requirement of Code section 6057(b)(3).

**Signature and Date.**—The plan administrator must sign and date all returns/reports filed. The name of the individual who signed as plan administrator must be typed or printed clearly on the line under the signature line. In addition, the employer must sign a return/report filed for a single-employer plan or a plan required to file only because of Code section 6039D (i.e., for a fringe benefit plan).

When a joint employer-union board of trustees or committee is the plan sponsor or plan administrator, at least one employer representative and one union representative must sign and date the return/report.

Participating employers in a multiple-employer plan (other), who are required to file Form 5500-C/R, are required to sign the return/report. The plan administrator need not sign the Form 5500-C/R filed by the participating employer.

**Reproductions.**—Original forms are preferable, but a clear reproduction of the completed form is acceptable. Sign the return/report after it is reproduced. All signatures must be original.

**Change in Plan Year.**—Generally only defined benefit pension plans need to get prior approval for a change in plan year. (See Code section 412(c)(5).) Rev. Proc. 87-27, 1987-1 C.B. 769 explains the procedure for automatic approval of a change in plan year. A pension benefit plan that would ordinarily need to obtain approval for a change in plan year under Code section 412(c)(5) is granted an automatic approval for a change in plan year if all the following criteria are met:

1. No plan year exceeds 12 months long.
2. The change will not delay the time when the plan would otherwise have been required to conform to the requirements of any statute, regulation, or published position of the IRS.
3. The trust, if any, retains its exempt status for the short period required to effect the change, as well as for the taxable year immediately preceding the short period.
4. All actions necessary to implement the change in plan year, including plan amendment and a resolution of the board of directors (if applicable), have been taken on or before the last day of the short period.
5. No change in plan year has been made for any of the preceding plan years.

6. In the case of a defined benefit plan, deductions are taken in accordance with section 5 of Rev. Proc. 87-27.

For the first return/report that is filed following the change in plan year, check the box on line C at the top of the form.

**Amended Return/Report.**—If you file an amended return/report, check box A(2) "an amended return/report" at the top of the form. When filing an amended return, be sure to answer all questions and put a circle around the numbers of the items that have been amended.

**How The Annual Return/Report Information May Be Used.**—All Form 5500 series return/reports will be subjected to a computerized review. It is, therefore, in the filer's best interest that the responses accurately reflect the circumstances they were designed to report. Annual reports filed



under Title I of ERISA must be made available by plan administrators to plan participants and by the Department of Labor to the public pursuant to ERISA section 104.

## Section 4

### Specific Instructions for Form 5500

**Important:** Answer all items on the Form 5500 with respect to the plan year, unless otherwise explicitly stated in the item-by-item instructions or on the form itself. Therefore, your responses usually apply to the year entered or printed at the top of the first page of the form. "Yes" and "No" questions are to be marked either "Yes" or "No," but not both. "N/A" cannot be used to respond to a "Yes" or "No" question which is required to be answered by the filer as specified on page 4 or 5 under "Items To Be Completed On Form 5500."

#### Information To Be Completed at the Top of the Form

**First Line** at the top of the form— Complete the space for dates when: (1) the 12-month plan year is not a calendar year, or (2) the plan year is less than 12 months (a short plan year).

**A.** Check box (1) if this is the initial filing for this plan. Do not check this box if you have ever filed for this plan even if it was on a different form (Form 5500 vs. Form 5500-C or Form 5500-R).

Check box (2) if you have already filed for the 1991 plan year and are now submitting an amended return/report to reflect errors and/or omissions on the previously filed return/report.

Check box (3) if the plan no longer exists to provide benefits. See section 3 on page 6 for instructions concerning the requirement to file a final return/report.

Check box (4) if this form is being filed for a period of less than 12 months.

**B.** Check the box if you made any changes to the preprinted information on page 1.

**C.** Check the box if the plan year has been changed since the last return/report was filed.

**D.** Check this box if you filed for an extension of time to file this form. Attach a copy of Form 5558 or a copy of the employer's extension of time to file the income tax return if you are using the exception in "Request for Extension of Time to File" on page 2 of these instructions.

**The numbers of the following instructions are the same as the item numbers on the return/report.**

Check the information printed in 1 through 6b for accuracy and completeness. Line out any incorrect information and enter the correct information. Complete any incomplete items.

If you did not receive a Form 5500 with the page one information filled in, complete items 1 through 6b as follows:

**1a.** Enter the name and address of the plan sponsor. If the plan covers only the employees of one employer, enter the employer's name. If the Post Office does not deliver mail to the street address and the sponsor has a P.O. box, show the P.O. box number instead of the street address.

The term "plan sponsor" means—

(i) the employer, for an employee benefit plan that a single employer established or maintains;

(ii) the employee organization in the case of a plan of an employee organization; or

(iii) 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.

Include enough information in item 1(a) to describe the sponsor adequately. For example, "Joint Board of Trustees of Local 187 Machinists" rather than just "Joint Board of Trustees."

For group insurance arrangements, enter the name of the trust or other entity that holds the insurance contracts. In addition, attach a list of all participating employers and their EINs.

A "group insurance arrangement" is an arrangement which provides benefits to the employees of two or more unaffiliated employers (not in connection with a multiemployer plan or a multiple-employer-collectively-bargained plan), fully insures one or more welfare plans of each participating employer, and uses a trust (or other entity such as a trade association) as the holder of the insurance contracts and the conduit for payment of premiums to the insurance company.

**1b.** Enter the 9-digit employer identification number (EIN) assigned to the plan sponsor/employer. For example, 00-1234567.

Employers and plan administrators who do not have an EIN should apply for one on Form SS-4, available from most IRS or Social Security Administration offices. Send Form SS-4 to the Internal Revenue Service Center to which this form will be sent.

Plan sponsors are reminded that they should use the trust EIN when opening a bank account or conducting other transactions for a plan that requires an employer identification number. The trust may apply for an EIN as explained in the preceding paragraph.

A plan of a controlled group of corporations whose sponsor is more than one of the members of the controlled group should insert only the EIN of one of the sponsoring members. This EIN must be used in all subsequent filings of the annual returns/reports for the controlled group unless there is a change in the sponsor.

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."

**Note:** Although EINs for funds (trusts or custodial accounts) associated with plans are not required to be furnished on the Form 5500 series returns/reports, the IRS will issue EINs for such funds for other reporting purposes. EINs may be obtained by filing Form SS-4 as explained above.

**1d.** From the list of business codes on pages 19 and 20, enter the one that best describes the nature of the employer's business. If more than one employer is involved, enter the business code for the main business activity.

**1e.** Plans entering code A or B in item 4 must enter the first six digits of the CUSIP (Committee on Uniform Securities Identification Procedures) number, "issuer number," if one has been assigned to the plan sponsor for purposes of issuing corporate securities. CUSIP issuer numbers are assigned to corporations and other entities which issue public securities listed on stock exchanges or traded over the counter. The CUSIP issuer number is the first six digits of the number assigned to the individual securities which are traded. If the plan sponsor has no CUSIP issuer number, enter "N/A."

**2a.** If the document constituting the plan appoints or designates a plan administrator other than the sponsor, enter the administrator's name and address. If the plan administrator is also the sponsor, enter "Same." If filing as a group insurance arrangement, enter "Same." If "Same" is entered on 2a, then items 2b and 2c should be left blank.

The term "administrator" means—

(i) the person or group of persons specified as the administrator by the instrument under which the plan is operated;

(ii) the plan sponsor/employer if an administrator is not so designated; or

(iii) any other person prescribed by regulations of the Secretary of Labor if an administrator is not designated and a plan sponsor cannot be identified.

**2b.** A plan administrator must have an EIN for reporting purposes. Enter the plan administrator's 9-digit EIN here. If the plan administrator has no EIN, apply for one as explained in 1b above.

Employees of an employer are not plan administrators unless so designated in the plan document, even though they engage in administrative functions of the plan. If an employee of the employer is designated as the plan administrator, that employee must get an EIN.

**3.** If the plan sponsor's/administrator's name, address and EIN are different than what appears on the last return/report filed for this plan, enter the plan sponsor's/administrator's name, address and EIN as it appears on the last return/report filed for this plan.

**3c.** Indicate if the change in 3a is only a change in sponsorship. "Change in sponsorship" means the plan's sponsor has been changed but no assets or liabilities have been transferred to another plan(s), the plan has not terminated or merged with any other plan, and so forth. Therefore, the plan is now the responsibility of the new sponsor whose name is entered in item 1a of this return/report.

**4.** From the following list of plan entities choose the one that describes your plan entity and enter the code for it in item 4.

Entity	Code
Single-employer plan . . . . .	A
Plan of controlled group of corporations or common control employers . . . . .	B
Multiemployer plan . . . . .	C
Multiple-employer-collectively-bargained plan, . . . . .	D
Multiple-employer plan (other) . . . . .	E

Group insurance arrangement  
(of welfare plans) . . . . . F

**5a(1).** Enter the formal name of the plan, group insurance arrangement, or enough information to identify the plan. This name should be no more than 70 characters long. If the present plan name is larger than this, try to abbreviate it so that it is no more than 70 spaces long.

**5b.** Enter the date the plan first became effective.

**5c.** Enter the 3-digit number the employer or plan administrator assigned to the plan. All welfare benefit plan numbers and Code section 6039D plan numbers start at 501. All other plans start at 001.

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

**6a.** Enter every code from the list below that describes the welfare benefit plan for which this return/report is being filed.

**Example:** If your plan provides health insurance, life insurance, dental insurance, eye examinations, the four codes A, B, D, and E should be entered. If your plan has a benefit not described by one of the codes, enter "Z" and write in a description of this benefit in the space provided.

A fringe benefit plan (i.e., a Code section 120, 125 or 127 plan) filing because of the reporting requirement under Code section 6039D should enter either code M, N, or O. A plan that is required to file under Title I of ERISA as a welfare plan and under Code section 6039D as a fringe benefit plan should enter the applicable welfare and fringe benefit codes.

If you entered code M, N, or O, you must check 6a(2) "No" if the plan is:  
(1) unfunded, (2) fully insured, or (3) a combination of unfunded/insured as defined on page 2, Section 2B(a).

Type of Welfare or Fringe Benefit Plan	Code
Health (other than dental or vision) . . . . .	A
Life insurance . . . . .	B
Supplemental unemployment . . . . .	C
Dental . . . . .	D
Vision . . . . .	E
Temporary disability (accident and sickness) . . . . .	F
Prepaid legal . . . . .	G
Long-term disability . . . . .	H
Severance pay . . . . .	I
Apprenticeship and training . . . . .	J
Scholarship (funded) . . . . .	K
Death benefits (other than life ins.) . . . . .	L
Code section 120 group legal services plan . . . . .	M
Code section 125 cafeteria plan . . . . .	N
Code section 127 educational assistance program . . . . .	O
Taft-Hartley Financial Assistance for Employee Housing Expenses . . . . .	P
Other (specify on page 1) . . . . .	Z

**6b.** Pension benefit plans must enter the codes from the list below that describe the type of benefits the Form 5500 is being filed for. If none of the codes in the list describe the type of pension plan, enter code "7" and

describe the type of pension plan you are filing for.

Type of Pension Benefit Plan	Code
Defined benefit . . . . .	1
<b>Defined Contribution</b>	
Profit-sharing . . . . .	2A
Stock bonus . . . . .	2B
Target Benefit . . . . .	2C
Other money purchase . . . . .	2D
Other (specify on page 1) . . . . .	2E
<b>Note: ESOP plans must check 6c(1) or 6c(2).</b>	
<b>Other</b>	
Defined benefit plan with benefits based partly on balance of separate account of participant (Code section 414(k)) . . . . .	3
Annuity arrangement of certain exempt organizations (Code section 403(b)(1)). . . . .	4
Custodial account for regulated investment company stock (Code section 403(b)(7)) . . . . .	5
Pension plan utilizing individual retirement accounts or annuities (described in Code section 408) as the sole funding vehicle for providing benefits . . . . .	6
Other (describe the type of plan) . . . . .	7

**6c(1) and 6c(2).** If you check either of these boxes, complete Schedule E (Form 5500) and attach it to the Form 5500-C/R you file for this plan.

**6c(2).** Check the box for a leveraged ESOP if the plan acquires employer securities with borrowed money or other debt-financing techniques.

**6c(3).** Check if the plan is a pension plan that provides for individual accounts and permits a participant or beneficiary to exercise independent control over the assets in his or her account (see ERISA section 404(c)).

**6c(4).** Check this box for pension benefit plans maintained outside the United States primarily for nonresident aliens. See "Kinds of Filers" on page 3 for more information.

**6c(5).** In the space provided following 6c(8), enter name of the trust and financial institution. Also enter city and state where the trust is maintained. (See page 3 for master trust instructions.)

**6c(6).** In the space provided following 6c(8), enter name and address of the 103-12 IE. (See page 6 for 103-12 IE instructions.)

**6d.** For single-employer pension plans enter the date the employer's tax year ends. For example, if the tax year is a calendar year, enter 12-31-91. For all plans with more than one employer, enter "N/A."

**6e. Definition of Affiliated Service Group.**— In general, Code section 414(m)(2) defines an affiliated service group as a first service organization (FSO) that has:

- (1) a service organization (A-ORG) that is a shareholder or partner in the FSO and that regularly performs services for the FSO, or is regularly associated with the FSO in performing services for third persons, and/or
- (2) any other organization (B-ORG) if:

- (a) a significant portion of the business of that organization consists of performing services for the FSO or A-ORG of a type

historically performed by employees in the service field of the FSO or A-ORG, and

- (b) 10% or more of the interest of the B-ORG is held by persons who are highly compensated employees of the FSO or A-ORG.

An affiliated service group also includes a group consisting of an organization whose principal business is performing management functions for another organization (or one organization and other related organizations) on a regular and continuing basis, and the organization for which such functions are so performed by the organization. For a plan maintained by more than one employer, check "Yes" if any such employer is a member of an affiliated service group.

**6f.** A cash or deferred arrangement described under Code section 401(k) is a part of a qualified defined contribution plan which provides for an election by employees to defer part of their compensation or receive these amounts in cash.

**7.** The description of "participant" in the instructions below is only for purposes of item 7 of this form.

For welfare benefit plans, dependents are considered to be neither participants nor beneficiaries. For pension benefit plans, "alternate payees" entitled to benefits under a qualified domestic relations order are not to be counted as participants for this item.

"Participant" means any individual who is included in one of the categories below.

**7a.** 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: (i) currently below the integration level in a plan that is integrated with social security, and/or (ii) 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 nonvested former employees who have incurred the break in service period specified in the plan.

For determining if active participants are fully vested, partially vested, or nonvested, consider vesting in employer contributions only.

For purposes of Code section 6039D, (fringe benefit plan) "participant" means any individual who, for a plan year, has had at least one dollar excluded from income by reason of Code section 120, 125, or 127. If you are filing Form 5500 for a welfare plan that is required to file under Title I of ERISA and under Code section 6039D as a fringe benefit plan, the preceding sentence does not apply.

**7b.** Inactive 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 includes former employees who are receiving group health continuation coverage benefits pursuant to Part 6 of ERISA who are covered by the employee welfare benefit 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.

**7c.** Inactive participants entitled to future benefits are 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.

**7e.** Deceased participants are any 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.

**7g.** Enter the number of participants included in line **7f** who have account balances. For example, for a Code section 401(k) plan, the number entered on line **7g** should be the number of participants counted in line **7f** who have made a contribution to the plan during this plan year or any prior plan year.

**7h(1).** If "Yes," file Schedule SSA (Form 5500) as an attachment to Form 5500. **Plan administrators:** Code section 6057(e) provides that the plan administrator must give each participant a statement showing the same information for that participant as is reported on Schedule SSA.

**8a.** Check "Yes" if an amendment to the plan was adopted regardless of the effective date of the amendment.

**8b.** Enter the date the most recent amendment was adopted regardless of the date of the amendment or the effective date of the amendment.

**8c.** Check "Yes" only if the accrued benefits were retroactively reduced. For example, a plan provides a benefit of 2% for each year of service, but the plan is amended to change the benefit to 1½% a year for all years of service under the plan. Do not check "Yes" if accrued benefits were retroactively reduced solely to the extent permitted under a model amendment provided in IRS Notice 88-131, 1988-2 C.B. 546.

**8e.** Check "Yes" only if an amendment changed the information previously provided to participants by the summary plan description or summary description of modifications.

**8f.** A revised summary plan description or summary description of modifications must be filed with DOL and distributed to all participants and pension plan beneficiaries no later than 210 days after the close of the plan year in which the amendment(s) was adopted. If the material was distributed and filed since the amendments were adopted (even if after the end of the plan year), check "Yes" to item 8f.

**9a.** Check "Yes" if the plan was terminated or if the plan was merged or consolidated into another plan. Enter the year of termination if applicable. If you entered a code M, N, or O in 6a(1) and indicated that this is an unfunded plan and you also checked 9a "Yes," you must also check 9b "Yes."

**9b.** If the plan was terminated and all plan assets were not distributed, file a return/report for each year the plan has assets. In that case, the return/report must be filed by the plan administrator, if designated, or by the person or persons who actually control the plan's property.

If all plan assets were used to buy individual annuity contracts and the contracts were distributed to the participants, check "Yes."

If all the trust assets were legally transferred to the control of another plan or brought under the control of PBGC, check "Yes."

Do not check "Yes" for a welfare benefit plan which is still liable to pay benefits for claims which were incurred prior to the termination date, but not yet paid. See 29 CFR 2520.104b-2(g)(2)(ii).

**9h.** The Code provides for a nondeductible excise tax on a reversion of assets from a qualified plan.

**9i.** The employer must report the reversion by filing Form 5330 and pay any applicable tax. The tax will not be imposed upon employers who are tax-exempt entities under Code section 501(a). See instructions for Form 5330.

**10a.** If this plan was merged or consolidated into another plan(s), or plan assets or liabilities were transferred to another plan(s), indicate which other plan or plans were involved.

**10c.** Enter the EIN of the sponsor (employer, if for a single-employer plan) of the other plan.

**10e.** Pension benefit plans must file **Form 5310-A, Notice of Merger, Consolidation, or Transfer of Plan Assets or Liabilities**, at least 30 days before any plan merger or consolidation or any transfer of plan assets or liabilities to another plan.

**Caution:** There is a penalty for not filing Form 5310-A on time.

**11.** Enter the code for the **funding arrangement** used by the plan for the plan year from the list below.

The "funding arrangement" is the method used during the plan year for the receipt, holding, investment, and transmittal of plan assets prior to the time the plan actually provides the benefits promised under the plan. For purposes of items 11 and 12, the term "trust" includes any fund or account which receives, holds, transmits, or invests plan assets other than an account or policy of an insurance company.

**Note:** An employee benefit plan which enters a code 2, 3, or 5 in item 11 and/or 12 must attach a Schedule A (Form 5500), Insurance Information, to provide information pertaining to each contract year ending with or within the plan year. See Schedule A (Form 5500) instructions.

**Plan Funding  
Arrangement  
Codes**

Trust . . . . .	1
Trust and insurance . . . . .	2
Insurance . . . . .	3
Exclusively from general assets of sponsor (unfunded) . . . . .	4
Partially insured and partially from general assets of sponsor . . . . .	5

Other . . . . . 6

**12.** Enter the code for the **benefit arrangement** used by the plan for the plan year from the list below.

The "benefit arrangement" is the method by which benefits were actually provided during the plan year to participants by the plan. For example, if all participants received their benefits from a trust (as defined in 11 above) the plan's benefit arrangement code would be "1." If some benefits come from a trust and some come from an insurance company, the code would be "2." If all benefits were paid from an account or policy of an insurance company, the code would be "3."

**Plan Benefit  
Arrangement  
Codes**

Trust . . . . .	1
Trust and insurance . . . . .	2
Insurance . . . . .	3
Exclusively from general assets of sponsor (unfunded) . . . . .	4
Partially insured and partially from general assets of sponsor . . . . .	5
Other . . . . .	6

**13a.** Enter "Yes" if either the contributions to the plan 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. Enter "Yes" even if only some of those covered by the plan are members of a collective bargaining unit which negotiates benefit levels on its own behalf. The benefit schedules need not be identical for all employees under the plan.

**13b.** All plans entering code C or D on line 4 must enter the 6-digit LM number to identify each sponsoring labor organization which is a party to the collective bargaining agreement. Other plans which are maintained pursuant to collective bargaining agreements should enter the appropriate LM number, if available. The "LM number" is the six-digit Labor-Management file number entered by the sponsoring labor organization in item 1 of the Form LM-2 or LM-3 (Labor Organization Annual Report) filed with the Department of Labor. Accordingly, the LM number(s) should be readily available from the sponsoring labor organization(s). If all sponsoring labor organizations' LM numbers cannot be entered in the spaces provided in item 13b on the form, enter the additional LM numbers on a supplemental sheet to accompany the Form 5500.

**14.** If either the funding arrangement code (item 11) and/or the benefit arrangement code (item 12) is 2, 3, or 5, at least one Schedule A (Form 5500) must be attached to the Form 5500 filed for pension and welfare plans to provide information concerning the contract year ending with or within the plan year. The insurance company (or similar organization) which provides benefits is required to provide the plan administrator with the information needed to complete the return/report, pursuant to ERISA section 103 (a)(2). If you do not receive this information in a timely manner, contact the insurance company (or similar organization). If information is missing on Schedule A (Form 5500) due to a refusal to provide this information, note this on the Schedule A. If there are no Schedule(s) A attached, enter "0."

**15b.** If a waived funding deficiency is being amortized in the current plan year, do not complete (1), (2), and (3), but complete items 1, 2, 3, 7, and 9 of Schedule B (Form 5500). An enrolled actuary need not sign Schedule B under these circumstances.

**15b(3).** File Form 5330 with IRS to pay the excise tax on any funding deficiency.

**Caution:** There is a penalty for not filing Form 5330 on time.

**16.** A "top-heavy plan" is a plan which during any plan year is:

(1) any defined benefit plan if, as of the determination date, the present value of the cumulative accrued benefits under the plan for key employees exceeds 60% of the present value of the cumulative accrued benefits under the plan for all employees; and

(2) any defined contribution plan if, as of the determination date, the aggregate of the accounts of key employees under the plan exceeds 60% of the aggregate of the accounts of all employees under the plan.

Each plan of an employer included in a required aggregation group is to be treated as a top-heavy plan if such group is a top-heavy group. See definitions of required aggregation group and top-heavy group, below.

**Key Employee**—A key employee is any participant in an employer plan who at any time during the plan year, or any of the 4 preceding years, is:

(1) an officer of the employer having an annual compensation greater than 50% of the amount in effect under Code section 415(b)(1)(A),

(2) one of the 10 employees having annual compensation from the employer of more than the limitation in effect under Code section 415(c)(1)(A) and owning (or considered as owning within the meaning of Code section 318) the largest interests in the employer,

(3) a 5% owner of the employer, or

(4) a 1% owner of the employer having an annual compensation from the employer of more than \$150,000.

In determining whether an individual is an officer of the employer, no more than 50 employees, or, if less, the greater of 3 employees or 10% of the employees, are to be treated as officers. See Code section 416(i) and T-12 of Regulations section 1.416. A key employee will not include any officer or employee of a governmental plan under Code section 414(d).

**Required Aggregation Group**—A required aggregation group consists of:

(1) each plan of the employer in which a key employee is or was a participant, and

(2) each other plan of the employer which enables a plan to meet the requirements for nondiscrimination in contributions or benefits under Code section 401(a)(4), or the participation requirements under Code section 410.

**Top-Heavy Group**—A top-heavy group is an aggregation group if, as of the determination date, the sum of the present value of the cumulative accrued benefits for key employees under all defined benefit plans included in such group and the aggregate of the accounts of key employees under all defined contribution plans in such group exceeds 60% of a similar sum determined for

all employees. To determine if a plan is top-heavy, include distributions made in the 5-year period ending on the determination date. However, do not take into account accrued benefits for an individual who hasn't performed services for the employer during the 5-year period ending on the determination date.

A qualified plan must limit the annual compensation of each employee taken into account for this year to \$222,220 adjusted annually for the cost of living. The family members (spouse and lineal descendants under age 19) of 5% owners or one of the 10 most highly compensated employees are treated as a single employee. Qualified plans must comply with this requirement in operation even if the plan has not yet been amended to comply with the Tax Reform Act of 1986.

**18a(1).** Check "Yes" if the plan distributed any annuity contracts. Check "Yes" even if the plan was terminated.

**18a(2).** If "Yes" was checked for item 18a(1), the annuity contract must provide that all distributions from it will meet the participant and spousal consent requirements of Code section 417. However, consent is not needed for the distribution of the contract itself. If the contracts contained the Code section 417 requirements check "Yes."

**18b.** In general, distributions must be made in the form of a qualified joint and survivor annuity for life or a qualified preretirement survivor annuity. An annuity distribution to a single individual (see 18c(1) below), is a qualified joint and survivor annuity. Check "Yes" if distributions in other forms were made, even if those distributions were permissible, e.g., because consent was obtained or was not required.

**18c.** Generally, within the 90 days prior to the date of any benefit payment or the making of a loan to a participant, you must get the spouse's consent to the payment of the benefit or the use of the accrued benefit for the making of the loan. However, there are some circumstances where obtaining this spousal consent is not required. The following is a partial list of circumstances when spousal consent is not required:

(1) The participant is not married and no former spouse is required to be treated as a current spouse under a qualified domestic relations order issued by a court.

(2) The participant's nonforfeitable accrued benefit in the plan does not have at the time of distribution a present value of more than \$3,500.

(3) The benefit is paid in the form of a qualified joint and survivor annuity, i.e., an annuity for the life of the participant with a survivor annuity for the life of the spouse which is not less than 50% of (and is not greater than 100% of) the amount of the annuity which is payable during the joint lives of the participant and the spouse. See Code section 417(b).

(4) The payout is from a profit-sharing or stock bonus plan that pays the spouse the participant's full account balance upon the participant's death, an annuity payment is not elected by the participant, and the profit-sharing or stock bonus plan is not a transferee plan with respect to the participant (i.e., had not received a transfer from a plan

that was subject to the consent requirements with respect to the participant).

(5) The participant had no service under the plan after August 22, 1984.

**18d.** A plan may not eliminate a subsidized benefit or a retirement option by plan amendment or plan termination.

**19.** If distributions were not made in accordance with the joint and survivor annuity rules of Code sections 411(a)(11) and 417(e) answer "No." If distributions did comply with Code sections 411(a)(11) and 417(e) or if no distributions were made answer "Yes."

**20.** The maximum annual benefit that may be provided under a defined benefit plan may not exceed the lesser of \$90,000 or 100% of compensation. However, if benefits begin before the social security retirement age, the \$90,000 limit must be reduced as described in IRS Notice 87-21, 1987-1 C.B. 458.

In addition, the dollar limitations will be reduced for participants with fewer than 10 years of participation in a defined benefit plan, i.e., a 10% reduction for each year under 10 years of participation.

For defined contribution plans, Code section 415 now provides that the dollar limit on annual additions to a qualified plan may not exceed the greater of \$30,000 or 25% of the defined benefit dollar limit for such limitation year. The limitation for defined contributions plans under section 415(c)(1)(A) remains at \$30,000 for 1991 since the law provides that it shall not be changed until the section 415(b)(1)(A) limit (\$108,963 for 1991) for defined benefit plans exceeds \$120,000.

Annual additions to a defined contribution plan will, for years beginning after December 31, 1986, include 100% of all after-tax employee contributions. For participants participating in plans of tax-exempt organizations, the pre-Tax Reform Act limits remain in effect.

The Tax Reform Act of 1986 provides that a participant's previously accrued benefit won't be reduced merely because of the reduction in dollar limits or increases in required periods of participation. The transitional rule applies to an individual who was a participant prior to January 1, 1987, in a plan in existence on May 5, 1986. If this participant's current accrued benefit exceeds the dollar limit under the Tax Reform Act of 1986, but complies with prior law, then the applicable dollar limit for the participant is equal to the current accrued benefit. The term "current accrued benefit" is defined as the participant's accrued benefit as of the close of the last limitation year beginning before January 1, 1987, and expressed as an annual benefit. To compute the defined benefit fraction, the current accrued benefit would replace the dollar limit otherwise used in the denominator of the fraction. The current accrued benefit is also reflected in the numerator of the defined benefit fraction.

**21.** Employees must begin to receive minimum distributions pursuant to Code section 401(a)(9) by April 1 of the calendar year following the calendar year in which the employee attains age 70½. Once begun, minimum distributions must continue each calendar year.

If your plan was required to make the distributions and did not, check "No." If your plan made the required distributions or if no distributions were made, check "Yes."

**22.** In general, a plan must satisfy one of the coverage tests on each day of the year being tested. However, if the plan satisfies one of the tests on at least one day in each quarter of the year being tested, the plan will be deemed to pass the coverage tests for the entire year provided that the quarterly testing dates reasonably represent the coverage of the plan over the entire plan year. Complete item **22** for the testing date selected by the employer (typically the last day of the plan year). For an alternative testing option see Income Tax Regulations section 1.410(b)-8(a)(4).

If Form 5500 is being filed solely because of Code section 6039D, for item **22**, complete only **22h** and **22m**.

Multiemployer plan (code C in item 4) and multiple-employer-collectively-bargained plan (code D in item 4) need to complete line **22** only if a plan: (1) benefits employees who are not collective bargaining unit employees (other than employees required to benefit under the terms of a collective bargaining agreement) or (2) only covers collective bargaining unit employees and 2% or more of them are professionals. Multiple-employer plan (other) filers (Code E in item 4) are not required to complete item **22**. However, the participating employers in multiple-employer plan (other) pension benefit plans are required to complete the applicable questions in item **22** on the Form 5500C/R that they file.

**22a.** In general, if the employer operated separate lines of business within the meaning of Code section 414(r) for a year, the employer may apply the coverage and discrimination requirements separately to employees in each separate line of business. If **22a** is "Yes," complete **22b** through **22o** for the separate line of business covered by the plan as if the employees of the separate line of business were the sole employees of the employer. If this plan benefits employees in more than one separate line of business, complete item **22** for one of the lines of business and for each additional line of business covered by the plan submit an attachment completed in the same format as item **22**.

**22c.** Income Tax Regulations section 1.410(b)-7(c) requires the "disaggregation" of certain single plans into two or more separate plans. Each of the disaggregated parts of the plan must then satisfy the coverage requirements under Code section 410(b) as if they were a separate plan. For purposes of item **22c** the following plans must be disaggregated: (i) a plan that has a section 401(k) provision (a qualified cash or deferred arrangement (CODA)) and a provision that is not a 401(k) plan, (ii) a plan that has a section 401(m) provision (employee and matching contributions) and a provision that is not a 401(m) provision, (iii) a plan that has an ESOP provision and a provision that is not an ESOP, and (iv) a plan that benefits both collectively and noncollectively bargained employees (see Income Tax Regulations section 1.410(b)-5(f) for an exception).

If any of the above apply to your plan, complete item **22** for one of the disaggregated plans and for each additional part of the plan that must be disaggregated, submit an attachment completed in the same format as item **22**. Also see Income Tax Regulations section 1.410(b)-7(c) for more details on other plans that may have to be

disaggregated to satisfy the coverage requirements of code section 410(b).

**22d.** Under section 1.410(b)-7(d) of the Income Tax Regulations, employers can aggregate any qualified pension or profit sharing plans that are not mandatorily disaggregated under the rules for item **22c** above in order to satisfy the coverage tests. However, the aggregated plan must also satisfy the discrimination rules of section 401(a)(4) on an aggregated basis. Note that a special aggregation rule applies for the purposes of computing the average benefit percentage. See item **22o(1)** below. If the employer aggregates plans for the purposes of the coverage and discrimination tests, check this item "Yes."

**22e.** Income Tax Regulations section 1.401(a)(4)-9(c) allows an employer to restructure a plan into component plans to satisfy the coverage and discrimination tests. Check "Yes," if the employer is satisfying the coverage and discrimination tests by restructuring the plan, and do not complete the rest of item **22**.

**22f(1).** Check this box if this plan benefited no highly compensated employees (within the meaning of Code section 414(q)). This box should be checked for plans under which no employee receives an allocation or accrues a benefit. See the instructions to item **22m** for the definition of benefiting.

**22f(2).** Check this box if this plan is a collectively bargained plan that benefits only collectively bargained employees and no more than 2% of the employees who are covered pursuant to such agreement are professional employees. See section 1.410(b)-9 of the Income Tax Regulations.

**22g.** Check "Yes," if any leased employee, within the meaning of section 414(n), performed services for the employer or any entity aggregated with the employer under Code sections 414(b), (c), or (m).

**22h.** Enter the total number of employees of the employer. Include all self-employed individuals, common-law employees and leased employees, within the meaning of Code section 414(n), of any of the entities aggregated with the employer under Code section 414(b), (c), or (m).

**22i.** Enter the total number of excludable employees in the following categories:

(1) Employees who have not attained the minimum age and service requirements of the plan.

(2) Collectively bargained employees. Do not count any employees covered under a collective bargaining agreement if more than 2% of the employees covered pursuant to such agreement are professional employees. See section 1.410 (b)-9 of the Income Tax Regulations.

(3) Nonresident aliens (within the meaning of Income Tax Regulations section 1.410(b)-6(c)).

(4) Employees who fail to accrue a benefit solely because: they fail to satisfy a minimum hour of service or last day requirement under the plan, they do not have more than 500 hours of service, and they are not employed on the last day of the plan year.

**22k.** See the instructions for item **22m** for the definition of benefiting.

**22l.** The definition of highly compensated employee is contained in Code section 414(q) and the income tax regulations thereunder.

**22m.** In general, an employee is benefiting if the employee receives an allocation of contributions or forfeitures, or accrues a benefit under the plan for the plan year. Certain other employees are treated as benefiting even if they fail to receive an allocation of contributions and/or forfeitures, or to accrue a benefit solely because the employee is subject to plan provisions that limit plan benefits, such as a provision for maximum years of service, maximum retirement benefits, or limits designed to satisfy Code section 415. An employee is treated as benefiting under a plan if the employee is eligible to make elective contributions or after-tax employee contributions and matching distributions subject to Code section 401(k) or (m). An eligible employee is treated as benefiting under the plan even if they do not actually make contributions.

**22o(1).** A plan satisfies the average benefit test if it satisfies both the nondiscriminatory classification test and the average benefit percentage test.

A plan satisfies the nondiscriminatory classification test if benefiting employees are defined by reasonable and objective business criteria set out in the plan and such classification is nondiscriminatory. A classification will be deemed nondiscriminatory if the ratio in item **22o(2)** below is equal to or greater than the safe harbor percentage. The safe harbor percentage is 50%, reduced by  $\frac{1}{4}$  of a percentage point for each percentage point by which the nonhighly compensated employee concentration percentage exceeds 60%. The nonhighly compensated employee concentration percentage is the percentage of all the employees of the employer who are not highly compensated employees. See Income Tax Regulations section 1.410(b)-4.

In general, a plan satisfies the average benefit percentage test if the actual benefit percentage for nonhighly compensated employees is at least 70% of the actual benefit percentage for highly compensated employees. All qualified plans of the employer, including CODAs and plans containing employee or matching contributions (Code section 401(k) or (m)) are aggregated in determining the actual benefit percentages. Do not aggregate plans that may not be aggregated for the purposes of satisfying the ratio percentage test, other than plans subject to Code section 401(k) or (m). In addition, all nonexcludable employees, including those with no benefit under any qualified plan of the employer, are included in determining the actual benefit percentages. See Income Tax Regulation section 1.410(b)-5 for complete details on this computation.

**22o(2).** In general to compute the ratio, divide the number of nonexcludable employees who benefit under the plan and are not highly compensated by the total number of nonexcludable nonhighly compensated employees; put this result in the numerator (top of the fraction). Divide the number of nonexcludable employees who benefit under the plan and who are highly compensated by the total number of nonexcludable highly compensated employees; put this result in the denominator

(bottom of the fraction). Divide the numerator by the denominator and put the result in item 22o(2).

**23a.** Check "Yes" if it is your intention that this plan qualify under Code section 401(a). Otherwise check "No" and go to item 24a.

**23b.** If item 23a is "Yes," and you have received a determination letter from IRS, enter the date of the most recent determination letter received.

**23c.** Check "Yes" if you have applied for a determination letter from IRS but have not received a reply from IRS. Otherwise check "No."

**24b.** An independent appraiser must be used to ascertain the value of securities, acquired by a plan after December 31, 1986, if the securities aren't readily tradeable on an established securities market.

**28a.** Check "Yes" if any person (including, when applicable, a corporation or partnership) received, directly or indirectly, \$5,000 or more during the plan year for providing services to the plan. For exceptions, see the instructions for Part I of Schedule C (Form 5500). If you checked "Yes," complete Part I of Schedule C (Form 5500), and attach it to Form 5500. Include payments from the plan sponsor which are reimbursable by the plan.

Check "No" if all plan assets are held in a master trust and the master trust report filed with DOL includes a Schedule C that reports all payments to service providers for the master trust.

**28b.** Include all trustees in office during the plan year. List these trustees on Part II of Schedule C (Form 5500) and attach it to the Form 5500.

**28c.** Check "Yes" if there has been a termination in the appointment of any person for which a box must be checked in item 28d. In case the service provider is not an individual (i.e., when the service provider is a legal entity such as a corporation, partnership, etc.), check "Yes" when the service provider (not the individual) has been terminated. If item 28c is checked "Yes," complete Part III of Schedule C (Form 5500) and attach the Schedule C to the Form 5500. Otherwise, check "No" and skip to item 28g.

**28d.** Check all appropriate boxes and complete Part III of Schedule C (Form 5500). At least one box must be checked if item 28c is answered "Yes."

**28e.** If item 28c is checked "Yes," check 28e "Yes" if, during the two most recent plan years preceding the termination and any subsequent interim period preceding such termination, resignation, or dismissal, there were any disagreements (whether or not the disagreements were a factor in the termination) on any matter of professional judgment which, if not resolved to the satisfaction of the former appointee, would have caused (or did cause) the former appointee to take some action, such as including the subject matter of the disagreement within a written report. For example, check "Yes" if the accountant was terminated as a result of a disagreement over the valuation of plan assets and the accountant would have required that the matter be disclosed in a note to the financial statements. Disagreements not involving a matter of professional judgment, such as the payment or nonpayment of fees, or the

amount of the fee charged should not be included.

**28f.** If item 28d(1) or 28d(2) has been checked, indicating that an independent qualified public accountant or enrolled actuary has been terminated, the plan administrator must provide the terminated accountant or enrolled actuary with a copy of the explanation for the termination provided in Part III of Schedule C (Form 5500), along with a completed copy of the notice which follows.

### Notice To Terminated Accountant or Enrolled Actuary

In accordance with this requirement, I, as plan administrator, verify that the explanation that is either reproduced below or attached to this notice is the explanation concerning your termination as reported on the Schedule C (Form 5500) attached to the 1991 Annual Return/Report Form 5500 for the (enter name of plan). This return/report is identified in item 1b by the nine-digit EIN (enter Employer Identification Number) and in item 5c by the three-digit PN (enter plan number).

Signed  
Dated

Any comments concerning this explanation should include the name, EIN, and PN of the plan and be submitted directly to:

Office of Enforcement  
Pension and Welfare Benefits  
Administration  
U. S. Department of Labor  
200 Constitution Avenue, NW  
Washington, DC 20210

An explanation of the reasons for the termination of an accountant or enrolled actuary (terminated party) must be provided as part of the annual report (Part III of Schedule C). The plan administrator of the employee benefit plan is also required to provide the terminated party with a copy of this explanation and a notification that the terminated party has the opportunity to comment directly to the Department of Labor concerning any aspect of this explanation.

**28g.** A Schedule C (Form 5500) must be attached if item 28a, 28b, and/or 28c are checked "Yes." More than one Schedule C may be required if additional space is required to complete any part of the Schedule C. If no Schedule(s) C is required to be attached, enter "0."

**29.** Employee benefit plans filing the Annual Return/Report Form 5500 are generally required to engage an independent qualified public accountant pursuant to ERISA section 103(a)(3)(A). An independent qualified public accountant's opinion must be attached to Form 5500 unless: (i) the plan is an employee welfare benefit plan which is unfunded, fully insured, or a combination of unfunded and insured, as described in 29 CFR 2520.104-44(b)(1); (ii) the plan is an employee pension benefit plan whose sole asset(s) consists of insurance contracts which provide that, upon receipt of the premium payment, the insurance carrier fully guarantees the amount of benefit payments attributable to plan participants for that plan year as specified in 29 CFR 2520.104-44(b)(2); or (iii) the plan has elected to defer attaching the accountant's opinion for the first of two plan

years, one of which is a short plan year of 7 months or less as allowed by 29 CFR 2520.104-50. (Also see the instructions for item 29a below.)

Welfare benefit plans sponsored by one employer (or by a controlled group of employers) which use a Code section 501(c)(9) trust are generally not exempt from the requirement of engaging an independent qualified public accountant.

**29a.** Plans meeting (i) or (ii) above should check "Yes" for item 29a and skip to item 31. Plans meeting (iii) must attach the required explanation and statements in lieu of the opinion and should check "No" to item 29a and "Other" to item 29b, and specify, in the space provided, that "the opinion is to be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50." All other plans should check "No." "N/A" is NOT an acceptable response to this item. If the required accountant's opinion is not attached to the Form 5500, the filing is subject to rejection as incomplete and penalties may be imposed (see page 1).

**29b and c.** 29CFR 2520.103-1(b) requires that any separate financial statements prepared in order for the independent qualified public accountant to form the opinion and notes to financial statements (or items 34 and 35 if applicable) must be attached to the annual return/report Form 5500. Any separate statements must include the information required to be disclosed in items 34 and 35 of the Form 5500; however, they may be aggregated into categories in a manner other than that used on Form 5500. The separate statements should be either typewritten or printed and consist of reproductions of items 34 and 35 or statements incorporating by reference items 34 and 35. See 29 CFR 2520.103-1(b).

**29b(1).** Generally, an unqualified opinion is issued when the auditor 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 are in conformity with generally accepted accounting principles. Check this box if the plan received an unqualified opinion.

**29b(2).** Department of Labor Regulations 29 CFR 2520.103-8 and 2520.103-12(d) generally state that the examination and report of an independent qualified public accountant need not extend to: (1) information prepared and certified to by a bank or similar institution or by an insurance carrier which is regulated and supervised and subject to periodic examination by a state or Federal agency, or (2) information concerning a 103-12 IE which is reported directly to the Department of Labor. Check this box if the plan received an accountant's opinion as discussed in 29b(1) above except for the information not audited pursuant to the above regulations.

**29b(3).** Generally a qualified opinion is issued by an independent qualified public accountant when the plan's financial statements present fairly, in all material respects, the financial position of the plan as of the end of the audit period and the results of its operations for the audit period are in conformity with generally accepted accounting principles except for the effects of one or more matters which are described in

the opinion. A disclaimer of opinion is issued when the independent qualified public accountant does not express an opinion on the financial statements because he has not performed an audit sufficient in scope to enable him to form an opinion of the financial statements. Check this box if the plan received a qualified opinion or if a disclaimer of opinion was issued. If the audit was of limited scope pursuant to 29 CFR 2520.103-8 and/or 2520.103-12(d), and no other limitations as to scope or procedures were in effect, then check the box in item 29b(2).

**29b(4).** Generally an adverse opinion is issued by an independent qualified public accountant when the plan's financial statements do not present fairly, in all material respects, the financial position of the plan as of the end of the audit period and the results of its operations for the audit period in conformity with generally accepted accounting principles. Check this box if the plan received an adverse accountant's opinion.

**29b(5).** Generally, an independent qualified public accountant's opinion will be described by one of the categories in 29b(1) through (4). Check this box if the accountant's opinion received by the plan is not described by one of the categories in 29b(1) through (4). Explain the nature of the opinion in the space next to this box. If the explanation requires more space, enter "See attached" and on a separate sheet of paper explain in detail the nature of the accountant's opinion. Any attachments should identify the item number and include the plan's name, EIN and PN.

**29c and 29d.** These items must be answered by all plans required to engage an independent qualified public accountant (item 29a is "No"). The disclosure of the transactions and financial conditions listed in 29c are some of the disclosures required to be made when a plan's financial statements are presented in accordance with generally accepted accounting principles. (Usually these disclosures are contained in the notes

to the financial statements.) If you are unsure as to whether the disclosures presented in or accompanying the plan's financial statements fall within one of the disclosures described in 29c, you should consult with the plan's independent qualified public accountant.

Check 29c "Yes" and provide the amount involved in 29d if the financial statements or the notes to the statements contain any of the disclosures listed in 29c. The amount should be determined by adding the amounts of all of the applicable disclosures. For example, if two significant transactions are disclosed between the plan and the sponsor, the amounts, if any, disclosed in the notes should be added together and the total reported.

If you confirm, through consultation with the accountant, if necessary, that the accountant's report, including any applicable financial statements or notes, does not contain any of the disclosures noted in item 29c, check item 29c "No" and enter "0" in item 29d.

**30.** Plans with assets held in a master trust and/or 103-12 IE (see pages 3 and 4 for the definition of these terms) should complete items 30a, b, c, and d to report information relating to assets held and transactions occurring outside the master trust and/or 103-12 IE. In determining the 5% figure for item 30d, subtract the value of plan assets held in the master trust or 103-12 IE from the current value of the plan's total assets at the beginning of the plan year.

"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.

Do not complete sub-items 30a through 30f if all plan funds are held in a master trust.

If "Yes" is checked for item(s) 30a, b, c, d, e, and/or f, schedules must be completed and attached to the Form 5500. If the required schedule is not clearly labeled and

attached to the Form 5500, the filing is subject to rejection as incomplete and penalties may be imposed (see page 1). Any attachments must identify the item number and include the plan's name, EIN, and PN.

**30a-30d.** If the assets or investment interests of two or more plans are maintained in one trust (except investment arrangements reported in 34c(11) through 34c(15) (see page 17)), all entries in the schedules included under items 30a, b, and c which relate to the trust shall be completed by including the plan's allocable portion of the trust. For purposes of item 30d, 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. Do not include individual transactions of investment arrangements reported in 34c(11) through 34c(15).

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—(i) 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, (ii) the capital interest or the profits interest of a partnership, or (iii) 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);

(Continued on page 15)

**30a.** Check "Yes" and attach one or both of the following two schedules to the Form 5500 if the plan had any assets held for investment purposes at any time during the plan year. Assets held for investment purposes shall include:

1 Any investment asset held by the plan on the last day of the plan year; and

2 Any investment asset purchased during the plan year and sold before the end of the plan year except:

(i) Debt obligations of the U.S. or any U.S. agency.

(ii) Interests issued by a company registered under the Investment Company Act of 1940 (e. g., a mutual fund).

(iii) Bank certificates of deposit with a maturity of one year or less.

(iv) 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.

(v) Participations in a bank common or collective trust.

(vi) Participations in an insurance company pooled separate account.

(vii) Securities purchased from a broker-dealer registered under the Securities Exchange Act of 1934 and either:

(A) listed on a national securities exchange and registered under section 6 of the Securities Exchange Act of 1934, or (B) quoted on NASDAQ. Assets held for investment purposes shall not include any investment which 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 item 30b;

2 The schedule of leases in default or classified as uncollectible required by item 30c;

3 The schedule of reportable transactions required by item 30d; and

4 The schedule of party-in-interest transactions required by items 30e and 30f.

The first schedule required to be attached to the Form 5500 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. The schedule must use the following or a similar format and the same size paper as the Form 5500.

**Note:** 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.)



The following schedule must be clearly labeled **"Item 30a – Schedule of Assets Held for Investment Purposes."**

(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 to the Form 5500 is a schedule of investment assets which were both acquired and disposed of within the plan year (see 29 CFR 2520.103-11). The schedule should use the following or a similar format and the same size paper as the Form 5500. The following schedule must be clearly labeled **"Item 30a – Schedule of Assets Held for Investment Purposes."**

(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

**Note:** 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 30a. 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 "-0-", and under current value enter the total amount of these loans.

**30b.** Check "Yes" and attach the following schedule to the Form 5500 if the plan had any loans or fixed income obligations in default or determined to be uncollectible as of the end of the plan year. Include obligations where the required payments have not been made by the due date. With respect to notes and loans, the due date, payment amount and conditions for default are usually contained in the note or loan documents. Defaults can occur at any time for those obligations which require periodic repayment. 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 loan by the plan is in default when the borrower is unable to pay the obligation upon maturity. A fixed income obligation has a fixed maturity date at a specified interest rate. List any loans by the plan which are in default and any fixed income obligations which have matured, but have not been paid, for which it has been determined that payment will not be made. The schedule should use the following or similar format and the same size paper as the Form 5500. The following schedule must be clearly labeled **"Item 30b – Schedule of Loans or Fixed Income Obligations."**

**Note:** In column (a), place an asterisk (\*) on the line of each identified person known to be a party-in-interest to the plan. Include all loans that were renegotiated during the plan year. Also, explain what steps have been taken or will be taken to collect overdue amounts for each loan listed.

(a)	(b) Identity and address of obligor	(c) Original amount of loan	Amount received during reporting year		(f) Unpaid balance at end of year	(g) 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 overdue	
			(d) Principal	(e) Interest			(h) Principal	(i) Interest

**30c.** Check "Yes," and attach to Form 5500 the following schedule if the plan had any leases in default or classified as uncollectible. The schedule should use the following or a similar format and the same size paper as Form 5500. The following schedule must be clearly labeled **"Item 30c – Schedule of 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. Also, explain what steps have been taken or will be taken to collect overdue amounts for each lease listed.

(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

**30d.** Check "Yes" and attach to the Form 5500 the following schedule if the plan had any reportable transactions (see 29 CFR 2520.103-6). The schedule should use the following or a similar format and the same size paper as the Form 5500.

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 the assets of two or more plans are maintained in one trust, 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. This does not apply to investment arrangements whose current value is reported in Items 34c(11) through 34c(15). Instead, for investments in common/collective trusts, pooled separate accounts, 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. Do not complete item 30d if all plan funds are held in a master trust. Plans with assets in a master trust which 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. Do not include individual transactions of investment arrangements reported in items 34c(11) through 34c(15).

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.

The following schedule must be clearly labeled "Item 30d - 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)

**30e and f.** Check "Yes" and attach the following schedule to the Form 5500 if the plan had any nonexempt transactions with a 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" is defined on page 13. Nonexempt transactions with a party-in-interest include any direct or indirect:

1. Sale or exchange, or lease, of any property between the plan and a party-in-interest.
2. Lending of money or other extension of credit between the plan and party-in-interest.
3. Furnishing of goods, services, or facilities between the plan and a party-in-interest.
4. Transfer to, or use by or for the benefit of, a party-in-interest, of any income or assets of the plan.
5. Acquisition, on behalf of the plan, of any employer security or employer real property in violation of ERISA section 407(a).
6. Dealing with the assets of the plan for a fiduciary's own interest or own account.
7. 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.
8. Receipt of any consideration for his or her own personal account by a party-in-interest who is a fiduciary for any party dealing with the plan in connection with a transaction involving the income or assets of the plan.

Do not check "Yes" for item 30e or 30f, or list transactions that are statutorily exempt under Part 4 of Title I of ERISA, or administratively exempt under ERISA section 408(a), or exempt under Code sections 4975(c) and 4975(d), or include transactions of a 103-12 IE with parties other than the plan. 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 independent qualified public accountant or legal counsel or both.

Set out each transaction with the information set forth below in the following or similar format using the same size paper as the Form 5500. The following schedules must be clearly labeled as appropriate "Item 30e - Schedule of Nonexempt Transactions" and/or "Item 30f - Schedule of Nonexempt Transactions."

If a nonexempt prohibited transaction occurred with respect to a disqualified person, file Form 5330 with 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 transactions including maturity date, rate of interest, collateral, par or maturity value	(d) Purchase price	(e) Selling price	(f) Lease rental	(g) Expenses incurred in connection with transaction	(h) Cost of asset	(i) Current value of asset	(j) Net gain or (loss) on each transaction

(Continued from page 13)

(G) a corporation, partnership, or trust or estate of which (or in which) 50% or more of:  
(i) 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, (ii) the capital interest or profits interest of such partnership, or  
(iii) 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).

**30g. Employer Security.**—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. Generally, a publicly traded security is a security which is bought and sold on a recognized market (e.g., NYSE, AMEX, over the counter, etc.) for which there is a pool of willing buyers and sellers. Securities which are listed on a market but for which there does not exist a pool of willing buyers and sellers are not publicly traded.

**Qualifying Employer Security.**—An employer security which is a stock or a "marketable obligation" is considered a qualifying

employer security. For purposes of this definition, the term "marketable obligation" means a bond, debenture, note, certificate, or other evidence of indebtedness (obligation) if:

(i) such obligation is acquired—

(A) on the market, either: (1) at the price of the obligation prevailing on a national securities exchange which is registered with the Securities and Exchange Commission, or (2) if the obligation is not traded on such a national securities exchange, at a price not less favorable to the plan than the offering price for the obligation as established by current bid and asked prices quoted by persons independent of the issuer;

(B) from an underwriter, at a price: (1) not in excess of the public offering price for the obligation as set forth in a prospectus or offering circular filed with the Securities and Exchange Commission, and (2) at which a substantial portion of the same issue is

acquired by persons independent of the issuer; or

(C) directly from the issuer, at a price not less favorable to the plan than the price paid currently for a substantial portion of the same issue by persons independent of the issuer;

(iii) immediately following the acquisition of such obligation—

(A) not more than 25% of the aggregate amount of obligations issued in such issue and outstanding at the time of acquisition is held by the plan, and

(B) at least 50% of the aggregate amount referred to in subparagraph (A) is held by persons independent of the issuer; and

(iii) immediately following the acquisition of the obligation, not more than 25% of the assets of the plan is invested in obligations of the employer or an affiliate of the employer.

For purposes of the qualifying employer security definition, the term "stock" must meet the following conditions:

1. No more than 25% of the aggregate amount of stock of the same class issued and outstanding at the time of acquisition is held by the plan, and

2. At least 50% of the aggregate amount of stock described in the preceding paragraph is held by persons independent of the issuer.

For exceptions to the above, see ERISA section 407(f).

**30h.** Generally, as it relates to this question, an appraisal by an unrelated third party is an evaluation of the value of a security prepared by an individual or firm who knows how to judge the value of securities and does not have an ongoing relationship with the plan or plan fiduciaries except for preparing the appraisal. Non-publicly traded securities are generally held by few people and not traded on a stock exchange.

**32a(1).** 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 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 Regulations 29 CFR 2580 provide 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 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).

Check "Yes" only if the plan itself (as opposed to the plan sponsor or administrator) is a named insured under a fidelity bond covering plan officials and if the plan is protected as described in 29 CFR 2580.412-18.

Plans are permitted under certain conditions to purchase fiduciary liability insurance. These policies do not protect the

plan from dishonest acts and are not bonds which should be reported in question 32.

**32a(2).** Indicate the aggregate amount of coverage available for all claims.

**32b(1).** Check "Yes" if the plan has suffered or discovered any loss as the result of a dishonest or fraudulent act(s).

**32b(2).** If item 32b(1) has been answered "Yes," enter the full amount of the loss. If the full amount of the loss has not yet been determined, provide and disclose that the figure is an estimate, such as "Approximately \$1,000."

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

**33a.** If you are uncertain as to whether the plan is covered under the PBGC termination insurance program, check the box "Not determined" and contact the PBGC and request a coverage determination. Welfare and fringe benefit plans do not complete this item.

**34 and 35.** You can use either the cash, modified accrual, or accrual basis for recognition of transactions in items 34 and 35, as long as you use one method consistently.

Round off all amounts in items 34 and 35 to the nearest dollar. Any other amounts are subject to rejection. Check all subtotals and totals carefully.

**Caution:** Do not mark through the printed line descriptions and insert your own description as this may cause additional correspondence due to a new computerized review of the Form 5500.

"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.

If the assets of two or more plans are maintained in one trust, such as when an employer has two plans which are funded through a single trust (except investment arrangements reported in items 34c(11) through 34c(15)), complete items 34 and 35 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 items 34 and 35.

Fully insured, unfunded, and unfunded/insured welfare plans, and fully insured pension plans meeting the conditions of 29 CFR 2520.104-44, need not complete items 34 and 35. To determine if your welfare benefit plan is fully insured, unfunded, or unfunded/insured, see page 2.

To determine if your pension plan is fully insured, see page 5.

**Exception:** Plans which are both welfare and fringe benefit plans must complete items 35g and 35h.

**34.** Column (a) should be used to enter the current value of plan assets and liabilities as of the beginning of the plan year. Column (b) should be used to enter the current value of plan assets and liabilities as of the end of the plan year.

Amounts reported in column (a) must be the same as reported for corresponding line items in column (b) of the return/report for the preceding plan year.

**34a.** Total noninterest-bearing cash includes, among other things, cash on hand or cash in a noninterest-bearing checking account.

**34b(1).** Noncash basis filers should 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.

**34b(2).** Noncash basis filers should include contributions withheld by the employer from participants and amounts due directly from participants which have not yet been received by the plan. Do not include the repayment of participant loans.

**34b(3).** Noncash basis filers should include income from investment income earned but not yet received by the plan.

**34b(4).** Noncash basis filers should include amounts due to the plan which are not includable in items 34b(1)–(3) above. These may include amounts due from the employer or another plan for expense reimbursement or from a participant for the repayment of an overpayment of benefits.

**34c(1).** Include all assets which earn interest in a financial institution account including interest bearing checking accounts, passbook savings accounts, et al., or in a money market fund.

**34c(3).** 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.

**34c(4).** Include investment securities 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 or municipalities reported under 34c(3) or 34c(17).

"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" they are listed as "Other".

**34c(5)(A).** Include stock issued by corporations which is accompanied by preferential rights such as the right to share in distributions of earnings at a higher rate or has general priority over the common stock of the same entity. Include the value of warrants convertible into preferred stock.

**34c(5)(B).** Include any stock which represents regular ownership of the corporation and is not accompanied by preferential rights plus the value of warrants convertible into common stock.

**34c(6).** 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 which is a 103-12 IE (see the instructions for 34c(11) through 34c(15), below).

**34c(7)(A).** Include the current value of real property owned by the plan which produces income from rentals, etc. This property is not to be included in item 34e, buildings and other property used in plan operations.

**34c(7)(B).** Include the current value of real property owned by the plan which is not producing income or used in plan operations.

**34c(8)(A).** Include the current value of all loans made by the plan to provide mortgage financing to purchasers (other than plan participants) of residential dwelling units, either by making or participating in loans directly or by purchasing mortgage loans originated by a third party. (For participant loans, see 34c(9)(A) and (B), below.)

**34c(8)(B).** Include the current value of all loans made by the plan to provide mortgage financing to purchasers (other than participants) of commercial real estate, either by making or participating in the loans directly or by purchasing mortgage loans originated by a third party. (For participant loans, see 34c(9)(A) and (B), below.)

**34c(9)(A).** Include the current value of all loans to participants which are made by the plan to provide mortgage financing to participants who were purchasers of real property, irrespective of whether the mortgage was for residential, commercial or farm property.

**34c(9)(B).** Include the balance of any loans made to participants which were not reported in item 34c(9)(A).

**34c(10).** Include all loans made by the plan which are not to be reported elsewhere in item 34 such as loans for construction, securities loans, and other miscellaneous loans.

**34c(11) through 34c(15).** In items 34c(11) through 34c(15), enter the current value of the plan's interest at the beginning and end of the plan year. If some plan funds are held in these investment arrangements, and other plan funds are held in other funding media, complete all applicable sub-items of item 34 with regard to assets held in other funding media.

A plan investing in common/collective trusts or pooled separate accounts should attach to the return/report either the statement of assets and liabilities of the common/collective trust or pooled separate account or the certification discussed on page 3 of these instructions.

The value of the plan's interest in a master trust is the sum of the net values of the plan's interest in master trust investment accounts. The net values of such interests are obtained by multiplying the plan's percentage interest in each master trust investment account by the net assets of the investment account (total assets minus total liabilities) at the beginning and end of the plan year.

**34c(16).** You can use the same method for determining the value of the insurance contracts reported in 34c(16) that you used for line 6e of Schedule A (Form 5500) as long as the contract values are stated as of the beginning and end of the plan year.

**34c(17).** Other investments include options, index futures, repurchase agreements, and state and municipal securities among other things.

**34d.** See 30g on page 16 for the definition of employer security.

**34e.** 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 item 34c(7)(A) or (B), or 34d(2).

*Do not include the value of future pension payments in items 34g, 34h, 34i, 34j or 34k.*

**34g.** Noncash basis plans should include the total amount of benefit claims which have been processed and approved for payment by the plan.

**34h.** Noncash basis plans should 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.

**34i. Acquisition Indebtedness.—** "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).

**34j.** Noncash basis plans should include amounts owed for any liabilities which would not be classified as benefit claims payable, operating payables, or acquisition indebtedness.

**34l.** Column (b) must equal the sum of column (a) plus items 35i and 35j.

**35a(1).** Include the total cash contributions received and/or (for accrual basis plans) due to be received.

**35a(2).** Use the current value, at date contributed, of securities or other noncash property.

**35b(1)(A).** Include the interest earned on interest-bearing cash. This is derived from investments which are includable in 34c(1), including earnings from sweep accounts, STIF accounts, etc.

**35b(1)(B).** Include the interest earned on certificates of deposit. This is the interest earned on the investments which are reported on line 34c(2).

**35b(1)(C).** Include the interest earned on U.S. Government securities. This is the interest earned on the investments which are reported on line 34c(3).

**35b(1)(D).** Generally, this is the interest earned on securities which are reported on lines 34c(4)(A) and (B) and 34d(1).

**35b(1)(E).** Include the interest earned on the investments which are reported on lines 34c(8)(A) and (B) and 34c(9)(A).

**35b(1)(F).** Include the interest earned on the investments which are reported on lines 34c(9)(B) and 34c(10).

**35b(1)(G).** Include any interest not reported in 35b(1)(A)–(F).

**35b(2) (A) and (B).** Generally, these dividends are from the investments which are reported in items 34c(5)(A) and (B) and 34d(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.

**35b(3).** Generally, rents represent the income earned on the real property which is

reported in items 34c(7)(A) and 34d(2). Rents should be entered 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, that portion of the expenses attributable to the income producing portion of the property should be netted against the total rents received.

**35b(4).** Column (b), total of net gain (loss) on sale of assets, should reflect 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 each asset which 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 item 35b(5) below, with two exceptions: (1) the realized gain (or loss) on each asset which was disposed of during the plan year is reported in 35b(4) (NOT in 35b(5)), and (2) the net investment gain (or loss) from certain investment arrangements is reported in items 35b(6) through 35b(10).

The sum of the realized gain (or loss) of all assets sold or exchanged during the plan year is to be calculated by—

(1) entering the sum of the amount received for these former assets in 35b(4), column (a), line (A),

(2) entering in 35b(4), column (a), line (B), the sum of the current value of these former assets as of the beginning of the plan year, for those assets on hand at the beginning of the plan year, or the purchase price for those assets acquired during the plan year, and

(3) subtracting (B) from (A) and entering this result on line c in column (b).

A negative figure should be placed in parentheses.

**35b(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. A negative figure should be placed in parentheses. Do not include the value of assets reportable in items 35b(4) and 35b(6) through 35b(10).

**35b(6) through (10).** Report all earnings, expenses, gains or losses, and unrealized appreciation or depreciation which were included in computing the net investment gain (or loss) from these investment arrangements here. If some plan funds are held in any of these investment arrangements and other plan funds are held in other funding media, complete all applicable sub-items of item 35 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 investment arrangements is equal to:

(A) the sum of the current value of the plan's interest in each investment arrangement at the end of the plan year,

(B) minus the current value of the plan's interest in each investment arrangement at the beginning of the plan year,

(C) plus any amounts transferred out of each investment arrangement by the plan during the plan year, and

(D) minus any amounts transferred into each investment arrangement by the plan during the plan year.

Enter the net gain as a positive number or the net loss in parentheses.

**35c.** Include any other plan income earned that is not included in 35a or 35b. Do not include transfers from other plans which should be reported in item 35j.

**35d.** Add all amounts in column (b) and enter the total income.

**35e.** If distributions include securities or other property, use the current value at date distributed for this item. See page 16 for the definition of current value. If this return/report is being filed only for a fringe benefit plan (or for both a fringe benefit plan and a welfare benefit plan which is exempt from completing item 35), you must complete items 35g and 35h (reasonable estimates will be acceptable for these figures).

**35e(1).** Include the current value of all cash, securities or other property at the date of distribution.

**35e(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, etc.

**35e(3).** Include 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.

**35f.** 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.

**35g.** Expenses incurred in the general operations of the plan are classified as administrative expenses. Report all administrative expenses (by specified category) paid by or charged to the plan, including those which were not subtracted from the gross income of common/collective

trusts, pooled separate accounts, master trust investment accounts, and 103-12 IEs in determining their net investment gain(s) or loss(es). If this return/report is filed only for a fringe benefit plan and NOT for a welfare benefit plan, do not include overhead expenses such as utilities and photocopying expenses. Also, if you are filing for an educational assistance program described in Code section 127, do not include expenses for job-related training which are deductible under Code section 162.

**35g(1).** Include all of the plan's expenditures such as salaries and the payment of premiums to provide benefits to plan employees (e.g., health insurance, life insurance, etc.).

**35g(2).** 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 services. These may include the fee(s) for the annual audit of the plan by an independent qualified public accountant, for payroll audits, and for accounting/bookkeeping services. These do not include amounts paid to plan employees to perform accounting functions.

**35g(3).** 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) to an actuary for services rendered to the plan.

**35g(4).** 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) 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.

**35g(5).** 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) 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.

**35g(6).** Include 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 lawyer for services rendered to the plan. Include fees paid for rendering legal opinions, litigation, and advice but not for providing legal services as a benefit to plan participants.

**35g(7).** 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) for valuations or appraisals to determine the cost, quality, or value of an item. These may include the fee(s) paid for appraisals of real property (real estate, gemstones, coins, etc.), and a valuation of closely held securities for which there is no ready market.

**35g(8).** Include the total fees and expenses paid to or on behalf of plan trustees (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). These may include reimbursement of expenses associated with trustees such as lost time, seminars, travel, meetings, etc.

**35g(9).** Other expenses are those that cannot be associated definitely with items 35g(1) through 35g(8). All miscellaneous expenses are also included in this figure. These may include expenses for office supplies and equipment, cars, telephone, postage, rent, and expenses associated with the ownership of a building used in the operation of the plan.

**35h.** Add column (b) of items 35e(4), 35f, and 35g(10).

**35i.** Subtract item 35h from item 35d.

**35j.** Include in this reconciliation figure any transfers of assets into or out of the plan resulting from mergers and consolidations of plans or associated with benefit liabilities which are also being transferred. A transfer is not a shifting of assets or liabilities from one investment medium to another used for a single plan (e.g., between a trust and an annuity contract). Transfers out should be shown in parentheses.

**35k.** Include the amount of net assets at the beginning of the year. This amount must equal item 34l, column (a).

**35l.** Include the amount of net assets at the end of the year. This amount must equal item 34l, column (b).

# Codes for Principal Business Activity and Principal Product or Service

These industry titles and definitions are based, in general, on the Enterprise Standard Industrial Classification System authorized by the Regulatory and Statistical Analysis Division, Office of Information and Regulatory Affairs, Office of Management and Budget, to classify enterprises by type of activity in which they are engaged.

## AGRICULTURE, FORESTRY, AND FISHING

**Code**  
0120 Field crop.  
0150 Fruit, tree nut, and vegetable.  
0180 Horticultural specialty.  
0230 Livestock.  
0270 Animal specialty.

### Agricultural services and forestry:

0740 Veterinary services.  
0750 Animal services, except veterinary.  
0780 Landscape and horticultural services.  
0790 Other agricultural services.  
0800 Forestry.

### Farms:

### Fishing, hunting, and trapping:

0930 Commercial fishing, hatcheries, and preserves.  
0970 Hunting, trapping, and game propagation.

## MINING

### Metal mining:

1010 Iron ores.  
1070 Copper, lead and zinc, gold and silver ores.  
1098 Other metal mining.  
1150 Coal mining.

### Oil and gas extraction:

1330 Crude petroleum, natural gas, and natural gas liquids.  
1380 Oil and gas field services.

### Nonmetallic minerals (except fuels) mining:

1430 Dimension, crushed and broken stone; sand and gravel.  
1498 Other nonmetallic minerals, except fuels.

## CONSTRUCTION

### General building contractors and operative builders:

1510 General building contractors.  
1531 Operative builders.

### Heavy construction contractors:

1611 Highway and street construction.  
1620 Heavy construction, except highway.

### Special trade contractors:

1711 Plumbing, heating, and air conditioning.  
1721 Painting, paperhanging, and decorating.  
1731 Electrical work.  
1740 Masonry, stonework, and plastering.  
1750 Carpentering and flooring.  
1761 Roofing and sheet metal work.  
1771 Concrete work.  
1781 Water well drilling.  
1790 Miscellaneous special trade contractors.

## MANUFACTURING

### Food and kindred products:

2010 Meat products.  
2020 Dairy products.  
2030 Preserved fruits and vegetables.  
2040 Grain mill products.  
2050 Bakery products.  
2060 Sugar and confectionery products.  
2081 Malt liquors and malt.  
2088 Alcoholic beverages, except malt liquors and malt.  
2089 Bottled soft drinks and flavorings.  
2096 Other food and kindred products.  
2100 Tobacco manufacturers.

### Textile mill products:

2228 Weaving mills and textile finishing.  
2250 Knitting mills.  
2298 Other textile mill products.

### Apparel and other textile products:

2315 Men's and boys' clothing.

### Code

2345 Women's and children's clothing.  
2388 Hats, caps, millinery, fur goods, and other apparel and accessories.  
2390 Misc. fabricated textile products.

### Lumber and wood products:

2415 Logging camps and logging contractors, sawmills, and planing mills.  
2430 Millwork, plywood, and related products.  
2498 Other wood products, including wood buildings and mobile homes.  
2500 Furniture and fixtures.

### Paper and allied products:

2625 Pulp, paper, and board mills.  
2699 Other paper products.

### Printing, publishing, and allied industries:

2710 Newspapers.  
2720 Periodicals.  
2735 Books, greeting cards, and miscellaneous publishing.  
2799 Commercial and other printing, and printing trade services.

### Chemical and allied products:

2815 Industrial chemicals, plastics materials, and synthetics.  
2830 Drugs.  
2840 Soap, cleaners, and toilet goods.  
2850 Paints and allied products.  
2898 Agricultural and other chemical products.

### Petroleum refining and related industries (including those integrated with extraction):

2910 Petroleum refining (including those integrated with extraction).  
2998 Other petroleum and coal products.

### Rubber and miscellaneous plastics products:

3050 Rubber products, plastics footwear, hose, and belting.  
3070 Misc. plastics products.

### Leather and leather products:

3140 Footwear, except rubber.  
3198 Other leather and leather products.

### Stone, clay, glass, and concrete products:

3225 Glass products.  
3240 Cement, hydraulic.  
3270 Concrete, gypsum, and plaster products.  
3298 Other nonmetallic mineral products.

### Primary metal industries:

3370 Ferrous metal industries; miscellaneous primary metal products.  
3380 Nonferrous metal industries.

### Fabricated metal products, except machinery and transportation equipment:

3410 Metal cans and shipping containers.  
3428 Cutlery, hand tools, and hardware: screw machine products, bolts, and similar products.  
3430 Plumbing and heating, except electric and warm air.  
3440 Fabricated structural metal products.  
3460 Metal forgings and stampings.  
3470 Coating, engraving, and allied services.  
3480 Ordnance and accessories, except vehicles and guided missiles.  
3490 Miscellaneous fabricated metal products.

### Machinery, except electrical:

3520 Farm machinery.  
3530 Construction, mining and materials handling machinery, and equipment.  
3540 Metalworking machinery.  
3550 Special industry machinery, except metalworking machinery.  
3560 General industrial machinery.  
3570 Office, computing, and accounting machines.

### Code

3598 Engines and turbines, service industry machinery, and other machinery, except electrical.

### Electrical and electronic machinery, equipment, and supplies:

3630 Household appliances.  
3665 Radio, television, and communication equipment.  
3670 Electronic components and accessories.  
3698 Other electric equipment.

### Transportation equipment:

3710 Motor vehicles and equipment.  
3725 Aircraft, guided missiles, and parts.  
3730 Ship and boat building and repairing.  
3798 Other transportation equipment.

### Measuring and controlling instruments; photographic and medical goods, watches and clocks:

3815 Scientific instruments and measuring devices; watches, and clocks.  
3845 Optical, medical, and ophthalmic goods.  
3860 Photographic equipment and supplies.  
3998 Other manufacturing products.

## TRANSPORTATION, COMMUNICATION, ELECTRIC, GAS, SANITARY SERVICES

### Transportation:

4000 Railroad transportation.

### Local and interurban passenger transit:

4121 Taxicabs.  
4189 Other passenger transportation.

### Trucking and warehousing:

4210 Trucking, local and long distance.  
4289 Public warehousing and trucking terminals.

### Other transportation including transportation services:

4400 Water transportation.  
4500 Transportation by air.  
4600 Pipelines, except natural gas.  
4722 Passenger transportation arrangement.  
4723 Freight transportation arrangement.  
4799 Other transportation services.

### Communication:

4825 Telephone, telegraph, and other communication services.  
4830 Radio and television broadcasting.

### Electric, gas, and sanitary services:

4910 Electric services.  
4920 Gas production and distribution.  
4930 Combination utility services.  
4990 Water supply and other sanitary services.

## WHOLESALE TRADE

### Durable:

5010 Motor vehicles and automotive equipment.  
5020 Furniture and home furnishings.  
5030 Lumber and construction materials.  
5040 Sporting, recreational, photographic, and hobby goods, toys, and supplies.  
5050 Metals and minerals, except petroleum and scrap.  
5060 Electrical goods.  
5070 Hardware, plumbing, and heating equipment.  
5083 Farm machinery and equipment.  
5089 Other machinery, equipment, and supplies.  
5098 Other durable goods.

### Nondurable:

5110 Paper and paper products.  
5129 Drugs, drug proprietaries, and druggists' sundries.  
5130 Apparel, piece goods, and notions.  
5140 Groceries and related products, except meats and meat products.  
5147 Meats and meat products.  
5150 Farm product raw materials.  
5160 Chemicals and allied products.  
5170 Petroleum and petroleum products.  
5180 Alcoholic beverages.  
5190 Miscellaneous nondurable goods.

RETAIL TRADE	Code	Code
Code	5962 Merchandising machine operators.	<b>Personal services:</b>
<b>Building materials hardware, garden supply, and mobile home dealers:</b>	5963 Direct selling organizations.	7215 Coin-operated laundries and dry cleaning.
5211 Lumber and other building materials dealers.	5982 Fuel and ice dealers (except fuel oil and bottle gas dealers).	7219 Other laundry, cleaning and garment services.
5231 Paint, glass and wallpaper stores.	5983 Fuel oil dealers.	7221 Photographic studios, portrait.
5251 Hardware stores.	5984 Liquefied petroleum gas (bottled gas).	7231 Beauty shops.
5261 Retail nurseries and garden stores.	5992 Florists.	7241 Barber shops.
5271 Mobile home dealers.	5993 Cigar stores and stands.	7251 Shoe repair and hat cleaning shops.
<b>General merchandise:</b>	5994 News dealers and newsstands.	7261 Funeral services and crematories.
5331 Variety stores.	5996 Other miscellaneous retail stores.	7299 Miscellaneous personal services.
5398 Other general merchandise stores.	<b>FINANCE, INSURANCE, AND REAL ESTATE</b>	<b>Business services:</b>
<b>Food stores:</b>	<b>Banking:</b>	7310 Advertising.
5411 Grocery stores.	6030 Mutual savings banks.	7340 Services to buildings.
5420 Meat and fish markets and freezer provisioners.	6060 Banking holding companies.	7370 Computer and data processing services.
5431 Fruit stores and vegetable markets.	6090 Banks, except mutual savings banks and bank holding companies.	7392 Management, consulting, and public relations services.
5441 Candy, nut, and confectionary stores.	<b>Credit agencies other than banks:</b>	7394 Equipment rental and leasing.
5451 Dairy products stores.	6120 Savings and loan associations.	7398 Other business services.
5460 Retail bakeries.	6140 Personal credit institutions.	<b>Automotive repair and services:</b>
5490 Other food stores.	6150 Business credit institutions.	7510 Automotive rentals and leasing, without drivers.
<b>Automotive dealers and service stations:</b>	6199 Other credit agencies.	7520 Automobile parking.
5511 New car dealers (franchised).	<b>Security, commodity brokers, dealers, exchanges, and services:</b>	7531 Automobile top and body repair shops.
5521 Used car dealers.	6212 Security underwriting syndicates.	7538 General automobile repair shops.
5531 Auto and home supply stores.	6218 Security brokers and dealers, except underwriting syndicates.	7539 Other automobile repair shops.
5541 Gasoline service stations.	6299 Commodity contract brokers and dealers; security and commodity exchanges; and allied services.	7540 Automobile services, except repair.
5551 Boat dealers.	<b>Insurance:</b>	<b>Miscellaneous repair services:</b>
5561 Recreational vehicle dealers.	6355 Life insurance.	7622 Radio and TV repair shops.
5571 Motorcycle dealers.	6356 Mutual insurance, except life or marine and certain fire or flood insurance companies.	7628 Electrical repair shops, except radio and TV.
5599 Aircraft and other automotive dealers.	6359 Other insurance companies.	7641 Reupholstery and furniture repair.
<b>Apparel and accessory stores:</b>	6411 Insurance agents, brokers, and services.	7680 Other miscellaneous repair shops. Motion pictures:
5611 Men's and boys' clothing and furnishings.	<b>Real estate:</b>	7812 Motion picture production, distribution, and services.
5621 Women's ready-to-wear stores.	6511 Real estate operators (except developers) and lessors of buildings.	7830 Motion picture theaters.
5631 Women's accessory and specialty stores.	6516 Lessors of mining, oil, and similar property.	<b>Amusement and recreation services:</b>
5641 Children's and infants' wear stores.	6518 Lessors of railroad property and other real property.	7920 Producers, orchestras, and entertainers.
5651 Family clothing stores.	6531 Real estate agents, brokers and managers.	7932 Billiard and pool establishments.
5661 Shoe stores.	6541 Title abstract offices.	7933 Bowling alleys.
5681 Furriers and fur shops.	6552 Subdividers and developers, except cemeteries.	7980 Other amusement and recreation services.
5699 Other apparel and accessory stores.	6553 Cemetery subdividers and developers.	<b>Medical and health services:</b>
<b>Furniture, home furnishings, and equipment stores:</b>	6599 Other real estate.	8011 Offices of physicians.
5712 Furniture stores.	6611 Combined real estate, insurance, loans and law offices.	8021 Offices of dentists.
5713 Floor covering stores.	<b>Holding and other investment companies:</b>	8031 Offices of osteopathic physicians.
5714 Drapery, curtain, and upholstery stores.	6742 Regulated investment companies.	8041 Offices of chiropractors.
5719 Home furnishings, except appliances.	6743 Real estate investment trusts.	8042 Offices of optometrists.
5722 Household appliance stores.	6744 Small business investment companies.	8048 Registered and practical nurses.
5732 Radio and television stores.	6749 Holding and other investment companies, except bank holding companies.	8050 Nursing and personal care facilities.
5733 Music stores.	<b>SERVICES</b>	8060 Hospitals.
<b>Eating and drinking places:</b>	<b>Hotels and other lodging places:</b>	8066 Medical laboratories.
5812 Eating places.	7012 Hotels.	8071 Dental laboratories.
5813 Drinking places.	7013 Motels, motor hotels, and tourist courts.	8072 Dental laboratories.
<b>Miscellaneous retail stores:</b>	7021 Rooming and boarding houses.	8098 Other medical and health services.
5912 Drug stores and proprietary stores.	7032 Sporting and recreational camps.	<b>Other services:</b>
5921 Liquor stores.	7033 Trailer parks and camp sites.	8111 Legal services.
5931 Used merchandise stores.	7041 Organizational hotels and lodging houses on a membership basis.	8200 Educational services.
5941 Sporting goods stores and bicycle shops.		8911 Engineering and architectural services.
5942 Book stores.		8932 Certified public accountants.
5943 Stationery stores.		8933 Other accounting, auditing, and bookkeeping services.
5944 Jewelry stores.		8999 Other services not classified elsewhere.
5945 Hobby, toy, and game shops.		<b>TAX-EXEMPT ORGANIZATIONS</b>
5946 Camera and photographic supply stores.		9002 Church plans making an election under section 410(d) of the Internal Revenue Code.
5947 Gift, novelty, and souvenir shops.		9319 Other tax-exempt organizations.
5948 Luggage and leather goods stores.		9904 Governmental instrumentality or agency.
5949 Sewing, needlework, and piece goods stores.		
5961 Mail order houses.		



# 1991 Instructions for Schedule B (Form 5500)

## Actuarial Information

(Code references are to the Internal Revenue Code. ERISA refers to the Employee Retirement Income Security Act of 1974.)

### General Instructions

**Who Must File.**—The employer or plan administrator of a defined benefit plan that is subject to the minimum funding standards (see Code section 412 and Part 3 of Title I of ERISA) must file this schedule as an attachment to the return/report filed for this plan year.

**Note:** (1) For split-funded plans, the costs and contributions reported on Schedule B should include those relating to both trust funds and insurance carriers.

(2) For plans with funding standard account amortization charges and credits see the instructions for lines 9c and 9j regarding attachment.

**Statement by Enrolled Actuary.**—An enrolled actuary must sign Schedule B. The signature of the enrolled actuary may be qualified to state that it is subject to attached qualifications. See Income Tax Regulations section 301.6059-1(d) for permitted qualifications. A stamped or machine produced signature is not acceptable. In addition, the actuary may offer any other comments related to the information contained in Schedule B.

### Specific Instructions

(References are to line items on the form.)

**4a.** Only certain collectively bargained plans may elect the shortfall funding method (see regulations under Code section 412). Advance approval from the IRS of the election of the shortfall method of funding is NOT required if it is first adopted for the first plan year to which Code section 412 applies. However, advance approval from IRS is required if the shortfall funding method is adopted at a later time, if a specific computation method is changed, or if the shortfall method is discontinued.

**4b.** Attach an explanation of the basis for the determination that the plan is in reorganization for this plan year. Also attach a worksheet showing for this plan year (i) the amounts considered contributed by employers, (ii) any

amount waived by IRS, (iii) the development of the minimum contribution requirement (taking into account the applicable overburden credit, cash-flow amount, contribution bases and limitation on required increases on the rate of employer contributions), and (iv) the resulting accumulated funding deficiency, if any, which is to be reported on line 8e in lieu of an amount from line 9o.

**5.** Changes in funding methods include changes in actuarial cost method, changes in asset valuation method, and changes in the valuation date of plan costs and liabilities or of plan assets. Generally, these changes require IRS approval. If approval was granted by an individual ruling letter for this plan, attach a copy of the letter. If approval was granted pursuant to a regulation, class ruling, or revenue procedure, attach a copy of the items required by the applicable regulation, ruling, or revenue procedure.

**6a.** The valuation for a plan year may be as of any date in the year, including the first and last. Valuations must be performed within the period specified by ERISA section 103(d) and Code section 412(c)(9).

**6c.** Enter the current value of total assets as of the beginning of the plan year, as shown on Form 5500 or Form 5500-C/R.

**6d, 6e, and 6f.** All plans regardless of the number of participants must provide the information indicated in accordance with these instructions.

With the exception of the interest rate, each actuarial assumption used in calculating the current liability reported in line 12 should reflect the best estimate of the plan's future experience solely with respect to that assumption applicable to the plan on an ongoing (rather than a terminating) basis. The actuary must take into account rates of early retirement and the plan's early retirement provisions as they relate to benefits, where these would significantly affect the results. With the exception of line 6e, no salary scale projections should be used in computing the present values.

The interest rate used to compute the current liability must be in accordance with guidelines issued by the Internal Revenue Service.

The current liability must be computed in accordance with guidelines issued by the Internal Revenue Service.

Omit from lines 6d, 6e, and 6f liabilities fully funded by annuity and insurance contracts other than any contract funds not allocated to individuals.

**6d.** Enter the current liability as of the beginning of the plan year. Do not include the liability attributable to benefits accruing during the plan year.

**Column (1)**—If the valuation date is not the beginning of the plan year, enter the number of participants as of the most recent valuation date.

**Column (2)**—Include only the portion of the current liability attributable to vested benefits.

**Column (3)**—Include the current liability attributable to all benefits, both vested and nonvested.

**6e.** Enter the amount by which the current liability is expected to increase due to benefits accruing during the plan year. One year's salary scale may be reflected. This amount is included in the full funding limitation calculation.

**6f.** Enter the amount of benefit payments expected to be paid during the plan year.

**7.** Show all employer and employee contributions for the plan year, and employer contributions made not later than 2½ months (or the later date allowed under Code section 412(c)(10) and ERISA section 302(c)(10)) after the end of the plan year. Show only contributions actually made to the plan by the date Schedule B is signed. Certain employer contributions must be made in quarterly installments, see Code section 412(m).

Add the amounts in both columns (b) and (c) and enter the result on the total line.

**8a.** If the attained age normal, aggregate, frozen initial liability, or other

method that does not develop an accrued liability is used, enter "N/A."

**8b.** Enter the value of assets determined in accordance with Code section 412(c)(2) or ERISA section 302(c)(2).

**8d(ii).** For the methods to be used to determine the shortfall gain (loss) see the regulations under Code section 412.

**8e.** Enter amount from line 9o.

However, if the alternative method is elected and line 10h is smaller than line 9o, enter the amount from line 10h. Multiemployer plans in reorganization, see instruction 4b. File Form 5330 with the IRS to pay 10% excise tax (5% in the case of a multiemployer plan) on the funding deficiency.

**9.** Under the shortfall method of funding, the *normal cost* in the funding standard account is the charge per unit of production (or per unit of service) multiplied by the actual number of units of production (or units of service) which occurred during the plan year. Each amortization installment in the funding standard account is similarly calculated.

**9c and 9j.** If there are any amortization charges or credits, attach the maintenance schedule of funding standard account base. The attachment should clearly indicate the type of base (i.e., original unfunded liability, amendments, actuarial losses, etc.), the outstanding balance of each base, the number of years remaining in the amortization period, and the amortization amount.

The outstanding balance may be as of any day in this plan year.

**9c(i).** Amortization for waivers must be based on the mandated interest rate.

**9c(ii).** If a credit described in 9l(ii) was entered on the prior year's Schedule B, establish a new base equal to the amount of the credit and amortize the base over a 10-year period at the valuation rate.

**9e.** Enter the required additional funding charge from line 13r (or 13q if 13r does not apply). Enter "N/A" if line 13 is not applicable.

For corporations described in section 806(b) of the Steel Import Stabilization Act, enter the lesser of line 13r and the transition charge provided under Act section 9303(e) of OBRA 1987. Include an attachment outlining the calculation of the transition charge.

**9f.** Interest is charged for the entire period of underpayment. Refer to IRS Notice 89-52, 1989-1, C.B. 692, for a description of how this amount is calculated.

**Note:** Notice 89-52 was issued prior to the amendment of section 412(m)(1) by the Revenue Reconciliation Act of 1989. Rather than using the rate in the Notice, the applicable interest rate for this purpose is the greater of (1) 175% of the

*Federal mid-term rate at the beginning of the plan year or (2) the rate used to determine the current liability. All other descriptions of the additional interest charge contained in Notice 89-52 still apply.*

**9l(i).** Enter the excess, if any, of the accumulated funding deficiency, disregarding the credit balance, if any, over the full funding limitation (FFL) before reflecting the 150% current liability component.

**9l(ii).** If the full funding limitation after reflecting the 150% current liability component is less than the full funding limitation before reflecting the 150% current liability component, enter the amount which absent the 150% current liability component would have been required.

**Note:** The sum of lines 9l(i) and 9l(ii) is the excess of the accumulated funding deficiency over the full funding limitation (i.e., the full funding credit under Code section 412(c)(6)).

**9l(iii).** Enter a credit for a waived funding deficiency for the current plan year (Code section 412(b)(3)(C)). If a waiver of a funding deficiency is pending, it is not to be reported as a credit but as a funding deficiency. If the waiver is granted, an amended Schedule B (Form 5500) should be filed to report it.

**9p.** The reconciliation account is comprised of those components which upset the balance equation of Income Tax Regulations section 1.412(c)(3)-1(b).

**9p(i).** The accumulation of additional funding charges for prior plan years must be included. Enter the sum of line 9p(i) (increased by one year's interest at the valuation rate) and line 9e, both from the prior year's Schedule B (Form 5500).

**Example:** Enter the 1989 additional charge with one year's interest plus the 1990 additional funding charge.

**9p(ii).** The accumulation of additional interest charges due to late or unpaid quarterly installments for prior plan years must be included. Enter the sum of line 9p(ii) (increased with one year's interest at the valuation rate) and line 9f, both from the prior year's Schedule B (Form 5500).

**Example:** For 1991, enter the 1989 additional interest charges with one year's interest at the valuation rate, plus the 1990 additional interest charges.

**9p(iii)(a).** If a waived funding deficiency is being amortized at an interest rate that differs from the valuation rate, enter the prior year's "reconciliation waiver outstanding balance" increased with one year's interest at the valuation rate and decreased with the year end amortization amount based on the mandated interest rate.

This amount must be as of the same date entered in line 9(c)(i).

**9p(iv).** Enter the sum of lines (i), (ii), and (iii)(b) (each adjusted with interest at the valuation rate, if necessary).

**Note:** The net outstanding balance of amortization charges and credits minus the prior year's credit balance minus the amount on line 9p(iv) (each adjusted with interest at the valuation rate, if necessary) must equal the unfunded liability.

**10a.** If the entry age normal cost method was not used to determine the entries on line 9, the alternative minimum funding standard account may not be used.

**10d.** The value of accrued benefits should exclude benefits accrued for the current plan year. The market value of assets should be reduced by the amount of any contributions for the current plan year.

**11.** Enter only the primary method used. If the plan uses one actuarial cost method in one year as the basis of establishing an accrued liability for use under the frozen initial liability method in subsequent years, answer as if the frozen initial liability method were used in all years.

For a modified individual level premium method for which actuarial gains and losses are spread as a part of future normal cost, check the box for 11g and describe the cost method. For the shortfall funding method, check the appropriate box for the underlying actuarial cost method used to determine the annual computation charge.

**12.** If gender-based statistics are used in developing plan costs, enter those rates where appropriate in line 12. Note that requests for gender-based cost information do not suggest that gender-based benefits are legal. Complete all blanks. Enter "N/A" if not applicable.

If unisex tables are used, enter the values in both the male and female columns.

Attach a statement of actuarial assumptions (if not fully described by line 12), and actuarial methods used to calculate: (i) the figures shown in lines 8, 9, and 10 (if not fully described by line 11), and (ii) the value of assets shown on line 8b. The statement is to include a summary of the principal eligibility and benefit provisions upon which the valuation was based, an identification of benefits not included in the calculation, and other facts, such as any change in actuarial assumptions or cost methods and justifications for any such change. Also, include any other information needed to fully and fairly disclose the actuarial position of the plan.

**12a.** Check "Yes," if the rates in the contract were used (e.g., purchase rates at retirement).

**12b.** Enter the mortality table code as follows:

Table	Code
1937 Standard Annuity . . . . .	1
a-1949 Table . . . . .	2
Progressive Annuity Table . . . . .	3
1951 Group Annuity . . . . .	4
1971 Group Annuity Mortality . . . . .	5
1971 Individual Annuity Mortality . . . . .	6
UP-1984 . . . . .	7
1983 I.A.M . . . . .	8
1983 G.A.M . . . . .	9
Other . . . . .	10
None . . . . .	11

Where an indicated table consists of separate tables for males and females, add F to the female table (e.g., 4F). When a projection is used with a table, follow the code with "P" and the year of projection (omit the year if the projection is unrelated to a single calendar year); the identity of the projection scale should be omitted. When an age setback or setforward is used, indicate with "-" or "+" and the years. For example, if for females the 1951 Group Annuity Table with Projection C to 1971 is used with a 5-year setback, enter "4P71-5." If the table is not one of those listed, enter "10" with no further notation. If the valuation assumes a maturity value to provide the post-retirement income without separately identifying the mortality, interest and expense elements, under "post-retirement," enter on line 12b the value of \$1.00 of monthly pension beginning at the age shown on line 12d, assuming the normal form of annuity for an unmarried person; in this case enter "N/A" on lines 12c and 12e.

**12c(i).** Enter the interest rate used to determine the current liability on line 6. The rate used must be in accordance with the guidelines issued by the IRS. See Notice 90-11, 1990-1 C.B. 319.

**12c(ii).** Enter the assumption as to the expected interest rate (investment return) used to determine all other calculated values with the exception of current liability and liabilities determined under the alternative minimum funding standard (line 10). If the assumed rate varies with the year, enter the weighted average of the assumed rate for 20 years following the valuation date.

**12d.** If each participant is assumed to retire at his/her normal retirement age, enter the age specified in the plan as normal retirement age; do not enter "NRA." Otherwise, enter the assumed retirement age. If the valuation uses rates of retirement at various ages, enter the estimated average whole age at which participants are assumed to retire.

**12e.** If there is no expense loading, enter "-0-". If there is a single expense loading not separately identified as pre-retirement or post-retirement, enter it

under pre-retirement and enter "N/A" under post-retirement. Where expenses are assumed other than as a percent of plan costs or liabilities, enter the assumed expense as a percent of the calculated normal cost.

**12f.** Enter rates to the nearest 0.1%. If select and ultimate rates which vary with both age and years of service are used, enter the rates for a new participant at the age shown and enter "S" before the rate.

**12g.** Enter the salary ratio for the age indicated to the nearest 1%.

**12h.** Enter the estimated rate of return on the actuarial value of plan assets for the one year period ending on the valuation date. For this purpose, the rate of return is determined by using the formula  $2I/(A + B - I)$ , where I is the dollar amount of investment return under the asset valuation method used for the plan, A is the actuarial value of the assets one year ago, and B is the actuarial value of the assets on the current valuation date.

**Note:** If the actuary feels that the result of using the formula above does not represent the true estimated rate of return on the actuarial value of plan assets for the one year period ending on the valuation date, line 12h should still be completed according to the instructions above, and the actuary may attach a statement to Schedule B showing both the actuary's estimate of the rate of return and the actuary's calculations of that rate.

**13.** Multiemployer plans or plans with NO unfunded current liability or plans with 100 or fewer participants should check this box and skip lines 13a through 13r.

A plan has 100 or fewer participants only if there were 100 or fewer participants (both active participants and non active participants) on each day of the preceding plan year taking into account participants in all defined benefit plans maintained by the same employer who are also employees of such employer.

**13a.** Enter the current liability as of the valuation date. If the valuation date is the beginning of the plan year, this amount is the same as line 6d(iv) column (3) "total benefits." Otherwise, adjust the current liability by interest (at the rate used to determine current liability).

**13b.** Enter the actuarial value of assets (reduced by the prior year's credit balance) as of the valuation date. If the prior year's credit balance (line 9h) was determined at a date other than the valuation date, adjust the balance with the appropriate interest adjustment before subtracting. Do not make any adjustment to reflect a prior year's funding deficiency.

**13c.** Enter the adjusted actuarial value of assets expressed as a percentage of

current liability. Round off to two decimal places (e.g., 28.72%).

**13e.** Enter the outstanding balance of the unfunded old liability as of the valuation date.

**Note:** In the case of a collectively bargained plan, this amount must be increased by the unamortized portion of any "unfunded benefit increase liability" in accordance with Code section 412(l)(3)(C).

**13f.** Enter the liability with respect to any unpredictable contingent event benefit that was included on line 13a, whether or not such event has occurred.

**13g.** This amount is the unfunded new liability. It will be recalculated each year. If the result is negative, enter -0-.

**13h.** If the unfunded new liability is -0-, enter \$0 for unfunded new liability amount. If the unfunded new liability amount is greater than -0-, calculate the amortization percentage as follows:

(1) If the funded current liability percentage (line 13c) is less than or equal to 35%, enter 30%.

(2) If the funded current liability percentage exceeds 35%, reduce 30% by the product of 25% and the amount of such excess; round off to two decimal places, and enter the resulting percentage.

The unfunded new liability amount is equal to the above calculated percentage of the unfunded new liability.

**13i.** Enter the amortization of the outstanding balance of the unfunded old liability as of the valuation date (line 13e). In the case of a collectively bargained plan, the unfunded old liability amount to be entered on line 13i must include the amortization of any unfunded existing benefit increase liability calculated in accordance with Code section 412(l)(3)(C)(ii). On a separate attachment show the breakdown of the various liabilities being amortized, the outstanding balance of each liability, the number of years remaining in the amortization period, and the amortization amount.

Any such amortization amount must be determined based on: (1) the current liability interest rate in effect at the beginning of the plan year, and (2) use the valuation date as the due date of the amortization payment. The amortization period must be the remainder of the original 18-year period that applies when the amortization began.

Any such amortization amount must be redetermined each year based on the outstanding balance (line 13e). If the plan becomes fully funded as a current liability basis, the unfunded old liability (including any arising from collectively bargained plans) will be considered fully amortized.

**13j.** Enter the sum of lines 13h and 13i. This amount is the deficit reduction contribution at the valuation date.

**13k.** When entering the net amortization amounts for certain bases include only charges (included on line 9c) and credits (included on line 9j) attributable to original unfunded liability, amendments, funding waivers, charges resulting from a "switchback" arising from the utilization of the alternative minimum, and "offsetable bases" as described in Announcement 90-87, I.R.B. 1990-30 23 which were shown as an attachment to your 1989 Schedule B.

If a base resulted from combining and/or offsetting pre-existing bases among which were bases not designated in the preceding paragraph, then such resulting base may not be included in this line 13k.

Regardless of how the attachment (schedule of bases described in the instructions for lines 9c and 9j) is prepared, enter the amount assuming the payment was on the valuation date.

**13l.** Item I does not apply to the unpredictable contingent event benefits (and liabilities attributable thereto) for which the event occurred before the first plan year beginning after December 31, 1988.

**13i(i).** Enter the total of all benefits paid during the previous plan year that would not have been paid had the

unpredictable contingent event not occurred.

**13i(ii).** Enter 100% minus the funded current liability percentage (line 13c).

**13i(iii).** Enter 10% for plan years beginning in 1991. (See Code section 412(i)(5)(B))

**13i(iv).** Amortization should be based on the current liability interest rate and assume beginning of year payments for a seven-year period.

*Note: Alternative calculation of unpredictable contingent event amount is available for the first year of amortization. Refer to Code section 412(i)(5)(D) for a description. If alternative is used, include an attachment describing the calculation.*

**13p.** Enter the applicable amount of interest, based on the current liability interest rate, to bring the additional funding charge (line 13o) to the end of the plan year.

**13r.** If the plan had 150 or more participants on each day of the preceding plan year, enter N/A. If the plan had less than 150 participants but more than 100 participants on each day of the preceding plan year, only an applicable percentage of line 13q is charged to the funding standard account. The same aggregation rule described in the instructions for line 13 applies.

The applicable percentage is calculated as follows:

(i) Determine the excess of the greatest number of participants during the preceding plan year over 100.

(ii) The applicable percentage is 2% of such excess.

This amount (or line 13q, if line 13r is N/A) will also be entered on line 9e.

**14.** Generally, if the actuary signs the required certification statement on the actuarial report, but "materially qualifies" that statement, the certification is invalid. However, Income Tax Regulations section 301.6059-1(d) lists certain qualifying statements that the actuary is allowed to make. Among them is a statement that in his or her opinion, the report fully reflects the requirements of the statute, but does not conform to the requirements of a regulation or ruling that the actuary believes is contrary to that statute (Income Tax Regulations section 301.6059-1(d)(5)).

Check the "Yes" box on line 14 if the report is being signed subject to this qualification. If a funding deficiency or a disallowed contribution would have resulted for this plan year had the report conformed to the requirements of a regulation or ruling under the subject statute, the actuary must state that on an attachment to Schedule B.