



An Implementation Kit  
for Plan Sponsors

## Installation kit Defined Contribution Plans

Retirement Strategies



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Company name: \_\_\_\_\_

Authorized plan representative \_\_\_\_\_

Address \_\_\_\_\_

Telephone ( ) \_\_\_\_\_ Fax ( ) \_\_\_\_\_

e-mail Address \_\_\_\_\_

Business Activity Code \_\_\_\_\_ (found on Form 5500 Part II Line 2d) Phone Number ( ) \_\_\_\_\_

Tax ID/EIN \_\_\_\_\_

Fiscal Year-End \_\_\_\_\_

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**Daily contact:**

Name \_\_\_\_\_ Title \_\_\_\_\_

Address ( ) \_\_\_\_\_ ( ) \_\_\_\_\_

Telephone \_\_\_\_\_ Ext. \_\_\_\_\_ Fax \_\_\_\_\_

e-mail Address \_\_\_\_\_

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**Corporate structure:** (select all that apply)

Employer is a:

Corporation

Professional Service Corporation

S Corporation

Limited Liability Company that is taxed as:

— a partnership or sole proprietorship

— a Corporation

— an S Corporation

Sole proprietorship

Partnership (including LLP)

Are you an adopter of a Controlled Group or Affiliated Service Group?  Yes  No

If Yes, please list other related employers:

Employers: \_\_\_\_\_

Are the employers listed above currently participating in this plan?  Yes  No

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**Other:**

Please describe any other plan features pertinent to the administration of this plan:

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**Procedures for Opening a New Account or Establishing an Investment Agreement**

To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify and record information that identifies each person or entity that "opens an account." This process affects plan sponsors, plan trustees and any individual signing our investment agreement. We will not check this information for every participant in the plan.

When you open an account or enter into an investment agreement with MassMutual, we will ask for information that will allow us to identify you. For a business entity, this may be its name, address, EIN (Employer Identification Number), articles of incorporation or other identifying documents.

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**Plan Sponsor Signature**

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**Date**

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**Printed Name and Title**

## 3 | Election form

### Pinnacle PEO Corporation 401(k) Plan

Requested Effective Date: \_\_\_\_\_

(The effective date may be based on coordinating transfer of assets from the previous provider.)

#### Section 1: Automatic Enrollment

- If the Adopter elects the automatic enrollment feature, all eligible Worksite Employees who meet the plan eligibility requirements will be automatically enrolled in the 401(k) plan unless the Worksite Employee elects to opt out within 45 days.

Elect automatic enrollment: .....

Participant's pre-tax contribution

Default % = \_\_\_\_\_

(Maximum 10%)

Elect automatic deferral increase .....

Yearly percentage increase \_\_\_\_\_ % not to exceed such increase will continue until deferral rate of the participant has reached the cap of \_\_\_\_\_ %

#### Section 2: Plan Eligibility

Plan Eligibility:

- Check Age Requirement:

No Minimum Age .....

Age 18 .....

Age 21 .....

- Check Service Requirement:

immediate .....

30 days .....

90 days .....

1 year of service (based on 1,000 hours) .....

Continued

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### Section 3: Enrollment Meetings

- New and existing Worksite Employees will need to enroll as they transition to the new 401k plan. For educational enrollment meetings MassMutual needs a minimum of four to six weeks notice.

We would like our enrollment to take place the week of \_\_\_\_\_ . A **Retirement Education Scheduler** from MassMutual will contact you to discuss a specific date and time.....

Decline Enrollment Meetings .....

### Section 4: Contribution and Vesting Options

- For Contribution Definitions and Vesting Options, please see Exhibit A.

Deferral Source Options Source

**Pre-Tax Deferral** .....

All participants are allowed to direct up to \_\_\_\_% of earned wages into a Pre-Tax Deferral, Roth 401(k) Account and/or after-tax. Please check below if you wish to elect Roth 401(k) and/or after-tax.

**Elect Roth 401(k)** .....

**Elect After-Tax (subject to employer matching)** .....

Exclude from employer matching contribution

### Safe Harbor Source Option

You may elect to make an ADP Safe Harbor Contribution to the Plan. A Safe Harbor 401(k) Plan allows for Worksite Employee deferrals but requires a Adopter to make certain minimum contributions that are immediately vested to Worksite Employees. As a result of making these contributions, the plan automatically satisfies certain non-discrimination testing requirements.

The Adopter will make the following ADP Safe Harbor Contribution to the Plan for the Plan Year (select one):

**Safe Harbor Company Match:** .....

100% up to 4% of deferrals

**Safe Harbor Company Non-Elective (Profit Sharing):** .....

- 3% to all eligible employees whether they contribute or not.

Note: Any matching contribution made to the Plan for the Plan Year will be deemed to satisfy the ACP Test if (1) the only matching contribution made to the Plan is a Safe Harbor Company Match, or (2) the Matching Contribution allocation formula provides that only salary deferrals up to 6% of Compensation will be taken into account and the maximum matching contribution made to any Participant for the Plan Year will not exceed 4% of Compensation.

### Non-Safe Harbor Contributions

**Discretionary Company Match:** .....

A Discretionary Match may be made each Plan Year by the Adopter. The Adopter will provide notice of the Matching Formula, if any to Pinnacle PEO Corporation.

**Discretionary Company Non-Elective:** .....

Allocation Formula for the Discretionary Company Non-Elective (Profit Sharing):

Pro-rata

Integrated (Permitted Disparity)

Cross-Tested (New Comparability)

If the allocation formula chosen is "cross tested," the Allocation Groups shall be described below on the basis of the Participants' employment status or other classification. At the time the discretionary non-elective contribution is made to the Plan, the Adopter shall designate the portion of the non-elective contribution to be allocated to each Allocation Group.

### Allocation Conditions:

- 1,000 hours of service
- Last Day Requirement
- Death, Disability and Retirement override

Continued

Allocation Groups for Cross Tested Formula:

Allocation Group 1: \_\_\_\_\_

Allocation Group 2: \_\_\_\_\_

Allocation Group 3: \_\_\_\_\_

Allocation Group 4: \_\_\_\_\_

Allocation Group 5: \_\_\_\_\_

Period for Determining Discretionary Non-Elective Contributions:

- Payroll Period
- Plan Year
- Other \_\_\_\_\_

Check if Allocation Conditions for Discretionary Non-Elective Contributions (except Pay Period):

- A Participant must be employed by the Adopter on the last day of the Determination Period.
- A Participant must be credited with 1,000 hours in the Plan Year.

Name of Adopter:

\_\_\_\_\_

\_\_\_\_\_

EIN: \_\_\_\_\_

**Signed by:**

Signature: \_\_\_\_\_

Print: \_\_\_\_\_ Date: \_\_\_\_\_

## Exhibit A

### Vesting schedule options and key definitions

Once you have chosen contributions for the plan, choose the vesting schedule # for each source of money and write the number below. **Deferrals and Safe Harbor Contributions are automatically 100% vested.** Your vesting schedule cannot be more restrictive than schedules you've had in a prior plan. If your previous vesting schedule is not shown, please enter your schedule in #5, Other.

Discretionary Company Match and Non-Elective Vesting Schedule # 4

#### Vesting schedule options

#1 Immediate	#2 3 Year Cliff	#3 4 Year Graded		#4 2-6 Year Graded		#5 Other	
100% Immediate	0% before 3 years	<1 yrs	0%	<2 yrs	0%	___ yr	___ %
	100% after 3 years	1<2 yrs	0%	2<3 yrs	20%	___ yr	___ %
		2<3 yrs	30%	3<4 yrs	40%	___ yr	___ %
		3<4 yrs	60%	4<5 yrs	60%	___ yr	___ %
		4+ yrs	100%	5<6 yrs	80%	___ yr	___ %
				6+ yrs	100%	___ yr	___ %

If you filled in #5 due to a less restrictive prior plan provision, please provide Adopter Name \_\_\_\_\_  
and submit this form with the Election Form.

### Contribution options definitions:

**Adopters can choose from among the following sources of money to be included in their 401(k) plan.**

**Roth 401(k):** Gives the participant the opportunity to fund their 401(k) plan with after-tax money with the opportunity to receive tax free money at retirement.\*

**After-Tax:** Gives the participant the opportunity to fund their 401(k) plan with after-tax money.

**Company Match:** The Adopter will match a certain percentage of the participant's contribution each year.

**Company Non-Elective Contribution:** The Adopter makes a non-elective contribution regardless of whether or not the participant makes a salary reduction contribution to the plan. This is known as a profit sharing contribution and can be at the discretion of the Adopter from year to year.

Pro-Rata: The profit sharing is allocated based on % of compensation

Integrated: This type of profit sharing is integrated with Social Security

New Comparability: This profit sharing provides varying levels of contributions to different categories of employees

**QNEC:** (Qualified Non-Elective Contribution) Adopter can fund a QNEC at their discretion to satisfy failed ADP/ACP testing at year end instead of removing excess contributions from Highly Compensated Employees.

\*If certain conditions are met.



## HCE / Key worksheet

The details we need to efficiently review your plan

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

### Company Ownership

Please list all owners:

(ownership must  
total 100%)

See reverse

Owner(s)	% owned	Last four digits of SSN	Family relationship among owners

Please list all persons who own or owned any portion of the company during the current or prior year. (If ownership did not change during the two-year period, ownership must total 100-percent. If ownership changed during the two-year period, the total will exceed 100-percent).

Date: _____

Please list all family adopters of the owners listed above who work for the business. Include each direct owner's spouse, grandparents, parents and children.

Relatives of owner(s) named above	Last four digits of SSN	Relationship to owner(s)

Continued

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Please list all officers of the corporation.

Officer(s)	Last four digits of SSN	Title

Please list all Highly Compensated Employees (HCEs). An HCE is an employee who:

1. earned in excess of \$110,000 in the look back year (2011) as indexed – current year is disregarded OR
2. owns (or owned) in excess of 5% of the company during current or prior year (include the owner, his or her spouse and the owner's grandparents, parents and children).

Highly Compensated Employee(s)	Last four digits of SSN	Title or relationship to owner

Failure to provide accurate data may affect the qualified status of your plan. This information is used to review your company status as a adopter of a controlled group or affiliated service group (ASG). Contact your legal advisor if you believe you are a adopter of a controlled group or an ASG.





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