



Document System Version 1.20b Web Update Release Notes

DS 1.20b

DS Version 1.20.0200

February 22, 2010

Cafeteria Plan Documents - Issues Addressed

- Smoothed the language of the second paragraph of the Cafeteria Plan Document Introduction, "This Plan is designed to permit an..."
- Merged the Summary of Material Modifications (SMM) for the Qualified Reservist Distribution Amendment into the general SMM
- Modified the "Failure to File Election Form" options in the Cafeteria Plan Document and Checklist, creating separate questions for failure to file an election form in the initial plan year and for subsequent plan years.

Retirement Plan Documents - Issues Addressed

Adoption Agreements and Checklists

- In the EGTRRA DC Volume Submitter-IDP (VS-IDP) Checklist for Profit Sharing and 401(k) plans, corrected the missing selection of an 8% interest rate for age weighted allocations on the printed checklist.
- Removed the erroneous edit check linking D.1.a and E.9 that prevented the selection of the combination of E.9. b and c, on the VS-IDP Checklist screens.
- On the Adoption Agreement screens for EGTRRA DC prototypes and Volume Submitter Adoption Agreement format (VS-AA) plans, added an edit check regarding the 7-year step for graded vesting schedules when the effective date is on or after 01-01-2007.
- Removed the erroneous edit check in the eligibility section of the VS-AA screen linking A.8.e to A.9.a.
- Corrected the print for the signature area of the VS-AA adoption agreement for Profit Sharing, Money Purchase, and Target Benefit plans, to display areas for additional employers under a Multiple Employer plan.

403(b) Plan Adoption Agreement

- Corrected the printing problem in the signature block for 403(b) plan adoption agreements that caused overflow error 6.

Summary Plan Descriptions (SPD)

- For EGTRRA Profit Sharing and 401(k) SPDs, corrected the example of an integrated allocation based on \$9,000 in compensation to show that the allocation would be \$270.
- Smoothed the wording of the EGTRRA VS-IDP SPD section "Will the plan automatically distribute any of my benefit?" for situations where the mandatory cash-out threshold and the automatic rollover threshold are set to \$1,000.
- Moved the language regarding "employed on a date" to the end of the EGTRRA 401(k) SPD section "What are the requirements to be eligible to make Salary Deferrals?"

- Corrected the missing references to number of hours in the EGTRRA VS-IDP SPD section “What is a Break in Service for Vesting Purposes?” when A.8.b.1 (Break in Service for Vesting) is completed but A.8.a (Break in Service for Eligibility) is not completed.

2009 Interim and Termination Amendment for DC plans

- Added blank lines and a divider line to separate the QACA effective date from the general amendment signature area.
- For plans that do not contain QACA features, removed the erroneous edit check and automatic printing of eligibility selections in the QACA section.

Board Resolution / Action by the employer

- Removed the duplicate word “that” in the resolution upon termination for a sole proprietor.
- Modified the language for the addition and removal of Trustees so that it is gender-neutral
- Changed the sequence of references to amendments in the body of the resolution and in the list of exhibits so that they appear in the same order
- Modified the descriptions of the 2007 and 2009 Interim Amendments so that they are similar to each other

Other Ancillary Documents and Forms

- In the Annual Safe Harbor Notice, corrected the printing of blank percentages in the Safe Harbor Notice for VS-AA plans selecting an additional ACP matching contribution under option D.19.c.7.
- For the Form 5300, Schedule Q, Demo 6 screen, added an edit check requiring the selection of either option “A” or “B” under “Allocation Formula.”
- Corrected the batch print version of Form 8717 to generate the May 2009 version of Form 8717.



Document System Version 1.20a Web Update Release Notes

DS 1.20a

DS Version 1.20.0100

January 29, 2010

Retirement Plan Documents - New Features and Enhancements

- Demo 6 attachment to Schedule Q for Defined Contribution Plan Determination Letter submissions
- Sponsor Reporting letters for Word-for-Word adopters to notify adopting employers of the 2009 Core and Interim Amendments
- Enhanced signature areas in all documents requiring a signature, providing the ability to print a signatory's title only (a name is no longer required)

Cafeteria Plan Documents - New Features and Enhancements

- Amendments and SMMs added for "Michelle's Law" and The Genetic Information Nondiscrimination Act of 2008 (GINA)
- "Michelle's Law" Notice and Certification of Dependent Student Status added to Cafeteria and Healthcare Reimbursement Account plan documents

Retirement Plan Documents - Issues Addressed

Summary Plan Descriptions

- For the EGTRRA SPD for Volume Submitter Individually Designed Plan (IDP) format documents:
 - Added language for the enhanced ADP safe harbor match options "other" (option D.22.c.c2F) and option D.22.c.c2E (simple percent) to the SPD section "How is the Safe Harbor Contribution Determined?"
 - Removed improper reference to Roth deferrals in the In-Service Distribution section, when Roth deferrals are not permitted, under a VS IDP CODA
 - Enhanced the section "Are there requirements to receive a (Profit Sharing) (Employer) contribution?" to generate text for non-discretionary employer contributions, for Profit Sharing and CODA plans
- For EGTRRA Prototype Profit Sharing and CODA plans
 - Added language to the In-service Distribution section to clarify the accounts to which an age 59 ½ restriction does or does not apply, and removed improper references to age 59 ½ for Profit Sharing only (non-CODA) plans.
 - For a Non-standardized Short Form Profit Sharing plan, corrected the incomplete sentence in the section "What happens to the account balance that I am not vested in?" when a vesting schedule applies
- Added language to distinguish between an elective deferral election that must be all Roth or all pre-tax from those where elective deferrals may be a combination of the two, for the EGTRRA CODA SPD (all document formats)
- EGTRRA SPD for all Defined Contribution plan types and document formats, added Table of Contents entries and section headings to the "Other Important Information" and "ERISA Rights" sections

User Interface / Edit Checks / Multi-plan Operations

- In the "Plan Information" area, enhanced the serial number field so that those entered manually by Word-for-Word Adopters will be saved under all conditions
- On the Cash Balance cycle D checklist, removed an improper edit check associated with option D.3.f, the "maximize owner" allocation method

- On the EGTRRA VS IDP checklist for all Defined Contribution plans, added an edit check to require entry of the automatic rollover threshold amount
- Under Multi-plan Operations, modified the logic for determining the “current” amendment so that an EGTRRA document is always considered more recent than a GUST or Post-GUST document, regardless of amendment effective date

403(b) Documents

- In the 403(b) Plan SPD, removed references to In-Service Distributions when In-Service Distributions are not permitted
- In the 403(b) Plan Action by Employer / Board Resolution, inserted the word “and” in the phrase “... responsibility as noted in the terms and conditions...”

Core and Interim Amendments

- Replaced the word “DATAIR” in amendment title with the Individually Designed plan’s Trust name in the 2009 Trust Core Amendment for Cash Balance plans
- Corrected numbering for section 15 in the 2009 Interim and Termination Amendments
- In the QACA section of the 2009 Interim and Termination Amendments, eliminated the ability to deselect “all new Participants” and “all current Participants without an affirmative election”

Signature Area Update

The signature block may be printed with titles only, in all documents where a signature area appears (e.g. Adoption Agreements, Amendments). It is no longer a requirement to enter a name for each signatory.

Sponsor Reporting Utility

The Sponsor Reporting Utility helps Word-for-Word adopters of the DATAIR pre-approved documents comply with the recordkeeping and employer communication requirements of Rev. Proc 2005-16.

With this release, we have updated the letters to adopting employers to describe the 2009 Core and Interim Amendments. For employers whose Defined Contribution plan has not yet been restated from a GUST document, the letter also provides a reminder to restate by April 30, 2010.

Demo 6 to Schedule Q for Defined Contribution Plan Determination Letter Requests

To assist you in filing a Determination Letter request for a Defined Contribution plan with a non-designed based safe harbor or a cross-tested allocation formula, we have added a Demo 6 attachment to Schedule Q.

Plan Documents

- Plan Information
- Plan Documents
 - Volume Submitter Checklist
 - Loan Procedure
 - Summary Plan Description
 - Summary of Material Modifications
 - Multiple Employer Addendum
 - 2007 Interim Amendment
 - 2008 DC Plan Termination Amendme
 - Sale Harbor Amendment
 - 2009 Interim Amendment
 - 2009 DC Plan Termination Amendme
 - Sale Harbor Contribution Suspensior
- Ancillary Documents
 - Action by Board of Directors/Employ
 - Transmittal Letter to IRS
 - PPA 2006 Checklist
 - IRS Form 5300
 - IRS Form 5300 Sch Q
 - IRS Form 5300 Sch Q Demo 6
 - IRS Form 5307 03/08
 - IRS Form 5308 08/04
 - IRS Form 8717 05/09
 - IRS Form 2848 06/08
 - IRS Form SS-4 07/07
 - IRS Form 8821 08/08
 - IRS Form 8905 04/06
- Employee Communications
 - Notice to Interested Parties
 - Sarbanes-Oxley Blackout Notice

IRS: Form 5300: Schedule Q Demo 6

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**Schedule Q
Demonstration 6 - General Test**

Attached to Form 5300 5307 5310

Plan Name

Based on the information submitted herein and the attached sample data, we are requesting a ruling the non-discrimination requirements under Code section 401(a)(4) based on the general testing met

Allocation Formula: (Select A or B, then Enter the Allocation Formula in C)

A rate group is created from each individual Highly Compensated Employee. Each rate group co under the plan with equivalent accrual rates that are equal to or exceeding the individual HCE ra

A. The Plan contains an allocation formula based on a non-designed based safe harbor.

B. The Plan contains a Cross-Tested allocation formula.

C. The Employer's allocation to each eligible Participant is based on

Note: Provisions for this allocation method are located in the Allocation Section of the Plan, Pa

Testing Method: The Plan is being tested based on: (Select A or B)

Note: If passing more than one test, you must pick one for Demo 6

A. Contribution Basis - The total amount of contributions and forfeitures allocated during th percentage of Compensation.

In the Folder view, you will find Demo 6 under Ancillary Documents.

Note that there are 2 pages of options. You must complete both pages to generate a valid Demo 6.

IRS: Form 5300: Schedule Q Demo 6

Page 1 | Page 2 |

**Schedule Q
Demonstration 6 - Page 2**

Accrual Rate Grouping:

A. No grouping, each highly compensated employee defines a rate group

B. Accrual Rates are grouped as: (Enter rate grouping information)

Benefits Normalized to determine Equivalent Benefits:

Amounts allocated to employee's accounts are normalized based on service using: (Do not complete if testing on a Contribution Basis)

Testing Age for Employees is: (Select one)

Normal Retirement Age Social Security Retirement Age Other _____

Converted using Mortality Table: _____

Normalized using Interest Rate: _____ %

Insert an interest rate that is equal to or greater than 7.5%, but less than 8.5%

Attached is sampling of the actual data used for the General Test, calculated under method described herein and identifying how each rate groups satisfies section 410(b) of the Internal Revenue Code. (Please note the attachment must identify each rate group and show how the allocation was made to each Participant.)

By itself, this 2-page template is not a complete Demonstration 6.

To complete your Demonstration 6, you must attach a sampling of the actual data used in the General Test, along with a description of how each rate group satisfies IRC section 410(b). This attachment must identify each rate group and show how the allocation was made to each participant.

Batch Print

Ancillary Documents

- All Ancillary Documents
- Action by Board of Directors
- Appointment of Trustee
- Removal of Trustee
- Contingent Successor Trustee
- Limitation of Legal Liability
- QDRD Checklist
- Pension Protection Act 2006 Checklist
- Transmittal Letter to the IRS
- IRS Form 2848 (06/08)
- IRS Form 5300
- Schedule Q (Form 5300)
- Schedule Q (Form 5300) Demo 6
- IRS Form 5307 (03/08)
- IRS Form 5308 (08/04)
- IRS Form 8717 (05/09)
- IRS Form 8821 (08/08)
- IRS Form 8905 (04/06)
- IRS SS-4 (7/07)

Print Options - Schedule Q (Form 5300)

Device:

Name: DATAIR PDF Printer

Tray:

Status: Ready

Type: File

Location: Z:\Testing - Plan Print

Append To Existing

Print Range:

All

Pages From: 1 To: 1

You may print Demo 6 from Batch Print (Ancillary Documents), as well as from Folder view.

Please note that you cannot use the Preview function, nor can you "print" to an ".rtf" file for Demo 6. This limitation applies to all forms shared with the PR system.

Cafeteria Plan Documents - Issues Addressed

- Amendments and SMMs added for “Michelle’s Law” and The Genetic Information Nondiscrimination Act of 2008 (GINA)
- “Michelle’s Law” Notice and Certification of Dependent Student Status added to Cafeteria and Healthcare Reimbursement Account plan documents

Laws That Affect Cafeteria Plans

Michelle’s Law

“Michelle’s Law” requires group and individual health plans to continue to cover otherwise eligible dependent children taking a medical leave of absence from a postsecondary educational institution (e.g., a college, university, or vocational school) due to a serious illness or injury. Dependent children on a leave of absence must be covered until the earlier of one year from the first day of the leave of absence or the date on which the coverage otherwise would terminate.

The Genetic Information Nondiscrimination Act of 2008 (GINA)

GINA (Genetic Information Non-Discrimination Act) prohibits discrimination by health insurers and employers based on individuals’ genetic information. Genetic information includes the results of genetic tests to determine whether someone is at increased risk of acquiring a condition in the future, as well as an individual’s family medical history. GINA imposes the following restrictions: prohibits the use of genetic information in making employment decisions; restricts the acquisition of genetic information by employers and others; imposes strict confidentiality requirements; and prohibits retaliation against individuals who oppose actions made unlawful by GINA or who participate in proceedings to vindicate rights under the law or aid others in doing so.