



PLAN TERMINATION NOTIFICATION

Address: ABA Retirement Funds Program ("Program") • P.O. Box 990073 • Hartford, CT 06199

Client Services: 877.275.3182 • **Executive and Preferred Clients:** 800.554.0073 • **Sole Proprietors:** 800.752.6313

Email: contactus@abaretirement.com • **Website:** abaretirement.com

Use this form to notify the Program that the Employer has decided to terminate the retirement plan identified below and to further direct and authorize the Program to take the actions described in this form. Return this completed, signed form.

Note that you may not use this form to terminate a defined benefit pension plan or cash balance plan. For either of those types of plans, you must go through your actuarial provider.

1. EMPLOYER INFORMATION (To be completed by the Employer)

Program Plan Number: _____ Employer Tax ID Number: _____ - _____ IRS Plan Number: _____

Employer's Name: _____ Employer's Business Phone Number: (_____) _____ - _____

Employer's E-Mail Address: _____

Plan Contact During Plan Termination Process: _____

Plan Contact's Business Phone Number: (_____) _____ - _____

Plan Contact's Email Address: _____

2. EMPLOYER DIRECTIVE

The Employer hereby notifies the Program that effective _____ (date) it is terminating the _____ (name of plan) and will distribute all assets of the plan as soon as practicable (but in all events prior to the one year anniversary of the termination date indicated above). Reason for plan termination: _____

Please note that the plan termination date cannot be a date in the future.

A. PLEASE COMPLETE THE FOLLOWING ACTIONS, AS APPLICABLE, IN THE ORDER SHOWN, PRIOR TO SUBMITTING THIS FORM:

- If you sponsor a **money purchase pension plan**, then your plan is subject to Section 204(h) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). Section 204(h) requires that you notify eligible participants that the plan is terminating by distributing the notice described in Section 204(h) (a sample notice is posted in the online Plan Administrator Guide at www.abaretirement.com/ePAG (see Plan Termination)) in advance of the termination as described in the online Plan Administrator Guide. This notice requirement does not apply to profit sharing or 401(k) plans. Also, plans subject to Section 204(h) must amend their plans to freeze future benefit accruals; the Program will assist you in preparing a plan amendment for your signature. Submit your request for a plan amendment to contactus@abaretirement.com.
 - All plans must ensure that final employer and/or employee contributions are made to the plan. Your plan may have assets in its forfeiture reserve account that could be used to reduce any remaining employer contributions.
 - All plans must ensure that all participant records are complete and up to date (e.g., notify the Program promptly of any participant who is separated from service along with his or her termination date). *(The Program can provide a report of the current participant roster if you need to confirm information on file.)*
 - All plans must determine how any assets held in the plan's forfeiture reserve account will be allocated to participants. Unless you check the box below, the Program will allocate all assets remaining in the plan's forfeiture account on an equal basis to all participants who, according to the Program's records, are actively employed with the employer as of the Plan Termination Date and who still have a balance in the Plan. This is known as the "per capita" method.
- ☐ The Employer instructs the Program to allocate all assets remaining in the plan's forfeiture reserve account on a pro rata basis to the participants who are actively employed with the employer as of the Plan Termination Date, based on plan-eligible compensation for the current year. If selecting this option, you must attach a list of participants and their respective compensation (as that term is defined under the plan) earned during the current year. Pursuant to this instruction, the Program will calculate each participant's allocation and transfer that amount to the participant's plan account. This is known as the "pro rata" method.

B. BY SIGNING AND SUBMITTING THIS FORM, YOU DIRECT THE PROGRAM TO TAKE THE FOLLOWING ACTIONS IN THE ORDER SHOWN:

- Forfeit any unvested employer contributions of any participants who have incurred five consecutive one-year breaks in service prior to the plan's termination date and transfer the assets to the plan's forfeiture reserve account.
- Accelerate the vested percentage to 100% for any participants who are **either** still actively employed with your firm **or** who continue to maintain an unforfeited account balance on the plan's termination date.
- Close the accounts of any participants that were never funded or that have a zero balance for any reason.
- Allocate all of the assets remaining in the plan's forfeiture reserve account pursuant to the instruction provided in Section 2A of this form.

C. FINAL STEPS:

- The Program will send an email to the email addresses in Section 1, above, regarding the final steps to complete the plan termination. Typically, this will include sending Distribution Request Forms to notify participants who have assets in the plan that the plan is being terminated and that they will need to provide directions for the distribution or rollover of their accounts. The Distribution Request Form is located at **www.abaretirement.com** under **Forms**.
- The Employer is responsible for filing a Form 5500 marked "final return" (which the Program will provide to you) once all of the plan's assets have been distributed.

The plan's termination will not be completed until all of these actions, and any additional applicable actions, are taken. The Employer (or the individuals with fiduciary responsibility for the plan, if the firm ceases doing business) retains responsibility for the plan's continuing compliance with applicable law until such time as the plan termination is completed. ***The IRS requires a terminating plan to distribute all assets as soon as administratively feasible. If distributions are not completed within one year following the date of plan termination specified by the employer, the distributions will be presumed not to have been made as soon as administratively feasible (see IRS Revenue Ruling 89-87). Plans that fail to timely distribute all assets may be deemed to be active, ongoing plans, subjecting an employer to additional contribution requirements and/or qualified plan compliance failures.***

In order to facilitate the final distribution of all plan assets within one year of the plan's termination date, you may select an Individual Retirement Account (IRA) provider to receive a direct rollover distribution of the account balance of any participant or beneficiary who fails to affirmatively request a distribution of their plan account prior to the one year anniversary of the plan's termination date (such participants and beneficiaries are referred to hereafter as "nonresponsive participants"). Voya has agreed to make its IRA product available for this purpose. Information concerning Voya's IRA, including its features and fees, will be provided upon request.

By signing and submitting this form, you direct the Program to take the following actions related to the final distribution of all plan assets, each as necessary:

1. Distribute a "Notice of Termination" to nonresponsive participants after the plan termination date.
2. Prior to the one-year anniversary of the plan termination date, offset all remaining loans of nonresponsive participants.
3. Roll over Roth assets into a Roth IRA and Non-Roth assets into a Traditional IRA. If an account in the plan is designated as a non-spouse beneficiary account, then those assets will be rolled into an Inherited IRA.
4. Distribute directly to the nonresponsive participant any Small Balances (under \$1,000), Required Minimum Distributions or After Tax assets that are not eligible for rollover.
5. Wire account balances of nonresponsive participants to Voya for credit to the IRAs established for the nonresponsive participants.
6. Where a nonresponsive participant holds assets in a Personal Choice Retirement Account® ("PCRA"), provide direction to the Program and Charles Schwab to liquidate the PCRA assets and transfer the cash to the IRA newly established for the nonresponsive participant.
7. Process Distribution Request Form without Plan approval.

The Employer agrees to hold harmless the Program, Voya Financial, Mercer, Charles Schwab, the ABA Retirement Funds, their respective affiliates and the directors, officers and employees of each of them for all liabilities that arise as a result of the implementation of the directions provided in this form.

SIGNATURE OF AUTHORIZED PLAN REPRESENTATIVE ON BEHALF OF THE EMPLOYER

DATE