

2004

Instructions for Form 5500

Annual Return/Report of Employee Benefit Plan

Code section references are to the Internal Revenue Code unless otherwise noted.
ERISA refers to the Employee Retirement Income Security Act of 1974.

EFAST Processing System

Under the computerized ERISA Filing Acceptance System (EFAST), you can choose between two computer scannable forms to complete and file your 2004 Form 5500: "machine print" and "hand print." Machine print forms are completed using computer software from EFAST approved vendors and can be filed electronically or by mail (including certain private delivery services). Hand print forms may be completed by hand, typewriter or by using computer software from EFAST approved vendors. Hand print forms can be filed by mail (including certain private delivery services); however, they **cannot** be filed electronically. For more information, see the instructions for **How To File** on page 5.

EFAST Processing Tips

To reduce the possibility of correspondence and penalties, we remind filers that:

- Paper forms must be obtained from the IRS or printed using software from an EFAST approved software developer.
- Hand print and machine print forms generated by EFAST approved software will not be processed if they are printed out blank, or with limited information, and then completed by pen or typewriter. Only official hand print paper forms printed by the IRS may be completed by pen or typewriter.
- All information should be in the specific fields or boxes provided on the forms and schedules. Information entered outside of the fields or boxes may not be processed.
- Filings using photocopies of the computer scannable forms and schedules may be returned or cause correspondence requiring additional information.
- Do not use felt tip pens or other writing instruments that can cause signatures or data to bleed through to the other side of the paper. One-sided documents should have no markings on the blank side.
- Paper should be clean without glue or other sticky substances.
- Do not staple the forms. Use binder clips or other fasteners that do not perforate the paper.
- Do not submit extraneous material or information, such as arrows used to indicate where to sign, notes between preparers of the report, notations on the form, e.g., "DOL copy," etc.
- Do not submit unnecessary or blank schedules. Except for certain Schedule SSA filings specifically permitted by the instructions, schedules should be submitted only with a Form 5500 or in response to correspondence from the Employee Benefits Security Administration (EBSA) regarding the processing of your return/report.
- Submit all schedules (including the correct number of schedules) for which a box is checked on Form 5500, Part II, line 10.
- Do not attach or send any payments to EFAST.
- All Forms 5500 and 5500-EZ must be filed with the EBSA either electronically using computer software from EFAST

approved vendors or at the EFAST address specified within the instructions. (See **Where To File**.)

- Clearly identify all attachments. At the top of each attachment, indicate the schedule and line, if any (e.g., *Schedule I, Line 4k*), to which the attachment relates.
- Do not enter social security numbers on the Form 5500, schedules, or other attachments unless specifically required by the form, schedules, or instructions. The Form 5500 and most of the schedules are open to public inspection, and the contents are public information and are subject to publication on the Internet.

About the Form 5500

The Form 5500 Annual Return/Report is used to report information concerning employee benefit plans and Direct Filing Entities (DFEs). 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). Some plans participate in certain trusts, accounts, and other investment arrangements that file a Form 5500 as DFEs. See **Who Must File** on page 3, **When To File** on page 4 and **Where To File** on page 5.

The Internal Revenue Service (IRS), Department of Labor (DOL), and Pension Benefit Guaranty Corporation (PBGC) have consolidated certain returns and report forms to reduce the filing burden for plan administrators and employers. Employers and administrators who comply with the instructions for the Form 5500 and schedules will generally satisfy the annual reporting requirements for the IRS and DOL.

Plans covered by the PBGC have special additional requirements, including filing Annual Premium Payment (PBGC Form 1 Packages) and reporting certain transactions directly with that agency. See PBGC's Premium Package (Form 1 Packages).

Each Form 5500 must accurately reflect the characteristics and operations of the plan or arrangement being reported. The requirements for completing the Form 5500 vary according to the type of plan or arrangement. The section **What To File** on page 7 summarizes what information must be reported for different types of plans and arrangements. The chart on pages 12 and 13 gives a brief guide to the annual return/report requirements for the 2004 Form 5500.

The Form 5500 and attachments are screened by a computer process for internal consistency and completeness. The filing may be rejected based upon this review. Employers and plan administrators should provide complete and accurate information and otherwise comply fully with the filing requirements.

ERISA and the Code provide for the assessment or imposition of penalties for not submitting the required information when due. See **Penalties** on page 7.

Annual reports filed under Title I of ERISA must be made available by plan administrators to plan participants and by the DOL to the public pursuant to ERISA sections 104 and 106.

Schedules E and SSA are **not** part of the annual report filed under Title I of ERISA, and are not open to public inspection.

Changes To Note for 2004

- Form 5500 — The instructions to the Form and schedules are amended to advise that the Form and public schedules and attachments are subject to future publication on the Internet and to emphasize that inclusion of a Social Security Number (SSN) anywhere on the Form or schedules except as required on Schedule SSA could result in the filing being rejected.
- Form 5500 — The instructions to line 4 now include a Caution to emphasize that the failure to indicate that a plan was previously identified by a different Employer Identification Number (EIN) or Plan Number (PN) could result in correspondence from the DOL or the IRS.
- Form 5500 — The instructions for lines 8a and 8b plan characteristics codes are modified on page 19 to include new Code 3J for a U.S.-based plan covering residents of Puerto Rico and qualifying under both Code section 401 and section 8565 of the Puerto Rico Code.
- Schedule B — In line E, the order of choices for the type of plan is changed to match the order of choices in Box A of the Form 5500. The choices for line E are now (1) Multiemployer, (2) Single-employer, and (3) Multiple-employer.
- Schedule B — Line 8c requirements for reporting average cash balance account data are clarified.
- Schedule B — Changes made by the Pension Funding Equity Act of 2004 are reflected in the instructions for lines 1d(2)(a), 1d(2)(c), 4a, 6a, 9c, 9f, 12a, and 12o.
- Schedule B — Lines 1d, 6a, and 9l are modified to delete references to "OBRA '87" Current Liability and "OBRA '87" Full Funding Limitation because this limitation is not applicable for plan years beginning after December 31, 2003, under section 412(c)(7)(A)(i)(I) of the Code.
- Schedule D — The instructions for the Form 5500 and for Schedule D are improved to make clear that plans and DFEs filing Schedule D must use multiple standard form pages if necessary. Non-standard attachments to the Schedule D may be rejected.
- Schedule I — The instructions to line 2c are improved to clarify the calculation of "other income."
- Schedule SSA — The instructions on page 57 are modified to clarify reporting requirements and improve processing.

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Telephone Assistance

If you need assistance completing this form, want to confirm the receipt of forms you submitted, or have related questions, call the EFAST Help Line at 1-866-463-3278 (toll-free) and follow the directions as prompted. The EFAST Help Line is available Monday through Friday from 8:00 am to 8:00 pm, Eastern Time.

How To Get Forms and Related Publications

By Phone and in Person

You can order forms and IRS publications by calling **1-800-TAX-FORM** (1-800-829-3676). You can order EBSA publications by calling **1-800-998-7542**. In addition, most IRS forms and publications are available at your local IRS office.

Personal Computer

You can access the EFAST Web Site 24 hours a day, 7 days a week at www.efast.dol.gov to:

- View forms and related instructions.
- Get information regarding EFAST, including approved software vendors.
- See answers to frequently asked questions about the Form 5500 and EFAST.
- Access the main EBSA and DOL Web Sites for news, regulations, and publications.

You can access the IRS Web Site 24 hours a day, 7 days a week at www.irs.gov to:

- View forms, instructions, and publications.
- See answers to frequently asked tax questions.

- Search publications on-line by topic or keyword.
- Send comments or request help by e-mail.
- Sign up to receive local and national tax news by e-mail.

Section 1: Who Must File

A return/report must be filed every year for every pension benefit plan, welfare benefit plan, and for every entity that files as a DFE as specified below (Code section 6058 and ERISA sections 104 and 4065).

Pension Benefit Plan

All pension benefit plans covered by ERISA are required to file a Form 5500 except as provided in this **Who Must File** section. 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. Pension benefit plans required to file include both defined benefit plans and defined contribution plans.

The following are among the pension benefit plans for which a return/report must be filed:

1. Profit-sharing, stock bonus, money purchase, 401(k) plans, etc.
2. Annuity arrangements under Code section 403(b)(1).
3. Custodial accounts established under Code section 403(b)(7) for regulated investment company stock.
4. Individual retirement accounts (IRAs) established by an employer under Code section 408(c).
5. Pension benefit plans maintained outside the United States primarily for nonresident aliens if the employer who maintains the plan is:
 - a domestic employer, or
 - a foreign employer with income derived from sources within the United States (including foreign subsidiaries of domestic employers) if contributions to the plan are deducted on its U.S. income tax return. For this type of plan, enter 3A on Form 5500, Part II, line 8a.
6. Church pension plans electing coverage under Code section 410(d).
7. Pension benefit plans that cover residents of Puerto Rico, the U.S. 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.
8. Plans that satisfy the Actual Deferral Percentage requirements of Code section 401(k)(3)(A)(ii) by adopting the "SIMPLE" provisions of section 401(k)(11).

See **What To File** on page 7 for more information about what must be completed for pension plans.

Special Rules for Certain Plans of Partnerships and Wholly Owned Trades or Businesses

A plan that provides deferred compensation solely for (1) an individual or an individual and his or her spouse who wholly own a trade or business, whether incorporated or unincorporated; or (2) partners or the partners and the partners' spouses in a partnership may generally file **Form 5500-EZ**, Annual Return of One-Participant (Owners and Their Spouses) Retirement Plan, rather than a Form 5500, provided that the plan:

1. Satisfies the minimum coverage requirements of Code section 410(b) without being combined with any other plan maintained by the employer;
2. Does not cover a business that is a member of a "controlled group"; and
3. Does not cover a business for which leased employees (as defined in Code section 414(n)(2)) perform services.

A plan that fails to meet any of the above conditions must file Form 5500 rather than Form 5500-EZ. A plan that meets all of the above conditions is exempt from filing the Form 5500-EZ if

the plan (and any other plans of the employer) had total assets of \$100,000 or less at the end of every plan year beginning on or after January 1, 1994.

For this purpose, a "controlled group" is a controlled group of corporations under Code section 414(b), a group of trades or businesses under common control under Code section 414(c), or an affiliated service group under Code section 414(m) that includes the business of the owner or partner covered by the plan.



*When filing Form 5500 for a plan described in **Special Rules for Certain Plans of Partnerships and Wholly Owned Trades or Businesses**, enter code **3G** on Part II, line 8a.*

Do Not File A Form 5500 For A Pension Benefit Plan That Is Any Of The Following:

1. An unfunded excess benefit plan. See ERISA section 4(b)(5).
2. An annuity or custodial account arrangement under Code section 403(b)(1) or (7) not established or maintained by an employer as described in DOL Regulation 29 CFR 2510.3-2(f).
3. A Savings Incentive Match Plan for Employees of Small Employers (SIMPLE) that involves SIMPLE IRAs under Code section 408(p).
4. A simplified employee pension (SEP) or a salary reduction SEP described in Code section 408(k) that conforms to the alternative method of compliance in 29 CFR 2520.104-48 or 2520.104-49.
5. A church plan not electing coverage under Code section 410(d).
6. A pension plan that 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(e)(5).
7. An unfunded pension plan for a select group of management or highly compensated employees that meets the requirements of 29 CFR 2520.104-23, including timely filing of a registration statement with the DOL.
8. An unfunded dues financed pension benefit plan that meets the alternative method of compliance provided by 29 CFR 2520.104-27.
9. An individual retirement account or annuity not considered a pension plan under 29 CFR 2510.3-2(d).
10. A governmental plan.

Welfare Benefit Plan

All welfare benefit plans covered by ERISA are required to file a Form 5500 except as provided in this **Who Must File** section. Welfare benefit plans provide benefits such as medical, dental, life insurance, apprenticeship and training, scholarship funds, severance pay, disability, etc.

See **What To File** on page 7 for more information.

Reminder: The administrator of an employee welfare benefit plan that provides benefits wholly or partially through a Multiple Employer Welfare Arrangement (MEWA) as defined in ERISA section 3(40) must file a Form 5500, unless otherwise exempt.



*IRS Notice 2002-24 does not suspend the filing of Form 5500 or any required schedules for a welfare plan subject to Title I of ERISA. Welfare plans that are associated with fringe benefit plans must file the Form 5500 in accordance with the **Welfare Benefit Plan Filing Requirements** on page 9, unless they are exempt as specified below. Welfare plans for which a Form 5500 must be filed may be eligible for limited filing requirements. See the limited reporting requirements for unfunded, fully insured or combination unfunded/insured welfare plans on page 9.*

Do Not File A Form 5500 For A Welfare Benefit Plan That Is Any Of The Following:

1. A welfare benefit plan that covered fewer than 100 participants as of the beginning of the plan year and is

unfunded, fully insured, or a combination of insured and unfunded.

a. An *unfunded welfare benefit plan* has its benefits paid as needed directly from the general assets of the employer or employee organization that sponsors the plan.

Note. Plans that are NOT unfunded include those plans that received employee (or former employee) contributions during the plan year and/or used a trust or separately maintained fund (including a Code section 501(c)(9) trust) to hold plan assets or act as a conduit for the transfer of plan assets during the year. However, a welfare plan with employee contributions that is associated with a fringe benefit plan under Code section 125 may be treated for annual reporting purposes as an unfunded welfare plan if it meets the requirements of DOL Technical Release 92-01, 57 Fed. Reg. 23272 (June 2, 1992) and 58 Fed. Reg. 45359 (August 27, 1993). The mere receipt of COBRA contributions or other after-tax participant contributions (e.g., retiree contributions) by a cafeteria plan would not by itself affect the availability of the relief provided for cafeteria plans that otherwise meet the requirements of DOL Technical Release 92-01. See 61 FR 41220, 41222-23 (Aug. 7, 1996).

b. A *fully insured welfare benefit plan* has its benefits provided exclusively through insurance contracts or policies, the premiums of which must be paid directly to the insurance carrier 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 employee organization forwards within 3 months of receipt). 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 is qualified to do business in any state.

c. 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 benefit plan that provides medical benefits as in **a** above and life insurance benefits as in **b** above.

See 29 CFR 2520.104-20.

Note. A "voluntary employees' beneficiary association," as used in Code section 501(c)(9) ("VEBA"), should not be confused with the employer or employee organization that sponsors the plan. See ERISA section 3(4).

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

3. A governmental plan.

4. An unfunded or insured welfare plan for a select group of management or highly compensated employees which meets the requirements of 29 CFR 2520.104-24.

5. An employee benefit plan maintained only to comply with workers' compensation, unemployment compensation, or disability insurance laws.

6. A welfare benefit plan that participates in a group insurance arrangement that files a Form 5500 on behalf of the welfare benefit plan as specified in 29 CFR 2520.103-2. See 29 CFR 2520.104-43.

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

8. An unfunded dues financed welfare benefit plan exempted by 29 CFR 2520.104-26.

9. A church plan under ERISA section 3(33).

10. A welfare benefit plan solely for **(1)** an individual or an individual and his or her spouse, who wholly owns a trade or business, whether incorporated or unincorporated, or **(2)** partners or the partners and the partners' spouses in a partnership. See 29 CFR 2510.3-3(b).

Direct Filing Entity (DFE)

Some plans participate in certain trusts, accounts, and other investment arrangements that file the Form 5500 as a DFE in accordance with the **Direct Filing Entity (DFE) Filing**

Requirements on page 10. A Form 5500 **must** be filed for a master trust investment account (MTIA). A Form 5500 is not required but may be filed for a common/collective trust (CCT), pooled separate account (PSA), 103-12 investment entity (103-12 IE), or group insurance arrangement (GIA). However, plans that participate in CCTs, PSAs, 103-12 IEs, or GIAs that file as DFEs generally are eligible for certain annual reporting relief. For reporting purposes, a CCT, PSA, 103-12 IE, or GIA is **not** considered a DFE unless a Form 5500 and all required attachments are filed for it in accordance with the **Direct Filing Entity (DFE) Filing Requirements**.

Note. Special requirements also apply to Schedules D and H attached to the Form 5500 filed by plans participating in MTIAs, CCTs, PSAs, and 103-12 IEs. See the instructions for these schedules.

Section 2: When To File

Plans and GIAs. File 2004 return/reports for plan and GIA years that began in 2004. All required forms, schedules, statements, and attachments must be filed by the last day of the 7th calendar month after the end of the plan or GIA year (not to exceed 12 months in length) that began in 2004. If the plan or GIA year differs from the 2004 calendar year, fill in the fiscal year beginning and ending dates on the line provided at the top of the form.

DFEs other than GIAs. File 2004 return/reports no later than 9½ months after the end of the DFE year that ended in 2004. A Form 5500 filed for a DFE must report information for the DFE year (not to exceed 12 months in length). If the DFE year differs from the 2004 calendar year, fill in the fiscal year beginning and ending dates on the line provided at the top of the form.

Short Years. For a plan year of less than 12 months (short plan year), file the form and applicable schedules by the last day of the 7th month after the short plan year ends. Fill in the short plan year beginning and ending dates on the line provided at the top of the form and check box B(4) in Part I. For purposes of this return/report, the short plan year ends on the date of the change in accounting period or upon the complete distribution of assets of the plan. Also see the instructions for **Final Return/Report** on page 6 to determine if box B(3) should be checked.

Notes. **(1)** If the filing due date falls on a Saturday, Sunday, or Federal holiday, the return/report may be filed on the next day that is not a Saturday, Sunday, or Federal holiday. **(2)** If the 2004 Form 5500 is not available before the plan or DFE filing due date, use the 2003 Form 5500 and enter the 2004 fiscal year beginning and ending dates on the line provided at the top of the form.

Extension of Time To File

Using Form 5558

A plan or GIA may obtain a one-time extension of time to file Form 5500 (up to 2½ months) by filing **Form 5558**, Application for Extension of Time To File Certain Employee Plan Returns, on or before the normal due date (not including any extensions) of the return/report. **You MUST file Form 5558 with the IRS.**

Approved copies of the Form 5558 will not be returned to the filer. However, a photocopy of the completed and signed extension request that was filed must be attached to the Form 5500. (See Section 3: Where To File.)

File Form 5558 with the Internal Revenue Service Center, Ogden, UT 84201-0027.

Using Extension of Time To File Federal Income Tax Return

An automatic extension of time to file Form 5500 until the due date of the Federal income tax return of the employer will be granted if all of 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 (except IRS **Form 8736**, Application for Automatic Extension of Time To File U.S. Return for a Partnership, REMIC, or for Certain Trusts); and **(3)** a copy of the application for extension of time to file the Federal income tax return is attached to the Form 5500. An extension granted by using this automatic extension procedure **CANNOT** be extended further by filing a Form 5558.

If the application for extension of time contains social security numbers, ensure that these social security numbers are not visible in the copy attached to the Form 5500. The Form 5500 and its attachments are open to public inspection, and the contents are public information and are subject to publication on the Internet. Because of privacy concerns, the inclusion of a visible social security number on the Form 5500 or its attachments may result in the rejection of the filing.

Note. An extension of time to file the Form 5500 described above does not operate as an extension of time to file a Form 5500 filed for a DFE (other than a GIA) or the PBGC Form 1.

Other Extensions of Time

The IRS, DOL, and PBGC may announce special extensions of time under certain circumstances, such as extensions for Presidentially-declared disasters or for service in, or in support of, the Armed Forces of the United States in a combat zone. See www.irs.gov and www.efast.dol.gov for announcements regarding such special extensions. If you are relying on one of these announced special extensions, check Form 5500, Part I, box D and attach a statement citing the announced authority for the extension. The attachment must be appropriately labeled at the top of the statement, for example, "**Form 5500, Box D - DISASTER RELIEF EXTENSION**" or "**Form 5500, Box D - COMBAT ZONE EXTENSION**."

Delinquent Filer Voluntary Compliance (DFVC) Program

The DFVC Program facilitates voluntary compliance by plan administrators who are delinquent in filing annual reports under Title I of ERISA by permitting administrators to pay reduced civil penalties for voluntarily complying with their DOL annual reporting obligations. If the Form 5500 is being filed under the DFVC Program, check Form 5500, Part I, box D and attach a statement explaining that the Form 5500 is being filed under the DFVC Program with "**Form 5500, Box D - DFVC FILING**" prominently displayed at the top of the statement.

See www.efast.dol.gov for information concerning the submission of penalty payments to the DFVC Program processing center in Atlanta, GA. Penalty payments should **not** be submitted to EFAST.

Private Delivery Service

You can use certain private delivery services designated by the IRS to meet the "timely mailing as timely filing/paying" rule for tax returns and payments. The most recent list of designated private delivery services was published by the IRS in September 2002 and includes only the following:

- Airborne Express (Airborne): Overnight Air Express Service, Next Afternoon Service, Second Day Service.
- DHL Worldwide Express (DHL): DHL "Same Day" Service, DHL USA Overnight.
- Federal Express (FedEx): FedEx Priority Overnight, FedEx Standard Overnight, FedEx 2Day, FedEx International Priority, and FedEx International First.
- United Parcel Service (UPS): UPS Next Day Air, UPS Next Day Air Saver, UPS 2nd Day Air, UPS 2nd Day Air A.M., UPS Worldwide Express Plus, and UPS Worldwide Express.

The private delivery service can tell you how to get written proof of the mailing date.

See **Where To File** below for the street address when using a private delivery service.

General Instructions to Form 5500

Section 3: Where To File

File the Form 5500, with any required schedules, statements, and attachments, at the address indicated below.

By mail:

Address for filing on paper

EBSA
P.O. Box 7043
Lawrence, KS 66044-7043

Address for filing on floppy disc, CD-ROM, or tape

EBSA
P.O. Box 7041
Lawrence, KS 66044-7041

By private delivery service:

Address for filing on paper, floppy disc, CD-ROM, or tape

EBSA
Attn: EFAST
3833 Greenway Drive
Lawrence, KS 66046-1290

Section 4: How To File

The return/report must be completed in accordance with the **Line-by-Line Instructions for the 2004 Form 5500 and Schedules** on page 14.

Answer all questions with respect to the plan or DFE year, unless otherwise explicitly stated in the instructions or on the form itself. Therefore, responses usually apply to the year entered or printed at the top of the first page of the form.

Do not enter "N/A" and "Not Applicable" on the Form 5500 or schedules unless specifically permitted by the form, schedules, or instructions. "Yes" or "No" questions on the forms and schedules must be marked either "Yes" or "No," but not both.



Do not enter social security numbers on the Form 5500, schedules, or other attachments unless specifically required by the form, schedules, or instructions.

The Form 5500 and most of the schedules and attachments are open to public inspection, and the contents are public information and are subject to publication on the Internet. Because of privacy concerns, the inclusion of a social security number on the Form 5500 or on a schedule or attachment that is open to public inspection may result in the rejection of the filing.

EINs may be obtained by applying for one on **Form SS-4**, Application for Employer Identification Number, as soon as possible. You can obtain Form SS-4 by calling **1-800-TAX-FORM** (1-800-829-3676) or at the IRS Web Site at www.irs.gov. The EBSA does **not** issue EINs.

Filers make several common mistakes. To reduce the possibility of correspondence and penalties:

- Sign and date the Form 5500, and make sure that any schedules or attachments that require a signature are properly signed and dated.
- Check your math to avoid calculation errors.
- All lines on the Form 5500 must be completed unless otherwise specified. All applicable schedules and attachments must also be completed.
- All schedules and attachments to the Form 5500 must be properly identified, and must include the name of the plan or DFE, EIN, and plan number (PN) as found on the Form 5500,

lines 1a, 2b, and 1b, respectively. At the top of each attachment, indicate the schedule and line, if any (e.g., *Schedule H, Line 4f*) to which the attachment relates. When assembling the package for filing, you can place attachments to a schedule, either directly behind that schedule or at the end of the filing.

- Attach the required accountant's opinion and report. The instructions in **What To File** on page 7 explain which plans and DFEs are required to attach the opinion and report.
- Check boxes should be filled in completely or clearly marked with an "X." Do not mark on or near the bar code or in the upper right corner of the form as this will interfere with processing.
- Complete **Part I - Annual Report Identification Information** at the top of the Form 5500. Do not mark final return/report in Line B of Part I if you are reporting participants and/or assets at the end of the plan year.
- Complete Form 5500, lines 8 and 9, if applicable, to report all benefits provided and plan funding/benefit arrangements.
- Enter on Form 5500, line 2d, if applicable, the correct principal business activity code from pages 64, 65, or 66.

Paper and Electronic Filing

As described in more detail below, the 2004 forms are available in two computer scannable formats: **machine print** and **hand print** (the questions are the same).

Filers can choose a machine print format that is completed by using EFAST approved computer software that produces computer scannable 2-D bar codes on the bottom of each page. Machine print forms can be filed on paper, magnetic tape, floppy diskette, or CD-ROM by mail (including certain private delivery services) or filed electronically by approved EFAST transmitters (authorized transmitters of forms by modem or file transfer protocol). Filers can also choose a hand print format that can be completed in one of two ways. You may complete the IRS printed paper forms by hand or typewriter. You may also choose to complete the hand print form by using computer software from EFAST approved vendors.



*Computer-generated forms CANNOT be printed out blank, or with limited information, and then completed by pen or typewriter. These forms **must** be completed entering the data by computer.*

The hand print format uses special printing standards that enables EFAST to scan the hand, typewritten, and computer entries and must be filed by mail (including certain private delivery services). Hand print forms are available from the IRS as discussed in **How To Get Forms and Related Publications** on page 2. See www.efast.dol.gov for a list of approved software vendors.

Form 5500 Completed by Pen

Use only the official hand print form. Enter only a single letter or number within each box using blue or black ink. Abbreviate if necessary. Where numbers are required, do not enter dollar signs, commas, or decimal points. To indicate a negative number, enter a minus sign "-" in the box to the left of the number. See example below.

- 3456789012.00

Form 5500 Completed by Typewriter

Use only the official hand print form. Type within the row of boxes and ignore the vertical lines between the boxes. The number of entries should not exceed the number of boxes (e.g., if there are 13 boxes, the numbers or letters entered should not exceed 13). Abbreviate if necessary. Where numbers are required, do not enter dollar signs, commas, or decimal points. See the example of a typewritten positive number below. To indicate a negative number, enter a minus sign "-" in the box to the left of the number.

123456789012.00

Form 5500 Completed by Using Computer Software

Use only software from an approved software vendor, which may produce either a machine print or hand print form.

All forms completed using computer software **must** be submitted on paper (except for machine print forms submitted electronically, as described below). Paper filings must be printed on only one side of standard 8½ by 11 inch paper and mailed to the address listed under **Where To File** on page 5.

To submit a machine print Form 5500 electronically, use only software from an approved software vendor. An electronic signature and an encryption key must be obtained by filing the **Application for EFAST Electronic Signature and Codes for EFAST Transmitters and Software Developers Form EFAST-1**. You may, following the software's instructions, either (1) save the completed machine print Form 5500 to a 3.5 inch floppy disc, CD-ROM, 4mm or 8mm DAT, 3480 or 3490 cartridge, or 9-track tape and submit the Form 5500 by mail or private delivery service, or (2) submit by modem or FTP.

See www.efast.dol.gov for a list of approved software vendors, the Form EFAST-1, and additional information.

Amended Return/Report

File an amended return/report to correct errors and/or omissions in a previously filed annual return/report for the 2004 plan year. The amended Form 5500 and any amended schedules must conform to the requirements in this **How To File** section.



*If you are filing a corrected return/report in response to correspondence from EBSA regarding processing of your return/report, do **not** check the box for an "amended return/report" (Part I, box B(2)) on the Form 5500.*

The procedure for amending the return/report depends upon the type of form filed as specified below:

Paper Forms

Submit a completed, signed, and dated Form 5500 (be certain to check Box B(2)). Attach any schedules or attachments that are being changed from the prior filing. Do not attach schedules and attachments that are not being changed. Do not attach schedules where only attachments are being amended. Only identify schedules that are being amended on line 10 of Form 5500. If only attachments are being amended, do not identify any schedules on line 10 of Form 5500.

Electronic Forms

Submit a completed and dated Form 5500 with electronic signature (be certain to check box B(2)). Refile all schedules and attachments, including those that are not being amended. See the DOL Web site at www.efast.dol.gov for information on electronic filing of amended return/reports.

Final Return/Report

If all assets under the plan (including insurance/annuity contracts) have been distributed to the participants and beneficiaries or legally transferred to the control of 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 (Part I, B(3)) at the top of the Form 5500. If a trustee is appointed for a terminated defined benefit plan pursuant to ERISA section 4042, the last plan year for which a return/report must be filed is the year in which the trustee is appointed.

Examples:

Mergers/Consolidations

A final return/report should be filed for the plan year (12 months or less) that ends when all plan assets were legally transferred to the control of another plan.

Pension and Welfare Plans That Terminated Without Distributing All Assets

If the plan was terminated but all plan assets were not distributed, a return/report must be filed for each year the plan has assets. The return/report must be filed by the plan administrator, if designated, or by the person or persons who actually control the plan's assets/property.

Welfare Plans Still Liable To Pay Benefits

A welfare plan cannot file a final return/report if the plan is still liable to pay benefits for claims that were incurred prior to the termination date, but not yet paid. See 29 CFR 2520.104b-2(g)(2)(ii).

Signature and Date

The plan administrator must sign and date a Form 5500 filed for a pension or a welfare plan under ERISA sections 104 and/or 4065. Either the plan administrator or the employer may sign and date a Form 5500 filed for a pension plan under Code section 6058. Generally, a Form 5500 filed for a pension plan is filed under both ERISA section 104 and Code section 6058.

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 Form 5500.

A representative authorized to sign on behalf of the DFE must sign the Form 5500 submitted for the DFE.



The administrator is required to maintain a copy of the annual report with all required signatures, as part of the plan's records, even if the annual report is filed electronically. See 29 CFR 2520.103-1.

Change in Plan Year

Generally, only defined benefit pension plans need to get approval for a change in plan year. (See Code section 412(c)(5).) However, under Rev. Proc. 87-27, 1987-1 C.B. 769, these pension plans may be eligible for automatic approval of a change in plan year. If a change in plan year for a pension or a welfare plan creates a short plan year, box B(4) in Part I of the Form 5500 must be checked and a Form 5500, with all required schedules and attachments, must be filed by the last day of the 7th calendar month after the end of the short plan year.

Penalties

ERISA and the Code provide for the Department of Labor (DOL) and the Internal Revenue Service (IRS), respectively, to assess or impose penalties for not giving complete information and for not filing statements and returns/reports. Certain penalties are administrative (i.e., they may be imposed or assessed by one of the governmental agencies delegated to administer the collection of the Form 5500 data). Others require a legal conviction.

Administrative Penalties

Listed below are various penalties under ERISA and the Code that may be assessed or imposed for not meeting the Form 5500 filing requirements. Whether the penalty is under ERISA or the Code, or both, depends upon the agency for which the information is required to be filed. One or more of the following administrative 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 \$1,100 a day for each day a plan administrator fails or refuses to file a complete 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, trusts and annuities, and bond purchase plans by the due date(s). See Code section 6652(e).

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

Other Penalties

1. Any individual who willfully violates any provision of Part 1 of Title I of ERISA shall be fined not more than \$100,000 or imprisoned not more than 10 years, or both. See ERISA section 501.

2. A penalty up to \$10,000, 5 years imprisonment, or both, may be imposed 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.

Section 5: What To File

The Form 5500 reporting requirements vary depending on whether the Form 5500 is being filed for a "large plan," a "small plan," and/or a DFE, and on the particular type of plan or DFE involved (e.g., welfare plan, pension plan, common/collective trust, pooled separate account, master trust investment account, 103-12 IE, or group insurance arrangement).

The instructions below provide detailed information about each of the Form 5500 schedules and which plans and DFEs are required to file them. First, the schedules are grouped by type: **(1)** Pension Benefit Schedules and **(2)** Financial Schedules. Each schedule is listed separately with a description of the subject matter covered by the schedule and the plans and DFEs that are required to file the schedule.

Filing requirements are also listed by type of filer: **(1)** Pension Benefit Plan Filing Requirements, **(2)** Welfare Benefit Plan Filing Requirements, and **(3)** DFE Filing Requirements. For each filer type there is a separate list of the schedules that must be filed with the Form 5500 (including where applicable, separate lists for large plan filers, small plan filers and different types of DFEs).

The filing requirements are summarized in a "Quick Reference Chart for Form 5500, Schedules and Attachments" on pages 12 and 13.

Generally, a return/report filed for a pension benefit plan or welfare benefit plan that covered fewer than 100 participants as of the beginning of the plan year should be completed following the requirements below for a "**small plan**," and a return/report filed for a plan that covered 100 or more participants as of the beginning of the plan year should be completed following the requirements below for a "**large plan**."

Use the number of participants required to be entered in line 6 of the Form 5500 to determine whether a plan is a "small plan" or "large plan."

Exceptions:

(1) 80-120 Participant Rule: *If the number of participants reported on line 6 is between 80 and 120, and a Form 5500 was filed for the prior plan year, you may elect to complete the return/report in the same category ("large plan" or "small plan") as was filed for the prior return/report. Thus, if a return/report was filed for the 2003 plan year as a small plan, including the Schedule I if applicable, and the number entered on line 6 of the 2004 Form 5500 is 100 to 120, you may elect to complete*

the 2004 Form 5500 and schedules in accordance with the instructions for a small plan.

(2) Short Plan Year Rule: If the plan had a short plan year of 7 months or less for either the prior plan year or the plan year being reported on the 2004 Form 5500, an election can be made to defer filing the accountant's report in accordance with 29 CFR 2520.104-50. If such an election was made for the prior plan year, the 2004 Form 5500 must be completed following the requirements for a large plan, including the attachment of the Schedule H and the accountant's reports, regardless of the number of participants entered in Part II, line 6.

Form 5500 Schedules

Pension Benefit Schedules

Schedule R (Retirement Plan Information) – is required for a pension benefit plan that is a defined benefit plan or is otherwise subject to Code section 412 or ERISA section 302. Schedule R may also be required for certain other pension benefit plans unless otherwise specified under **Limited Pension Plan Reporting** on page 9. For additional information, see the Schedule R instructions.

Schedule T (Qualified Pension Plan Coverage Information) – generally is required for a pension benefit plan that is intended to be qualified under Code section 401(a) or section 403(a). However, Schedule T may not be required every year. For additional information, see the Schedule T instructions.

Schedule B (Actuarial Information) – is required for most defined benefit pension plans and for defined contribution pension plans that currently amortize a waiver of the minimum funding specified in the instructions for the Schedule B. For additional information, see the instructions for the Schedules B and R.

Schedule E (ESOP Annual Information) – is required for all pension benefit plans with ESOP benefits. For additional information, see the Schedule E instructions.

Schedule SSA (Annual Registration Statement Identifying Separated Participants With Deferred Vested Benefits) – may be needed to report separated participants. For additional information, see the Schedule SSA instructions.

Financial Schedules

Schedule H (Financial Information) – is required for pension benefit plans and welfare benefit plans filing as “large plans,” and for all DFE filings. Employee benefit plans, 103-12 IEs, and GIAs filing the Schedule H are generally required to engage an independent qualified public accountant and attach a report of the accountant pursuant to ERISA section 103(a)(3)(A). These plans and DFEs are also generally required to attach to the Form 5500 a “**Schedule of Assets (Held At End of Year)**,” and, if applicable, a “**Schedule of Assets (Acquired and Disposed of Within Year)**,” and a “**Schedule of Reportable Transactions.**” For additional information, see the Schedule H instructions.

Exceptions: Insured, unfunded, or combination unfunded/insured welfare plans as described in 29 CFR 2520.104-44(b)(1), and certain pension plans and arrangements described in 29 CFR 2520.104-44(b)(2) and **Limited Pension Plan Reporting** on page 9, are exempt from completing the Schedule H.

Schedule I (Financial Information - Small Plan) – is required for all pension benefit plans and welfare benefit plans filing as “small plans,” except for certain pension plans and arrangements described in 29 CFR 2520.104-44(b)(2) and **Limited Pension Plan Reporting** on page 9. For additional information, see the Schedule I instructions.

Schedule A (Insurance Information) – is required if any benefits under an employee benefit 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 investment contracts with insurance companies, such as guaranteed investment contracts and pooled separate accounts. For additional information, see the Schedule A instructions.

Note. Do not file Schedule A for Administrative Services Only (ASO) contracts. Do not file Schedule A if a Schedule A is filed for the contract as part of the Form 5500 filed directly by a master trust investment account or 103-12 IE. Do not file Schedule A if the plan covers only: **(1)** an individual or an individual and his or her spouse who wholly own a trade or business, whether incorporated or unincorporated; or **(2)** partners, or partners and one or more of the partner's spouses in a partnership.

Schedule C (Service Provider Information) – is required for a large plan, MTIA, 103-12 IE, or GIA if **(1)** any service provider who rendered services to the plan or DFE during the plan or DFE year received \$5,000 or more in compensation, directly or indirectly from the plan or DFE, or **(2)** an accountant and/or enrolled actuary has been terminated. For additional information, see the Schedule C instructions.

Schedule D (DFE/Participating Plan Information) – Part I is required for a plan or DFE that invested or participated in any MTIAs, 103-12 IEs, CCTs, and/or PSAs. Part II is required when the Form 5500 is filed for a DFE. For additional information, see the Schedule D instructions.

Schedule G (Financial Transaction Schedules) – is required for a large plan, MTIA, 103-12 IE, or GIA when Schedule H (Financial Information) lines 4b, 4c, and/or 4d are checked “Yes.” Part I of the Schedule G reports loans or fixed income obligations in default or classified as uncollectible. Part II of the Schedule G reports leases in default or classified as uncollectible. Part III of the Schedule G reports non-exempt transactions. For additional information, see the Schedule G instructions.



An unfunded, fully insured, or combination unfunded/insured welfare plan with 100 or more participants exempt under 29 CFR 2520.104-44 from completing Schedule H must still complete Schedule G, Part III, to report nonexempt transactions.

Schedule P (Annual Return of Fiduciary of Employee Benefit Trust) – may be filed to satisfy the requirements under Code section 6033(a) for an annual information return from every section 401(a) organization exempt from tax under section 501(a). Filing this form will start the statute of limitations under section 6501(a) for any trust described in section 401(a), which is exempt from tax under section 501(a). For additional information, see the Schedule P instructions.

Pension Benefit Plan Filing Requirements

Pension benefit plan filers must complete the Form 5500, including the signature block and, unless otherwise specified, attach the following schedules and information:

Small Pension Plan

The following schedules (including any additional information required by the instructions to the schedules) must be attached to a Form 5500 filed for a small pension plan:

1. Schedule A (as many as needed), to report insurance, annuity, and investment contracts held by the plan.
2. Schedule B, to report actuarial information, if applicable.
3. Schedule D, Part I, to list any CCTs, PSAs, MTIAs, and 103-12 IEs in which the plan participated at any time during the plan year.
4. Schedule E, to report ESOP annual information, if applicable.
5. Schedule I, to report small plan financial information, unless exempt.
6. Schedule P (as many as needed), to report trust fiduciary information, if applicable.

7. Schedule R, to report retirement plan information, if applicable.
8. Schedule SSA (as many as needed), to report separated vested participant information, if applicable.
9. Schedule T (as many as needed), to report tax qualified pension plan coverage information, if applicable.



*If Schedule I, line 4k, is checked "No," you **must** attach the report of the independent qualified public accountant (IQPA) or a statement that the plan is eligible and elects to defer attaching the IQPA's opinion pursuant to 29 CFR 2520.104-50 in connection with a short plan year of seven months or less.*

Large Pension Plan

The following schedules (including any additional information required by the instructions to the schedules) must be attached to a Form 5500 filed for a large pension plan:

1. Schedule A (as many as needed), to report insurance, annuity, and investment contracts held by the plan.
2. Schedule B, to report actuarial information, if applicable.
3. Schedule C, to list the 40 most highly compensated service providers and, if applicable, any terminated accountants or enrolled actuaries.
4. Schedule D, Part I, to list any CCTs, PSAs, MTIAs, and 103-12 IEs in which the plan invested at any time during the plan year.
5. Schedule E, to report ESOP annual information, if applicable.
6. Schedule G, to report loans or fixed income obligations in default or determined to be uncollectible as of the end of the plan year, leases in default or classified as uncollectible, and nonexempt transactions, i.e., file Schedule G if Schedule H (Form 5500) lines 4b, 4c, and/or 4d are checked "Yes."
7. Schedule H, to report financial information, unless exempt.
8. Schedule P (as many as needed), to report trust fiduciary information, if applicable.
9. Schedule R, to report retirement plan information, if applicable.
10. Schedule SSA (as many as needed), to report separated vested participant information, if applicable.
11. Schedule T (as many as needed), to report tax qualified pension plan coverage information, if applicable.



*You **must** attach the report of the independent qualified public accountant identified on Schedule H, line 3c, unless line 3d(2) is checked.*

Limited Pension Plan Reporting

The pension plans or arrangements described below are eligible for limited annual reporting:

1. **403(b) Arrangements:** A pension plan or arrangement using a tax deferred annuity arrangement under Code section 403(b)(1) and/or a custodial account for regulated investment company stock under Code section 403(b)(7) as the sole funding vehicle for providing pension benefits need complete only Form 5500, Part I and Part II, lines 1 through 5, and 8 (enter pension feature code 2L, 2M, or both).

Note. The administrator of an arrangement described above is not required to engage an independent qualified public accountant, attach an accountant's opinion to the Form 5500, or attach any schedules to the Form 5500.

2. **IRA Plans:** A pension plan utilizing individual retirement accounts or annuities (as described in Code section 408) as the sole funding vehicle for providing pension benefits need complete only Form 5500, Part I and Part II, lines 1 through 5, and 8 (enter pension feature code 2N).

3. **Fully Insured Pension Plan:** A pension benefit plan providing benefits exclusively through an insurance contract or contracts that are fully guaranteed and that meet all of the conditions of 29 CFR 2520.104-44(b)(2) during the entire plan

year must complete all the requirements listed under this **Pension Benefit Plan Filing Requirements** section, except that such a plan is exempt from attaching Schedule H, Schedule I, and an accountant's opinion, and from the requirement to engage an independent qualified public accountant.

A pension benefit plan that has insurance contracts of the type described in 29 CFR 2520.104-44 as well as other assets must complete all requirements for a pension benefit plan, except that the value of the plan's allocated contracts (see below) should not be reported in Part I of Schedule H or I. All other assets should be reported on Schedule H or Schedule I, and any other required schedules. If Schedule H is filed, attach an accountant's report in accordance with the Schedule H instructions.

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 to be "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. This amount must be provided to each participant without adjustment for fluctuations in the market value of the underlying assets of the company or organization, and each participant must have a legal right to such benefits, which is legally enforceable directly against the insurance company or organization. For example, deposit administration, immediate participation guarantee, and guaranteed investment contracts are NOT allocated contracts for Form 5500 purposes.

4. **Nonqualified pension benefit plans maintained outside the United States:** 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 3) must complete the Form 5500 only (enter 3A in Part II, line 8a).

Welfare Benefit Plan Filing Requirements

Welfare benefit plan filers must complete the Form 5500, including the signature block and, unless otherwise specified, attach the following schedules and information:

Small Welfare Plan

The following schedules (including any additional information required by the instructions to the schedules) must be attached to a Form 5500 filed for a small welfare plan:

1. Schedule A (as many as needed), to report insurance contracts held by the plan.
2. Schedule D, Part I, to list any CCTs, PSAs, MTIAs, and 103-12 IEs in which the plan participated at any time during the plan year.
3. Schedule I, to report small plan financial information.

Large Welfare Plan

The following schedules (including any additional information required by the instructions to the schedules) must be attached to a Form 5500 filed for a large welfare plan:

1. Schedule A (as many as needed), to report insurance and investment contracts held by the plan.
2. Schedule C, if applicable, to list service providers and any terminated accountants or actuaries.
3. Schedule D, Part I, to list any CCTs, PSAs, MTIAs, and 103-12 IEs in which the plan invested at any time during the plan year.
4. Schedule G, to report loans or fixed income obligations in default or determined to be uncollectible as of the end of the plan year, leases in default or classified as uncollectible, and nonexempt transactions, i.e., file Schedule G if Schedule H (Form 5500) lines 4b, 4c, and/or 4d are checked "Yes" or if a

large welfare plan that is not required to file a Schedule H has nonexempt transactions.

5. Schedule H, to report financial information, unless exempt.



Attach the report of the independent qualified public accountant identified on Schedule H, line 3c, unless line 3d(2) is checked.



Neither Schedule H nor an accountant's opinion should be attached to a Form 5500 filed for an unfunded, fully insured or combination unfunded/insured welfare plan (as defined on pages 3 and 4) that covered 100 or more participants as of the beginning of the plan year which meets the requirements of 29 CFR 2520.104-44. However, Schedule G, Part III, must be attached to the Form 5500 to report any nonexempt transactions. A welfare benefit plan that uses a "voluntary employees' beneficiary association" (VEBA) under Code section 501(c)(9) is generally not exempt from the requirement of engaging an independent qualified public accountant.

Direct Filing Entity (DFE) Filing Requirements

Some plans participate in certain trusts, accounts, and other investment arrangements that file the Form 5500 as a DFE. A Form 5500 must be filed for a master trust investment account (MTIA). A Form 5500 is not required but may be filed for a common/collective trust (CCT), pooled separate account (PSA), 103-12 investment entity (103-12 IE), or group insurance arrangement (GIA). However, plans that participate in CCTs, PSAs, 103-12 IEs, or GIAs that file as DFEs generally are eligible for certain annual reporting relief. For reporting purposes, a CCT, PSA, 103-12 IE, or GIA is considered a DFE only when a Form 5500 and all required attachments are filed for it in accordance with the following instructions.

Only one Form 5500 should be filed for each DFE for all plans participating in the DFE; however, the Form 5500 filed for the DFE, including all required schedules and attachments, must report information for the DFE year (not to exceed 12 months in length) that ends with or within the participating plan's year.

Any Form 5500 filed for a DFE is an integral part of the annual report of each participating plan and the plan administrator may be subject to penalties for failing to file a complete annual report unless both the DFE Form 5500 and the plan's Form 5500 are properly filed. The information required for a Form 5500 filed for a DFE varies according to the type of DFE. The following paragraphs provide specific guidance for the reporting requirements for each type of DFE.

Master Trust Investment Account (MTIA)

The administrator filing a Form 5500 for an employee benefit plan is required to file or have a designee file a Form 5500 for each MTIA in which the plan participated at any time during the plan year. 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.

"Common control" is determined on the basis of all relevant facts and circumstances (whether or not such employers are incorporated).

A "regulated financial institution" means a bank, trust company, or similar financial institution that is regulated, supervised, and subject to periodic examination by a state or Federal agency. A securities brokerage firm is not a "similar financial institution" as used here. See DOL Advisory Opinion 93-21A (available at www.dol.gov/ebsa).

The assets of a master trust are considered for reporting purposes 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 MTIA if each plan that 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 that are not held in such a pool. Each such asset must be treated as a separate MTIA.

Notes. (1) If a MTIA consists solely of one plan's asset(s) during the reporting period, the plan may report the asset(s) either as an investment account on a MTIA Form 5500, or as a plan asset(s) that is not part of the master trust (and therefore subject to all instructions concerning assets not held in a master trust) on the plan's Form 5500. (2) If a master trust holds assets attributable to participant or beneficiary directed transactions under an individual account plan and the assets are interests in registered investment companies, interests in contracts issued by an insurance company licensed to do business in any state, interests in common/collective trusts maintained by a bank, trust company or similar institution, or the assets have a current value that is readily determinable on an established market, those assets may be treated as a single MTIA.

The Form 5500 submitted for the MTIA must comply with the Form 5500 instructions for a **Large Pension Plan**, unless otherwise specified in the forms and instructions. The MTIA must file:

1. Form 5500, except lines C, D, 1c, 2d, and 6 through 9. Be certain to enter "M" on line A(4).
2. Schedule A (as many as needed) to report insurance, annuity and investment contracts held by the MTIA.
3. Schedule C, to report service provider information. Part II is not required for a MTIA.
4. Schedule D, to list CCTs, PSAs, and 103-12 IEs in which the MTIA invested at any time during the MTIA year and to list all plans that participated in the MTIA during its year.
5. Schedule G, to report loans or fixed income obligations in default or determined to be uncollectible as of the end of the MTIA year, all leases in default or classified as uncollectible, and nonexempt transactions.
6. Schedule H, to report financial information. An accountant's opinion is not required for a MTIA.
7. Additional information required by the instructions to the above schedules, including, for example, the schedules of assets held for investment and the schedule of reportable transactions. For purposes of the schedule of reportable transactions, 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 MTIA. All attachments must be properly labeled.

Common/Collective Trust (CCT) and Pooled Separate Account (PSA)

A Form 5500 is not required to be filed for a CCT or PSA. However, the administrator of a large plan or DFE that participates in a CCT or PSA that files as specified below is entitled to reporting relief that is not available to plans or DFEs participating in a CCT or PSA for which a Form 5500 is not filed.

For reporting purposes, "common/collective trust" and "pooled separate account" are, respectively: (1) a trust maintained by a bank, trust company, or similar institution or (2) an account maintained by an insurance carrier, which are regulated, supervised, and subject to periodic examination by a state or Federal agency in the case of a CCT, or by a state agency in the case of a PSA, 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 that term is used in Code section 1563. See 29 CFR 2520.103-3, 103-4, 103-5, and 103-9.

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

The Form 5500 submitted for a CCT or PSA must comply with the Form 5500 instructions for a **Large Pension Plan**, unless otherwise specified in the forms and instructions. The CCT or PSA must file:

1. Form 5500, except lines C, D, 1c, 2d, and 6 through 9. Enter "C" or "P," as appropriate, on line A(4).
2. Schedule D, to list all CCTs, PSAs, MTIAs, and 103-12 IEs in which the CCT or PSA invested at any time during the CCT or PSA year and to list in Part II all plans that participated in the CCT or PSA during its year.
3. Schedule H, to report financial information. Part IV and an accountant's opinion are not required for a CCT or PSA.



Different requirements apply to the Schedules D and H attached to the Form 5500 filed by plans and DFEs participating in CCTs and PSAs, depending upon whether a DFE Form 5500 has been filed for the CCT or PSA. See the instructions for these schedules.

103-12 Investment Entity (103-12 IE)

DOL Regulation 2520.103-12 provides an alternative method of reporting for plans that invest in an entity (other than a MTIA, CCT, or PSA), whose underlying assets include "plan assets" within the meaning of 29 CFR 2510.3-101 of two or more plans that are not members of a "related group" of employee benefit plans. Such an entity for which a Form 5500 is filed constitutes a "103-12 IE." A Form 5500 is not required to be filed for such entities; however, filing a Form 5500 as a 103-12 IE provides certain reporting relief, including the limitation of the examination and report of the independent qualified public accountant provided by 29 CFR 2520.103-12(d), to participating plans and DFEs. For this reporting purpose, a "related group" of employee benefit plans 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.

The Form 5500 submitted for a 103-12 IE must comply with the Form 5500 instructions for a **Large Pension Plan**, unless otherwise specified in the forms and instructions. The 103-12 IE must file:

1. Form 5500, except lines C, D, 1c, 2d, and 6 through 9. Enter "E" on line A(4).
2. Schedule A (as many as needed), to report insurance, annuity and investment contracts held by the 103-12 IE.
3. Schedule C, to report service provider information and any terminated accountants.
4. Schedule D, to list all CCTs, PSAs, and 103-12 IEs in which the 103-12 IE invested at any time during the 103-12 IE's year, and to list all plans that participated in the 103-12 IE during its year.
5. Schedule G, to report loans or fixed income obligations in default or determined to be uncollectible as of the end of the 103-12 IE year, leases in default or classified as uncollectible, and nonexempt transactions.
6. Schedule H, to report financial information.
7. Additional information required by the instructions to the above schedules, including, for example, the report of the independent qualified public accountant identified on Schedule H, line 3c, and the schedule(s) of assets held for investment. All attachments must be properly labeled.

Group Insurance Arrangement (GIA)

Each welfare benefit plan that is part of a group insurance arrangement is exempted from the requirement to file a Form 5500 if a consolidated Form 5500 report for all the plans in the arrangement was filed in accordance with 29 CFR 2520.104-43. For reporting purposes, a "group insurance arrangement" provides benefits to the employees of two or more unaffiliated employers (not in connection with a multiemployer plan or a collectively-bargained multiple-employer plan), fully insures one or more welfare plans of each participating employer, uses a trust or other entity as the holder of the insurance contracts, and uses a trust as the conduit for payment of premiums to the insurance company. The GIA must file:

1. Form 5500, except lines C and 2d. Enter "G" on line A(4).
2. Schedule A (as many as needed), to report insurance, annuity and investment contracts held by the GIA.
3. Schedule C, to report service provider information and any terminated accountants.
4. Schedule D, to list all CCTs, PSAs, and 103-12 IEs in which the GIA invested at any time during the GIA year, and to list all plans that participated in the GIA during its year.
5. Schedule G, to report loans or fixed income obligations in default or determined to be uncollectible as of the end of the GIA year, leases in default or classified as uncollectible, and nonexempt transactions.
6. Schedule H, to report financial information.
7. Additional information required by the instructions to the above schedules, including, for example, the report of the independent qualified public accountant identified on Schedule H, line 3c, the schedules of assets held for investment and the schedule of reportable transactions. All attachments must be properly labeled.

Quick Reference Chart for Form 5500, Schedules and Attachments¹

	Large Pension Plan	Small Pension Plan	Large Welfare Plan	Small Welfare Plan	DFE
Form 5500	Must complete.	Must complete.	Must complete.	Must complete. ²	Must complete.
Schedule A (Insurance Information)	Must complete if plan has insurance contracts for benefits or investments.	Must complete if plan has insurance contracts for benefits or investments.	Must complete if plan has insurance contracts for benefits or investments.	Must complete if plan has insurance contracts for benefits or investments.	Must complete if MTIA, 103-12 IE or GIA has insurance contracts for benefits or investments.
Schedule B (Actuarial Information)	Must complete if defined benefit plan and subject to minimum funding standards. ³	Must complete if defined benefit plan and subject to minimum funding standards. ³	Not required.	Not required.	Not required.
Schedule C (Service Provider Information)	Must complete if service provider was paid \$5,000 or more and/or an accountant or actuary was terminated.	Not required.	Must complete if service provider was paid \$5,000 or more and/or an accountant or actuary was terminated.	Not required.	MTIAs, GIAs and 103-12 IEs must complete Part I if service provider paid \$5,000 or more. GIAs and 103-12 IEs must complete Part II if accountant was terminated.
Schedule D (DFE/ Participating Plan Information)	Must complete Part I if plan participated in a CCT, PSA, MTIA, or 103-12 IE.	Must complete Part I if plan participated in a CCT, PSA, MTIA, or 103-12 IE.	Must complete Part I if plan participated in a CCT, PSA, MTIA, or 103-12 IE.	Must complete Part I if plan participated in a CCT, PSA, MTIA, or 103-12 IE.	All DFEs must complete Part II, and DFEs that invest in CCT, PSA, or 103-12 IE must also complete Part I.
Schedule E (ESOP Annual Information)	Must complete if ESOP.	Must complete if ESOP.	Not required.	Not required.	Not required.
Schedule G (Financial Transaction Schedules)	Must complete if Schedule H, line 4b, 4c, or 4d is "Yes." ⁴	Not required.	Must complete if Schedule H, line 4b, 4c, or 4d is "Yes." ^{2, 4}	Not required.	MTIAs, GIAs and 103-12 IEs must complete if Schedule H, line 4b, 4c, or 4d is "Yes." ⁴
Schedule H (Financial Information)	Must complete. ⁴	Not required.	Must complete. ^{2, 4}	Not required.	All DFEs must complete Parts I, II, and III. MTIAs, 103-12 IEs, and GIAs must also complete Part IV. ⁴

	Large Pension Plan	Small Pension Plan	Large Welfare Plan	Small Welfare Plan	DFE
Schedule I (Financial Information—Small Plan)	Not required.	Must complete.	Not required.	Must complete. ²	Not required.
Schedule P (Annual Return of Fiduciary of Employee Benefit Trust)	Must file to start running of statute of limitations under Code section 6501(a).	Must file to start running of statute of limitations under Code section 6501(a).	Not required.	Not required.	Not required.
Schedule R (Retirement Plan Information)	Must complete. ⁵	Must complete. ⁵	Not required.	Not required.	Not required.
Schedule SSA (Annual Registration Statement Identifying Separated Participants With Deferred Vested Benefits)	Must complete if plan had separated participants with deferred vested benefits to report.	Must complete if plan had separated participants with deferred vested benefits to report.	Not required.	Not required.	Not required.
Schedule T (Qualified Pension Plan Coverage Information)	Must complete if qualified plan unless permitted to rely on coverage testing information for prior year.	Must complete if qualified plan unless permitted to rely on coverage testing information for prior year.	Not required.	Not required.	Not required.
Accountant's Report	Must attach.	Not required unless Schedule I, line 4k, is checked "No."	Must attach. ²	Not required.	Must attach for a GIA or 103-12 IE.

¹ This chart provides only general guidance. Not all rules and requirements are reflected. Refer to specific Form 5500 instructions for complete information on filing requirements (e.g., **Who Must File** on page 3 and **What To File** on page 7). For example, a pension plan is exempt from filing any schedules if the plan uses a Code section 403(b)(1) annuity, 403(b)(7) custodial account, or 408 individual retirement accounts or annuities as the sole funding vehicle for providing benefits. See **Limited Pension Plan Reporting** on page 9.

² Unfunded, fully insured and combination unfunded/insured welfare plans covering fewer than 100 participants at the beginning of the plan year that meet the requirements of 29 CFR 2520.104-20 are exempt from filing an annual report. (See **Who Must File** on page 3.) Such a plan with 100 or more participants must file an annual report, but is exempt under 29 CFR 2520.104-44 from the accountant's report requirement and completing Schedule H, but **MUST** complete Schedule G, Part III, to report any nonexempt transactions. See **What To File** on page 7.

³ Certain money purchase defined contribution plans are required to complete Schedule B, lines 3, 9, and 10 in accordance with the instructions for Schedule R, line 5.

⁴ Schedules of assets and reportable (5%) transactions also must be filed with the Form 5500 if Schedule H, line 4i or 4j is "Yes," but use of printed form not required.

⁵ A pension plan is exempt from filing Schedule R if each of the following four conditions is met:

- The plan is not a defined benefit plan or otherwise subject to the minimum funding standards of Code section 412 or ERISA section 302.
- No in-kind distributions reportable on line 1 of Schedule R were distributed during the plan year.
- No benefits were distributed during the plan year which are reportable on Form 1099-R using an EIN other than that of the plan sponsor or plan administrator.
- In the case of a plan that is not a profit-sharing, ESOP or stock bonus plan, no plan benefits were distributed during the plan year in the form of a single sum distribution.

ERISA COMPLIANCE QUICK CHECKLIST

Compliance with the Employee Retirement Income Security Act (ERISA) begins with knowing the rules. Plan administrators and other plan officials can use this checklist as a quick diagnostic tool for assessing a plan's compliance with certain important ERISA rules; it is not a complete description of all ERISA's rules and it is not a substitute for a comprehensive compliance review. Use of this checklist is voluntary, and it should not be filed with your Form 5500.

If you answer "No" to any of the questions below, you should review your plan's operations because you may not be in full compliance with ERISA's requirements.

1. Have you provided plan participants with a summary plan description, summaries of any material modifications of the plan, and annual summary financial reports?
2. Do you maintain copies of plan documents at the principal office of the plan administrator for examination by participants and beneficiaries?
3. Do you respond to written participant inquiries for copies of plan documents and information within 30 days?
4. Does your plan include written procedures for making benefit claims and appealing denied claims, and are you complying with those procedures?
5. Is your plan covered by a fidelity bond against losses due to fraud or dishonesty?
6. Are the plan's investments diversified so as to minimize the risk of large losses?
7. If the plan permits participants to select the investments in their plan accounts, has the plan provided them with enough information to make informed decisions?
8. Has a plan official determined that the investments are prudent and solely in the interest of the plan's participants and beneficiaries, and evaluated the risks associated with plan investments before making the investments?
9. Did the employer or other plan sponsor send participant contributions to the plan on a timely basis?
10. Did the plan pay participant benefits on time and in the correct amounts?

If you answer "Yes" to any of the questions below, you should review your plan's operations because you may not be in full compliance with ERISA's requirements.

1. Has the plan engaged in any financial transactions with persons related to the plan or any plan official? (For example, has the plan made a loan to or participated in an investment with the employer?)
2. Has the plan official used the assets of the plan for his/her own interest?
3. Have plan assets been used to pay expenses that were not authorized in the plan document, were not necessary to the proper administration of the plan, or were more than reasonable in amount?

If you need help answering these questions or want additional guidance about ERISA requirements, a plan official should contact the U.S. Department of Labor Employee Benefits Security Administration office in your region or consult with the plan's legal counsel or professional employee benefit advisor.

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