

## **SERVICE AGREEMENT – SBO 401(k) Plan**

### **Benefit Plans Plus, LLC will prepare the following as part of the Plan Installation services:**

- Standardized Adoption Agreement and related documents for execution
- Enrollment and administration forms
- Summary Plan Description (SPD)

### **Benefit Plans Plus, LLC will provide the following Annual Plan Maintenance services (assuming all requested information is returned to BPP):**

- Maintain and support the plan document and required model amendments
- Maintain a current employee census
- Process annual census and deferral data
- Test for compliance with annual 402(g) compensation limits and Annual Addition Limits for each participant
- Maintain pending forfeitures and break-in-service records
- Prepare annual employer valuation report on an accrual basis, including trust balance sheet and income statement for plan administrator
- Prepare annual participant statement

### **Additional administration services may be provided upon request at an additional charge:**

- Determination of the maximum deductible contribution for the plan
- Preparation of annual IRS reporting Form 5500-EZ along with required schedules

## BENEFIT PLANS PLUS, L.L.C.

### Qualified Plan Service Charges

#### Plan Installation:

Prototype Document	Standardized Adoption Agreement	\$375
	Time expended for requested modifications to the document after the original draft has been completed will be billed at an hourly rate.	

**Annual Plan Maintenance:** \$250

#### Additional services and fees, if applicable:

▪ Calculation of the maximum deductible contribution for the plan	\$125
▪ Preparation of Form 5500-EZ	\$125
▪ Preparation of Form 5500 (required if more than 1 owner (unless it is a spouse))	\$250
▪ Trust accounting for multiple custody accounts; (hourly) 1 hour minimum	\$125
▪ Per participant charge starting with 3 <sup>rd</sup> life	\$50
▪ Participant distributions	\$95
▪ Participant loan setup	\$175
▪ Determination of qualified status of a Domestic Relations Order – this is a legal determination and should be handled by legal counsel.	N/A
▪ Plan document restatement; in the event legislative changes necessitate the need to restate the plan	\$350
▪ Plan amendment and Summary of Material Modification	\$150
▪ Consulting services (hourly)	\$175

### BILLING POLICY

Plan Installation Services (invoice attached) – fee is due upon execution of service agreement.

Annual Plan Maintenance – billed annually prior to the end of the plan year for which the services are to be provided.

Additional Services – typically fees will be billed upon the completion of the service. In some instances a retainer fee may be required prior to the services being rendered.

Fees outstanding after thirty days (30) from the billing date shall incur a finance charge of 1.5% per month.

Benefit Plans Plus reserves the right to terminate this Agreement and cease all administrative services for the Plan if fees are not paid within a 90-day period.

### GENERAL PROVISIONS

This Agreement is between Benefit Plans Plus, LLC ("BPP" or "we"/"our"), a Third Party Administration firm, and the Employer (Plan Sponsor/Trustee(s)/Plan Administrator) (hereinafter referred to as the "Employer" or "you"/"your").

This Agreement is effective as services are performed for the Employer by BPP. This Agreement may be amended at any time by BPP, and it may be terminated by either party. Any amendments to this agreement must be in writing and signed by both parties. The agreement will continue indefinitely until terminated by either party. Upon termination, any unpaid fees due under the terms of this agreement are due and payable. BPP shall not be obligated to transmit data to any other service provider except upon payment of fees due under this agreement and the usual and customary fees charged by BPP for such data transmission.

BPP assumes no fiduciary responsibilities on behalf of the Plan. BPP is neither a Fiduciary nor the Plan Administrator as defined by Employee Retirement Income Security Act of 1974 ("ERISA"). The Employer agrees that BPP has no responsibility for the investment decisions made with respect to the assets held for investment by the Trust. The administrative services provided by BPP are ministerial only and provided to assist the Employer in performing its obligations under the Plan. The Employer is designated as the Plan Administrator, as defined in ERISA.

All legal and tax questions concerning the Plan are the responsibility of the Employer. No service provided by the terms of this Agreement will be construed as legal or tax advice or interpretation. The Employer must rely on the opinions of tax or legal advisors.

The Employer agrees to furnish BPP with the data and records required to provide our services. The information must be received no later than 45 days prior to any deadlines for filing forms or reports with any government agency, or for any compliance testing applicable to the Plan. BPP reserves the right to terminate this Agreement if required data is not provided in a timely manner.

BPP assumes no responsibility for any error or omission in the data received from a prior service provider, funding company, or the plan sponsor. BPP shall be entitled to rely without detriment or damage upon information furnished to BPP by the Employer, the Trustees, or Funding Company or any agent thereof and shall have no duty to look beyond such information to see to the application of any assets under the Plan, or to question any action by the Employer, any agent of the Employer, or any Trustee of the Trust. The Employer hereby agrees to indemnify BPP against any claims, losses, damages, liabilities, obligations, costs or expenses incurred by BPP and resulting from (i) its entering into this Agreement and/or agreeing to provide the agreed upon services, and (ii) its provision of services hereunder, except for Claims arising from willful misconduct by BPP. Any such indemnification shall survive the termination of this agreement.

The Employer agrees it is responsible for maintenance and retention of business records relating to the plan. Such records are the property of the Employer except that any proprietary information included in the records remains the property of BPP.

This agreement constitutes the entire agreement between BPP and the Employer for the services specified. No statements outside of this agreement, whether written or oral are a part of the Service Agreement between the parties hereto. Each provision of this agreement shall be separately enforced and invalid or unenforceable provisions shall not adversely affect the validity of the entire agreement. No liability under the contract shall exceed the compensation paid to BPP for the services rendered.

Missouri law shall govern the terms of this agreement and the parties hereto consent to personal jurisdiction by Missouri State courts for all matters pertaining to its enforcement.

Consulting or other services not specifically described in the fee schedule shall be rendered on a time and expense basis. BPP will charge for additional services based on the time required, the hourly rate of the person performing the services, and any additional expenses incurred in performing the services. BPP reserves the right to request advance payment for such services, or to add such fees to the bill for services described above. BPP reserves the right to assess additional charges for inability to obtain required information in a timely fashion. If BPP needs to repeat any services because incorrect or inaccurate data is

supplied to BPP by the Employer or by a funding company or agent of the Employer, an additional fee shall be charged for such services unless BPP specifically waives such fees. By signing, you agree to the fees listed in this proposal.

**AGREEMENT AND ACCEPTANCE**

If the terms of this proposal are acceptable, please sign and date in the space below and return to us. This agreement shall become effective upon execution and will continue indefinitely unless amended.

We appreciate the opportunity to serve you with regard to your 401(k) Plan.

Sincerely,



Patrick M. Shelton, GBA  
Managing Member

**Upon execution of this agreement I am certifying the following:**

- I am actively operating a business which generates self-employment income or W-2 compensation and I intend to make substantial and recurring contributions to the plan.
- There are no employees other than owners and spouses who are eligible to participate in the plan.
- I will authorize my Investment Representative in writing to provide Benefit Plans Plus with a copy of my periodic investment statements, not less than annually.
- I will provide all information requested for the annual processing of the plan by the date noted in the annual request packet.
- I understand that when plan assets reach \$250,000 annual tax reporting will be required. At this point I will provide Benefit Plans Plus with the information needed to prepare the tax filing.
- I will remit the annual maintenance fee upon receipt of the invoice even if I choose to not utilize Benefit Plans Plus with respect to the additional administration services offered.
- If I elect to perform the annual administration for my plan I hereby hold Benefit Plans Plus harmless from and against any and all claims, actions, lawsuits, losses and liabilities, including attorney fees and cost of defense, arising from any contention or allegation based on any of my actions.

**NOTE:** Benefit Plans Plus will not prepare Form 5500-EZ until it is required (the plan assets at the beginning of a plan year are \$250,000 or more). Note: If Form 5500 (not EZ) is required, we will prepare the form and an additional charge will be applicable (see Additional services and fees on pg 2).

This proposal is hereby accepted for plan installation and annual plan maintenance and the fees associated with the services effective upon execution.

\_\_\_\_\_  
Authorized Signor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Company Name



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Remit to:  
Attn: Jeana Craft  
1000 Broadway  
Suite 300  
Highland, IL 62249

Phone: 314.824.5209  
Fax: 618.654.4624

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Plan Installation Services:

Preparation of standardized adoption agreement and  
related documents for SBO 401(k) plan.

\$375.00

Due Upon Receipt  
Thank You