

DEPOSIT VERIFICATION FORM

The Department of Labor requires that employee contributions (including loan payments) be transmitted to the plan **as soon as reasonably possible after being deducted**; however, **in no event later than** the 15th business day of the month following the month deductions are taken. *It is clear that the DOL is focusing on the earliest time the funds can be reasonably segregated portion of the rule, rather than the outside limit (i.e., the 15th business day of the month following withholding). The DOL has issued a Safe Harbor for plans with less than 100 participants – contributions deposited no later than the 7th business day after the pay date will be considered timely.* Amounts that are not deposited timely are considered prohibited transactions, with the employer having to contribute “lost interest” to the plan and paying a 15% excise tax on this lost interest.

1. We have reviewed the DOL rules and determined that the earliest we can reasonably segregate payroll deductions is _____ business days following each pay date.

2. Complete ONE of the following:

(a) ___ We have determined that all deposits were made timely, based on the above timeframe. If applicable, this includes the following deposits which were later than standard timeframe due to a bonafide administrative reason (i.e. person handling was not available):

Pay date: _____ Reason: _____
Pay date: _____ Reason: _____

(b) ___ We have determined that the following payrolls were late, based on the above timeframe, and request PRI to calculate the lost interest and prepare Form 5330 as necessary (fees will be charged based on time involved):

Pay date: _____ amount: _____
Pay date: _____ amount: _____
Pay date: _____ amount: _____
Pay date: _____ amount: _____

(c) ___ We request that Pension Resources, Inc. review our deposits based on the above timeframe (fees will be charged based on time involved)

Pension Resources, Inc. (PRI) can rely on the above determination without any further review; however, we understand that if PRI notices, in the normal course of their work, that deposits are beyond the timing indicated above, PRI will ask for more detail. ALSO, if PRI notices that a deposit is beyond the latest date permitted (15th business day after month), PRI will report these deposits as late and calculate correction and prepare 5330 as needed.

PLAN NAME: _____

Plan Year Ending: _____

Signature of Employer or Plan Administrator

Date