



1374 East 28<sup>th</sup> Street  
 Brooklyn, NY 11210  
 T: 718-535-7070  
 F: 718-535-7071  
 info@totalben.com

## CAFETERIA PLAN Application for Plan Preparation

EMPLOYER INFORMATION			
Company Name			Federal Tax ID
Street Address	City	State	Zip
Business Entity: <input type="checkbox"/> C. Corporation <input type="checkbox"/> Not-for-Profit <input type="checkbox"/> Sole-Proprietorship <input type="checkbox"/> LLC <input type="checkbox"/> S. Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Tax-Exempt Employer <input type="checkbox"/> Professional Corporation			

EFFECTIVE DATE OF PLAN
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Administration of this plan will begin on: \_\_\_\_\_ and end on: \_\_\_\_\_.  
 (The plan year shall mean a 12 month period. The initial plan year may be less than 12 months.)  
 Is there a Plan in place already? From date \_\_\_\_\_ to date \_\_\_\_\_.  
 Original effective date of Plan: \_\_\_\_\_

Benefits to be offered under §125 Cafeteria Plan
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- |  |  |
|--|--|
| <input type="checkbox"/> Medical Flexible Spending (§105)<br><input type="checkbox"/> Medical Insurance<br><input type="checkbox"/> Dental Insurance<br><input type="checkbox"/> Vision Care | <input type="checkbox"/> Dependent Care Assistance Plan (§129)<br><input type="checkbox"/> Group Term Life Insurance<br><input type="checkbox"/> Other<br>Specify: _____ |
|--|--|

Eligibility
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Minimum number of hours worked per week:  20     30     35     Other: \_\_\_\_\_  
 Probationary period for new employees – the first of the month following:  
 30 days     60 days     90 days     Other: \_\_\_\_\_  
 Medical FSA Plan Year Maximum : \_\_\_\_\_  
 Number of last cafeteria plan (from 501) : \_\_\_\_\_ # of Employees: \_\_\_\_\_

PRIMARY CONTACT			
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Contact Name		Title	
Mailing Address	City	State	Zip
Daytime Phone Number		Fax Number	
Email			

### Payroll Process

Service Provider:  ADP  PayChex  BDB  Brands  Other: \_\_\_\_\_  
First Payroll Run Date : \_\_\_\_\_ First Payroll Check Date: \_\_\_\_\_  
Frequency:  Weekly  Bi-weekly  Semi-monthly  Other: \_\_\_\_\_  
Payroll Company Code: \_\_\_\_\_

### Non-discrimination

A Cafeteria Plan is not valid if it is deemed to be discriminatory in nature. To determine if a plan is in compliance, several test are required:

**Eligibility Test and Contributions and Benefits Test:** A plan may not discriminate in favor of the highly compensated as to eligibility to participate or as to contributions and benefits.

**Concentration Test:** Benefits to key employees under the plan may not exceed 25% of the aggregate benefits provided to all employees under the plan.

### Discrimination Testing Data - Key Employees—IRC 416(i)(1)

List all company/corporate officers who earn more than \$140,000 in annual compensation

List all individuals who own 5% or more of company/corporate stock:

List all company/corporate officers:

For **S-Corp** 2%-or-more shareholders, list immediate family members (spouse, parents, children and grandchildren) who are employees:

### Discrimination Testing Data - Highly Compensated Employees—IRC 414(q)(1)(B)

List all individuals who earn more than \$100,000 in annual compensation:

### Service Fee

Standard services will be performed according to the fee agreed upon below:

Service fee: **.0765% of employee contributions (cost-neutral, offset by FICA match)**

**Employer Certification**

I hereby confirm that the preceding information is accurate. I understand that the Cafeteria plan document is predicated upon the answers to the questions contained herein.

It is understood and agreed that TotalBen does not assume the employer's responsibilities for compliance with non-discrimination requirements of Internal Revenue Code §125, 129 & 105. It is understood that a Cafeteria Plan may not discriminate in favor of Highly Compensated or Key Employees within the meaning of IRC §414(q) and §416(i).

I understand that if the Employer is organized as a C-Corporation, LLC, Sole Proprietorship or Not-for-Profit, the owners are not eligible to participate under a §125 plan. If the Employer is organized as an S-corporation, Partnership or Professional Corporation, owners and their spouses, parents, children and grandchildren, are not eligible to participate under a §125 plan.

I agree to be billed at the end of each month and that payment is due upon receipt of invoice.

I certify that I have read and understand the above and have sought competent legal counsel for any matters that were unclear, before signing. I also acknowledge that TotalBen makes no representation as to legal counsel or tax law, nor are to be considered an administrator of the Plan. I confirm that the Employer is the Plan Administrator and is solely responsible for the administration of the Plan.

Authorized Applicant: \_\_\_\_\_

Applicant's Signature: \_\_\_\_\_

Title: \_\_\_\_\_ Date: \_\_\_\_\_

TotalBen offers administrative services for employee benefits, including tax-favored plans such as mass-transit, vanpool & parking expenses and various forms of Cafeteria Plans including Premium-Only, Flex Med (Medical FSA) and Dependent Care Assistance.

TotalBen also offers individual and group benefits. Benefits include: Health, Dental, Vision, Life, AD&D, Spousal/Dependent Life, Short-term Disability (STD), Long-term Disability (LTD), Long-term Care (LTC), Life Insurance, Annuities & Pension Plans.