

# Century Benefits Consulting, Inc.

## Who we are

Century Benefits Consulting is a premier organization that sets up and maintains employee benefit and retirement plans for small businesses. What does that mean to you? Simply put, it means that if you're a small business and you want someone to initialize and maintain premium benefits and retirement plans for the employees you know and love, we can design, install, and administer qualified plans that will serve your needs. Better yet, those benefit plans will serve the needs of your employees, too.

Supposedly, a benefit is a good thing that goes above and beyond the stuff employees might anticipate receiving, right? Well, that's close to the true definition of a benefit, but we have to face the fact that employees have come to think of benefits as part of the standard package they *expect* to get. Century Benefits Consulting works to make benefits those GREAT things that surpass employees' expectations. To make it even better, we do this without draining your company financially. Century Benefits Consulting is a small business too, so we know the financial pressures you're under first hand—that's why we work hard to be an asset to your company as well as to your employees.

Your employees, no doubt, want to secure their futures, and implementing a plan from us that is specifically designed to suit their needs will do just that. We are living in uncertain times and anything we can do to stabilize the economies of small businesses and the employees who work for them, is what we consider to be our job. And implementing a benefit and retirement plan offered by Century Benefits Consulting will help you attract and retain the valuable employees who maintain the life force that is your small business.

The plan that we set up for you is custom-tailored to your needs. Ever had a pair of shoes that molded to your feet so perfectly you never wanted to take them off? We haven't either, but I'm sure you can imagine what that would be like. And that's what Century Benefits Consulting does for small companies.

Here's what we do in a nutshell: we work closely with you to develop the benefit strategy that will fit in with what you need EXACTLY. We look at your organizational objectives and mold a benefits package that will make your employees glad they work for you. Furthermore, the types of plans we provide enjoy many special tax privileges. These tax privileges operate within laws that require benefits to be distributed to the majority of employees on a non-discriminatory basis.

And last but not least, we're knowledgeable. We stay abreast of the latest trends, legislation, and regulations in the retirement and employee benefits arenas. We take what we learn and pass it on to you, revising, reworking, and revamping your plans as necessary.

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## How we work

Let's start by talking about who we work *for*. We work exclusively for our clients and we are compensated only by our clients. There's no one else. We do not collect fees from other sources. We do not collect commissions from other sources. Nobody sweetens our pot if we get you and 16 other companies like you on a particular retirement plan. That way, we're only thinking about you, and not about the new car payment we could make if only we would top out over our goals.

Here's the deal: Century Benefits Consulting's goals are to provide you, our client, with excellent retirement and/or benefit plans and continued service. That's all.

Here's how we do it:

- Step 1:** We meet with you to find out what you need and what your employees need. We establish the scope of our task, gather information from you and from our vendors. Then we set deadlines that will help you accomplish your goals on time. Next thing you know, we have a cost estimate for you.
- Step 2:** We get to work analyzing the factors as they pertain to your business.
- Step 3:** We make a recommendation to you about how you can offer your employees superior retirement and/or employee benefits. We talk to you. You decide what suits your needs and then...
- Step 4:** We install your benefit and/or retirement plans, and you can just sit back and think about the money you're saving by following our business strategy instead of letting all that money get whisked away in taxes.

Century Benefits Consulting will follow up with you on an annual basis—or more frequently as you need us—to provide complete administrative services. We will prepare and file your government reports, review and update accrued and vested benefits, make sure the funding requirements meet your needs, and prepare benefit statements for your plan participants.

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## **Making it Happen**

### The Feasibility and Design Stage: Let's Put Our Heads Together

- ✓ Century Benefits Consulting collects the necessary data about your company, its employees, and any existing benefit programs you might have;
- ✓ We perform an analysis of your employee data to estimate the costs of the retirement and employee benefit plans;
- ✓ Next, we come up with different scenarios and present them to you;
- ✓ Finally, we fine tune a plan that meets your company's specific requirements.

### The Installation Stage: Let's Get This Show on the Road!

- ✓ We assist you in the adoption of your Plan, with the Trust Agreement, and with your Board of Directors resolutions;
- ✓ Summary Plan Descriptions are prepared along with the schedules that are required for new plans according to the U.S. Department of Treasury (IRS). We also assist you in obtaining the approval necessary to give your Plan a qualified status;
- ✓ We explain the different funding methods and answer any questions you might have pertaining to Plan funding;
- ✓ You are given a Client Binder covering the administration of your Plan that contains your Plan's legal documents and the forms that will help you administer your Plan;
- ✓ At your request, we help establish banking and investment relationships for your Plan;
- ✓ And, of course, we will come to your office and help you present your adopted benefit Plan to your employees.

### Annual Consulting and Administration: Review, Report, and Revise

Each year, when we review your Plan, we perform a number of services to make sure your Plan is still meeting the needs of your business and your employees. If there have been changes in your company that affect your retirement and/or benefits Plan, we revise it. Additionally, we prepare and file the reports you need to stay compliant and to stay informed of what is happening with your Plan.

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## Review:

- ✓ We perform top-heavy testing to make sure that top-level employees or other select groups are not being favored over other employees;
- ✓ We run quarterly or annual (depending on your Plan) Coverage and Participation tests to show you what is happening with the Plan;

## Annual Consulting and Administration: Review, Report, and Revise, cont.

- ✓ We calculate the vested benefit by determining if their share in the accounts have increased due to the number of hours your employees worked;
- ✓ If an employee forfeits their balance in your Plan by leaving your company (termination of employment, death, disability), we look at what they've left behind benefit-wise and either divide those funds between your employees or we use those funds to decrease your company's annual contribution to the Plan;
- ✓ If your Plan makes or loses money, we calculate and distribute those gains or losses, according to the terms of the plan, among your employees;
- ✓ We calculate the individual limits for both your employees' and your company's contributions to the Plan;
- ✓ We assist your accountant in determining your company's tax-deductible contribution to your Plan.

## Report:

- ✓ We prepare Participant Benefit Statements for distribution to your employees that show them where their money is invested and how much they have made or lost during a specific time period;
- ✓ We prepare Beneficiary Forms for your employee's use;
- ✓ We prepare the Employer Summary of Accounts showing your company's benefits as a whole as well as a breakdown by employee;
- ✓ We give you a Summary Annual Report providing the year at a glance for all participating employees;
- ✓ And we prepare Form 5500 and the related schedules required by the Department of Labor.

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## Revise:

- ✓ To make sure your growing staff is covered, we analyze your current payroll census data to determine newly eligible participants and to calculate new benefits based on new data;
- ✓ We assist you in maintaining records for any employees whom you have re-hired during the year;

Finally, we will meet with you annually to discuss your concerns and answer your questions about the administration of your Plan, but of course, we are always here to help you when you need it.

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## Annual Plans Fee Structure

Assist in Plan Design and Installation:	On an Hourly Basis, not including IRS User Fees.
Take over fees	\$200 per hour
Annual DC Compliance Administration (One Valuation per year)	\$900.00 + \$40.00 per participant
Annual DB Compliance Administration (One Valuation per year)	\$1600.00 + \$60.00 per participant
Actuarial Charges associated with Cross-Tested plans.	\$225 per hour, \$1,000 minimum
Additional Fee for Plans with More than 100 Participants	\$900 per year
Additional Valuation	\$500 per valuation
Trust Accounting:	On an Hourly Basis (First Hour Included in Annual Compliance Administration Fee)
Non-Discrimination Testing: (Plans with 100 or fewer participants)	\$400.00 each
Non-Discrimination Testing: (Plans with 100 or more participants)	\$800.00 each
Preparation of Various Special Forms:	
IRS Form 5558	\$150.00 each
IRS Form 5500 Schedule SSA	\$150.00 each
PBGC Forms	\$500.00 each
IRS Form 1099-R	\$ 50.00 each
IRS Form 1096	\$ 50.00 each
IRS Form 945	\$150.00 each
Hourly Rates for Consulting and Special Work:	
Consulting	\$225.00 per hour
Trust Accounting	\$ 95.00 per hour
Clerical	\$ 75.00 per hour

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## Incidental Charges

The following charges are for services that occur on occasion and/or are services that are paid for by the employee/participant. As a general rule, most of these fees can be charged to the participant.

Additional Benefit Statement Request	\$25/certificate
DC Participant termination Forms 1099-R, and 1096 for Federal reporting requirements charged separately	\$125
DB Participant termination Forms 1099-R, and 1096 for Federal reporting requirements charged separately	\$250
Participant loan fee (employee paid)	\$150
Annual loan maintenance (employee paid)	\$ 75
Transfer from IRA to Qualified Plan (generally paid by employee)	\$ 50
Minimum distribution calculation	\$250 minimum
Couriers/expressed or expedited mail/fax	Charges passed through accordingly

## Terms of Payment

Fees for annual administration are charged monthly at the beginning of a plan fiscal year. The deposit amount is one twelfth (1/12) of the estimated annual charges. The balance of the annual charge is billed when the work is completed.

### Note:

The above fees are based on a reasonable time estimate within which to perform basic administrative functions for a standard plan. If special services are needed to maintain plan qualification or compliance or if any other transactions not mentioned above arise, additional charges will apply. Our policy is to inform you of the applicable fees prior to completion of said transaction.

Effective December 2003