

Explanation of Census Data

1. Employee Name

Column A

Please provide the name of anyone employed at any time during the plan year in the following format: LAST, FIRST. This should include all employees, even employees that are not eligible or not participating in the plan.

Assumptions:

We will assume that the census provided contains **ALL** employees who were employed during the plan year.

2. Employee Status

Column B

If applicable, indicate one of the following employee status codes: D, E, I, L, M, N, P, R, S, T, U, or X. If none of these codes apply then leave Column B blank.

D = death

I = disabled

L = leased employees

M = military leave*

N = non-resident alien with no U.S. income

R = retired within the current plan year

S = age/service requirement never met for initial eligibility purposes

T = terminated in a **prior plan year**, with compensation in the current plan year that is to be included in compensation for testing (see note concerning the treatment of severance pay for 415 purposes under item #11, Total Compensation). For example, census data is for the 1/1/2023 – 12/31/2023 plan year. Anyone who terminated prior to 2023 that should be included in the 2023 testing should be reported with a “T” status code.

U = union/collectively bargained employees

The following codes should only be used when the plan document provision has been selected:

E = excluded from the plan due to:

- 401(k) and Profit Sharing plans - non-participating employer of a Controlled Group or Affiliated Service Group
- 403b plans - students as defined under IRC §3121(b)(10) and/or employees participating in another 403b plan of the employer

P = excluded from the plan due to:

- 401(k) and Profit Sharing plans - part-time/temporary/seasonal employees
- 403b plans - employees who are normally scheduled to work less than 20 hours per week

X = member of an excluded class of employees as defined in the plan document

Why we need this information:

This information is needed to accurately determine eligibility for the plan and to allocate any applicable employer contributions.

*Please be sure to indicate any employee who has been on military leave. If any employee is in the process of making up missed contributions due to military leave, please be sure that you are only providing us the contributions for the current plan year and do not include make up contributions. We may need to contact you for additional information regarding these employees.

Assumptions:

If this information is not provided with the appropriate categories listed above, or is invalid based on historical information provided, we will make the most conservative assumption which is that an employee is NOT excludable under any of the above categories.

Please Note:

If there are any employees who fall into multiple status codes during the plan year, or who are members of a particular group for only a portion of the plan year, it is essential that you notify your Compliance Analyst of this situation. For example, if an

employee was a member of a union for only six months of your plan year, you would need to provide this information to your analyst to ensure testing is completed correctly.

3. Social Security Number

Column C

Please provide in the following format with the hyphenation: xxx-xx-xxxx

Assumptions:

Assumptions will not be made.

4. Date of Birth

Column D

Please provide in the following format: "MM/DD/YYYY"

Why we need this information:

Birth dates are used to determine if an employee has met the age requirement and is eligible to participate in the plan.

Assumptions:

If we do not receive this information or if we receive conflicting information, we will use the most conservative approach, which is to assume a date of birth that would make the individual meet the age requirement of the plan. If the date of birth for any employee is not provided, we will assume a 01/01/1980 date of birth. Under this assumption, an employee would not be eligible for any applicable age 50 catch-up contributions.

5. Hours Worked

Column E

This is the actual number of hours an employee was credited with during the plan year. If the plan uses the equivalency method, please provide the calculated equivalent number of hours. Please cap hours at 3,000.

Why we need this information:

This will be used to calculate a year of service for the current plan year's eligibility and/or vesting requirements. If your plan has an hours requirement to receive an employer allocation this information is required. We will use this information to determine who is eligible to receive this contribution.

Assumptions:

If hours are not provided, we will prorate employee hours based on their hire date.

6. Original Date of Hire

Column F

Please provide in the following format: "MM/DD/YYYY". The date of hire should be the employee's ORIGINAL hire date. See the section below entitled "Date of Re-hire" for additional information on subsequent hire dates.

Why we need this information:

Hire dates are used to determine if an employee has met the service requirement and is eligible to participate in the plan.

Assumptions:

Assumptions will not be made.

Please Note:

If the plan was involved in a merger or acquisition and in the plan document it recognizes service credited with a predecessor employer, please be sure to provide the original hire date with the previous employer.

7. Date of Termination

Column G

Please provide in the following format: "MM/DD/YYYY". Transferring from one division to another is not considered a termination. If an employee has multiple dates of termination and re-hire, (1) provide original hire date, and most recent termination date and subsequent rehire date on census, (2) please e-mail additional termination/rehire dates in an electronic spreadsheet to your compliance analyst. (If the most recent employment activity is a termination of employment a re-hire

date should not be provided on the census.) **This information must be provided within 48 hours of your census being successfully uploaded.**

Why we need this information:

Termination dates are used to determine eligibility for non-discrimination testing, allocation purposes, and for IRS Form 5500 preparation.

Assumptions:

If an employee on the census does not have a date of termination and does not have compensation or contributions for the plan year being tested, we will assume that the employee terminated during a prior plan year. However, if our records or the census indicate that an employee had contributions and/or compensation during the plan year, we will include the employee in the tests.

8. Date of Re-hire

Column H

Please provide in the following format: "MM/DD/YYYY". Please be sure to include the original hire date and original termination date. Indicate an "S" in the status Column B if the initial eligibility requirements have never been met. If an employee has multiple dates of termination and re-hire, (1) provide original hire date, and most recent termination date and subsequent rehire date on census, (2) please e-mail additional termination/rehire dates in an electronic spreadsheet to your compliance analyst. (If the most recent employment activity is a termination of employment a re-hire date should not be provided on the census.) **This information must be provided within 48 hours of your census being successfully uploaded.**

Why we need this information:

These dates are used to determine if an employee has met the service requirement and is eligible to participate in the plan.

Assumptions:

Assumptions will not be made.

9. Pre-entry Compensation

Column I

Pre-entry Compensation is compensation for any employee who becomes eligible to participate in the plan during the current plan year. The compensation earned from the date of hire or beginning of the plan year, whichever is later, to his or her entry date is considered Pre-entry Compensation. For example, based on a plan year that is a calendar year, if an employee is eligible to enter the plan on July 1, Pre-entry Compensation would be the amount earned from January 1 through June 30. This compensation should be net of any amounts that are defined in your document as excluded, such as bonuses, commissions or overtime. Please review the following examples for further clarification:

A plan has a December 31, 2023 plan year end with entry dates of January 1 and July 1. A participant is eligible to enter the plan on July 1. From the period of January 1, 2023, through June 30, 2023, the participant made \$45,000. From the period of July 1, 2023 through December 31, 2023, the participant earned \$55,000 for a total of \$100,000 for the plan year. The census should be completed as listed below:

Column I = 45,000
Column J = 100,000
Column K = 100,000

Using the same criteria from above, presume this employee had Excluded Compensation during the year of \$10,000. Of this amount, \$5,000 was earned before July 1, 2023 and \$5,000 was earned after the entry date. You would complete the census as follows:

Column I = 40,000
Column J = 90,000
Column K = 100,000

Column I, Pre-entry Compensation, must have a numeric value in it even if it is 0.00.

Why we need this information:

Based on the plan's provisions, Pre-entry Compensation may be excluded in allocating employer contributions and can be used in testing to produce more favorable results.

Assumptions:

If Pre-entry Compensation is required under the Plan Document, no assumptions will be made.

If the plan has a short plan year (less than 12 months) or has dual eligibility requirements, this may result in more than one computation for Pre-entry Compensation. Please contact your Compliance Analyst prior to completing this column.

10. Plan Compensation

Column J

Plan Compensation is Total Compensation (as defined in item #11) less any amounts that are defined in the Plan Document as excluded, such as bonuses, commissions, or overtime. Pre-entry Compensation should not be subtracted from this compensation amount.

If the Plan Document does NOT define any exclusion from compensation, Plan Compensation will equal Total Compensation as illustrated in the Sample Census.

Why we need this information:

If the document allows for Excluded Compensation, there may be additional tests that must be completed.

Assumptions:

If Plan Compensation equals Total Compensation, we will assume employees did not have any Excluded Compensation for the year.

If the plan has a short plan year (less than 12 months) please contact your Compliance Analyst prior to completing the Plan Compensation column.

11. Total Compensation

Column K

The plan document provides for one of the following definitions of Total Compensation:

W-2 Wages: This amount generally encompasses all amounts included in income which are received for the provision of services to the employer and includes taxable group term life insurance.

§3401(a) (Withholding Wages): This amount generally includes all income subject to income tax withholding which are received for the provision of services to the employer. Taxable group term life insurance is excluded.

§415 Compensation: All amounts paid for personal services which are includible in gross income regardless of form of payment, including tips, taxable fringe benefits, and taxable group term life insurance.

Please note: A number of statutory changes to section 415(c)(3) took place in 2007 that effect the definition of severance pay, and take into consideration when severance is paid to the terminated participant as to whether or not it is included in reportable compensation for the plan year.

If participants received any form of severance pay or trailing compensation, and you are unsure if the amount should be included as reportable income, please review the Amendment for the Final 415 Regulations that is included with the Plan Document to determine if those payments need to be included in Total Compensation on the census file. In general compensation paid more than 2 ½ months after severance of employment is not eligible 415 compensation and would not be reported.

It is important to refer back to the Plan Document for further clarification on the compensation selected for the plan. You will also need to ensure that the amount includes or excludes employee deferrals as defined by the plan.

Why we need this information:

We need Total Compensation for each employee to properly calculate the testing results and to determine the Key Employees for the plan year.

Assumptions:

If we are not provided compensation for an employee that we show has made contributions for the plan year, we will include the employee in the tests. If an employee does not have compensation, contributions or hours listed for the plan year being tested, we will assume that the employee terminated during the prior plan year.

If the plan has a short plan year (less than 12 months) please contact your Compliance Analyst prior to completing the Total Compensation column.

12. Prior 12 Months' Compensation

Column L

This is the TOTAL compensation received during the 12 months immediately preceding the plan year beginning date. This data only needs to be provided for those employees who had earnings in excess of the highly compensation limit during the preceding 12 months. Please refer to the third page of the 'General Testing Information' section of the Compliance Testing User Guide for the applicable IRC §414(q) highly compensation limit.

Why we need this information:

This information is necessary to determine the Highly Compensated Employees. We will need this information if the previous plan year was a short plan year or if this is the first year we are providing compliance services for your plan.

Assumptions we will make if we do not receive this information:

If this information is not provided for employees, we will use the prior year's census for this information.

13. Employee Deferrals (if applicable)

Column M

This is the total amount of employee **pre-tax** contributions made to the plan through payroll deduction for the current plan year. If any employee is in the process of making up missed contributions due to military leave, please be sure that you are only providing us the contributions for the current plan year and do not include make up contributions.

Why we need this information:

This information is used to complete testing.

Assumptions:

If plan assets transferred to us during the plan year, we cannot make assumptions. For all other plans, if we do not receive this information, we will use the employee deferral amounts that were contributed for the plan year.

14. Employer Matching Contributions (if applicable)

Column N

This is the total amount that the company matches based on employee contributions for the current plan year. If any employee is in the process of making up missed contributions, please be sure that you are only providing us the contributions for the current plan year and do not include make up contributions.

Why we need this information:

This information is used to complete testing.

Assumptions:

If plan assets transferred to us during the plan year, we cannot make assumptions. For all other plans, if we do not receive this information, we will use the employer match amounts that were contributed for the plan year unless you have requested that we calculate the employer matching contribution.

15. Employee After-tax Contributions (if applicable)

Column O

This is the total amount of employee after-tax contributions made to the plan through payroll deduction for the current plan year.

Why we need this information:

This information is used to complete testing.

Assumptions:

If plan assets transferred to us during the plan year, we cannot make assumptions. For all other plans, if we do not receive this information, we will use the employee after-tax amounts that were contributed for the plan year.

16. Employer Non-elective Contributions (if applicable)

Column P

Employer contributions, other than matching, made to the plan for the current plan year.

Why we need this information:

This information is used to complete testing.

Assumptions:

If plan assets transferred to us during the plan year, we cannot make assumptions. For all other plans, if we do not receive this information, we will use the non-elective contributions that were contributed for the plan year unless you have requested that we calculate the employer non-elective contribution.

17. Employee Roth Contributions (if applicable)

Column Q

This is the total amount of employee Roth contributions made to the plan through payroll deduction for the current plan year.

Why we need this information:

This information is used to complete testing.

Assumptions:

If plan assets transferred to us during the plan year, we cannot make assumptions. For all other plans, if we do not receive this information, we will reflect the amounts that were contributed for the plan year as employee Roth contributions.

18. Officers

Column R

Please indicate which employees were Corporate Officers at any time during the current plan year by putting a "Y" in this column. All other employees must have an "N".

Why we need this information:

This is needed to determine the Key Employees.

Assumptions we will make if we do not receive this information:

Assumptions will not be made.

If any assumptions detailed in this explanation are used and result in the need for revised testing, additional fees may apply.