



## Instructions to the Financial Professional for Individual 401(k) Plans

### Opening an Investment Account to Fund a OnePerson(k)<sup>TM</sup>

Once your client has signed the plan document and adopted the Individual 401(k) plan, you'll work with your client to open an investment account at your firm and choose the appropriate investments. Only one trust account will be opened for the plan, regardless of the number of participants. If there is more than one participant, "For the Benefit Of" (FBO) sub-accounts should be set up for each participant. The investment account should not be opened until after the "EZ-K" Plan Adoption Agreement has been signed.

### Opening the Individual 401(k) Investment Account

- 1 Open a single investment account only after the Adoption Agreement has been signed and you have been provided with a Trust Identification Number (TIN) by Dedicated Defined Benefit Services, LLC (Dedicated DB). This account would normally be opened at your broker/dealer.
- 2 Establish the investment account in the name of the Trust. For example, if the name of the firm is John Jones, LLC, the account would be named John Jones, LLC 401(k) and Trust. Dedicated DB will provide the name for the Trust that you can use when opening the account for your client.
- 3 Use the unique TIN provided by Dedicated DB for the account holder's ID.
- 4 The account application form would be the form your broker/dealer normally uses in opening a qualified retirement plan account. Contact your retirement plan department for the specific form used and any requirements they may have.

### Funding the OnePerson(k)<sup>TM</sup> Investment Account

- 1 Once the account has been opened, the client can begin making elective deferral contributions. Note that any excess, non-deductible contribution may be subject to a 10% excise tax.
- 2 For corporations, elective deferral contributions must be made by the second week following the end of the business' fiscal year end. Profit-sharing contributions must be made by the due date of the tax return (including extensions) in the following year to be deductible. Profit-sharing contributions made after this date will not be deductible for the current year.
- 3 For non-corporate entities, elective deferral and profit-sharing contributions must be made no later than 9 1/2 months after the plan year end. This means that for a calendar year plan, contributions must be made no later than October 15th.



### **Choice of Investments**

The choice of investments is up to you and your client. Dedicated DB has no requirements as to what they should be. They can be individual stocks, bonds, mutual funds, variable annuities, etc. Clients have the flexibility to diversify across a selection of investment choices with the objective of maximizing potential growth and minimizing portfolio volatility.

### **Annual Funding**

Each year, Dedicated DB will calculate and notify the client of the maximum amount that the client may make contribute. Allowable contribution amounts may vary from year to year, depending on the annual compensation and IRS limits for that year. The client may contribute any amount equal to or less than what Dedicated DB has calculated for that year.

If you have any additional questions concerning the investment account, please contact your retirement plan department.

If you have questions concerning the plan or the estimated contribution, please contact Dedicated DB Technical Sales at 1(866) 269-2706.

If you have questions concerning the operation of the plan, please contact the Dedicated DB Retirement plan Consultant assigned to the plan at 1(800) 982-6961.