



United States
General Accounting Office
Washington, D.C. 20548

159564

Health, Education and Human Services Division

B-278489

November 14, 1997

The Honorable Charles E. Grassley
Chairman, Special Committee on Aging
United States Senate

Subject: Employee Benefit Plans: Efforts to Streamline Reporting Requirements and Improve Processing of Annual Plan Data

Dear Mr. Chairman:

The Congress enacted the Employee Retirement Income Security Act of 1974 (ERISA) to protect the benefits of participants in private pension and welfare plans. ERISA requires plans to file annual reports providing financial and other information about plan operations. These plans meet this requirement by filing the Form 5500 Series, Annual Return/Report of Employee Benefit Plan, hereafter referred to as Form 5500 Reports. About 1 million Form 5500 Reports are filed annually. Most of the reports are filed on paper, although about 7,000 returns are filed electronically. Plans file the reports at one of three Internal Revenue Service (IRS) service centers, where they are processed in the same system IRS uses for processing individual and corporate revenue returns. Form 5500 Reports are screened for accuracy and completeness and shared with the Department of Labor (DOL), the Pension Benefit Guaranty Corporation (PBGC), and the Social Security Administration (SSA). In past years the agencies have spent as much as \$25 million each year on Form 5500 Report processing, although recently budget restrictions have forced the agencies to reduce the amounts spent, causing reductions in the level of processing. Under current filing deadlines (210 days after the end of the plan year) and using IRS' processing system, it takes about 2 years following the end of the plan year being reported on for the agencies to obtain usable computerized Form 5500 Report data.

In response to your August 1997 letter, we obtained information on the status of DOL efforts to streamline the Form 5500 Report and automate processing of the forms. Specifically, you asked us to determine (1) the uses of the Form 5500 Reports, (2) the status of government efforts to streamline the Form 5500

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Reports and reporting and filing requirements, and (3) what actions have been taken to expedite processing of the forms.

To answer your questions, we reviewed reports on the uses of Form 5500 Report data. We also reviewed documents from DOL on the proposal to streamline the Form 5500 and its request for proposals to develop a new forms processing system. Finally, we interviewed headquarters officials from DOL, IRS, and PBGC. We conducted our work between August and October 1997 in accordance with generally accepted government auditing standards.

In summary, we found that Form 5500 Report data are used for ERISA enforcement and are made available to the public for research. DOL also makes the reports available to plan participants and beneficiaries through its public disclosure office. To simplify Form 5500 Reports and lessen the burden on filers, DOL, IRS, and PBGC have proposed using a streamlined form for the 1998 plan year. The revised main form is to serve as a short registration document, and appropriate schedules (or attachments) are to be filed with the form. The revised Form 5500 Report is expected to reduce the total paper filing burden by 12 to 14 percent annually over the 10-year life of the form. The Congress reduced reporting requirements by eliminating the summary plan description filing requirement, which is expected to save plan administrators \$2.5 million and 150,000 paper filing burden hours annually. However, although DOL and IRS have improved Form 5500 Report processing, problems remain. As a result, DOL is developing a new processing system, the ERISA Filing Acceptance System (EFAST), to be operated by a private contractor by 1999. The system, designed to accommodate the needs of all three agencies, will use optical scanning technology to computerize paper Form 5500 Report filings, reducing the costs and burden on filers and the government. DOL issued a request for proposals for the system on October 24, 1997, and plans to issue a contract for full development and operation by April 1999.

BACKGROUND

Currently, the Form 5500 Report consists of a six-page main form and may include up to eight accompanying schedules. Plans with 100 or more participants file the Form 5500 Annual Return/Report of Employee Benefit Plan. (See enc. I.) Plans with fewer than 100 participants file the Form 5500-C Return/Report of Employee Benefit Plan at least every third year and file the Form 5500-R Registration Statement of Employee Benefit Plan in the intervening 2 years. (See enc. II.) DOL may assess a penalty of up to \$1,000 per day against a plan administrator who fails or refuses to file a Form 5500 Report or whose report is rejected for failing to include material information.

In addition to filing the Form 5500 Report, employee benefit plans were required to file summary plan descriptions or summary material modifications with DOL. The summary plan description is supposed to explain, in plain English, how the plan works, what benefits the plan provides, and how those benefits might be calculated. If changes in the plan provisions occurred, administrators were to issue summary material modifications describing those changes. Administrators were also required to periodically update summary plan descriptions, incorporating all modifications, and provide copies of the updated summary plan descriptions to participants, beneficiaries, and DOL.

In 1993, recognizing long-standing problems with the timeliness and costs of filing Form 5500 Reports and burdensome ERISA reporting requirements, the National Performance Review (NPR) recommended changes in the filing requirements to increase efficiency and lower costs. Specifically, NPR recommended changing the Form 5500 Report filing deadline from 210 days to 90 days after the end of the plan year, automating filing and processing of the forms, and eliminating the requirement for filing all summary plan descriptions with DOL.

FORM 5500 REPORTS USED FOR ERISA ENFORCEMENT,
PUBLIC INFORMATION, AND RESEARCH

DOL, IRS, and PBGC use Form 5500 Reports for various purposes. DOL uses both manual and automated reviews of the forms to select financial institutions, service providers, and pension and welfare plans for investigation. In 1990, DOL developed a number of targeting programs that automatically search Form 5500 Report information for characteristics that DOL believes indicate a high potential for ERISA violations.

In addition to using Form 5500 Reports for ERISA enforcement, DOL maintains a public disclosure room so that the reports and related plan information are available to public agencies, private organizations, and individuals for review. In fiscal year 1997, DOL's Pension and Welfare Benefits Administration's (PWBA) Public Disclosure Office received about 2,900 requests for Form 5500 Reports and provided about 12,814 documents in response to these requests. PWBA also makes computer tapes of its Form 5500 Report information available to individuals and groups for research purposes.

Like DOL, IRS uses Form 5500 Report data to analyze plan financial transactions and to target plans for examination. IRS developed its computerized Returns Inventory and Classification System to select plans for review based on Form 5500 Report data. The system also allows IRS to create

facsimiles of returns, eliminating the need to obtain paper copies from storage files and aiming at improving ERISA enforcement through automated rather than manual review of returns.

PBGC also uses Form 5500 Report data to monitor plan activities, including the level of plan funding, as well as to forecast PBGC's potential liabilities. Because of its concern about receiving incomplete and untimely computerized data from IRS, in 1993 PBGC implemented a Form 5500 Report intercept program. Under this program, IRS photocopies Form 5500 Report filings of about 1,500 of the largest and most underfunded plans and sends the paper copies to PBGC. PBGC enters the data from these filings into its own database. As a result, according to PBGC officials, they have more timely data on plan funding and are better able to monitor those plans that may pose a financial risk to the insurance program.

In addition to the agencies with regulatory authority under ERISA, SSA is also a recipient of Form 5500 Report data. SSA receives information on name and address changes for plan administrators and information on mergers from pension plans. Plans file the Schedule SSA if they have participants who separated from the plan during the prior reporting period but had not yet received pension benefits. SSA uses the data to notify those participants who apply for Social Security that they have benefits from one or more private plans.

EFFORTS TO REDUCE REPORTING AND DISCLOSURE BURDEN

Streamlining the Form 5500 Report

To simplify annual reporting, lighten the burden on filers, and improve data collection under ERISA, the principal users of Form 5500 Report data—DOL, IRS, and PBGC—have proposed a streamlined form for the 1998 plan year. (See enc. III.) The revised Form 5500 Report consists of a one-page main form to be completed by both large and small plans. While this change eliminates the Form 5500-C/R, small plans would continue to be eligible for limited financial reporting similar to data provided on the Form 5500-R. Improvements in the form should also make filing easier. For example, according to DOL, the identifying information for most plans does not change from year to year; therefore, preprinting this information on Forms 5500 should ease the burden on filers and reduce reporting errors. The agencies are studying the feasibility of preprinting this information on Form 5500 Reports after the first full filing-year cycle using new computer-scannable forms.

The revised Form 5500 Report is a shorter document structured to resemble individual and corporate tax returns and capture more relevant and accurate plan data. By eliminating information not needed for regulatory, enforcement, or research purposes, and by developing new or revised schedules, the revised Form 5500 Report main form is to serve as a short registration document. The form consists of eight questions that identify the filer and type of report being filed, the plan sponsor, and which of the 13 schedules are being filed with the return. In addition to the revised main form, there are five new schedules and three revised schedules with the return package. Five schedules from the current Form 5500 remain unchanged.

DOL and IRS believe that the revised Form 5500 Report will reduce the filing burden on plans. Taking into account the time required to learn tax law, maintain certain tax records, and complete the main Form 5500 Report, IRS estimates that the revised form will require a total of 21.4 million hours from about 901,000 filers. For example, the time required to complete and file the main Form 5500 will decrease from about 110 hours for the form used in 1996 to about 24 hours for the revised form. Overall, the revised Form 5500 Report is expected to reduce the total filing burden by 12 to 14 percent annually over the 10-year life of the form.

DOL, IRS, and PBGC are to conduct a joint public hearing on the revised forms on November 17, 1997. After reviewing and incorporating suggested changes where appropriate, the agencies plan to issue the streamlined forms next year.

Eliminating the Summary Plan Description Filing Requirement

Another recent development that will reduce the ERISA filing burden on plans is the elimination of the summary plan description filing requirement. Effective August 5, 1997, with the passage of the Taxpayer Relief Act of 1997, plans are no longer required to file summary plan descriptions or related documents with DOL. Instead, plans are required to furnish this information only upon request. Plans must, however, continue to provide this information to participants and beneficiaries. The law also instituted a new civil penalty of up to \$100 per day, not to exceed \$1,000 per request, for administrators failing to provide the requested information to DOL within 30 days.

DOL estimated that meeting summary plan description requirements had cost plan administrators about \$2.5 million and required 150,000 hours annually. Furthermore, the government is also likely to benefit from eliminating this requirement. DOL has received over 150,000 summary plan descriptions and

related filings from plans each year. Handling, cataloguing, and archiving these documents costs DOL about \$210,000 each year. While DOL plans to maintain the approximately 1-million summary plan descriptions and summary material modifications it currently has on file, it instructed plan administrators to immediately stop submitting the filings to the Department.

IMPROVING FORM 5500 REPORT PROCESSING

Previously, we and others have reported that DOL and IRS' ERISA enforcement was hindered by incomplete, inaccurate, and untimely plan data. DOL and IRS have made progress on correcting these problems, including increasing the amount of information captured from Form 5500 Reports, using extensive edit checks and follow-up contact with plans to improve data completeness and accuracy, and attempting to process return information within 60 days after the return is filed. Despite these improvements, problems remain. DOL reports that while some progress has been made in improving the timeliness of processing, untimely data remains a problem. Furthermore, the current Form 5500 Report processing system produces an unacceptable level of inaccurate data. For example, DOL reviews of the accuracy of IRS Form 5500 Report processing have shown that error rates consistently exceed the level of standards considered acceptable in private industry. These processing errors resulted in excessive filing burdens and administrative costs to plans caused by unnecessary filing error corrections and unwarranted investigations of possible fiduciary violations. These errors also resulted in DOL and IRS wasting limited enforcement resources.

To overcome the problems associated with processing Form 5500 Reports at IRS, DOL, with the cooperation of IRS, PBGC, and SSA, is developing a new processing system to be completed by 1999. The system, called EFAST, will rely on optical scanning technology and optical character recognition to computerize the paper filings. Form 5500 Reports would no longer be processed through data entry using the IRS system. Instead, a contractor would scan the paper returns, which will be translated into computer images and stored in a database. Optical Character Recognition software would be used to translate both handwritten and machine-printed text into structured computer data, with high accuracy rates. Unreadable images would be sent to microcomputers where processing clerks would correct and re-enter the unread data. Scanned filings would then be subjected to automated edit checks. Automated correspondence on the nature of filing errors would be sent to filers along with directions for correcting deficient filings. Finally, completed filings would be available to DOL, IRS, and PBGC on a monthly basis.

DOL identified several advantages EFAST would have over the current processing system. First, the database would contain 100 percent of the Form 5500 Report filings, including the accountant's opinion, service provider data, and insurance arrangement information. Currently, this information is separated from the main Form 5500 Report and keyed into a separate database or is not entered into a database but maintained as a hard copy. As a result, these key data cannot be easily matched to the main form. Second, the data would be more accurate and available on a more timely basis. Lastly, the system would be less costly and burdensome to filers and the federal government.

In addition to improving Form 5500 Report processing, DOL expects that EFAST will increase the number of plans filing electronically because of its simplified procedures for preparing and submitting filings. Electronic filing would reduce employer costs by allowing Form 5500 Report data to be transmitted from already existing computerized data. The government would also realize reduced costs through increased electronic filings. By eliminating most of the initial processing steps of manually entering, editing, and correcting data, DOL estimates that electronic filing could reduce initial processing costs by more than 90 percent. Furthermore, the government could realize a projected \$5.9 million in additional savings each year if the current level of 7,000 electronic filings could be increased to 500,000 returns.

According to DOL officials, EFAST can be developed and operated at a lower cost by a private contractor than the current IRS system. DOL estimates that switching from the current system will result in a net savings to the government of about \$57.3 million over the 5-year life cycle of EFAST, or \$11.5 million annually. Initially, DOL planned to award a contract to one vendor to develop and implement EFAST. However, DOL's Inspector General raised concerns about the risk of relying on a sole contractor to design, develop, and implement the system. The Inspector General was concerned that DOL would rely on one vendor who might not be able to complete the system satisfactorily, leaving DOL and the other agencies without a system for processing the Form 5500 Reports. Consequently, DOL's request for proposals will result in awards to two vendors who must compete in designing and building pilot EFAST systems. DOL will evaluate the systems and award the full contract to the winner, who will be responsible for developing a fully operational EFAST. DOL issued the request for proposals for EFAST design and development on October 24, 1997, and expects to award this part of the contract to vendors by April 1998. After selecting the winning prototype, DOL plans to award a contract for full EFAST development and operation by April 1999.

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EFAST is scheduled to be operational by August 1999 in order to process the 1998 plan year returns. This deadline is important because neither DOL nor IRS has budgeted funds to process the 1998 returns under IRS' system. Furthermore, IRS' system would have to undergo major modifications to accommodate proposed revisions to the Form 5500 Report. Currently, DOL estimates that it will cost \$10.3 million to develop and build EFAST. Congress has approved \$6 million for the project, and DOL requested another \$3 million in its fiscal year 1998 budget submission.

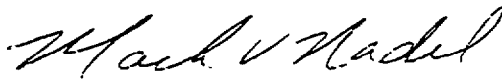
AGENCY COMMENTS

DOL officials reviewed a draft of this letter and provided technical comments, which have been incorporated where appropriate.

As arranged with your office, we will make copies of this correspondence available to interested parties.

If you have any questions about the information presented, please contact me on (202) 512-7215. Other major contributors are Frank P. Mulvey, Assistant Director, and George A. Scott, Evaluator-in-Charge.

Sincerely yours,



for Jane L. Ross
Director, Income Security Issues

ANNUAL RETURN/REPORT OF EMPLOYEE BENEFIT PLAN, FORM 5500

Form 5500 Annual Return/Report of Employee Benefit Plan (With 100 or more participants) OMB Nos. 1210-0016 1210-0089 1996 This Form is Open to Public Inspection.

For the calendar plan year 1996 or fiscal plan year beginning , 1996, and ending , 19

If A(1) through A(4), B, C, and/or D, do not apply to this year's return/report, leave the boxes unmarked. For IRS Use Only EP-ID A This return/report is: (1) the first return/report filed for the plan; (2) an amended return/report; (3) the final return/report filed for the plan; or (4) a short plan year return/report (less than 12 months).

IF ANY INFORMATION ON A PREPRINTED PAGE 1 IS INCORRECT, CORRECT IT. IF ANY INFORMATION IS MISSING, ADD IT. PLEASE USE RED INK WHEN MAKING THESE CHANGES AND INCLUDE THE PREPRINTED PAGE 1 WITH YOUR COMPLETED RETURN/REPORT.

B Check here if any information reported in 1a, 2a, 2b, or 5a changed since the last return/report for this plan. C If your plan year changed since the last return/report, check here. D If you filed for an extension of time to file this return/report, check here and attach a copy of the approved extension.

1a Name and address of plan sponsor (employer, if for a single-employer plan) (Address should include room or suite no.) 1b Employer identification number (EIN) 1c Sponsor's telephone number 1d Business code (see instructions, page 20) 1e CUSIP issuer number 2a Name and address of plan administrator (if same as plan sponsor, enter "Same") 2b Administrator's EIN 2c Administrator's telephone number

3 If you are filing this page without the preprinted historical plan information and the name, address, and EIN of the plan sponsor or plan administrator has changed since the last return/report filed for this plan, enter the information from the last return/report in line 3a and/or line 3b and complete line 3c. a Sponsor EIN Plan number b Administrator EIN c If line 3a indicates a change in the sponsor's name, address, and EIN, is this a change in sponsorship only? (See line 3c on page 8 of the instructions for the definition of sponsorship.) Enter "Yes" or "No."

4 ENTITY CODE. (If not shown, enter the applicable code from page 8 of the instructions.) 5a Name of plan 5b Effective date of plan (mo., day, yr.) 5c Three-digit plan number

All filers must complete 6a through 6d, as applicable. 6a Welfare benefit plan 6b Pension benefit plan (If the correct codes are not preprinted below, enter the applicable codes from page 8 of the instructions in the boxes.)

6c Pension plan features. (If the correct codes are not preprinted below, enter the applicable pension plan feature codes from page 8 of the instructions in the boxes.)

6d Fringe benefit plan. Attach Schedule F (Form 5500). See instructions. Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established. Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

Signature of employer/plan sponsor Date Type or print name of individual signing above Signature of plan administrator Date Type or print name of individual signing above

6e Check all applicable investment arrangements below (see instructions on page 9):

- (1) Master trust
- (2) 103-12 investment entity
- (3) Common/collective trust
- (4) Pooled separate account

f Single-employer plans enter the tax year end of the employer in which this plan year ends ► Month Day Year

g Is any part of this plan funded by an insurance contract described in Code section 412(f)? Yes No

h If line 6g is "Yes," was the part subject to the minimum funding standards for either of the prior 2 plan years? Yes No

7 Number of participants as of the end of the plan year (welfare plans complete only lines 7a(4), 7b, 7c, and 7d):

| | | | |
|---|-----------------------------|------|--------|
| a Active participants: | (1) Number fully vested | a(1) | |
| | (2) Number partially vested | a(2) | |
| | (3) Number nonvested | a(3) | |
| | (4) Total | a(4) | |
| b Retired or separated participants receiving benefits | | b | |
| c Retired or separated participants entitled to future benefits | | c | |
| d Subtotal. Add lines 7a(4), 7b, and 7c | | d | |
| e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits | | e | |
| f Total. Add lines 7d and 7e | | f | |
| g Number of participants with account balances. (Defined benefit plans do not complete this line item.) | | g | |
| h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested. | | h | |
| i (1) Was any participant(s) separated from service with a deferred vested benefit for which a Schedule SSA (Form 5500) is required to be attached? (See instructions.) | | | Yes No |
| (2) If "Yes," enter the number of separated participants required to be reported ► | | i(1) | |

8a Was this plan ever amended since its effective date? If "Yes," complete line 8b

b If line 8a is "Yes," enter the date the most recent amendment was adopted ► Month Day Year

c Did any amendment during the current plan year result in the retroactive reduction of accrued benefits for any participants?

d During this plan year did any amendment change the information contained in the latest summary plan descriptions or summary description of modifications available at the time of amendment?

e If line 8d is "Yes," has a summary plan description or summary description of modifications that reflects the plan amendments referred to on line 8d been both furnished to participants and filed with the Department of Labor?

9a Was this plan terminated during this plan year or any prior plan year? If "Yes," enter the year ►

b Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of PBGC?

c Was a resolution to terminate this plan adopted during this plan year or any prior plan year?

d If line 9a or line 9c is "Yes," have you received a favorable determination letter from the IRS for the termination?

e If line 9d is "No," has a determination letter been requested from the IRS?

f If line 9a or line 9c is "Yes," have participants and beneficiaries been notified of the termination or the proposed termination?

g If line 9a is "Yes" and the plan is covered by PBGC, is the plan continuing to file a PBGC Form 1 and pay premiums until the end of the plan year in which assets are distributed or brought under the control of PBGC?

h During this plan year, did any trust assets revert to the employer for which the Code section 4980 excise tax is due?

i If line 9h is "Yes," enter the amount of tax paid with Form 5330 ► \$

10a In this plan year, was this plan merged or consolidated into another plan(s), or were assets or liabilities transferred to another plan(s)? If "Yes," complete lines 10b through 10e Yes No

| | | |
|---|-------------------------------------|------------------|
| a Name of plan(s) ► | b Employer identification number(s) | c Plan number(s) |
| e If required, has a Form 5310-A been filed? <input type="checkbox"/> Yes <input type="checkbox"/> No | | |

11 Enter the plan funding arrangement code from page 10 of the instructions ►

12 Enter the plan benefit arrangement code from page 10 of the instructions ►

13a Is this a plan established or maintained pursuant to one or more collective bargaining agreements?

b If line 13a is "Yes," enter the appropriate six-digit LM number(s) of the sponsoring labor organization(s) (see instructions):

(1) (2) (3)

14 If any benefits are provided by an insurance company, insurance service, or similar organization, enter the number of Schedules A (Form 5500), Insurance Information, attached. If none, enter "-0-" ►

Welfare Plans Do Not Complete Lines 15 Through 24. Go To Line 25 On Page 4.

| | | Yes | No |
|--|--|---------|--------|
| 15a | If this is a defined benefit plan subject to the minimum funding standards for this plan year, is Schedule B (Form 5500) required to be attached? (If this is a defined contribution plan leave blank.) | | |
| b | If this is a defined contribution plan (i.e., money purchase or target benefit), is it subject to the minimum funding standards? (If a waiver was granted, see instructions.) (If this is a defined benefit plan, leave blank.) | | |
| If "Yes," complete (1), (2), and (3) below: | | | |
| (1) | Amount of employer contribution required for the plan year under Code section 412 | b(1) \$ | |
| (2) | Amount of contribution paid by the employer for the plan year | b(2) \$ | |
| Enter date of last payment by employer ▶ Month..... Day..... Year..... | | | |
| (3) | If (1) is greater than (2), subtract (2) from (1) and enter the funding deficiency here; otherwise, enter -0-. (If you have a funding deficiency, file Form 5330.) | b(3) \$ | |
| 16 | Has the annual compensation of each participant taken into account under the current plan year been limited as required by section 401(a)(17)? (See instructions.) | 16 | |
| 17a | (1) Did the plan distribute any annuity contracts this year? (See instructions.) | a(1) | |
| | (2) If (1) is "Yes," did these contracts contain a requirement that the spouse consent before any distributions under the contract are made in a form other than a qualified joint and survivor annuity? | a(2) | |
| b | Did the plan make distributions or loans to married participants and beneficiaries without the required consent of the participant's spouse? | b | |
| c | Upon plan amendment or termination, do the accrued benefits of every participant include the subsidized benefits that the participant may become entitled to receive subsequent to the plan amendment or termination? | c | |
| 18 | Is the plan administrator making an election under section 412(c)(3) for an amendment adopted after the end of the plan year? (See instructions.) | 18 | |
| 19 | If a change in the actuarial funding method was made for the plan year pursuant to a Revenue Procedure providing automatic approval for the change, indicate whether the plan sponsor agrees to the change | 19 | |
| 20 | Is the employer electing to compute minimum funding for the plan year using the Transition rule of Code section 4120(i)(1)? | 20 | |
| 21 | Check if you are applying the substantiation guidelines from Revenue Procedure 93-42, in completing lines 21a through 21o (see instructions) <input type="checkbox"/> | | |
| If you checked the box, enter the first day of the plan year for which data is being submitted ▶ Month..... Day..... Year..... | | | |
| a | Does the employer apply the separate line of business rules of Code section 414(f) when testing this plan for the coverage and discrimination tests of Code sections 410(b) and 401(a)(4)? | 21a | |
| b | If line 21a is "Yes," enter the total number of separate lines of business claimed by the employer ▶ If more than one separate line of business, see instructions for additional information to attach. | | |
| c | Does the employer apply the mandatory disaggregation rules under Income Tax Regulations section 1.410(b)-7(c)? If "Yes," see instructions for additional information to attach. | c | |
| d | In testing whether this plan satisfies the coverage and discrimination tests of Code sections 410(b) and 401(a), does the employer aggregate plans? | d | |
| e | Does the employer restructure the plan into component plans to satisfy the coverage and discrimination tests of Code sections 410(b) and 401(a)(4)? | e | |
| f | If you meet either of the following exceptions, check the applicable box to tell us which exception you meet and do NOT complete the rest of question 21: (1) <input type="checkbox"/> No highly compensated employee benefited under the plan at any time during the plan year; (2) <input type="checkbox"/> This is a collectively bargained plan that benefits only collectively bargained employees, no more than 2% of whom are professional employees. | | |
| g | Did any leased employee perform services for the employer at any time during the plan year? | g | |
| h | Enter the total number of employees of the employer. Employer includes entities aggregated with the employer under Code section 414(b), (c), or (m). Include leased employees and self-employed individuals | h | Number |
| i | Enter the total number of employees excludable because of: (1) failure to meet requirements for minimum age and years of service; (2) collectively bargained employees; (3) nonresident aliens who receive no earned income from U.S. sources; and (4) 500 hours of service/last day rule | i | |
| j | Enter the number of nonexcludable employees. Subtract line 21i from line 21h | j | |
| k | Do 100% of the nonexcludable employees entered on line 21j benefit under the plan? <input type="checkbox"/> Yes <input type="checkbox"/> No If line 21k is "Yes," do NOT complete lines 21l through 21o. | | |
| l | Enter the number of nonexcludable employees (line 21j) who are highly compensated employees | l | |
| m | Enter the number of nonexcludable employees (line 21j) who benefit under the plan | m | |
| n | Enter the number of employees entered on line 21m who are highly compensated employees | n | |
| o | This plan satisfies the coverage requirements on the basis of (check one): (1) <input type="checkbox"/> The average benefits test (2) <input type="checkbox"/> The ratio percentage test—Enter percentage ▶ <input type="text"/> % | | |

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Page 4

Welfare Plans Go To Line 25 On This Page.

| | Yes | No |
|--|-----|----|
| 22a Is it or was it ever intended that this plan qualify under Code section 401(a)? If "Yes," complete lines 22b and 22c. | | |
| b Enter the date of the most recent IRS determination letter. ▶ Month Year | | |
| c Is a determination letter request pending with the IRS? | | |
| 23a Does the plan hold any assets that have a fair market value that is not readily determinable on an established market? (If "Yes," complete line 23b) (See instructions) | | |
| b Were all the assets referred to in line 23a valued for the 1996 plan year by an independent third-party appraiser? | | |
| c If line 23b is "No," enter the value of the assets that were not valued by an independent third-party appraiser for the 1996 plan year. ▶ | | |
| d Enter the most recent date the assets on line 23c were valued by an independent third-party appraiser. (If more than one asset, see instructions.) ▶ Month Day Year (If this plan does not have ESOP features leave line 23e blank and go to line 24.) | | |
| e If dividends paid on employer securities held by the ESOP were used to make payments on ESOP loans, enter the amount of the dividends used to make the payments 23e | | |
| 24 Does the employer/sponsor listed on line 1a of this form maintain other qualified pension benefit plans? If "Yes," enter the total number of plans, including this plan ▶ | | |
| 25a Did any person who rendered services to the plan receive directly or indirectly \$5,000 or more in compensation from the plan during the plan year (except for employees of the plan who were paid less than \$1,000 in each month)? If "Yes," complete Part I of Schedule C (Form 5500). | | |
| b Did the plan have any trustees who must be listed in Part II of Schedule C (Form 5500)? | | |
| c Has there been a termination in the appointment of any person listed on line 25d below? | | |
| d If line 25c is "Yes," check the appropriate box(es), answer lines 25e and 25f, and complete Part III of Schedule C (Form 5500): (1) <input type="checkbox"/> Accountant (2) <input type="checkbox"/> Enrolled actuary (3) <input type="checkbox"/> Insurance carrier (4) <input type="checkbox"/> Custodian (5) <input type="checkbox"/> Administrator (6) <input type="checkbox"/> Investment manager (7) <input type="checkbox"/> Trustee | | |
| e Have there been any outstanding material disputes or matters of disagreement concerning the above termination? | | |
| f If an accountant or enrolled actuary has been terminated during the plan year, has the terminated accountant/actuary been provided a copy of the explanation required by Part III of Schedule C (Form 5500) with a notice advising them of their opportunity to submit comments on the explanation directly to the DOL? | | |
| g Enter the number of Schedules C (Form 5500) that are attached. If none, enter -0- ▶ | | |
| 26a Is this plan exempt from the requirement to engage an independent qualified public accountant? (see instructions). | | |
| b If line 26a is "No," attach the accountant's opinion to this return/report and check the appropriate box. This opinion is: (1) <input type="checkbox"/> Unqualified (2) <input type="checkbox"/> Qualified/disclaimer per Department of Labor Regulations 29 CFR 2520.103-8 and/or 2520.103-12(d) (3) <input type="checkbox"/> Qualified/disclaimer other (4) <input type="checkbox"/> Adverse (5) <input type="checkbox"/> Other (explain) | | |
| c If line 26a is "No," does the accountant's report, including the financial statements and/or notes required to be attached to this return/report disclose (1) errors or irregularities; (2) illegal acts; (3) material internal control weaknesses; (4) a loss contingency indicating that assets are impaired or a liability incurred; (5) significant real estate or other transactions in which the plan and (A) the sponsor, (B) the plan administrator, (C) the employer(s), or (D) the employee organization(s) are jointly involved; (6) that the plan has participated in any related party transactions; or (7) any unusual or infrequent events or transactions occurring subsequent to the plan year end that might significantly affect the usefulness of the financial statements in assessing the plan's present or future ability to pay benefits? | | |
| d If line 26c is "Yes," provide the total amount involved in such disclosure ▶ | | |
| 27 If line 26a is "No," complete the following questions. (You may NOT use "N/A" in response to lines 27a through 27i); If line 27a, 27b, 27c, 27d, 27e, or 27f is checked "Yes," schedules of these items in the format set forth in the instructions are required to be attached to this return/report. Schedule G (Form 5500) may be used as specified in the instructions. During the plan year: | | |
| a Did the plan have assets held for investment? | | |
| b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? | | |
| c Were any leases to which the plan was a party in default or classified during the year as uncollectible? | | |
| d Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? | | |
| e Do the notes to the financial statements accompanying the accountant's opinion disclose any nonexempt transactions with parties-in-interest? | | |
| f Did the plan engage in any nonexempt transactions with parties-in-interest not reported on line 27e? | | |
| g Did the plan hold qualifying employer securities that are not publicly traded? | | |
| h Did the plan purchase or receive any nonpublicly traded securities that were not appraised in writing by an unrelated third party within 3 months prior to their receipt? | | |
| i Did any person manage plan assets who had a financial interest worth more than 10% in any party providing services to the plan or receive anything of value from any party providing services to the plan? | | |

Form 5500 (1996)

Page 5

| | | Yes | No |
|-----|---|--------|----|
| 28 | Did the plan acquire individual whole life insurance contracts during the plan year? | 28 | |
| 29 | During the plan year: | | |
| a | (1) Was this plan covered by a fidelity bond? If "Yes," complete lines 29a(2) and 29a(3) | 29a(1) | |
| | (2) Enter amount of bond ▶ \$ | | |
| | (3) Enter the name of the surety company ▶ | | |
| b | (1) Was there any loss to the plan, whether or not reimbursed, caused by fraud or dishonesty? | 29b(1) | |
| | (2) If line 29b(1) is "Yes," enter amount of loss ▶ \$ | | |
| 30a | Is the plan covered under the Pension Benefit Guaranty Corporation termination insurance program? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not determined | | |
| b | If line 30a is "Yes" or "Not determined," enter the employer identification number and the plan number used to identify it. Employer identification number ▶ Plan number ▶ | | |
| 31 | Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Allocate the value of the plan's interest in a commingled trust containing the assets of more than one plan on a line-by-line basis unless the trust meets one of the specific exceptions described in the instructions. Do not enter the value of that portion of an insurance contract that guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar; any other amounts are subject to rejection. Plans with no assets at the beginning and the end of the plan year, enter -0- on line 31f. | | |

| Assets | | (a) Beginning of Year | (b) End of Year |
|--------------------|---|-----------------------|-----------------|
| a | Total noninterest-bearing cash | a | |
| b | Receivables: (1) Employer contributions | b(1) | |
| | (2) Participant contributions | (2) | |
| | (3) Income | (3) | |
| | (4) Other | (4) | |
| | (5) Less allowance for doubtful accounts | (5) | |
| | (6) Total. Add lines 31b(1) through 31b(4) and subtract line 31b(5) ▶ | (6) | |
| c | General investments: (1) Interest-bearing cash (including money market funds) | c(1) | |
| | (2) Certificates of deposit | (2) | |
| | (3) U.S. Government securities | (3) | |
| | (4) Corporate debt instruments: (A) Preferred | (4)(A) | |
| | (B) All other | (4)(B) | |
| | (5) Corporate stocks: (A) Preferred | (5)(A) | |
| | (B) Common | (5)(B) | |
| | (6) Partnership/joint venture interests | (6) | |
| | (7) Real estate: (A) Income-producing | (7)(A) | |
| | (B) Nonincome-producing | (7)(B) | |
| | (8) Loans (other than to participants) secured by mortgages: (A) Residential | (8)(A) | |
| | (B) Commercial | (8)(B) | |
| | (9) Loans to participants: (A) Mortgages | (9)(A) | |
| | (B) Other | (9)(B) | |
| | (10) Other loans | (10) | |
| | (11) Value of interest in common/collective trusts | (11) | |
| | (12) Value of interest in pooled separate accounts | (12) | |
| | (13) Value of interest in master trusts | (13) | |
| | (14) Value of interest in 103-12 investment entities | (14) | |
| | (15) Value of interest in registered investment companies | (15) | |
| | (16) Value of funds held in insurance company general account (unallocated contracts) | (16) | |
| | (17) Other | (17) | |
| | (18) Total. Add lines 31c(1) through 31c(17) ▶ | (18) | |
| d | Employer-related investments: (1) Employer securities | d(1) | |
| | (2) Employer real property | (2) | |
| e | Buildings and other property used in plan operation | e | |
| f | Total assets. Add lines 31a, 31b(6), 31c(18), 31d(1), 31d(2), and 31e ▶ | f | |
| Liabilities | | | |
| g | Benefit claims payable | g | |
| h | Operating payables | h | |
| i | Acquisition indebtedness | i | |
| j | Other liabilities | j | |
| k | Total liabilities. Add lines 31g through 31j ▶ | k | |
| Net Assets | | | |
| l | Subtract line 31k from line 31f ▶ | l | |

32 Plan income, expenses, and changes in net assets for the plan year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s), and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar; any other amounts are subject to rejection.

| Income | | (a) Amount | (b) Total |
|---|---------|------------|-----------|
| a Contributions: | | | |
| (1) Received or receivable from: | | | |
| (A) Employers | a(1)(A) | | |
| (B) Participants | (B) | | |
| (C) Others | (C) | | |
| (2) Noncash contributions | (2) | | |
| (3) Total contributions. Add lines 32a(1)(A), (B), (C) and line 32a(2) | (3) | | |
| b Earnings on investments: | | | |
| (1) Interest | | | |
| (A) Interest-bearing cash (including money market funds) | b(1)(A) | | |
| (B) Certificates of deposit | (B) | | |
| (C) U.S. Government securities | (C) | | |
| (D) Corporate debt instruments | (D) | | |
| (E) Mortgage loans | (E) | | |
| (F) Other loans | (F) | | |
| (G) Other interest | (G) | | |
| (H) Total interest. Add lines 32b(1)(A) through (G) | (H) | | |
| (2) Dividends: (A) Preferred stock | b(2)(A) | | |
| (B) Common stock | (B) | | |
| (C) Total dividends. Add lines 32b(2)(A) and (B) | (C) | | |
| (3) Rents | (3) | | |
| (4) Net gain (loss) on sale of assets: (A) Aggregate proceeds | (4)(A) | | |
| (B) Aggregate carrying amount (see instructions) | (B) | | |
| (C) Subtract (B) from (A) and enter result | (C) | | |
| (5) Unrealized appreciation (depreciation) of assets | (5) | | |
| (6) Net investment gain (loss) from common/collective trusts | (6) | | |
| (7) Net investment gain (loss) from pooled separate accounts | (7) | | |
| (8) Net investment gain (loss) from master trusts | (8) | | |
| (9) Net investment gain (loss) from 103-12 investment entities | (9) | | |
| (10) Net investment gain (loss) from registered investment companies | (10) | | |
| c Other income | c | | |
| d Total income. Add all amounts in column (b) and enter total | d | | |
| Expenses | | | |
| e Benefit payment and payments to provide benefits: | | | |
| (1) Directly to participants or beneficiaries | e(1) | | |
| (2) To insurance carriers for the provision of benefits | (2) | | |
| (3) Other | (3) | | |
| (4) Total payments. Add lines 32e(1) through 32e(3) | (4) | | |
| f Interest expense | f | | |
| g Administrative expenses: (1) Salaries and allowances | | | |
| (2) Accounting fees | g(2) | | |
| (3) Actuarial fees | (3) | | |
| (4) Contract administrator fees | (4) | | |
| (5) Investment advisory and management fees | (5) | | |
| (6) Legal fees | (6) | | |
| (7) Valuation/appraisal fees | (7) | | |
| (8) Trustees fees/expenses (including travel, seminars, meetings, etc.) | (8) | | |
| (9) Other | (9) | | |
| (10) Total administrative expenses. Add lines 32g(1) through 32g(9) | (10) | | |
| h Total expenses. Add lines 32e(4), 32f, and 32g(10) | h | | |
| i Net income (loss). Subtract line 32h from line 32d | i | | |
| j Transfers to (from) the plan (see instructions) | j | | |
| k Net assets at beginning of year (line 31l, column (a)) | k | | |
| l Net assets at end of year (line 31l, column (b)) | l | | |

33 Did any employer sponsoring the plan pay any of the administrative expenses of the plan that were not reported on line 32g? Yes No



RETURN/REPORT OF EMPLOYEE BENEFIT PLAN. FORM 5500-C/R

Form 5500-C/R Department of the Treasury Internal Revenue Service Department of Labor Pension and Welfare Benefits Administration Pension Benefit Guaranty Corporation

Return/Report of Employee Benefit Plan (With fewer than 100 participants) This form is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 and sections 6039D, 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code. See separate instructions.

OMB Nos. 1210-0016 1210-0089

1996

This Form is Open to Public Inspection.

For the calendar plan year 1996 or fiscal plan year beginning 1996, and ending 19

If A(7) through A(4), B, C, and/or D do not apply to this year's return/report, leave the boxes unmarked. You must check either box A(5) or A(6), whichever is applicable. See instructions. A This return/report is: (1) the first return/report filed for the plan; (2) an amended return/report; (3) the final return/report filed for the plan; or (4) a short plan year return/report (less than 12 months). (5) Form 5500-C filer check here (6) Form 5500-R filer check here

IF ANY INFORMATION ON A PREPRINTED PAGE 1 IS INCORRECT, CORRECT IT. IF ANY INFORMATION IS MISSING, ADD IT. PLEASE USE RED INK WHEN MAKING THESE CHANGES AND INCLUDE THE PREPRINTED PAGE 1 WITH YOUR COMPLETED RETURN/REPORT.

B Check here if any information reported in 1a, 2a, 2b, or 5a changed since the last return/report for this plan. C If your plan year changed since the last return/report, check here. D If you filed for an extension of time to file this return/report, check here and attach a copy of the approved extension.

1a Name and address of plan sponsor (employer, if for a single-employer plan) (Address should include room or suite no.) 1b Employer identification number (EIN) 1c Sponsor's telephone number 1d Business code (see instructions, page 17) 1e CUSIP issuer number

2a Name and address of plan administrator (if same as plan sponsor, enter "Same") 2b Administrator's EIN 2c Administrator's telephone number

3 If you are filing this page without the preprinted historical plan information and the name, address, and EIN of the plan sponsor or plan administrator has changed since the last return/report filed for this plan, enter the information from the last return/report on lines 3a and/or 3b and complete line 3c. a Sponsor b Administrator c If line 3a indicates a change in the sponsor's name, address, and EIN, is this a change in sponsorship only? (See line 3c on page 8 of the instructions for the definition of sponsorship.) Enter "Yes" or "No."

4 ENTITY CODE. (If not shown, enter applicable code from page 8 of the instructions.)

5a Name of plan 5b Effective date of plan (mo., day, yr.) 5c Three-digit plan number

All filers must complete 6a through 6d, as applicable. 6a Welfare benefit plan 6b Pension benefit plan (If the correct codes are not preprinted below, enter the applicable codes from page 8 of the instructions in the boxes.)

6c Pension plan features. (If the correct codes are not preprinted below, enter the applicable pension plan feature codes from page 8 of the instructions in the boxes.)

6d Fringe benefit plan. Attach Schedule F (Form 5500). See instructions.

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established. Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

Signature of employer/plan sponsor Date Type or print name of individual signing above Signature of plan administrator Date Type or print name of individual signing above

For Paperwork Reduction Act Notice, see page 1 of the instructions. Cat. No. 10957K Form 5500-C/R (1996)

Form 5500-C/R (1995) Form 5500-R filers, complete pages 1 and 2 only. Form 5500-C filers, complete page 1, skip page 2, and complete pages 3 through 6. Page 2

| | | | | |
|---|--------|-----|----|--------|
| 6e Check investment arrangement(s): (1) <input type="checkbox"/> Master trust (2) <input type="checkbox"/> Common/Collective trust (3) <input type="checkbox"/> Pooled separate account | | Yes | No | |
| 7a Total participants: (1) At the beginning of plan year ▶ (2) At the end of plan year ▶ | | | | |
| b Enter number of participants with account balances at the end of the plan year (defined benefit plans do not complete this item) ▶ | | | | |
| c (1) Were any participants in the pension benefit plan separated from service with a deferred vested benefit for which a Schedule SSA (Form 5500) is required to be attached? (See instructions.) | 7c(1) | | | |
| (2) If "Yes," enter the number of separated participants required to be reported ▶ | | | | |
| 8a Was this plan terminated during this plan year or any prior plan year? If "Yes," enter the year ▶ | 8a | | | |
| b Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of PBGC? | 8b | | | |
| c If line 8a is "Yes" and the plan is covered by PBGC, is the plan continuing to file PBGC Form 1 and pay premiums until the end of the plan year in which assets are distributed or brought under the control of PBGC? | 8c | | | |
| 9 Is this a plan established or maintained pursuant to one or more collective bargaining agreements? | 9 | | | |
| 10 If any benefits are provided by an insurance company, insurance service, or similar organization, enter the number of Schedules A (Form 5500), Insurance Information, that are attached. If none, enter -0- ▶ | | | | |
| 11a (1) Were any plan amendments adopted during this plan year? | 11a(1) | | | |
| (2) Enter the date the most recent amendment was adopted ▶ Month.....Day.....Year..... | | | | |
| b If line 11a is "Yes," did any amendment result in a retroactive reduction of accrued benefits for any participant? | 11b | | | |
| c If line 11a is "Yes," did any amendment change the information contained in the latest summary plan description or summary description of modifications available at the time of the amendment? | 11c | | | |
| d If line 11c is "Yes," has a summary plan description or summary description of modifications that reflects the plan amendments referred to on line 11c been both furnished to participants and filed with the Department of Labor? | 11d | | | |
| 12a If this is a pension benefit plan subject to the minimum funding standards, has the plan experienced a funding deficiency for this plan year? (See instructions.) | 12a | | | |
| b If line 12a is "Yes," have you filed Form 5330 to pay the excise tax? | 12b | | | |
| c Is the plan administrator making an election under section 412(c)(8) for an amendment adopted after the end of the plan year? (See instructions.) | 12c | | | |
| d If a change in the actuarial funding method was made for the plan year pursuant to a Revenue Procedure providing automatic approval for the change, indicate whether the plan sponsor/administrator agrees to the change | 12d | | | |
| 13a Total plan assets as of the beginning and end of the plan year | | | | |
| b Total liabilities as of the beginning and end of the plan year | | | | |
| c Net assets as of the beginning ▶ and end ▶ of the plan year | | | | |
| 14 For this plan year, enter: a Plan income d Plan contributions | | | | |
| b Expenses e Total benefits paid | | | | |
| c Net income (loss) (subtract 14b from 14a) | | | | |
| 15 You may NOT use N/A in response to lines 15a through 15o. If you check "Yes," you must enter a dollar amount in the amount column. During this plan year: | | Yes | No | Amount |
| a Was this plan covered by a fidelity bond? | 15a | | | |
| b If line 15a is "Yes," enter the name of the surety company ▶ | 15b | | | |
| c Was there any loss to the plan, whether or not reimbursed, caused by fraud or dishonesty? | 15c | | | |
| d Was there any sale, exchange, or lease of any property between the plan and the employer, any fiduciary, any of the five most highly paid employees of the employer, any owner of a 10% or more interest in the employer, or relatives of any such persons? | 15d | | | |
| e Was there any loan or extension of credit by the plan to the employer, any fiduciary, any of the five most highly paid employees of the employer, any owner of a 10% or more interest in the employer, or relatives of any such persons? | 15e | | | |
| f Did the plan acquire or hold any employer security or employer real property? | 15f | | | |
| g Has the plan granted an extension on any delinquent loan owed to the plan? | 15g | | | |
| h Were any participant contributions transmitted to the plan more than 31 days after receipt or withholding by the employer? | 15h | | | |
| i Were any loans by the plan or fixed income obligations due the plan classified as uncollectible or in default as of the close of the plan year? | 15i | | | |
| j Has any plan fiduciary had a financial interest in excess of 10% in any party providing services to the plan or received anything of value from any such party? | 15j | | | |
| k Did the plan at any time hold 20% or more of its assets in any single security, debt, mortgage, parcel of real estate, or partnership/joint venture interests? | 15k | | | |
| l Did the plan at any time engage in any transaction or series of related transactions involving 20% or more of the current value of plan assets? | 15l | | | |
| m Were there any noncash contributions made to the plan the value of which was set without an appraisal by an independent third party? | 15m | | | |
| n Were there any purchases of nonpublicly traded securities by the plan the value of which was set without an appraisal by an independent third party? | 15n | | | |
| o Has the plan reduced or failed to provide any benefit when due under the plan because of insufficient assets? | 15o | | | |
| 16a Is the plan covered under the Pension Benefit Guaranty Corporation termination insurance program? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not determined | | | | |
| b If line 16a is "Yes" or "Not determined," enter the employer identification number and the plan number used to identify it. Employer identification number ▶ Plan number ▶ | | | | |

Form 5500-C/R (1995) Complete page 1, and pages 3 through 6 only, if you are filing Form 5500-C. (See instructions on page 13.) Page 3

6e Check all applicable investment arrangements below. (See instructions on page 12.):

- (1) Master trust
- (2) 103-12 investment entity
- (3) Common/collective trust
- (4) Pooled separate account

f Single-employer plans enter the tax year end of the employer in which this plan year ends ▶ Month Day Year

g Is any part of this plan funded by an insurance contract described in Code section 412(i)? Yes No

h If line 6g is "Yes," was the part subject to the minimum funding standards for either of the prior 2 plan years? Yes No

7a Total participants: (1) At the beginning of plan year ▶ (2) At the end of plan year ▶

b Enter number of participants with account balances at the end of the plan year. (Defined benefits plans do not complete this item.) ▶

c Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested ▶

d (1) Were any participants in the pension benefit plan separated from service with a deferred vested benefit for which a Schedule SSA (Form 5500) is required to be attached?

| | Yes | No |
|--|-----|----|
| 7d(1) | | |
| (2) If "Yes," enter the number of separated participants required to be reported ▶ | | |

8a Was this plan ever amended since its effective date? If "Yes," complete line 8b and, if the amendment was adopted in this plan year, complete lines 8c through 8e

| | | |
|----|--|--|
| 8a | | |
| 8b | | |
| 8c | | |
| 8d | | |
| 8e | | |

b If line 8a is "Yes," enter the date the most recent amendment was adopted ▶ Month Day Year

c Did any amendment during the current plan year result in the retroactive reduction of accrued benefits for any participant?

d During this plan year, did any amendment change the information contained in the latest summary plan description or summary description of modifications available at the time of amendment?

e If line 8d is "Yes," has a summary plan description or summary description of modifications that reflects the plan amendments referred to on line 8d been both furnished to participants and filed with the Department of Labor?

9a Was this plan terminated during this plan year or any prior plan year? If "Yes," enter year ▶

| | | |
|----|--|--|
| 9a | | |
| 9b | | |
| 9c | | |
| 9d | | |
| 9e | | |
| 9f | | |
| 9g | | |
| 9h | | |
| 9i | | |

b Were all plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of PBGC?

c Was a resolution to terminate this plan adopted during this plan year or any prior plan year?

d If line 9a or line 9c is "Yes," have you received a favorable determination letter from the IRS for the termination?

e If line 9d is "No," has a determination letter been requested from the IRS?

f If line 9a or line 9c is "Yes," have participants and beneficiaries been notified of the termination or the proposed termination?

g If line 9a is "Yes" and the plan is covered by PBGC, is the plan continuing to file a PBGC Form 1 and pay premiums until the end of the plan year in which assets are distributed or brought under the control of PBGC?

h During this plan year, did any trust assets revert to the employer for which the Code section 4980 excise tax is due?

i If line 9h is "Yes," enter the amount of tax paid with Form 5330 ▶ \$

10a Was this plan merged or consolidated into another plan(s), or were assets or liabilities transferred to another plan(s) since the end of the plan year covered by the last return/report Form 5500 or 5500-C that was filed for this plan (or during this plan year if this is the first return/report)? If "Yes," complete lines 10b through 10e

| | | |
|-----|--|--|
| 10a | | |
|-----|--|--|

If "Yes," identify the other plan(s):

c Employer identification number(s)

d Plan number(s)

b Name of plan(s) ▶

e If required, has a Form 5310-A been filed? Yes No

11 Enter the plan funding arrangement code from page 13 of the instructions ▶

12 Enter the plan benefit arrangement code from page 13 of the instructions ▶

Yes No

13 Is this a plan established or maintained pursuant to one or more collective bargaining agreements?

13

14 If any benefits are provided by an insurance company, insurance service, or similar organization, enter the number of Schedules A (Form 5500), Insurance Information, that are attached. If none, enter -0-. ▶

Welfare Plans Do Not Complete Lines 15 Through 25. Skip To Line 26 on page 5.

| | | Yes | No |
|---------------|---|-----------|----|
| 15a | If this is a defined benefit plan subject to the minimum funding standards for this plan year, is Schedule B (Form 5500) required to be attached? (If this is a defined contribution plan, leave blank.) If "Yes," attach Schedule B (Form 5500). | | |
| 15b | b If this is a defined contribution plan (i.e., money purchase or target benefit), is it subject to the minimum funding standards (if a waiver was granted, see instructions)? (If this is a defined benefit plan, leave blank.) If "Yes," complete (1), (2), and (3) below: | | |
| | (1) Amount of employer contribution required for the plan year under Code section 412 | 15b(1) \$ | |
| | (2) Amount of contribution paid by the employer for the plan year Enter date of last payment by employer ▶ Month Day Year | 15b(2) \$ | |
| | (3) If (1) is greater than (2), subtract (2) from (1) and enter the funding deficiency here. Otherwise, enter -0-. (If you have a funding deficiency, file Form 5330.) | 15b(3) \$ | |
| 16 | Has the annual compensation of each participant taken into account under the current plan year been limited as required by section 401(a)(17)? (See instructions.) | | |
| 17a(1) | (1) Did the plan distribute any annuity contracts this year? (See instructions.) | | |
| 17a(2) | (2) If (1) is "Yes," did these contracts contain a requirement that the spouse consent before any distributions under the contract are made in a form other than a qualified joint and survivor annuity? | | |
| 17b | b Did the plan make distributions or loans to married participants and beneficiaries without the required consent of the participant's spouse? | | |
| 17c | c Upon plan amendment or termination, do the accrued benefits of every participant include the subsidized benefits that the participant may become entitled to receive subsequent to the plan amendment or termination? | | |
| 18 | Is the plan administrator making an election under section 412(c)(8) for an amendment adopted after the end of the plan year? (See instructions.) | | |
| 19 | If a change in the actuarial funding method was made for the plan year pursuant to a Revenue Procedure providing automatic approval for the change, indicate whether the plan sponsor/administrator agrees to the change | | |
| 20 | Is the employer electing to compute minimum funding for this plan year or either of the two immediately preceding plan years using the transition rule of Code section 412(l)(1)? | | |
| 21 | Check if you are applying the substantiation guidelines from Revenue Procedure 93-42, in completing lines 21a through 21i (see instructions). <input type="checkbox"/> If you checked the box, enter the first day of the plan year for which data is being submitted ▶ Month ...Day ...Year ... | | |
| 21a | a Does the employer apply the separate line of business rules of Code section 414(f) when testing this plan for the coverage and discrimination tests requirements of Code sections 410(b) and 401(a)(4)? | | |
| | b If line 21a is "Yes," enter the total number of separate lines of business claimed by the employer ▶ If more than one separate line of business, see instructions for additional information to attach. | | |
| 21c | c Does the employer apply the mandatory disaggregation rules under Income Tax Regulations section 1.410(b)-7(c)? If "Yes," see instructions for additional information to attach | | |
| 21d | d In testing whether this plan satisfies the coverage and discrimination tests of Code sections 410(b) and 401(a), does the employer aggregate plans? | | |
| 21e | e Does the employer restructure the plan into component plans to satisfy the coverage and discrimination tests of Code sections 410(b) and 401(a)(4)? | | |
| | f If you meet either one of the following exceptions, check the applicable box to tell us which exception you meet and DO NOT complete the rest of question 21: (1) <input type="checkbox"/> No highly compensated employee benefited under the plan at any time during the plan year; (2) <input type="checkbox"/> This is a collectively bargained plan that benefits only collectively bargained employees, no more than 2% of whom are professional employees. | | |
| 21g | g Did any leased employee perform services for the employer at any time during the plan year? | | |
| | h Enter the total number of employees of the employer. Employer includes entities aggregated with the employer under Code section 414(b), (c), or (m). Include leased employees and self-employed individuals | Number | |
| 21h | | | |
| | i Enter the total number of employees excludable under the plan because of: (1) failure to meet requirements for minimum age and years of service; (2) collectively bargained employees; (3) nonresident aliens who receive no earned income from U. S. sources; and (4) 500 hours of service/last day rule | | |
| 21i | | | |

Form 5500-C/R (1996)

Complete page 1, and pages 3 through 6 only, if you are filing Form 5500-C.

Page 5

| | | Number | | |
|-----|---|--------|----|--------|
| j | Enter the number of nonexcludable employees. Subtract line 21i from line 21h | 21j | | |
| k | Do 100% of the nonexcludable employees entered on line 21j benefit under the plan? <input type="checkbox"/> Yes <input type="checkbox"/> No If line 21k is "Yes," DO NOT complete lines 21l through 21o. | | | |
| l | Enter the number of nonexcludable employees (line 21j) who are highly compensated employees | 21l | | |
| m | Enter the number of nonexcludable employees who benefit under the plan | 21m | | |
| n | Enter the number of employees entered on line 21m who are highly compensated employees | 21n | | |
| o | This plan satisfies the coverage requirements on the basis of (check one): (1) <input type="checkbox"/> The average benefits test (2) <input type="checkbox"/> The ratio percentage test—enter percentage ▶ <input type="text"/> % | | | |
| | | Yes | No | |
| 22a | Is it or was it ever intended that this plan qualify under Code section 401(a)? If "Yes," complete lines 22b and 22c | 22a | | |
| b | Enter the date of the most recent IRS determination letter ▶ Month Year | | | |
| c | Is a determination letter request pending with the IRS? | 22c | | |
| 23a | Does the plan hold any assets that have a fair market value that is not readily determinable on an established market? (If "Yes," complete line 23b.) (See instructions.) | 23a | | |
| b | Were all the assets referred to on line 23a valued for the 1996 plan year by an independent third-party appraiser? | 23b | | |
| c | If line 23b is "No," enter the value of the assets that were not valued by an independent third-party appraiser for the 1996 plan year ▶ 23c | | | |
| d | Enter the most recent date the assets on line 23c were valued by an independent third-party appraiser. (If more than one asset, see instructions.) ▶ Month Day Year (If this plan has NO ESOP features, leave line 23e blank and go to line 24.) | | | |
| e | If dividends paid on employer securities held by the ESOP were used to make payments on ESOP loans, enter the amount of the dividends used to make the payments ▶ 23e | | | |
| 24 | Does the employer/sponsor listed in 1a of this form maintain other qualified pension benefit plans? If "Yes," enter the total number of plans, including this plan ▶ | 24 | | |
| 25a | Is the plan covered under the Pension Benefit Guaranty Corporation termination insurance program? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not determined | | | |
| b | If line 25a is "Yes" or "Not determined," enter the EIN and the plan number used to identify it. EIN ▶ Plan number ▶ | | | |
| 26 | You may NOT use N/A in response to any line 26 item. If you check "Yes," you must enter a dollar amount in the amount column. During this plan year: | Yes | No | Amount |
| a | Was this plan covered by a fidelity bond? | 26a | | |
| b | If line 26a is "Yes," enter the name of the surety company ▶ | | | |
| c | Was there any loss to the plan, whether or not reimbursed, caused by fraud or dishonesty? | 26c | | |
| d | Was there any sale, exchange, or lease of any property between the plan and the employer, any fiduciary, any of the five most highly paid employees of the employer, any owner of a 10% or more interest in the employer, or relatives of any such persons? | 26d | | |
| e | Was there any loan or extension of credit by the plan to the employer, any fiduciary, any of the five most highly paid employees of the employer, any owner of a 10% or more interest in the employer, or relatives of any such persons? | 26e | | |
| f | Did the plan acquire or hold any employer security or employer real property? | 26f | | |
| g | Has the plan granted an extension on any delinquent loan owed to the plan? | 26g | | |
| h | Were any participant contributions transmitted to the plan more than 31 days after receipt or withholding by the employer? | 26h | | |
| i | Were any loans by the plan or fixed income obligations due the plan classified as uncollectible or in default as of the close of the plan year? | 26i | | |
| j | Has any plan fiduciary had a financial interest in excess of 10% in any party providing services to the plan or received anything of value from any such party? | 26j | | |
| k | Did the plan at any time hold 20% or more of its assets in any single security, debt, mortgage, parcel of real estate, or partnership/joint venture interests? | 26k | | |
| l | Did the plan at any time engage in any transaction or series of related transactions involving 20% or more of the current value of plan assets? | 26l | | |
| m | Were there any noncash contributions made to the plan whose value was set without an appraisal by an independent third party? | 26m | | |
| n | Were there any purchases of nonpublicly traded securities by the plan whose value was set without an appraisal by an independent third party? | 26n | | |
| o | Has the plan reduced or failed to provide any benefit when due under the terms of the plan because of insufficient assets? | 26o | | |

27 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Allocate the value of the plan's interest in a commingled trust containing the assets of more than one plan on a line-by-line basis unless the trust meets one of the specific exceptions described in the instructions. Do not enter the value of the portion of an insurance contract that guarantees during this plan year to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. Any other amounts are subject to rejection. Plans with no assets at the beginning and end of the plan year enter -0- on line 27f.

| | | (a) Beginning of year | (b) End of year |
|--------------------|--|-----------------------|-----------------|
| Assets | | | |
| a | Cash | 27a | |
| b | Receivables | 27b | |
| c | Investments: | | |
| (1) | U.S. Government securities | 27c(1) | |
| (2) | Corporate debt and equity instruments | 27c(2) | |
| (3) | Real estate and mortgages (other than to participants) | 27c(3) | |
| (4) | Loans to participants: | | |
| A | Mortgages | (4)A | |
| B | Other | (4)B | |
| (5) | Other | 27c(5) | |
| (6) | Total investments. Add lines 27c(1) through 27c(5) | 27c(6) | |
| d | Buildings and other property used in plan operations | 27d | |
| e | Other assets | 27e | |
| f | Total assets. Add lines 27a, 27b, 27c(6), 27d, and 27e | 27f | |
| Liabilities | | | |
| g | Payables | 27g | |
| h | Acquisition indebtedness | 27h | |
| i | Other liabilities | 27i | |
| j | Total liabilities. Add lines 27g through 27i | 27j | |
| k | Net assets. Subtract line 27j from line 27f | 27k | |

28 Plan income, expenses, and changes in net assets for the plan year. Include all income and expenses of the plan including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. Any other amounts are subject to rejection.

| | | (a) Amount | (b) Total |
|-----------------|--|------------|-----------|
| Income | | | |
| a | Contributions received or receivable in cash from: | | |
| (1) | Employer(s) (including contributions on behalf of self-employed individuals) | 28a(1) | |
| (2) | Employees | 28a(2) | |
| (3) | Others | 28a(3) | |
| (4) | Add lines 28a(1) through 28a(3) | 28a(4) | |
| b | Noncash contributions. Enter the total of lines 28a(4) and lines 28b in column (b) | 28b | |
| c | Earnings from investments (interest, dividends, rents, royalties) | 28c | |
| d | Net realized gain (loss) on sale or exchange of assets | 28d | |
| e | Other income (specify) ▶ | 28e | |
| f | Total income. Add lines 28b through 28e | 28f | |
| Expenses | | | |
| g | Distribution of benefits and payments to provide benefits: | | |
| (1) | Directly to participants or their beneficiaries | 28g(1) | |
| (2) | Other | 28g(2) | |
| (3) | Total distribution of benefits and payments to provide benefits | 28g(3) | |
| h | Administrative expenses (salaries, fees, commissions, insurance premiums) | 28h | |
| i | Other expenses (specify) ▶ | 28i | |
| j | Total expenses. Add lines 28g through 28i | 28j | |
| k | Net income (loss). Subtract line 28j from line 28f | 28k | |



PROPOSED ANNUAL RETURN/REPORT OF EMPLOYEE BENEFIT PLAN, FORM 5500

Form 5500 Annual Return/Report of Employee Benefit Plan 199X. Includes sections for identification information, basic plan information, and schedules attached.

(207013)

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