

Do's & Don'ts

OF YOUR ROBS PLAN



Do consult with your Benetrends representative to make sure you operate your qualified retirement plan in accordance with your plan provisions and the law.



Do have a Certified Valuation Accountant (CVA) or a Certified Business Appraiser (CBA) perform a business valuation if you want your plan to purchase or sell shares in the C-Corporation.



Do provide eligible employees with a copy of the Summary Plan Description (SPD).



Do pay yourself a W-2 salary for any work performed for the company.



Contact Benetrends to obtain a mandatory Fidelity/ERISA Bond, as required by the Department of Labor.



Do make a profit-sharing contribution within the first 3 years of your plan, and set up individual participant directed accounts for each employee receiving a profit-sharing allocation.



Do work with Benetrends and your accountant/CPA to ensure your Profit-Sharing deposit is made in a timely manner and properly noted on your corporate tax return (Form 1120).



Do work with Benetrends when you are ready to close the plan to ensure that all required plan termination resolutions and documents are led, and your final Form 5500 is completed correctly.



Do contact Benetrends before making any acquisitions or changes to the operating company structure.



To remain compliant, do not change the C-Corporation structure (converting to LLC or Sub Chapter S). Your company structure **MUST** remain a C-Corporation.



Do not loan money from the C-Corporation to another entity (LLC or Sub Chapter S) if the business is owned by the same individuals or certain family members who rolled over into the retirement plan to purchase stock.



Do not have your C-Corporation sponsor or make contributions to a Simple IRA.



Do not pay yourself more than a reasonable salary from your corporation for someone acting in the same capacity.



Do not move any money in or out of your Retirement Plan account before discussing with your Retirement Plan Analyst.



Do not have your C-Corporation purchase property/real estate from the same individual or certain family members who rolled over money into the retirement plan.



Do not invest in any other business without contacting Benetrends first.



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