

Form **14568-I**
(September 2017)

**Model VCP Compliance Statement - Schedule 9:
Limited Safe Harbor Correction by Plan Amendment**

OMB Number
1545-1673

Include the plan name, Applicant's EIN and plan number on each page of the compliance statement.

Plan name

EIN

Plan number

Section I - Identification of Failure(s) and Proposed Method(s) of Correction

The following failure(s) to comply with the Internal Revenue Code (IRC) occurred with respect to the plan identified above (check failure(s) that apply)

A. IRC Section 401(a)(17) Failure in a Defined Contribution Plan (check as applicable)

- Contributions
- Forfeitures

were allocated on the basis of compensation in excess of the limit under IRC Section 401(a)(17) as provided below

Enter the plan years in which the failure occurred, the amount of the allocations in excess of IRC Section 401(a)(17) made for each plan year (adjust for earnings), and the number of participants affected by the failure for each plan year:

Plan Year	Amounts Allocated in Excess of IRC Section 401(a)(17)	Number of Participants Affected

Description of Proposed Method of Correction

An additional amount has been (or will be) contributed to the plan on behalf of each of the employees who received an allocation for the year of the failure (excluding each employee for whom there was a IRC Section 401(a)(17) failure). The amount contributed for an employee is equal to the employee's plan compensation for the year of the failure multiplied by a fraction, the numerator of which is the improperly allocated amount made on behalf of the employee with the largest improperly allocated amount, and the denominator of which is the limit under IRC Section 401(a)(17) applicable to the year of the failure. In addition, the plan will be retroactively amended by the plan sponsor to reflect the increased contribution and allocation percentages for the plan's participants.

Enter the plan years in which the failure occurred, the fraction used to determine the additional amount allocated to employees other than those for whom there was a IRC Section 401(a)(17) failure, and the total required contribution (before adjusting for earnings) for each plan year in which the failure occurred:

Plan Year	Fraction Used to Determine the Additional Amount Allocated	Total Required Contribution (Before Adjusting for Earnings)

 Plan name

 EIN

 Plan number

The resulting additional amount will be adjusted for earnings from the end of the plan year in which the failure occurred through the date of the corrective contribution. The method for determining the earnings adjustment is as follows (Attach additional pages as needed. Label the attachment "Section IA of Form 14568-I, Description of the Proposed Method of Correction-Earnings" and include the plan name, Applicant's EIN and plan number at the top of each page).

Former employees affected by the failure *(check one)*

- There are no former employees affected by the failure.
- Affected former employees (or if deceased, their estate or known beneficiary) will be contacted and contributions will be made to the plan on their behalf. To the extent that an affected former employee or beneficiary cannot be located following a mailing to the last known address, the plan sponsor will take the actions specified below to locate that employee or beneficiary.

After such actions are taken, if an affected employee or beneficiary is not found but is located at a later date, the plan sponsor will make corrective contributions on behalf of the affected employee at that time.

B. Hardship Distribution Failure

Hardship distributions were made to participants under the plan even though the written terms of the plan did not provide for any hardship distributions. All plan participants were entitled to request hardship distributions, and all requests were evaluated in accordance with uniform eligibility standards, as described below.

Plan name

EIN	Plan number
-----	-------------

Enter the plan years in which the failure occurred, the number of hardship distributions made for each plan year, and the number and amount of distributions made to Highly Compensated Employees (HCEs) and Nonhighly Compensated Employees (NHCEs) respectively, affected by the failure for each plan year.

Plan Year	Number of Hardship Distributions Made During the Plan Year	Number of Hardship Distributions Made to NHCEs	Amount of Distributions	Number of Hardship Distributions Made to HCEs	Amount of Distributions

Description of the Proposed Method of Correction

The failure was (or will be) corrected by having the plan sponsor retroactively amend the plan to provide for the hardship distributions that were made available. The effective date of the corrective amendment is _____.

C. Plan Loan Failure

Plan loans were made to participants under the plan even though the written terms of the plan did not provide for any participant loans. All plan participants were entitled to request plan loans under uniform standards of eligibility and all plan loans made satisfied the requirements of IRC Section 72(p).

Enter the plan years in which the failure occurred, the number of participant plan loans made for each plan year, and the number and amount of plan loans made to HCEs and NHCEs respectively, affected by the failure for each plan year.

Plan Year	Number of Plan Loans Made During the Plan Year	Number of Plan Loans Made to NHCEs	Amount of Plan Loans	Number of Plan Loans Made to HCEs	Amount of Plan Loans

Description of the Proposed Method of Correction

The failure was (or will be) corrected by having the plan sponsor retroactively amend the plan to provide for the plan loans that were made available. The effective date of the corrective amendment is _____.

D. Early Inclusion of Otherwise Eligible Employee Failure

Employees: *(check applicable boxes)*

- Who had not satisfied the plan's minimum age or service requirements were treated as eligible participants on a date prior to their being eligible under the plan and were entitled to the same benefits under the plan to which they would have been entitled had they completed the minimum age or service requirements of the plan.

Plan name

EIN

Plan number

Who had completed the plan's minimum age or service requirements were treated as eligible participants prior to the applicable plan entry date and were entitled to the same benefits under the plan to which they would have been entitled had they entered the plan timely.

The plan's minimum age or service requirements and plan entry date, as applicable, for the years of the failure were

Enter the plan years in which the failure occurred and the number of participants affected by the failure, broken down by type of employee (HCE or NHCE) respectively, for each plan year.

Plan Year	Number of NHCEs Affected by the Failure During the Plan Year	Number of HCEs Affected by the Failure During the Plan Year

Description of the Proposed Correction Method

The failure was (or will be) corrected by having the plan sponsor retroactively amend the plan to provide for the inclusion of the ineligible employees. The effective date of the corrective amendment is _____.

Section II - Change in Administrative Procedures

Include an explanation of how and why the failures arose and a description of the measures that will be (or have been) implemented to ensure that the same failures will not recur.

Plan name

EIN

Plan number

Section III - Enclosures

In addition to the applicable items listed on the Procedural Requirements Checklist for Form 8950, the plan sponsor encloses the following with this submission:

- Copies of all amendments used to correct the failure(s), either as adopted or in proposed form. *(required)*
- A copy of the plan document in effect prior to any of the amendments used to correct the failure(s). *(required)*
- For an IRC Section 401(a)(17) failure in a defined contribution plan, specific calculations for each affected employee or a representative sample of affected employees. (The sample calculations must be sufficient to demonstrate each aspect of the correction method proposed. For example, the determination of the fraction used to determine the additional amount to be allocated to each employee (other than those for whom there was an IRC Section 401(a)(17) failure) must be demonstrated.
- For Early Inclusion of Otherwise Eligible Employee Failure, submit a demonstration or analysis that
 - Establishes that the corrective amendment is non-discriminatory under IRC Section 401(a)(4). Only include this item if HCEs benefited from the corrective plan amendment.
 - Proves the early inclusion of otherwise eligible employees did not result in an IRC Section 411(d)(6) cutback for the plan's other participants.