

401k Administrative Services Agreement

This Administrative Services Agreement ("Agreement") is made and effective ____/____/____, by and between _____, ("Company") and 401kAdministrators.com ("401k Administrators").

1. Plan Administrative Services.

Company proposes to Company a 401k plan ("Plan") using an asset custodian of their choice as the investment vehicle and 401kAdministrators as the Third-Party Administrator for technical and administrative support services. Company shall be the account owner and an asset custodian of their choice shall act as the custodian of all plan assets.

2. Company's Obligations.

Company shall appoint or serve as the Plan Administrator, Plan Fiduciary, Trustee, Plan Sponsor, and Investment Adviser or retain others to perform such services. Company shall report to 401k Administrators certain requested and required information such as each employees annual earnings, the number and age of employees hired, if any, and their aggregate annual hours worked, contributions and redemptions to the 401k plan by each the Company and any Company employees, and the existence of any controlled or affiliated companies created, or acquired by Company, and for each employee: their name, individual social security number, date of hire, date of birth, percentage of ownership in the company, whether they are an officer of the company/corporation or not and what office they hold, whether they are participating in the 401k plan or not, the amount or percentage they have elected to defer into the plan, last year's total annual compensation and this year's projected total annual compensation.

Company shall provide all information requested by 401k Administrators within 15 days of request and shall name 401kAdministrators.com as an "interested party" at the Custodian to receive copies of account statements and transaction confirmations. Company hereby agrees to defend, indemnify and hold 401k Administrators harmless from any and all liability and claims, including, but not limited to damages, court costs, legal fees, and costs of investigation.

3. Administrator's Obligations

401k Administrators shall conduct the initial plan review, coordinate the plan provisions, furnish IRS-approved 401k plan and profit sharing documents under a revocable license, prepare a summary plan description and provide a plan administrator's guide, provide record-keeping services, loan administration, including preparation of loan repayment schedules and tracking repayments, and administration of distributions, including calculation of benefits and vesting as approved by the Plan Administrator. 401k Administrators shall also assist in compliance with IRS regulations, eligibility, contributions, and benefits, conduct top-heavy, coverage, and ADP/ACP nondiscrimination testing, if necessary, and prepare signature ready Form 5500 or 5500 EZ.

Nothing in this agreement will be deemed to make 401k Administrators a fiduciary or party or legal counsel to the Plan, the Company, Trustees or Participants and 401k Administrators is not a Plan Administrator as defined in ERISA Section 3(16)(A) of Title I, or Trustee, Sponsor, or Investment Advisor. 401k Administrators shall have no discretion or authority over plan assets and shall have no obligation to allocate or diversify investments. 401k Administrators is not responsible for the terms of the plan, its continued qualification or any tax liability, which may be imposed on the Plan, Plan Sponsor, Plan Administrator, participant or beneficiary. The Company understands and agrees that certain laws and governmental regulations apply to the Plan if it is to obtain and maintain qualified status under Section 401(a) of the Internal Revenue Code ("IRC") and that it is Company's responsibility to comply with applicable laws and regulations and for any taxes and/or penalties levied due to such failure.

4. Term.

Rev. 1-13-06

This agreement shall remain in force until terminated, and either the Company or 401k Administrators may terminate this agreement without a termination charge upon thirty (30) days written notice to the other. Upon termination of this agreement, Company must appoint a successor Third-Party Administrative Service Provider who provides their own 401k plan document. Company shall notify 401k Administrators in writing of the name of said successor Administrative Service Provider. Upon termination of this agreement, the revocable license granted to Company to use the 401k plan document furnished by 401k Administrators shall expire.

5. **Fees.**

401k Administrators shall receive an annual fee equal to \$1,000 plus one-quarter of one percent (1/4 of one percent) of the total plan assets. The administrative fee is pro rated, assessed quarterly and subject to change by 401k Administrators upon written notice to the Plan Company at least 3 months in advance.

The Company must select a method of payment for the administrative services. You may pay by automatic bank transfer, by credit card or by PayPal. To keep administrative costs down, **we prefer you pay by automatic bank transfer.**

Please choose one of the following methods of payment:

Company agrees to pay administrative fees by **automated bank draft:**

Bank Name& address: _____
Account number: _____ Routing #: _____

****Please attach a voided check** (Do *not* use the routing number from your deposit slip)

Company agrees to pay administrative fees by **credit card.** (If you choose to pay by credit card, you will be assessed the surcharge charged by the credit card processing company, currently about 2.39% plus 25 cents per transaction).

Visa **Mastercard** **Discover Card** **American Express**

Account number: _____ Exp: ____/____ Security Code: _____

Name on card: _____

Billing street address: _____ City, State, Zip: _____

Company agrees to pay administrative fees by **PayPal:** (If you choose to pay by *PayPal*, you will be assessed the surcharge charged by *PayPal*, currently about 2.99% plus 30 cents per transaction).

Paypal account email address: _____

6. **Notices.**

Any notice required by this Agreement or given in connection with it, shall be in writing and shall be given to the appropriate party by personal delivery, email, or by certified mail, postage prepaid, or recognized overnight delivery services.

Notices to Company: Email address:

Company's Street Address, City, State & Zip code:

Notices to Administrator: info@401kAdministrators.com, or 401k Administrators, Attn: Craig Lewis Gillooly, 1205 Prospect St. Suite 400, La Jolla, CA 92037, (858) 454-7090; fax: (888) 448-3668.

7. Prior sponsorship of qualified retirement plans

Does the Company currently, or has the Company ever, previously sponsored a qualified retirement plan? _____.

If so, please list the number of plans and the type(s) of plans:

8. Miscellaneous Provisions

This Agreement incorporates by reference the attached Employee Census (Exhibit A). This Agreement shall be governed and construed in accordance with the laws of the United States and the State of California and Company consents to the exclusive jurisdiction of the state courts and U.S. federal courts located there for any dispute arising out of this Agreement. If any term of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, then this agreement, including all of the remaining terms, will remain in full force and effect as if such invalid or unenforceable term had never been included. This Agreement terminates and supersedes all prior understandings or agreements on the subject matter hereof. Except as provided in paragraph 5, this agreement may only be modified by a written agreement signed by both parties. 401k Administrators may assign this Agreement or any interest herein without Company's express prior written consent. Either party's failure to insist in any one or more instances upon strict performance by the other party of any of the terms of this Agreement shall not be construed as a waiver of any continuing or subsequent failure to perform or delay in performance of any term hereof. Headings used in this Agreement are provided for convenience only and shall not be used to construe meaning or intent.

Date: ____/____/____

Company Representative Signature

Title

Exhibit A: Census

Please provide for every eligible employee in this 401k plan: Their name, individual social security number, date of hire, date of birth, percentage of ownership in the company, whether they are an officer of the company/corporation or not and what office they hold, whether they are participating in the 401k plan or not, last year's total annual compensation and this year's projected total annual compensation. Copy additional pages as needed.

Name: _____ SS#: _____ DOB: ____/____/____
Date of hire: ____/____/____ Percentage of ownership in the company: %____ Officer? No/Yes: _____
Participating in the 401k plan? No/Yes Last year's total annual compensation: \$_____ This year's projected
total annual compensation: \$_____.

Name: _____ SS#: _____ DOB: ____/____/____
Date of hire: ____/____/____ Percentage of ownership in the company: %____ Officer? No/Yes: _____
Participating in the 401k plan? No/Yes Last year's total annual compensation: \$_____ This year's projected
total annual compensation: \$_____.

Name: _____ SS#: _____ DOB: ____/____/____
Date of hire: ____/____/____ Percentage of ownership in the company: %____ Officer? No/Yes: _____
Participating in the 401k plan? No/Yes Last year's total annual compensation: \$_____ This year's projected
total annual compensation: \$_____.

Name: _____ SS#: _____ DOB: ____/____/____
Date of hire: ____/____/____ Percentage of ownership in the company: %____ Officer? No/Yes: _____
Participating in the 401k plan? No/Yes Last year's total annual compensation: \$_____ This year's projected
total annual compensation: \$_____.

Name: _____ SS#: _____ DOB: ____/____/____
Date of hire: ____/____/____ Percentage of ownership in the company: %____ Officer? No/Yes: _____
Participating in the 401k plan? No/Yes Last year's total annual compensation: \$_____ This year's projected
total annual compensation: \$_____.

Name: _____ SS#: _____ DOB: ____/____/____
Date of hire: ____/____/____ Percentage of ownership in the company: %____ Officer? No/Yes: _____
Participating in the 401k plan? No/Yes Last year's total annual compensation: \$_____ This year's projected
total annual compensation: \$_____.

Name: _____ SS#: _____ DOB: ____/____/____
Date of hire: ____/____/____ Percentage of ownership in the company: %____ Officer? No/Yes: _____
Participating in the 401k plan? No/Yes Last year's total annual compensation: \$_____ This year's projected
total annual compensation: \$_____.

Name: _____ SS#: _____ DOB: ____/____/____
Date of hire: ____/____/____ Percentage of ownership in the company: %____ Officer? No/Yes: _____
Participating in the 401k plan? No/Yes Last year's total annual compensation: \$_____ This year's projected
total annual compensation: \$_____.

Name: _____ SS#: _____ DOB: ____/____/____
Date of hire: ____/____/____ Percentage of ownership in the company: %____ Officer? No/Yes: _____
Participating in the 401k plan? No/Yes Last year's total annual compensation: \$_____ This year's projected
total annual compensation: \$_____.