

EMPLOYEE BENEFITS OPPORTUNITIES AND CHALLENGES

Checklist of Considerations and Tasks to Complete

1. Maximize the tax advantages available in your employee benefits programs.
 - Consider other plans or benefits that make sense
 - Are employees getting the most out of what is offered?
 - Are your benefits programs being administered efficiently and in compliance with plan documents?

2. Consider reducing employer contributions to qualified plans.
 - 401(k) matching contributions
 - Profit sharing contributions

3. Do your plans provide for participant loans and/or hardship withdrawals?
 - Make employees aware of these options
 - Administered in accordance with plan documents

4. Take advantage of the ability to eliminate Required Minimum Distributions for certain individuals in 2009?

5. Prepare for compliance with the new COBRA subsidy law
 - Distribute the DOL model notice by April 17, 2009
 - Establish procedures for administering the extended enrollment
 - Establish procedures for receiving reimbursement from IRS
 - Restructure severance arrangements to maximize employer reimbursement

6. Consider reducing or capping PTO accruals
 - Review current company policy
 - Determine what state law limitations may apply

7. Avoiding 20% penalties for violating new deferred compensation law
 - Review severance arrangements for compliance with new Code Section 409A
 - Review bonus and compensation arrangements for compliance with new Code Section 409A