

# Plan Consultant – Summer 2024 Continuing Education Quiz

---

Please visit  
<https://www.asppa.org/industry-intel/plan-consultant/ce-quizzes>  
to submit the \$55 quiz fee, take the quiz and receive immediate grading.

If eleven (11) or more questions are answered correctly, ASPPA will award you with three ASPPA continuing education credits and send a certificate to you for your records. To receive credits, the quiz must be submitted no later than 24 months after the date of the quiz, and credits can only be applied to the cycle in which the grade is received.

## Circle One

- A, B, C, D      1.    When replacing a SIMPLE IRA with a Safe Harbor 401(k) plan, which document must be provided at least 30 days prior to the termination date of the SIMPLE IRA?
- A. The Annual Deferral Notice  
B. The Safe Harbor Notice  
C. The SIMPLE IRA Termination Notice  
D. The Safe Harbor 401(k) Adoption Agreement
- A, B, C, D      2.    What is the impact of the mid-year conversion from a SIMPLE IRA to a Safe Harbor 401(k) on contribution limits?
- A. The deferral limits are prorated based on the number of days each plan was in place during the calendar year.  
B. The contribution limits for the Safe Harbor 401(k) are unchanged by the timing of the conversion.  
C. Contributions made to the SIMPLE IRA do not count towards the deferral limits of the Safe Harbor 401(k).  
D. The contribution limits for each plan are one-half the annual limits for each plan.
- A, B, C, D      3.    What is the maximum annual amount of the Employer Contribution Tax Credit?
- A. \$500 per eligible employee  
B. \$1,000 per eligible employee  
C. \$1,500 per eligible employee  
D. \$2,000 per eligible employee
- A, B, C, D      4.    Which of the following tax credits is subject to an annual maximum of \$500 for three years?
- A. Startup Tax Credit  
B. Employer Contribution Tax Credit  
C. Military Spouse Participation Credit  
D. Auto-Enrollment Tax Credit

- A, B, C, D      5. Which of the following statements is true about Roth-type employer contributions?
- A. Roth-type employer contributions are not required to be 100% vested.
  - B. Roth-type contributions are subject to FICA and FUTA.
  - C. Employees must be given at least one opportunity per year to elect between pre-tax and Roth-type employer contributions.
  - D. Plans that allow Roth deferrals are required to allow participants to elect Roth-type employer contributions.
- A, B, C, D      6. Which retirement plans are allowed to have Roth-type contributions?
- A. Only 401(k) plans
  - B. 401(k), 403(b), and governmental 457(b) plans
  - C. Only IRAs and 401(k) plans
  - D. Only 401(k) and SIMPLE plans
- A, B, C, D      7. What was a primary goal of the Employee Retirement Income Security Act (ERISA)?
- A. To mandate all employers to establish retirement plans.
  - B. To set federal standards for retirement plan vesting, participation, and reporting.
  - C. To increase the maximum allowable contributions to retirement plans.
  - D. To eliminate all state regulations related to retirement plans.
- A, B, C, D      8. Which of the following is a significant change made by the Pension Protection Act of 2006?
- A. It created new requirements for spousal rights in retirement plans.
  - B. It removed impediments to automatic enrollment in retirement plans.
  - C. It lifted contribution limits for IRAs and 401(k) plans.
  - D. It established the Pension Benefit Guaranty Corporation (PBGC).
- A, B, C, D      9. What is a key feature of Pension Linked Emergency Savings Accounts (PLESAs)?
- A. They are designed to accept transfers from other accounts.
  - B. They must have a minimum contribution amount.
  - C. They are treated as designated Roth accounts.
  - D. They require participants to make contributions on a pre-tax basis.
- A, B, C, D      10. Which of the following statements regarding Long-Term Part-Time Employee (LTPEs) is correct?
- A. LTPEs continue to earn years of service for vesting at a rate of 500 hours per year even if they later become full-time employees.
  - B. LTPEs must work 1,000 hours each year to earn vesting.
  - C. LTPEs earn a year of service for vesting for each plan year in which they work 750 hours.
  - D. LTPEs may be subject to more restrictive vesting schedules than what normally apply to full-time employees.

- A, B, C, D      11. When will the requirement for catch-up contributions to be designated as Roth contributions begin?
- A. January 1, 2023
  - B. January 1, 2024
  - C. January 1, 2025
  - D. January 1, 2026
- A, B, C, D      12. Which of the following is the preferred approach when a company that sponsors a 401(k) is selling its assets to a purchaser who will cover the seller's employees in its own 401(k) plan?
- A. Merge the seller's 401(k) plan into the buyer's plan before closing.
  - B. Terminate the seller's 401(k) plan before closing.
  - C. Continue the seller's 401(k) plan post-closing and then merge it.
  - D. Distribute plan assets to participants in the seller's 401(k) plan immediately without terminating the plan.
- A, B, C, D      13. According to IRS guidelines, which of the following can trigger a partial plan termination?
- A. Termination of fewer than 10% of participants in a year.
  - B. A reduction of 20% or more of the total plan participants.
  - C. A reduction in benefits due to market volatility.
  - D. A plan's transition to another retirement account.
- A, B, C, D      14. Why is determining LTPTE eligibility more complex than it appears?
- A. Employees frequently change their employment status.
  - B. Tracking actual hours worked is inconsistent across plan sponsors.
  - C. All LTPTEs must meet the 1,000-hour requirement.
  - D. Employers rarely keep records of employee service years.
- A, B, C, D      15. What is one of the key factors driving the increasing appeal of PEPs to mid and large-sized employers?
- A. Ability to provide employees with individualized investment advice.
  - B. Desire to avoid legal liabilities associated with plan mismanagement.
  - C. Opportunity to participate in exclusive investment opportunities.
  - D. Access to lower-cost, institutional share class investments.

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: (\_\_\_\_) \_\_\_\_\_ Fax: (\_\_\_\_) \_\_\_\_\_

**You may also mail or fax a completed quiz, following the instructions below, with a \$80 grading fee.\***

**Fax credit card payments to: 703.516.9308**

Visa or MasterCard Number: \_\_\_\_\_

Signature: \_\_\_\_\_ Exp. Date: \_\_\_\_\_

Mail check payments to: ASPPA, PO Box 34725, Alexandria, A 22334-0725

**\*Please note that there is an additional fee  
of  
\$25 (\$80 total) to process and grade a  
mailed or faxed quiz. Quizzes purchased and  
submitted online will remain at the current  
\$55 fee and provide immediate notification  
of your score.**