

AIA Trust Self-Assessment Tests

Financial Management

AIA Trust Self Assessment Test III Answer Sheet

AXA Equitable Life Insurance Company is the provider of the AIA Members Retirement Program. Should you be in a position to begin or change a retirement plan for yourself or the people in your firm, information can be obtained by calling the AIA Members Retirement Program at 1-800-523-1125, ext. 6314.

T F	1. Vesting is used to determine when an employee starts to receive contributions from the employer.
T F	2. If a firm maintains a profit sharing plan, they do not have to make a contribution every year – even if there are profits every year.
T F	3. A profit sharing plan that is integrated with Social Security is less advantageous for an employer with employees who are eligible for contributions.
T F	4. Integrated plans are age weighted.
T F	5. There are retirement plans available that are more beneficial to participants as they approach retirement age.
T F	6. A sole-proprietor can set up a 401(k) plan.
T F	7. A business owner with no full-time employees cannot set up a 401(k) plan.
T F	8. An employer cannot establish a qualified retirement plan unless they are going to participate in it themselves.

T F	9. Administrative costs associated with tax-qualified retirement plans are often overlooked, but are every bit as important a consideration as investment choices.
T F	10. An owner who has eligible employees will often be better off setting up a SEP IRA instead of a profit sharing plan.
T F	11. The AIA Members Retirement Program offers advantages over the existing plan I have through my broker.
T F	12. Only corporations are allowed to include a loan provision on a qualified retirement plan.
T F	13. Traditional 401(k) plans allow an employer more of a contribution and are easier to administer than a Safe Harbor 401(k).
T F	14. December 31 is the deadline each year to change to a Safe Harbor 401(k) from a Traditional 401(k).
T F	15. All qualified retirement plan participants must take a minimum required distribution after they have attained age 65.

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