Guide to NDT Data Validations

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- Fidelity does not determine the highly compensated employees and no highly compensated employee codes were provided in your data.
- Employee identified as a 5% owner or relative of a 5% owner and does not have current year gross compensation.
- Employee has exceeded the IRS 402(g) deferral limit.
- Social Security Number is listed more than once.
- Employee's total contributions exceed gross compensation.
- Non-elective allocation group code has not been provided.
- Employee has contributions less than $0.00
- Employee has no recorded Date of Birth.
- Employee has no recorded Date of Hire.
- Employee does not have a First Name provided.
- Employee does not have a Last Name provided.
- Employee has a Hire Date after the Plan Year End.
- Employee's Date of Termination is prior to Date of Hire.
- Employee is missing allocation compensation which is needed to prepare the the employer calculation.

Overview

Data validation is the fourth step in the nondiscrimination testing (NDT) process where any errors in your participant data file are identified and corrected. It's also the step where participant data from Fidelity's system is added to the data you have uploaded and all data is combined for the error check. This guide will provide information about the most-common validation errors plan sponsors encounter and how to correct those errors.

Data Validation Fast Facts

- ✓ Validations automatically run after the last data file has been submitted.
- ✓ Validations can take up to ten minutes to complete.
- ✓ A notification (emailed and available in PSW®) is sent within two days if validations have run, but there has been no error correction or submission completed.
- ✓ Plan sponsors must review and address errors before test data can be submitted.

When the error check is complete, a validation summary is displayed for the plan sponsor. This summary will show all warnings and errors. Errors are considered critical to the testing and must be addressed prior to the submitting your file for testing. The following sections of this guide address the most common critical errors plan sponsors encounter during this step of the process.

Common Questions about Data Validations

<u>What data is pulled into the NDT file used to generate the validations?</u>

The NDT participant data file used to generate validations generally comes from the following three sources:

- The NDT file uploaded in the participant data step
- The NDT file uploaded for the prior plan year (look back compensation)

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- Contribution deposits to the plan trust (if selected in the NDT questionnaire – CONT5)

As a result, you will see plan participants appear in the validations who were not part of your uploaded file, but were in one of the other sources used to generate the validations.

What is the best way to review the data validations?

It is important to remember that one issue with your data for a plan participant could trigger multiple validations. As a result, it is generally more efficient to review some basic questions about the data file when a large number validations appear for your plan.

✓ First, determine if you are including the appropriate contribution data.
  - If you are pulling contributions from Fidelity deposits, are you including only the deposits applicable to the tested plan year?
  - Was a true-up matching contribution or profit sharing contribution funded during the tested plan year included in the NDT questionnaire – CONT5?

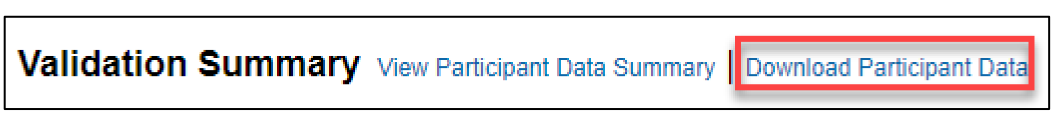
✓ Second, determine if you are including the appropriate compensation data in your uploaded file.
  - Are all employees of the participating employer(s) in the plan with compensation reportable in the tested plan year included in the participant data file?

✓ Third, determine if the dates of hire in the participant data file ORIGINAL dates of hire.

What other tools are available to assist me during the validation step?

✓ In PSW®, the 'Download Errors' link provides a summary of all data validations.

✓ In PSW®, the 'Download Participant Data' link provides the NDT data file used to generate the validations.



- In PSW®, the 'Fix' link followed by the radial button to 'individually edit participant's data' displays the participant detail.

- Additional information on data validations may be found in the [Data Validation Overview Video](#).

Eligible employees are missing a form of compensation that was provided for other employees.

What Happened?

- A form of compensation other than gross compensation was provided, but some employees are missing these other types of compensation.

The Fix

- The employees do not have this type of compensation. I need to clear this validation.
- I need to manually add compensation for the employees.
- I need to upload a revised file.

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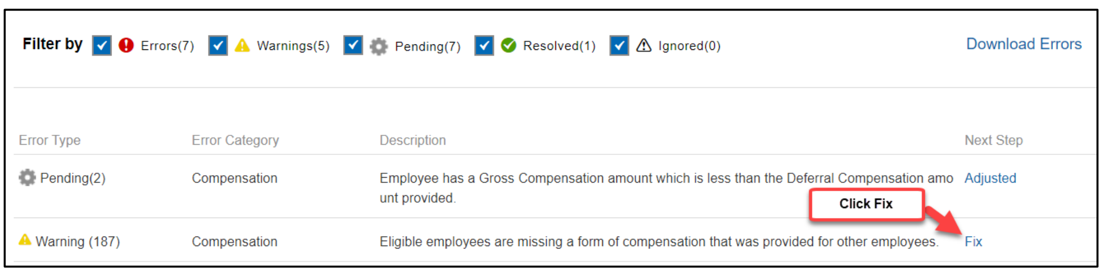
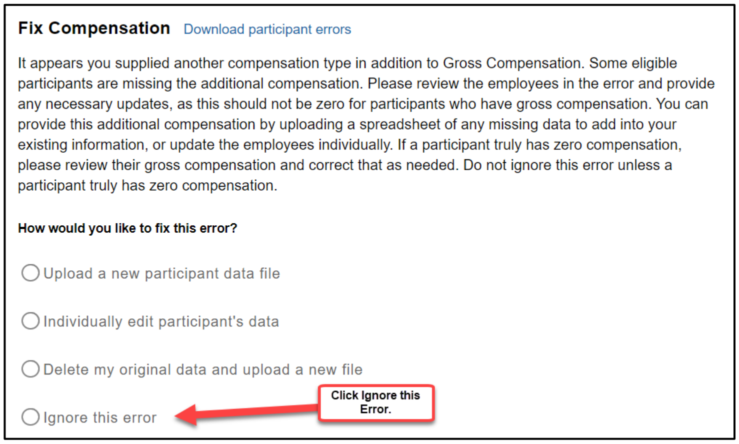
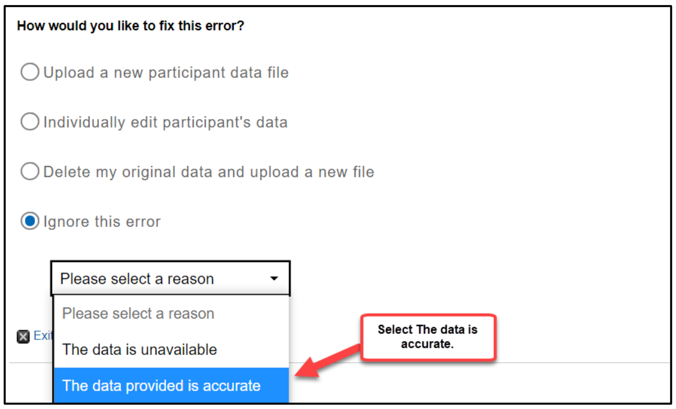
***IMPORTANT TIP**: Warnings identify items to review but do not always indicate that the information is not accurate or needs to be updated.*

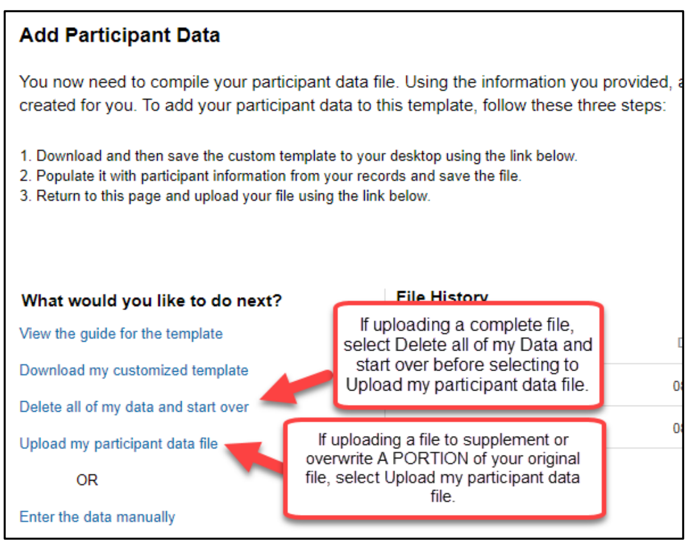
Ignore the warning.



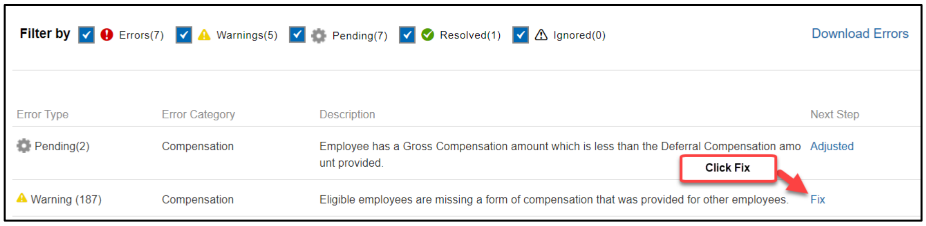


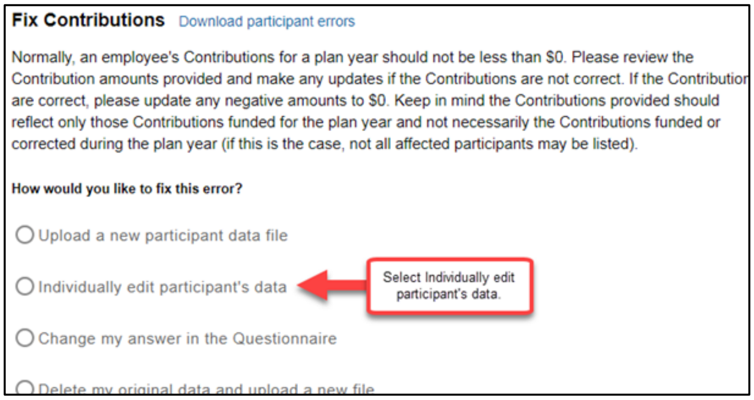


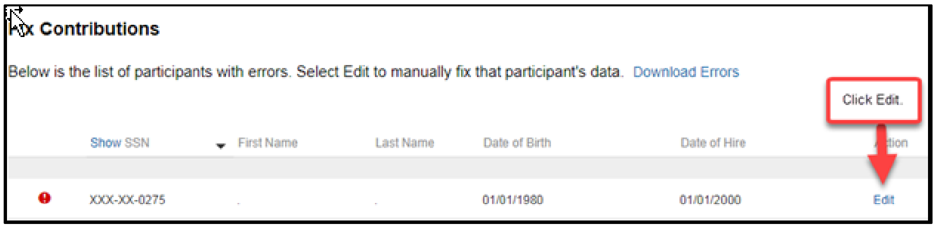
Upload a new NDT file.

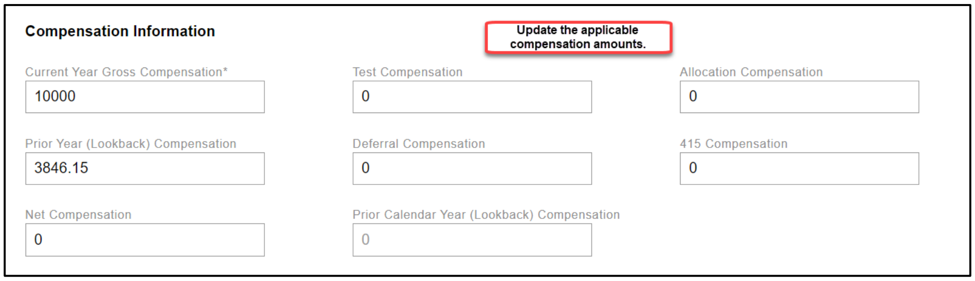


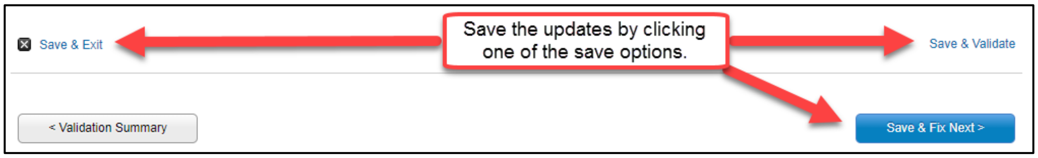
Manually update compensation.











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NOTE: *We recommend only clicking the 'Save and Validate' link once ALL updates have been made.*

Employee may be missing Look Back Year Compensation.

What Happened?

This warning displays for any employee that has a date of hire prior to the first day of the plan year but has no prior plan year wages from the NDT data file that was submitted for the plan's testing in the prior plan year.

!

IMPORTANT NOTE: *If an employee is a rehire and did not work for the year prior to the year you are testing, you can ignore the validation warning.*

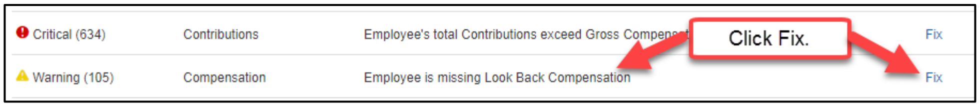
Missing Look Back Compensation is generally caused by one of the following items.

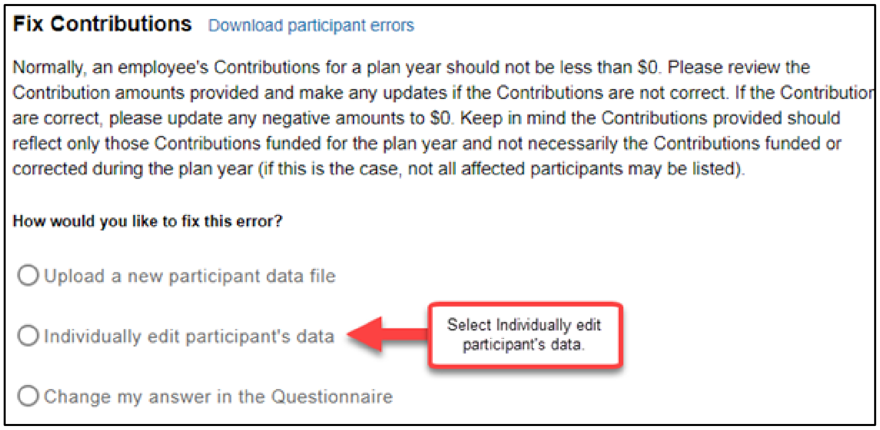
- The prior year NDT file did not contain all employees paid in the prior year.
- New group(s) of employees became eligible for the plan during the tested plan year.

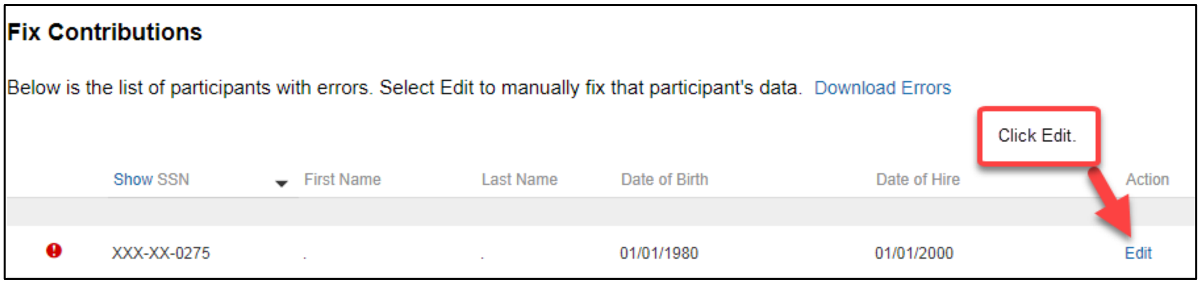
The Fix

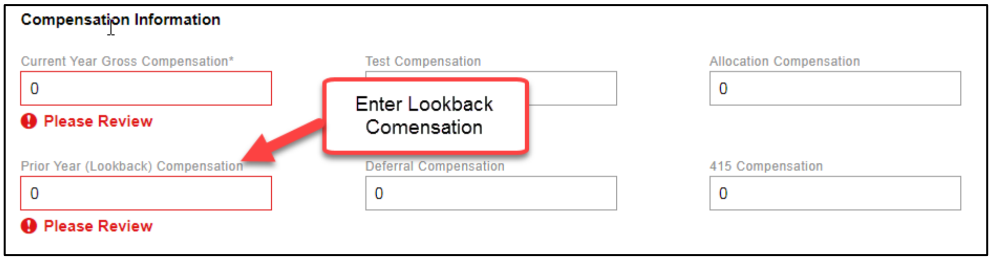
- If after a review of the employees you determine that you need to add Look Back Compensation:
  - Manually add the missing compensation.
  - Upload a file containing lookback compensation.
- If the employees listed have no lookback compensation:
  - Clear this validation.

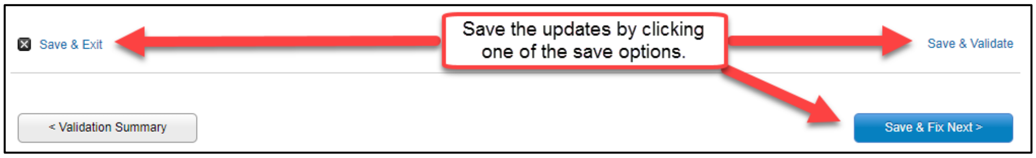
Manually add the missing lookback compensation.







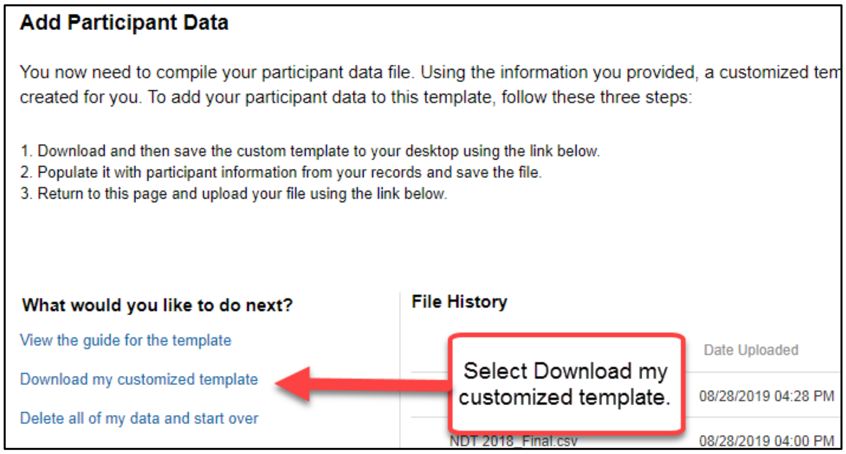


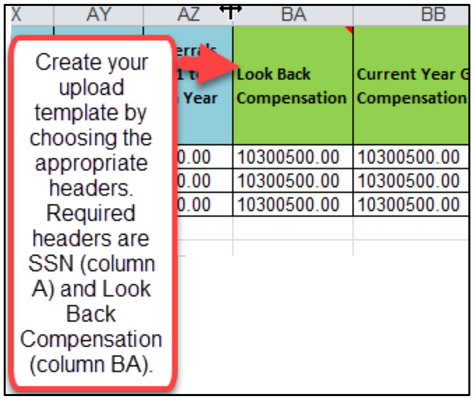


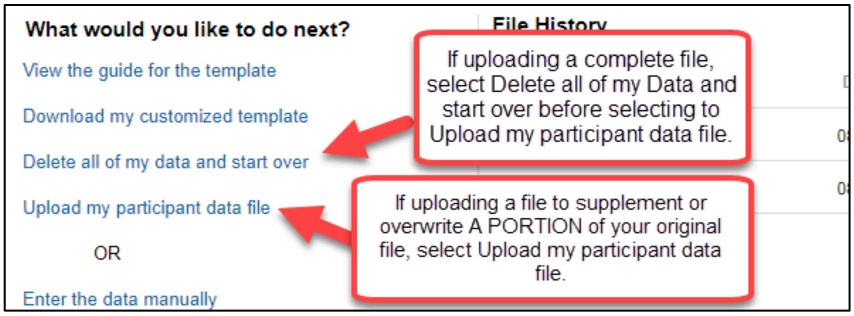
!

TIP: *Click 'Save & Validate' only after ALL updates have been made; otherwise, PSW® will run error check and cause delays.*

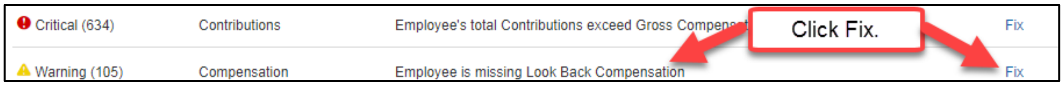
Upload a file containing missing lookback year compensation.

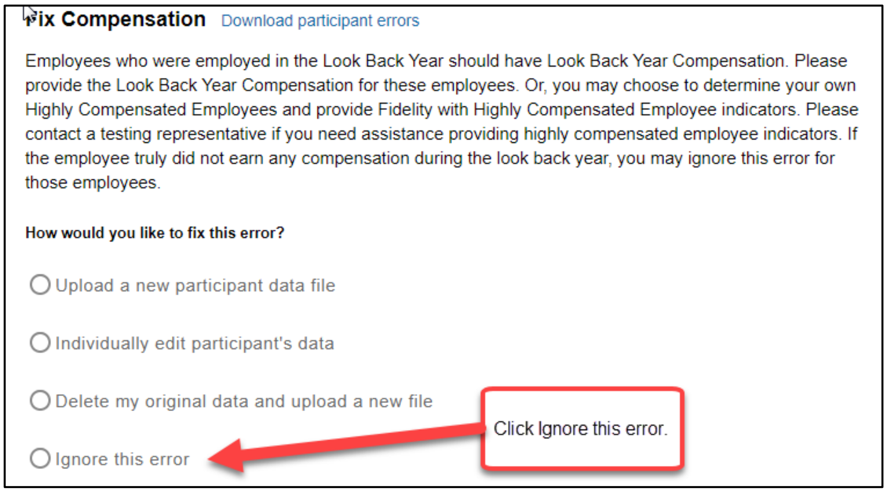


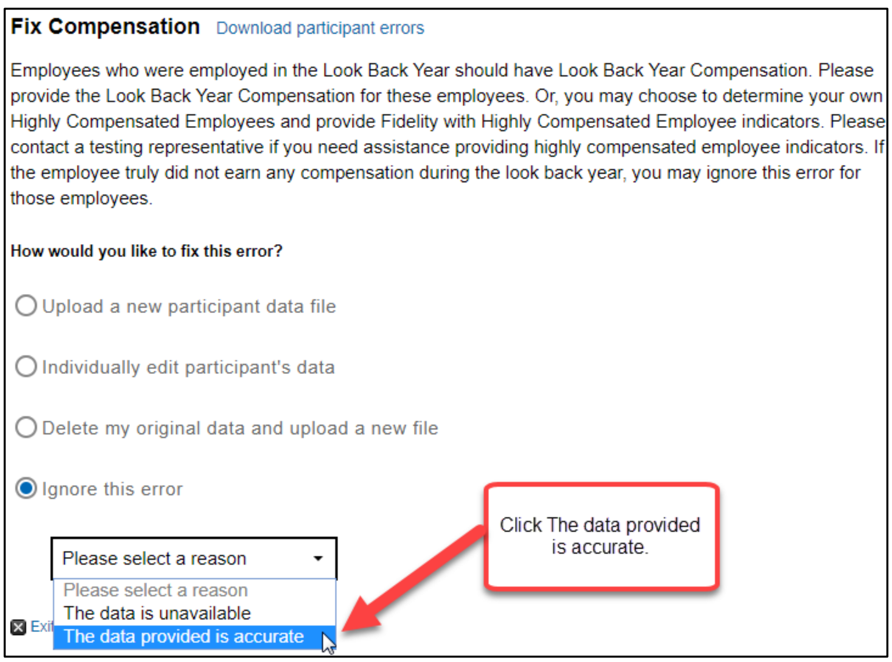




Clear this validation.







Employee was hired in the current year, but has Look Back Compensation.

What Happened?

This warning displays for employees with date of hire in in the tested plan year and compensation in the prior plan year. Generally, the date of hire should be the original date of hire.

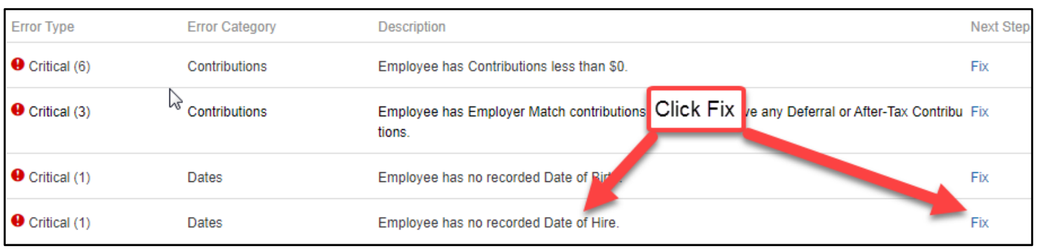
The Fix

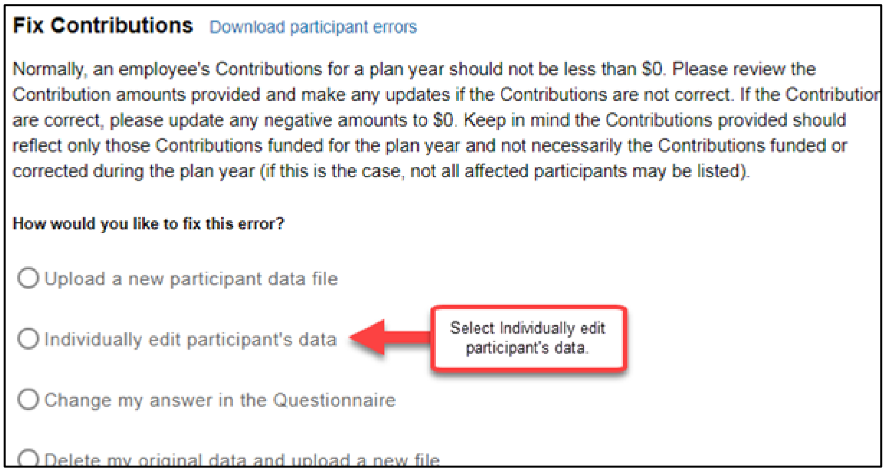
- [Update the hire date manually for an employee.]
- [Upload a file containing updated dates of hire.]

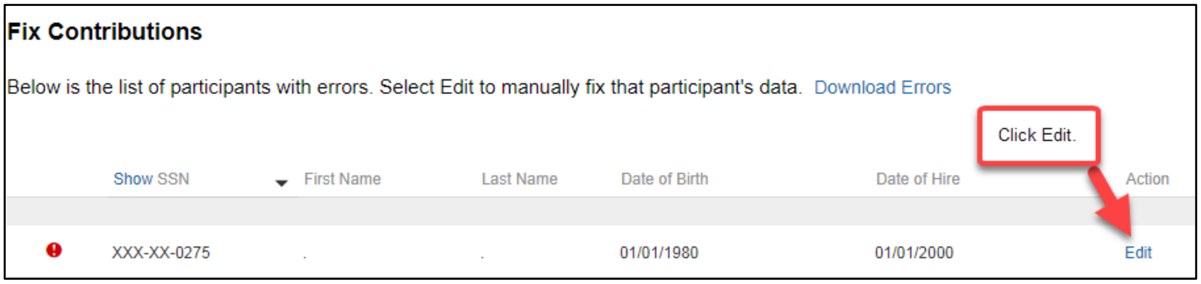
!

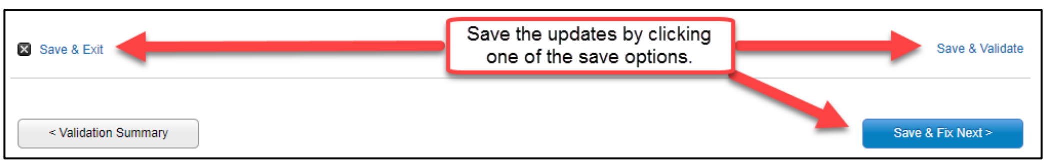
IMPORTANT NOTE: *Original date of hire is always required for the purpose of completing annual nondiscrimination testing.*

Update the hire date manually for an employee.



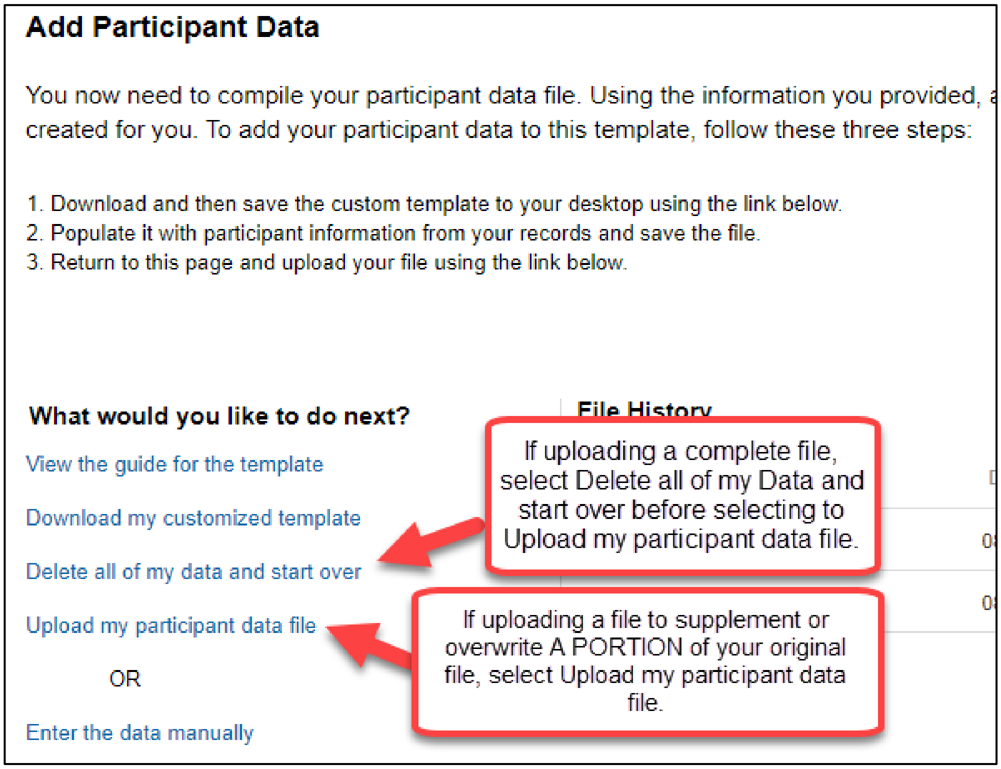






TIP: *Click 'Save & Validate' only after ALL updates have been made; otherwise, PSW® will run error check and cause delays.*

Upload a file containing updated dates of hire.



Ineligible employee has 401k contributions.

What Happened?

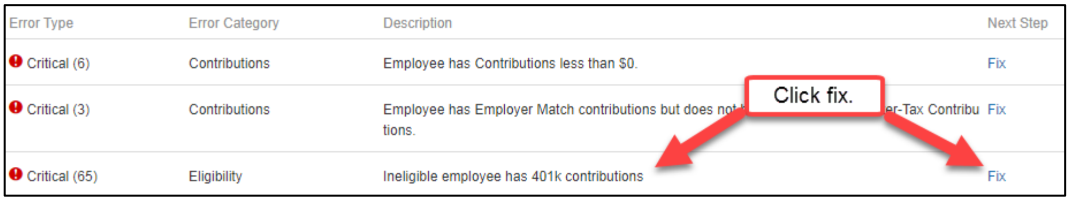
Only plan eligible employees can have plan contributions.

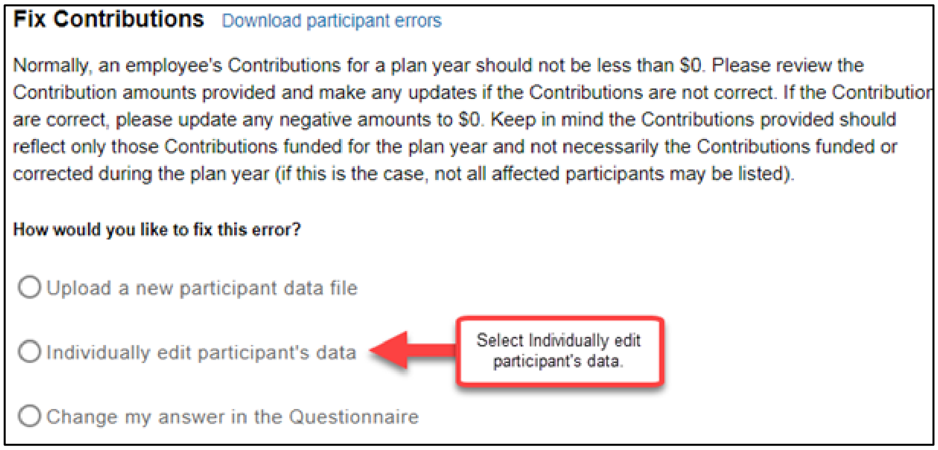
The Fix

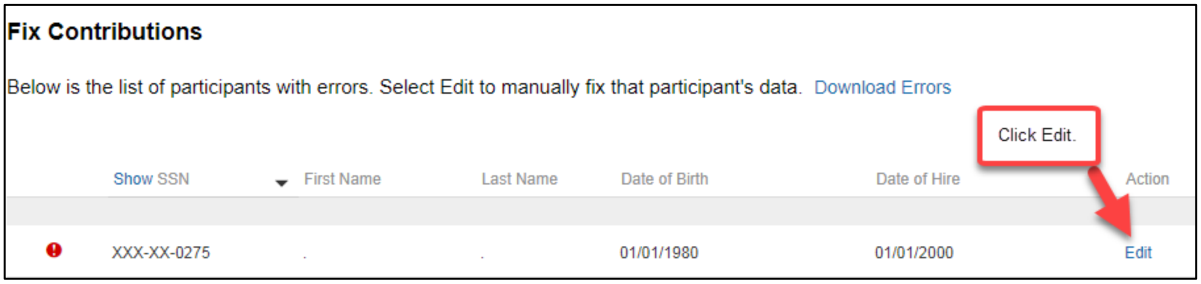
- [I need to adjust plan eligibility manually for an employee.]
- [I need to upload a revised file.]
- [I need to remove contributions for this ineligible employee.]

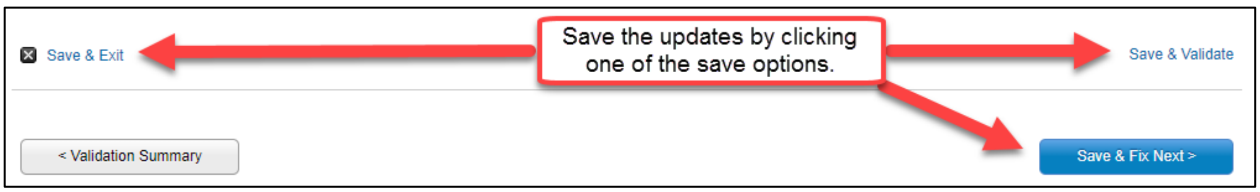
! ***NOTE:** If an ineligible employee was allowed to contribute to the plan, please contact Fidelity's Testing & Reporting Services.*

Adjust plan eligibility manually for an employee.

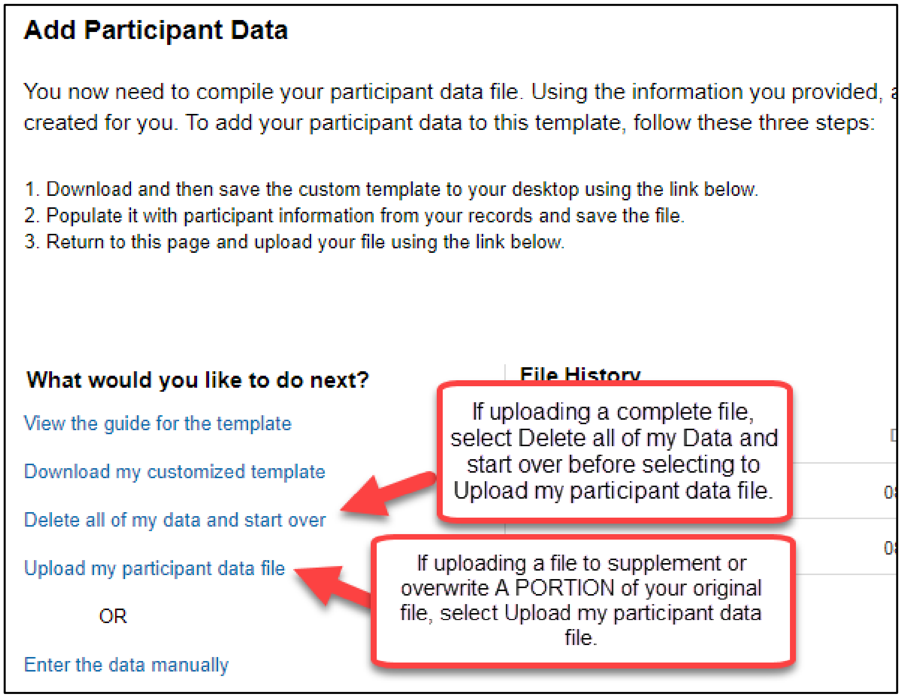








Upload a revised data file.

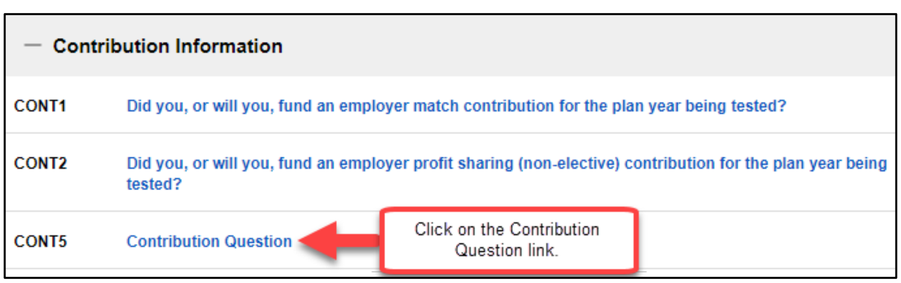


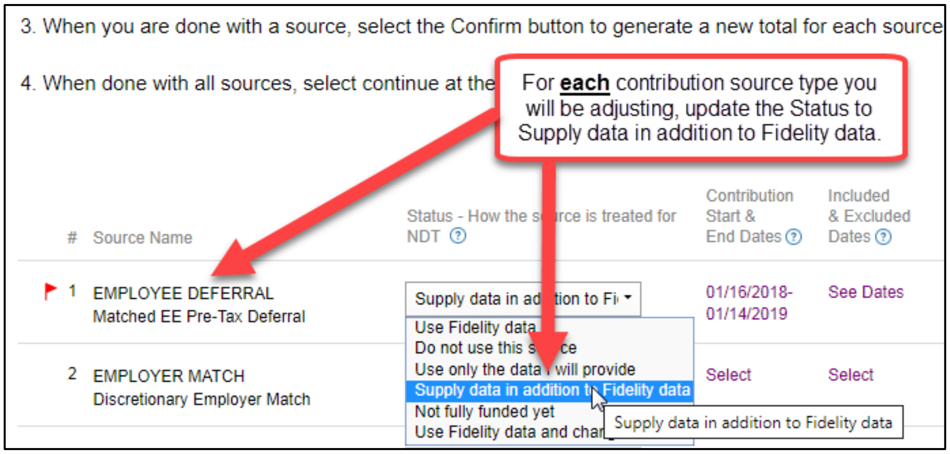
Remove Contributions for an Ineligible Employee

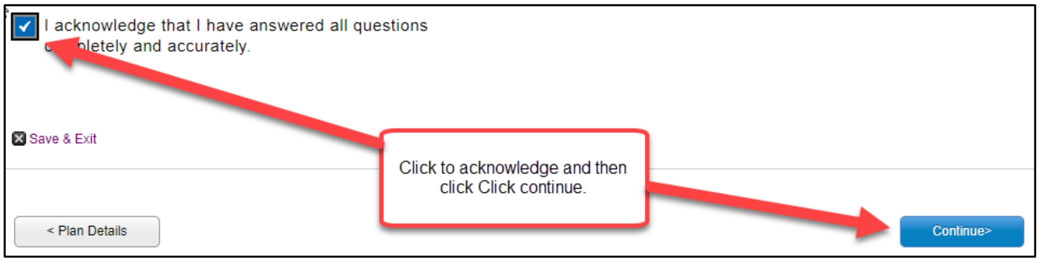
Please contact your Client Service Manager for directions related to correcting this error in the plan trust. Removing the contributions from the NDT file will **not** remove the contributions from the participant's account.

For purposes of removing the contribution from the **NDT file only**, see the following steps.

Step 1 of 2:

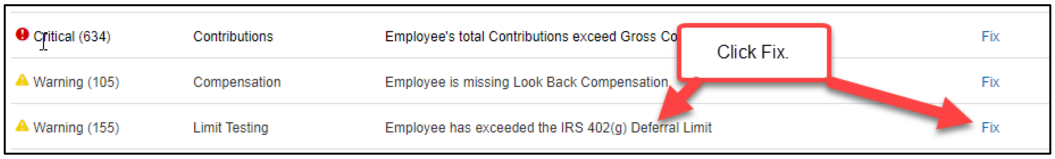


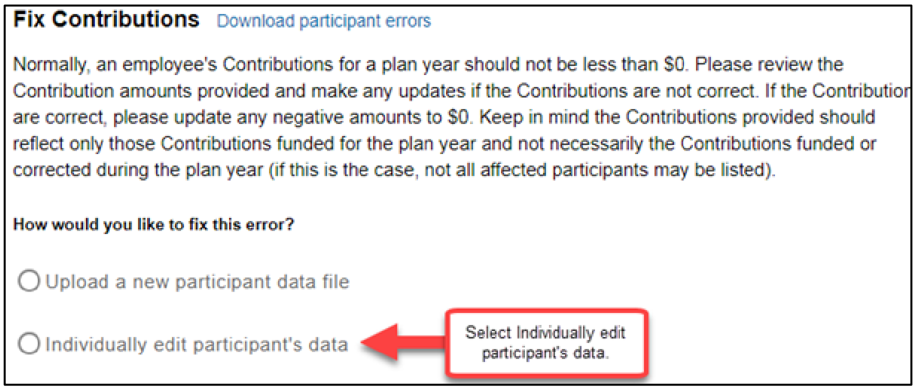


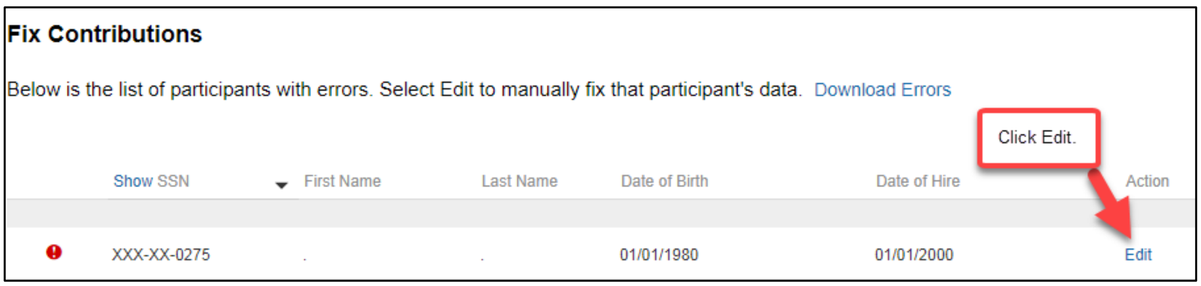


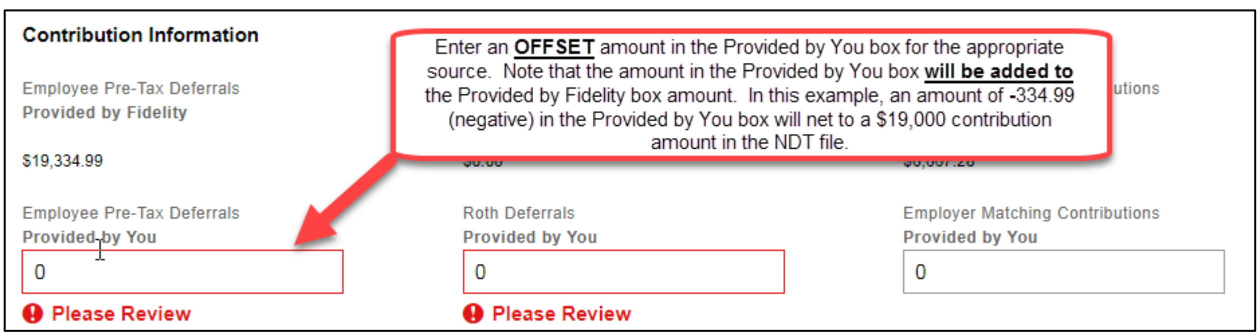
PSW® will process this questionnaire update and return to the validation step. Once the plan returns to the validation step, proceed to step 2.

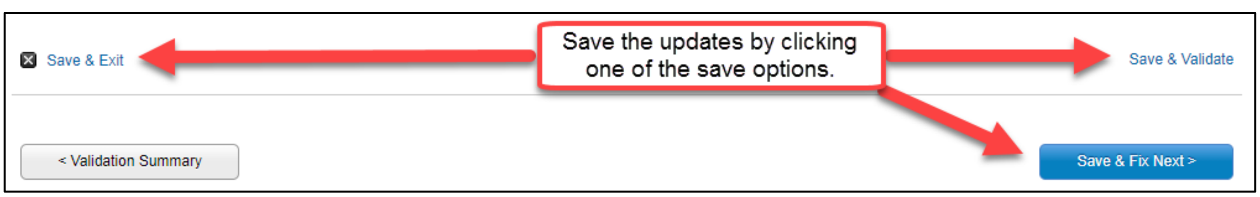
Step 2 of 2:


Critical (634)
Contributions
Employee's total Contributions exceed Gross Co
Fix
Warning (105)
Compensation
Employee is missing Look Back Compensation
Fix
Warning (155)
Limit Testing
Employee has exceeded the IRS 402(g) Deferral Limit
Fix
Click Fix.


Fix Contributions
Download participant errors
Normally, an employee's Contributions for a plan year should not be less than $0. Please review the Contribution amounts provided and make any updates if the Contributions are not correct. If the Contribution are correct, please update any negative amounts to $0. Keep in mind the Contributions provided should reflect only those Contributions funded for the plan year and not necessarily the Contributions funded or corrected during the plan year (if this is the case, not all affected participants may be listed).
How would you like to fix this error?
Upload a new participant data file
Individually edit participant's data
Select Individually edit participant's data.


Fix Contributions
Below is the list of participants with errors. Select Edit to manually fix that participant's data.
Download Errors
Click Edit.
Show SSN
First Name
Last Name
Date of Birth
Date of Hire
Action
XXX-XX-0275
01/01/1980
01/01/2000
Edit


Contribution Information
Enter an OFFSET amount in the Provided by You box for the appropriate source. Note that the amount in the Provided by You box will be added to the Provided by Fidelity box amount. In this example, an amount of -334.99 (negative) in the Provided by You box will net to a $19,000 contribution amount in the NDT file.
Employee Pre-Tax Deferrals
Provided by Fidelity
$19,334.99
Employee Pre-Tax Deferrals
Provided by You
0
Please Review
Roth Deferrals
Provided by You
0
Please Review
Employer Matching Contributions
Provided by You
0


Save & Exit
Save the updates by clicking one of the save options.
Save & Validate
< Validation Summary
Save & Fix Next >

Employee is coded Match Ineligible, but has contributions in money types included as match.

What Happened?

- Only employees who have met the match eligibility requirements listed in the plan document should have match contribution.

The Fix

- I need to adjust match eligibility manually for an employee.
- I need to update the questionnaire to remove a match deposit not applicable to the plan year.
- I need to upload a revised file.
- I need to remove matching contributions for this ineligible employee.

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NOTE: *Matching contributions should be included in the testing in the year the related compensation was paid without regard to when the match was funded.*

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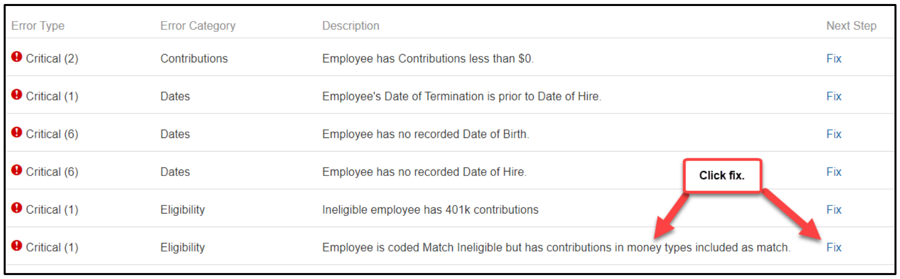
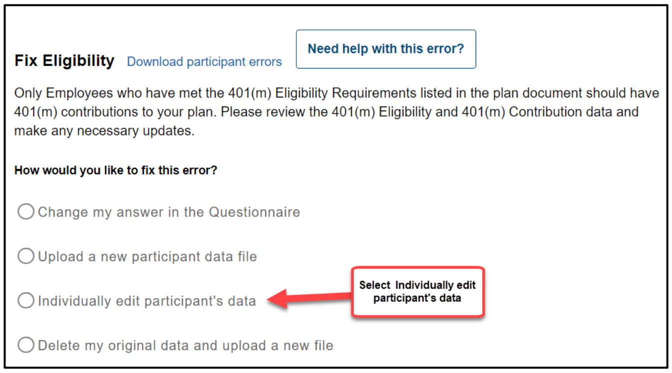
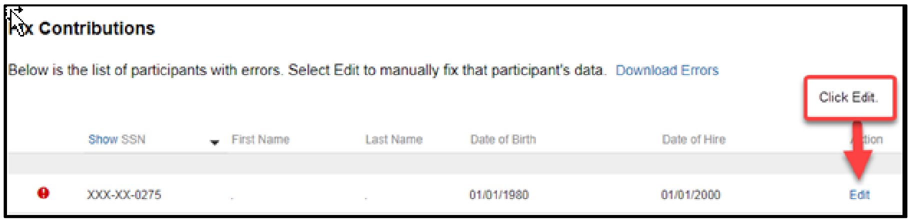
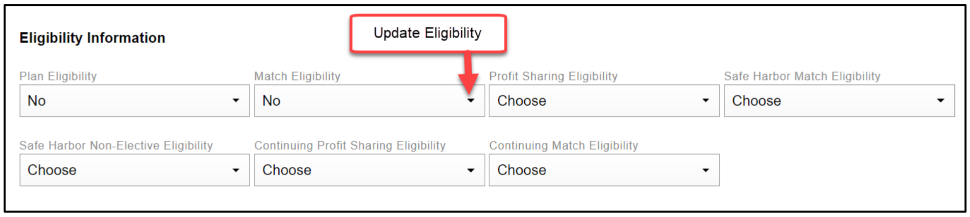
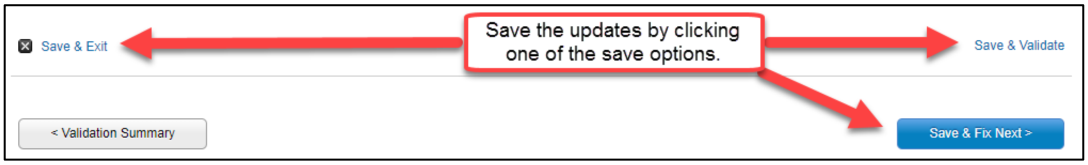
Adjust employee data manually.







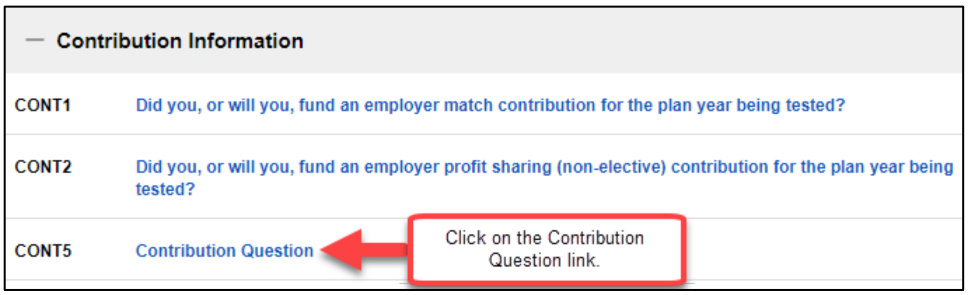


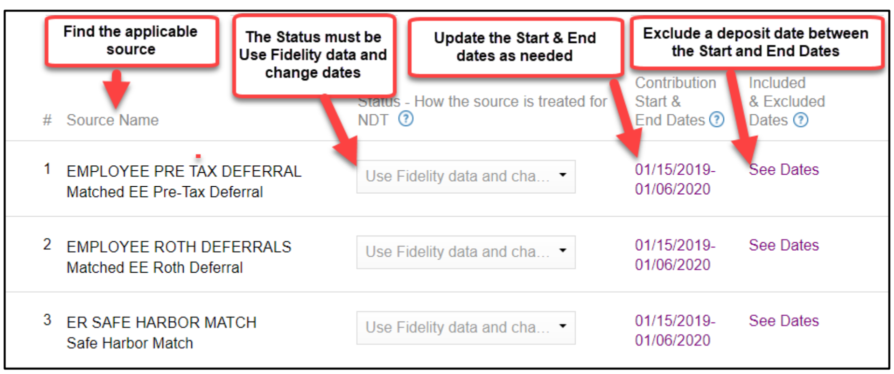


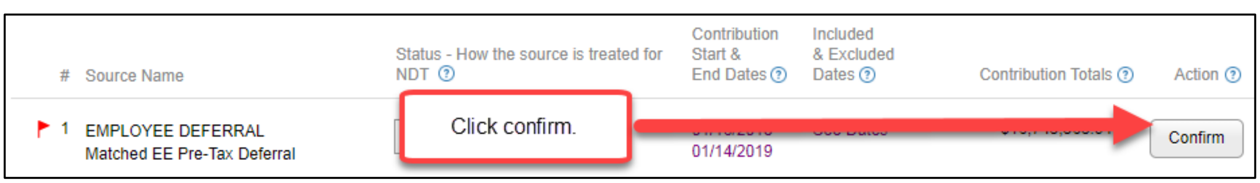
!

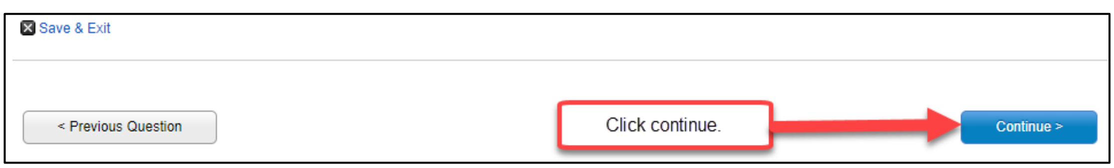
NOTE: *We recommend only clicking the 'Save and Validate' link once ALL updates have been made.*

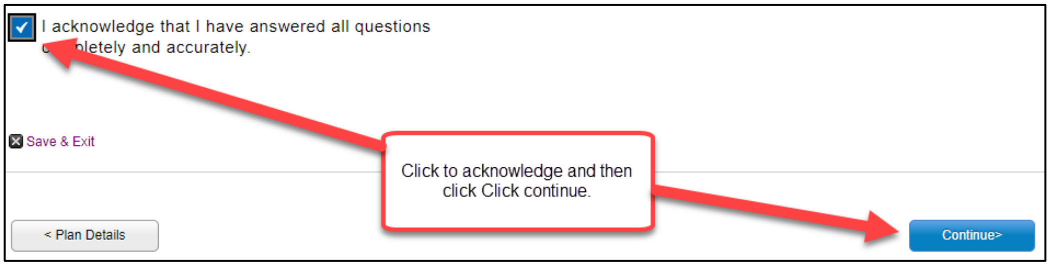
I need to update the questionnaire to remove a match deposit not applicable to the plan year.





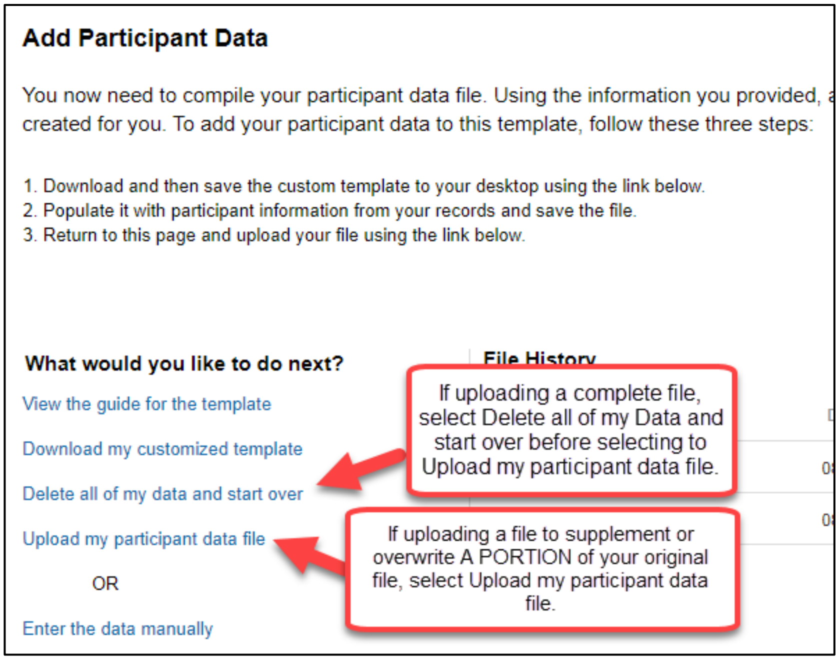






PSW® will process this questionnaire update and return to the validation step.

Upload a revised data file.



Remove contributions for an ineligible employee.

Please open a PSW® Nondiscrimination Testing Service Request to remove these contributions from the NDT file. You must also contact your Fidelity plan representative to have the contributions removed from the participant's account.

Employee has Employer Match contributions but does not have any Deferral or After Tax Contributions.

What Happened?

- Contributions were pulled from Fidelity deposits per the deposit dates selected in question CONT5 in the NDT questionnaire, and a contribution for a plan year other than the tested plan year is included in the deposit dates.
- The contributions were funded to a BAD SSN.

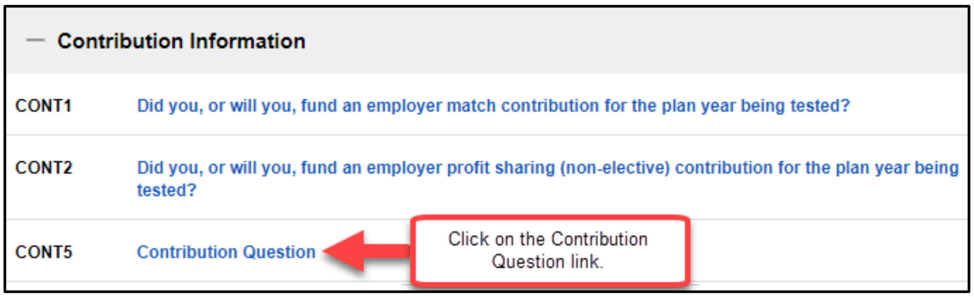
The Fix

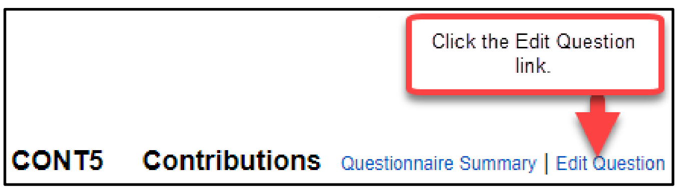
- I need to remove a deposit date applicable solely to a prior or future year from question CONT5.
- Contributions need to be moved from a BAD SSN to the good SSN
- I need to adjust contributions for some employees since a prior year contribution adjustment was included with a contribution deposit for the tested plan year.
- I need to upload a new participant data file.

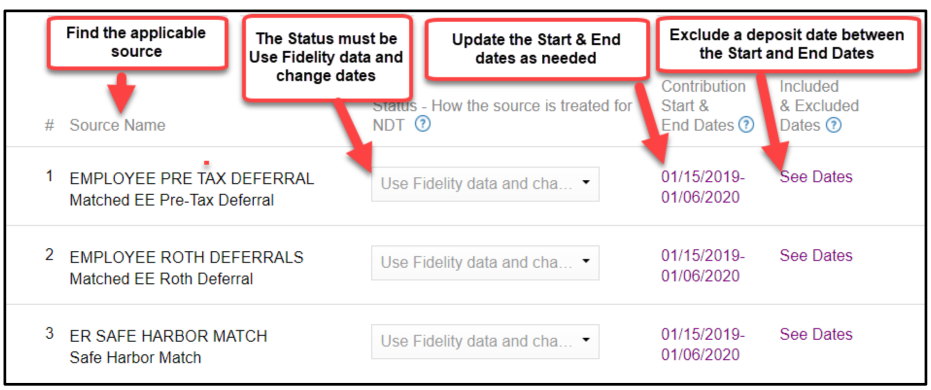
!

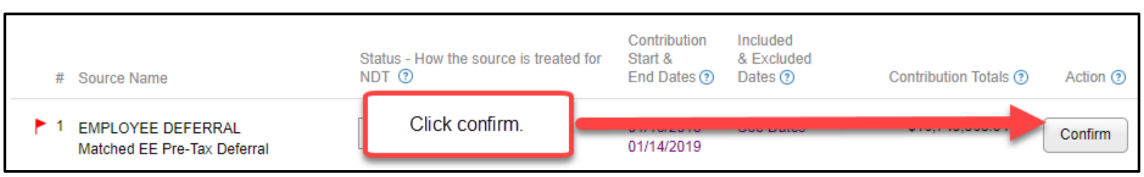
NOTE: *You cannot delete contributions pulled from Fidelity deposits without updating the questionnaire. The delete participant link will NOT remove these contributions.*

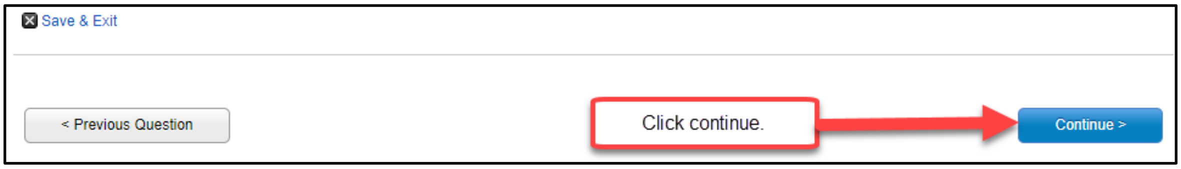
Remove a deposit date applicable solely to a prior year from CONT5.

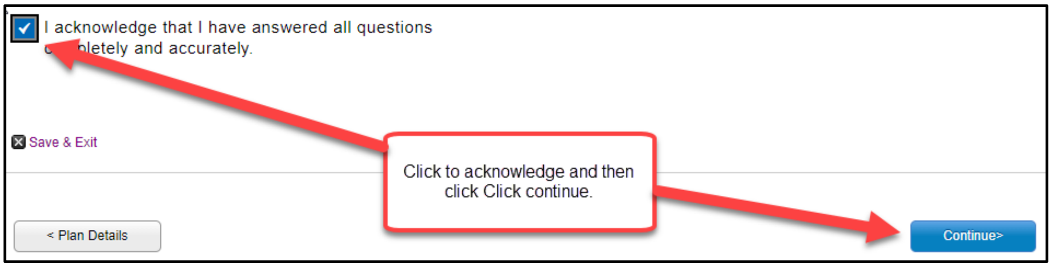












PSW® will process this questionnaire update and return to the validation step.

Contributions need to be moved from a BAD SSN to the good SSN.

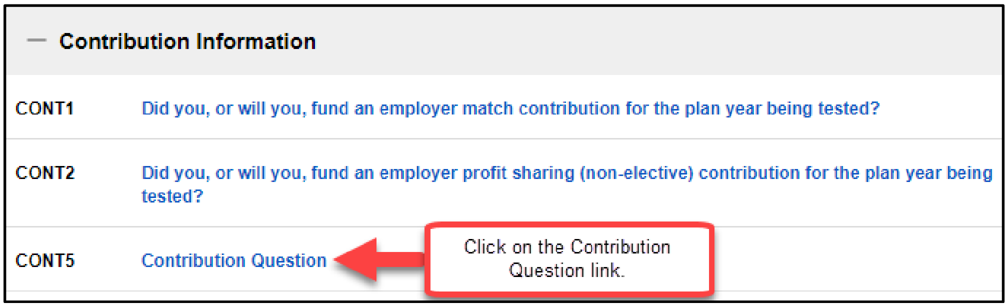
Enter the BAD SSN and related GOOD SSN in an NDT PSW Service request. A Fidelity Testing & Reporting Services associate will clear the error and make the adjustments.

Note: This will only update the NDT file. Please contact your Client Service Manager for assistance with updating the employee account.

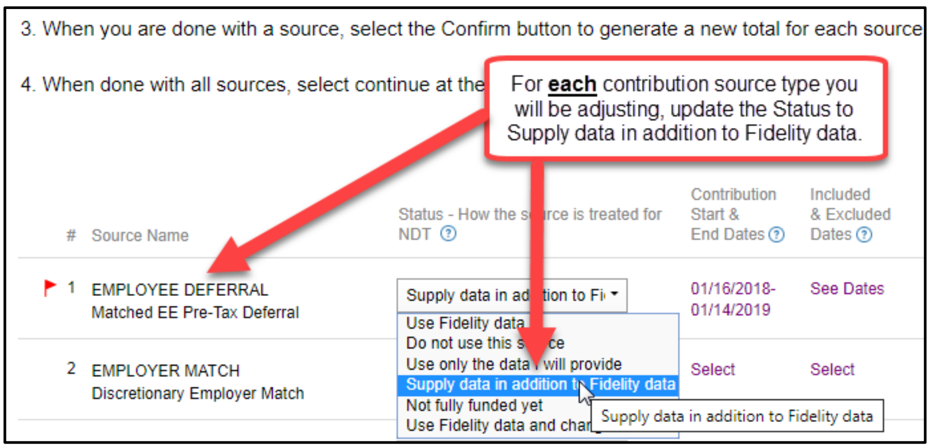
I need to adjust contributions for these employees since a prior year contribution adjustment was included with a contribution deposit for the tested plan year.

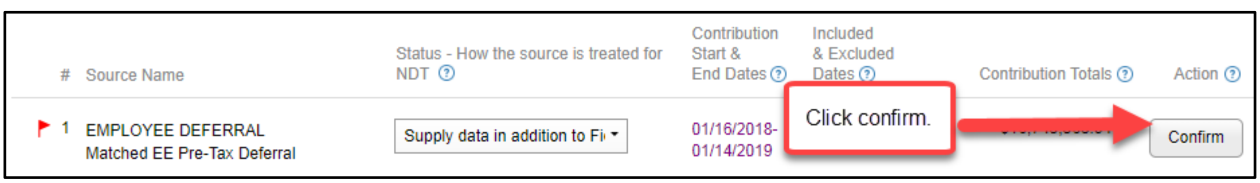
NOTE: You can enter a PSW NDT Service Request with details on the adjustment needed per participant in lieu of completing the steps outlined below. We will clear the error and make the adjustment(s) in your NDT file.

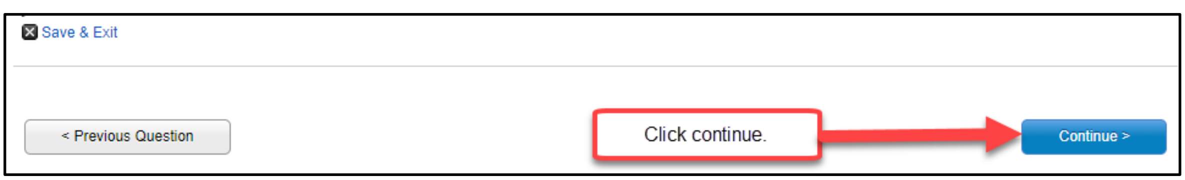
Step 1 of 2:

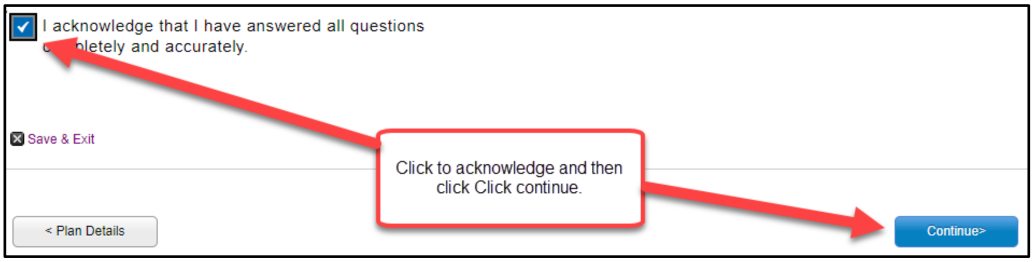

Contribution Information
CONT1 Did you, or will you, fund an employer match contribution for the plan year being tested?
CONT2 Did you, or will you, fund an employer profit sharing (non-elective) contribution for the plan year being tested?
CONT5 Contribution Question
Click on the Contribution Question link.


Click the Edit Question link.
CONT5 Contributions
Questionnaire Summary | Edit Question


3. When you are done with a source, select the Confirm button to generate a new total for each source
4. When done with all sources, select continue at the
For each contribution source type you will be adjusting, update the Status to Supply data in addition to Fidelity data.
Source Name
Status - How the source is treated for NDT
Contribution Start & End Dates
Included & Excluded Dates
1 EMPLOYEE DEFERRAL
Matched EE Pre-Tax Deferral
01/16/2018-
01/14/2019
See Dates
2 EMPLOYER MATCH
Discretionary Employer Match
Use Fidelity data
Use only the data I will provide
Supply data in addition to Fidelity data
Not fully funded yet
Select
Select
Supply data in addition to Fidelity data

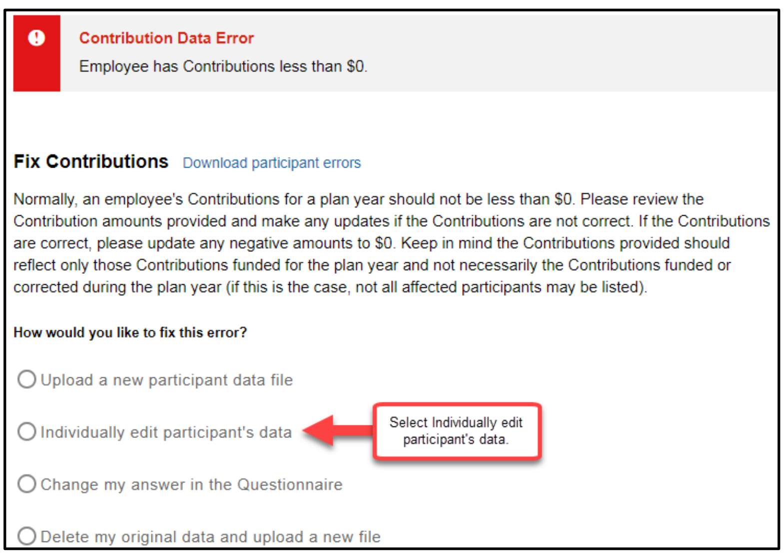

Source Name
Status - How the source is treated for NDT
Contribution Start & End Dates
Included & Excluded Dates
Contribution Totals
Action
1 EMPLOYEE DEFERRAL
Matched EE Pre-Tax Deferral
01/16/2018-
01/14/2019
Click confirm.
Confirm

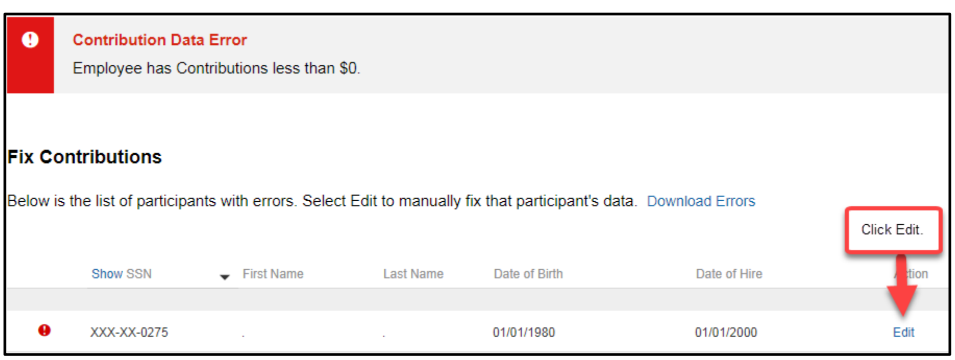

Save & Exit
< Previous Question
Click continue.
Continue >

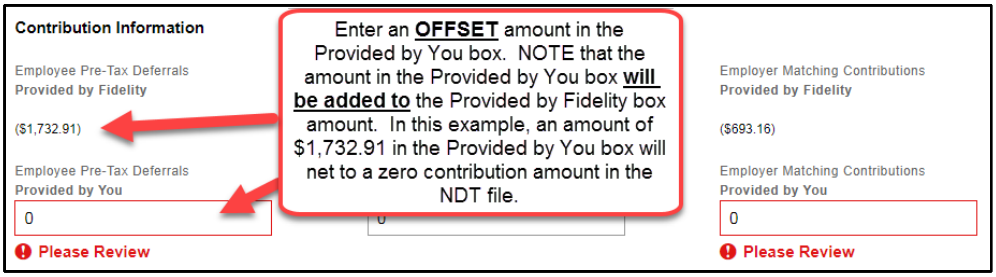


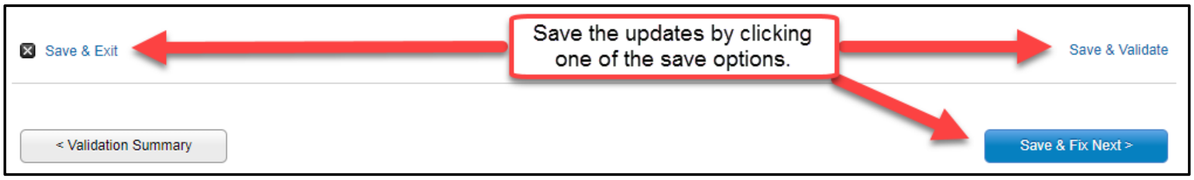
PSW® will process this questionnaire update and return to the validation step. Once the plan returns to the validation step, proceed to step 2.

Step 2 of 2:





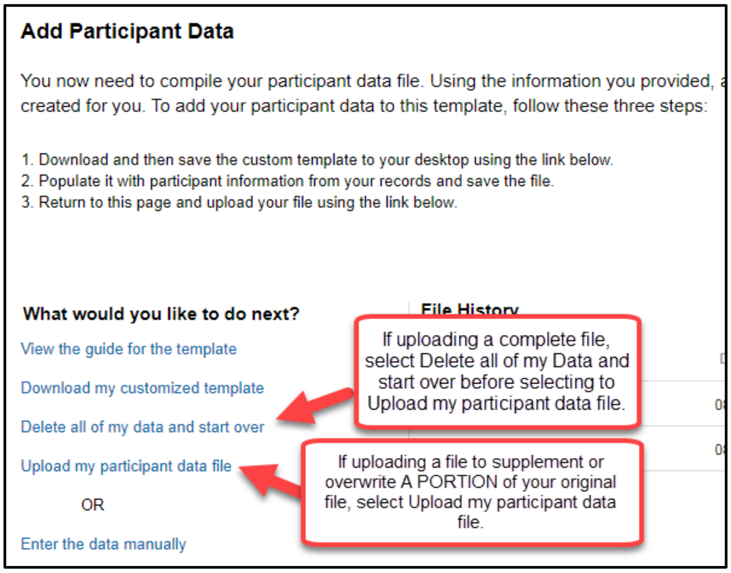




!

NOTE: *We recommend only clicking the 'Save and Validate' link once ALL updates have been made.*

Upload a new participant data file.



All employees are coded Eligible for the plan.

What Happened?

- All employees who received compensation from the company during the plan year are included in the data file submitted for testing.
- All employees provided in the data file were identified as eligible for the plan.

!

> ***NOTE***: *Employees who did not meet the eligibility requirement but received compensation should also be included.*

The Fix

- Confirm all employees who received compensation during the plan year are included in the data file even if they are not eligible to participate in the plan.
- Confirm all employees did meet the eligibility criteria for the plan at some point in the year being tested.
- If there are no employees who did not meet the plan's eligibility requirements and all employees who received compensation are provided, you can ignore the warning and indicate information as provided is accurate.

!

> ***TIP***: *If ineligible employees who received pay were not included in the data file uploaded, you may upload a second data file with all the ineligible employees.*

Employee appears to be eligible; however, is coded as not eligible.

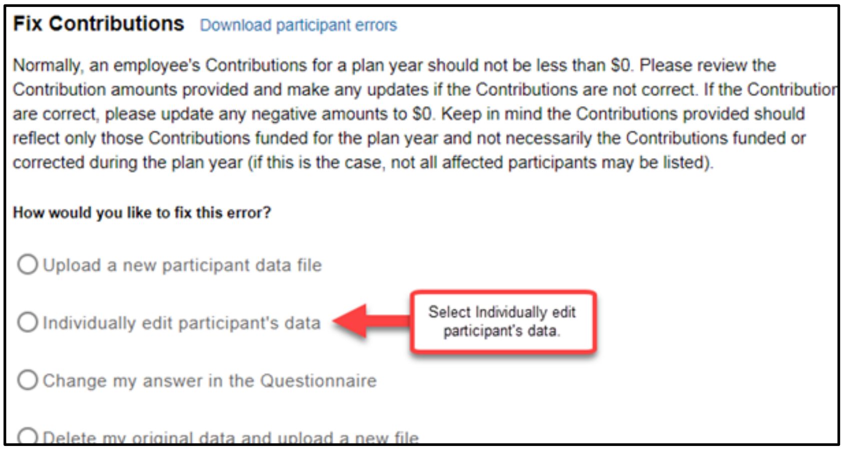
What Happened?

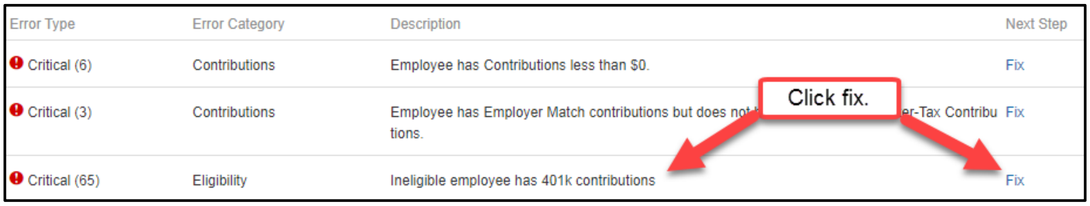
- Based on age and dates of service, these employees appear to be eligible; however, they are listed as not eligible in your data file. Please review their dates and ensure the eligibility provided is accurate.

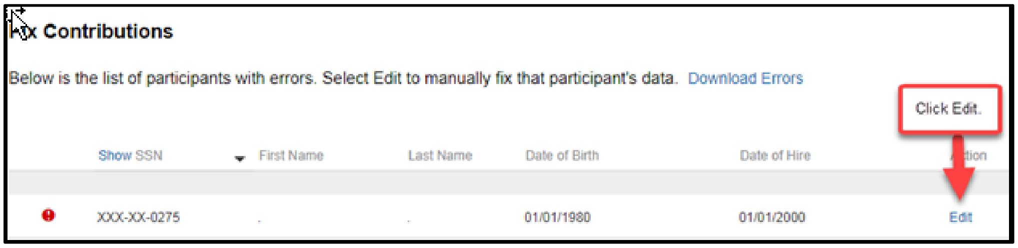
The Fix

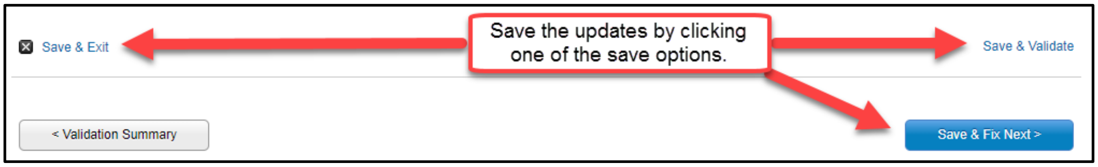
- I need to adjust eligibility manually for an employee.
- I need to upload a revised file.
- The eligibility is accurate. I need to clear this validation.

Adjust employee data manually.





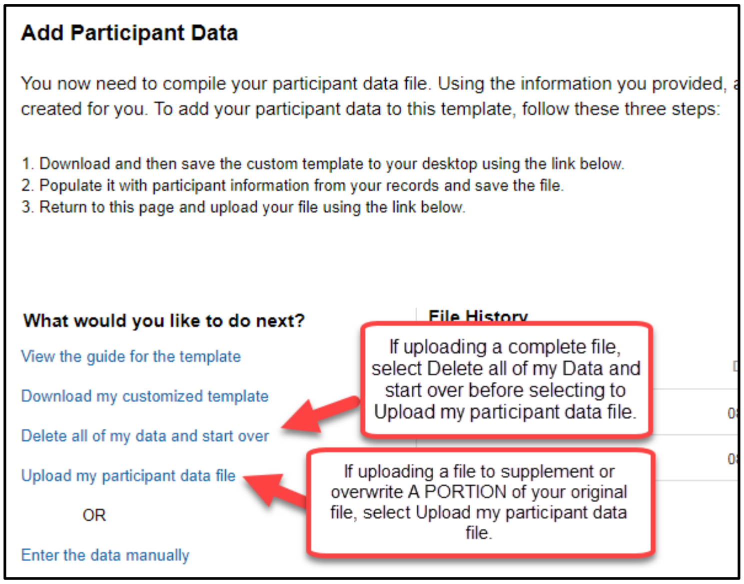




!

NOTE: *We recommend only clicking the 'Save and Validate' link once ALL updates have been made.*

Upload a revised data file.



Fidelity does not determine the Highly Compensated Employees and no Highly Compensated Employee codes were provided in your data.

What Happened?

- Fidelity is unable to determine who your highly compensated employees are for testing purposes.
- Codes to identify the highly compensated employees must be provided on the data file.

The Fix

- Review your HCE determination method using Plan Details document.
- Provide codes to identify highly compensated employees.
- Review questionnaire to determine if a non-adopting related company was listed and the plan uses the top 20% method for determination of highly compensated employees.

!

NOTE: *If the non-adopting related plan has no employees during the plan year being tested, you may ignore the warning and indicate information as provided is accurate.*

Employee identified as a 5% owner or relative of a 5% owner and does not have Current Year Gross Compensation.

What Happened?

- An employee has been identified as a 5% owner or a relative of a 5% owner in question EC3 of the questionnaire but compensation has not been provided.

The Fix

- Confirm if the 5% owner or family member of a 5% owner received compensation.
- Edit the questionnaire to delete employee listed in error to or change to no longer meet criteria.
- Update compensation for owner or family member of owner.

!

***RECOMMENDED TIP**: If compensation for 5% owner is not yet available, it is recommended to wait for the information to be available before moving forward with testing.*

Employee has exceeded the IRS 402(g) Deferral Limit

What Happened?

Employee's deferral contributions exceed the deferral limit for the tested plan year.

The validation generally appears for one of the following reasons.

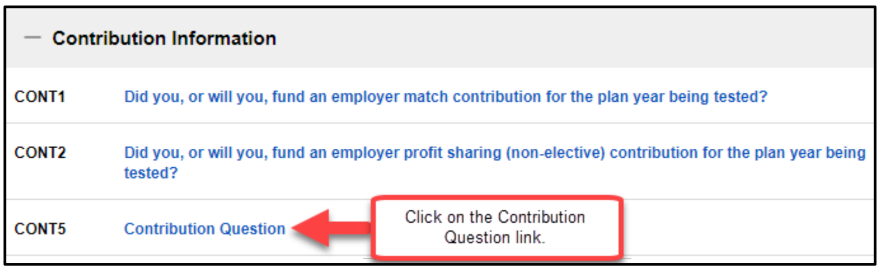
- The excess amounts tie to payroll reports and are accurate. This will result is a failing 402(g) test. The excess contributions will need to be included in the tests and refunded from the participant accounts. You will initiate that correction in PSW® once the test results are finalized and published for your review if they have not already been corrected.
- The excess amounts do NOT tie to payroll reports. The contributions in the uploaded file and/or Fidelity deposits (per the NDT questionnaire- question CONT5) are incorrect.

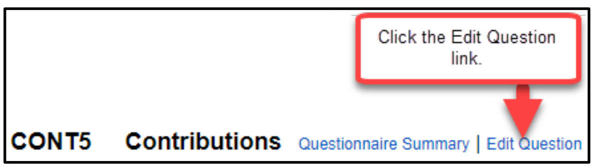
The Fix

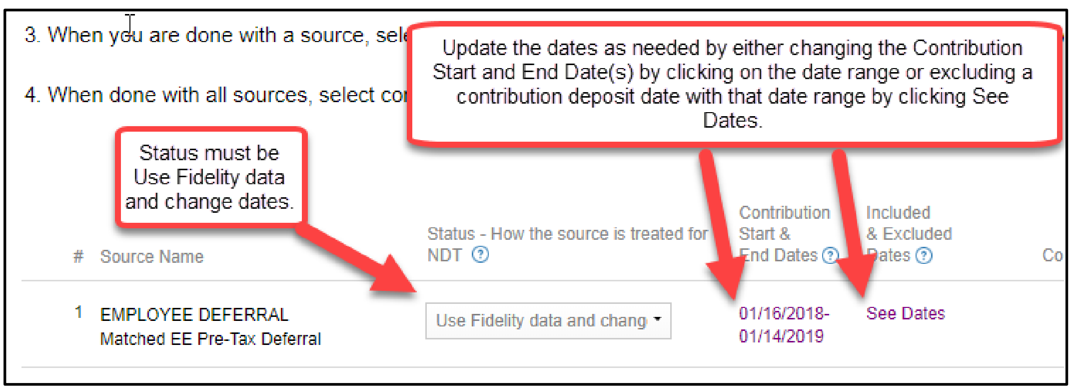
- Review and update CONT5 on the NDT questionnaire to remove contributions not applicable to the tested plan year.
- Manually adjust contributions for an employee.
- Upload a new participant data file.
- The excess amounts are accurate. I need to clear this validation.

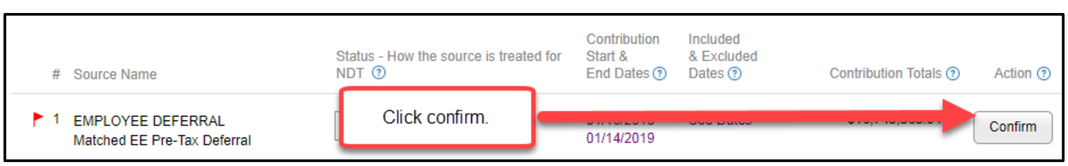
! ***IMPORTANT:*** *If you choose to ignore this warning, you are instructing Fidelity to complete the testing with the 402(g) excess deferral included.*

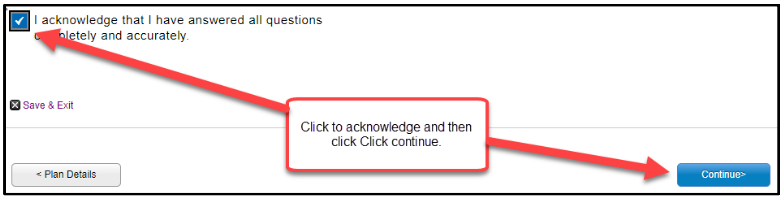
Review and update CONT5 on the NDT questionnaire to remove contributions not applicable to the tested plan year.







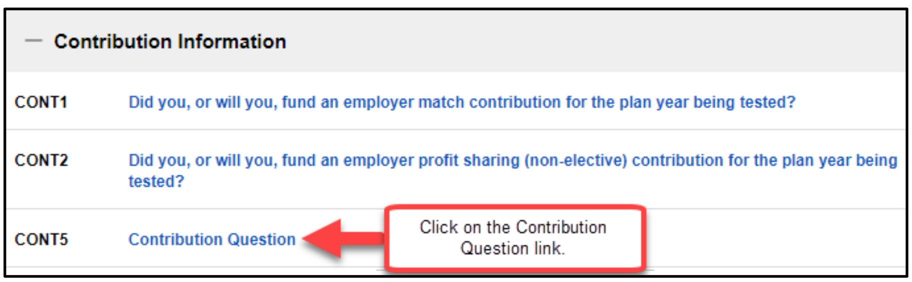


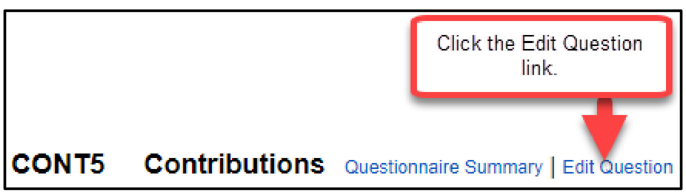


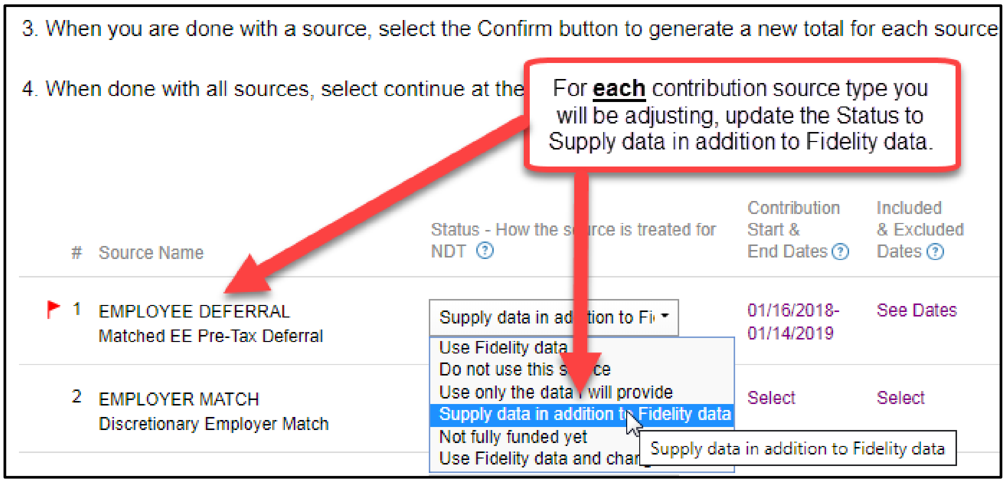
PSW® will process this questionnaire update and return to the validation step. Once the plan returns to the validation step, proceed to step 2.

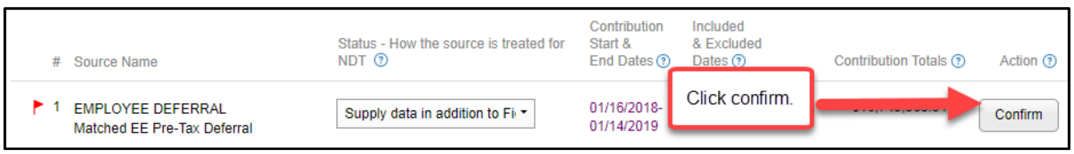
Manually adjust contributions for an employee.

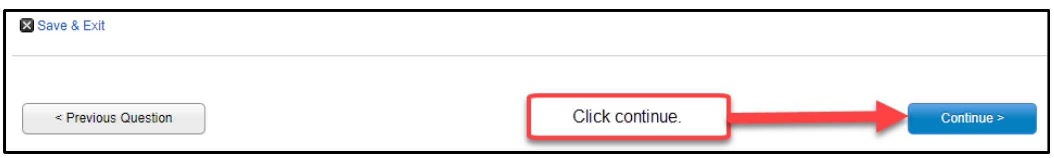
Step 1 of 2:

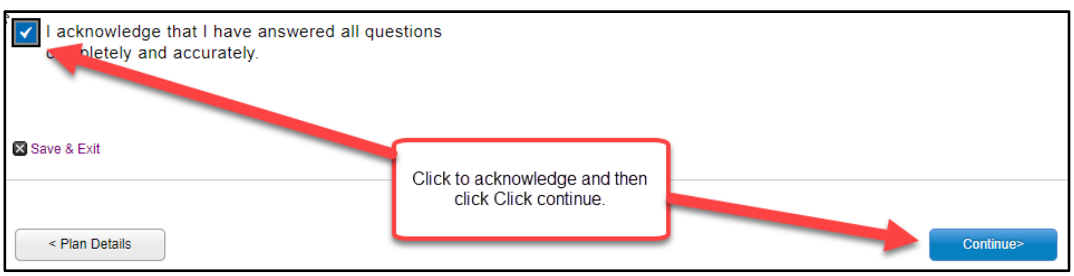






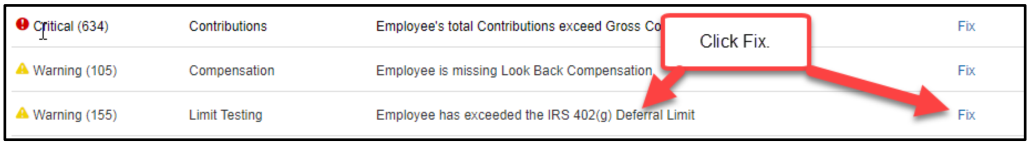




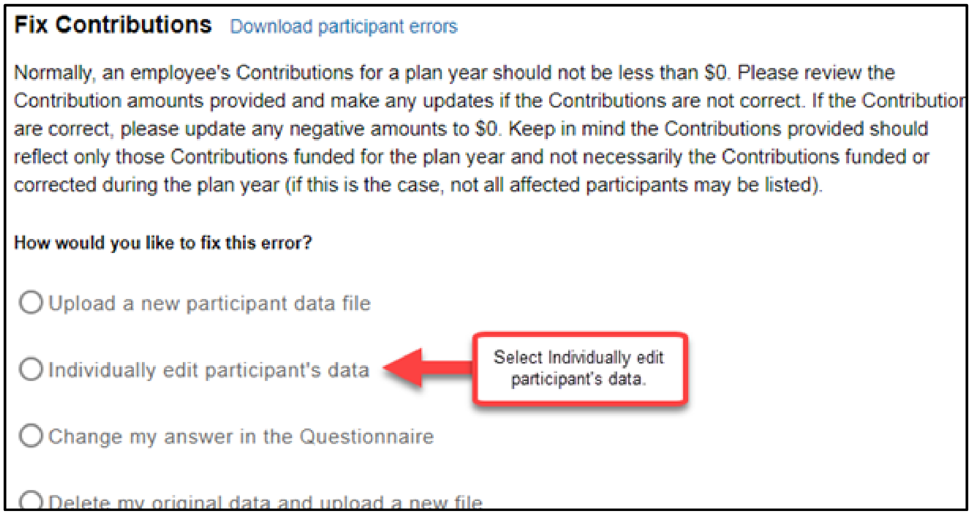


PSW® will process this questionnaire update and return to the validation step. Once the plan returns to the validation step, proceed to step 2.

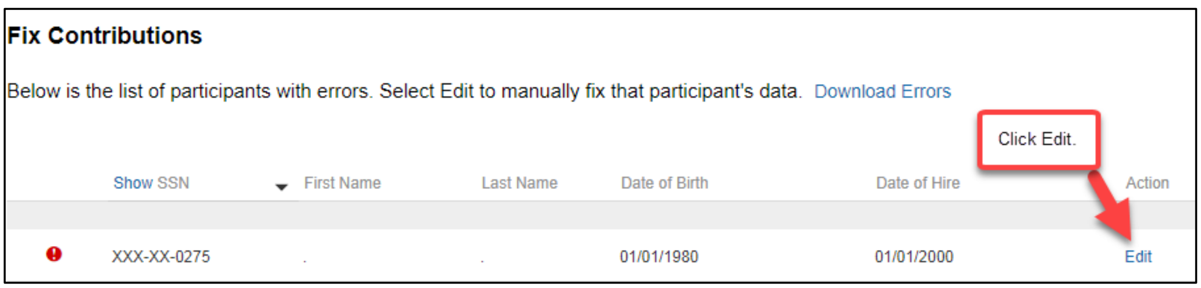
Step 2 of 2:



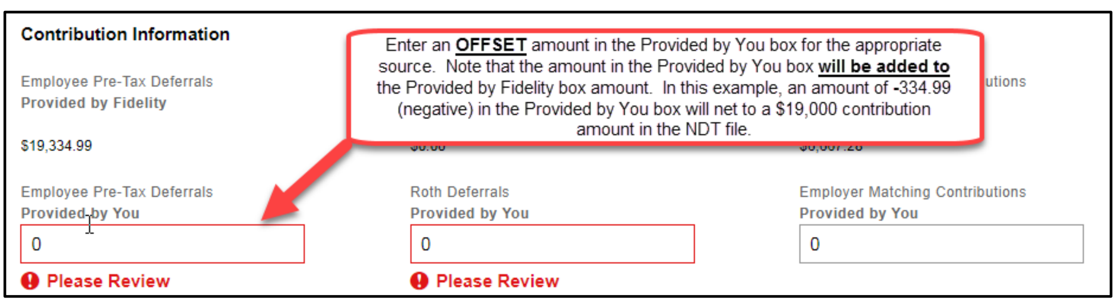
Critical (634) Contributions Employee's total Contributions exceed Gross Co Fix
Warning (105) Compensation Employee is missing Look Back Compensation Fix
Warning (155) Limit Testing Employee has exceeded the IRS 402(g) Deferral Limit Fix
Click Fix.



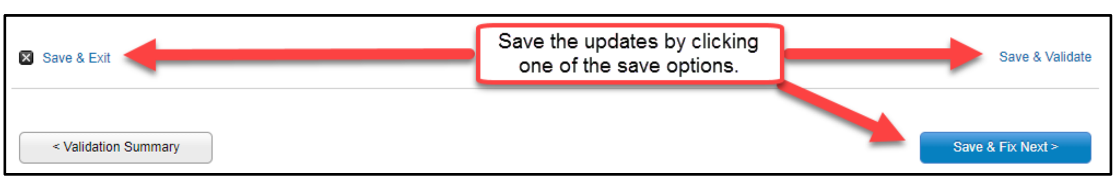
Fix Contributions
Download participant errors
Normally, an employee's Contributions for a plan year should not be less than $0. Please review the Contribution amounts provided and make any updates if the Contributions are not correct. If the Contributior are correct, please update any negative amounts to $0. Keep in mind the Contributions provided should reflect only those Contributions funded for the plan year and not necessarily the Contributions funded or corrected during the plan year (if this is the case, not all affected participants may be listed).
How would you like to fix this error?
Upload a new participant data file
Individually edit participant's data
Select Individually edit participant's data.
Change my answer in the Questionnaire
Delete my original data and upload a new file



Fix Contributions
Below is the list of participants with errors. Select Edit to manually fix that participant's data. Download Errors
Click Edit.
Show SSN
First Name
Last Name
Date of Birth
Date of Hire
Action
XXX-XX-0275
01/01/1980
01/01/2000
Edit

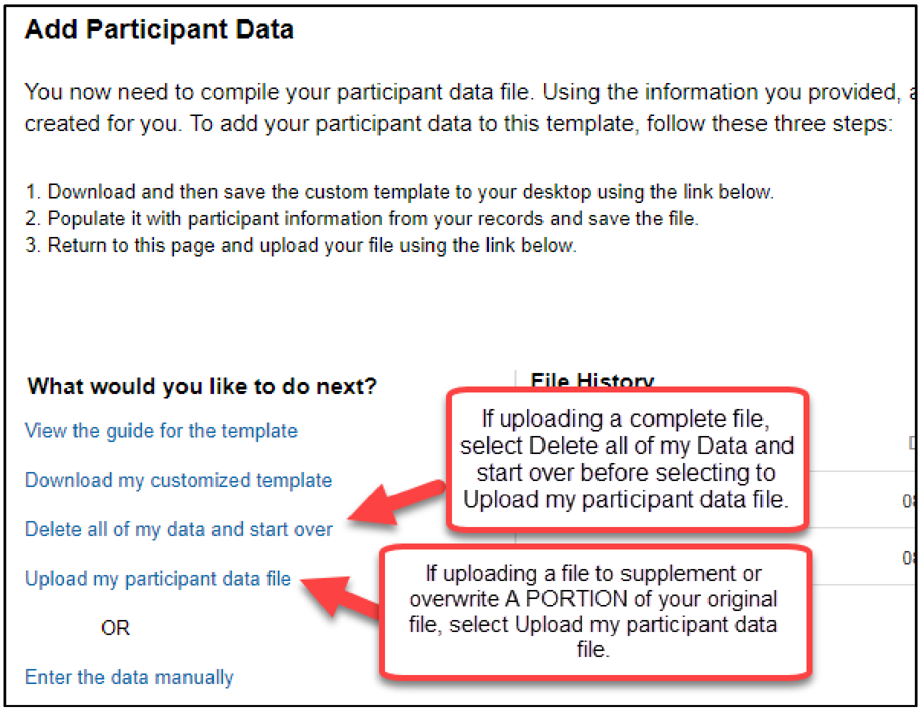


Contribution Information
Employee Pre-Tax Deferrals
Provided by Fidelity
$19,334.99
Enter an OFFSET amount in the Provided by You box for the appropriate source. Note that the amount in the Provided by You box will be added to the Provided by Fidelity box amount. In this example, an amount of -334.99 (negative) in the Provided by You box will net to a $19,000 contribution amount in the NDT file.
Employee Pre-Tax Deferrals
Provided by You
0
Please Review
Roth Deferrals
Provided by You
0
Please Review
Employer Matching Contributions
Provided by You
0

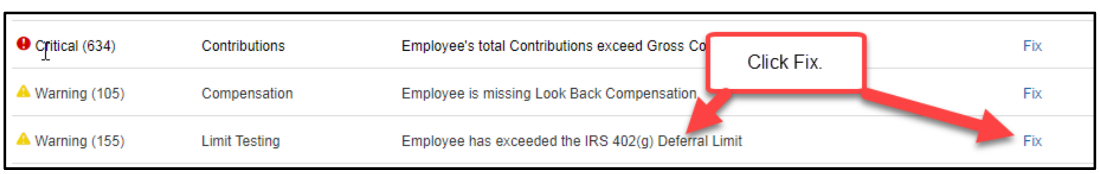


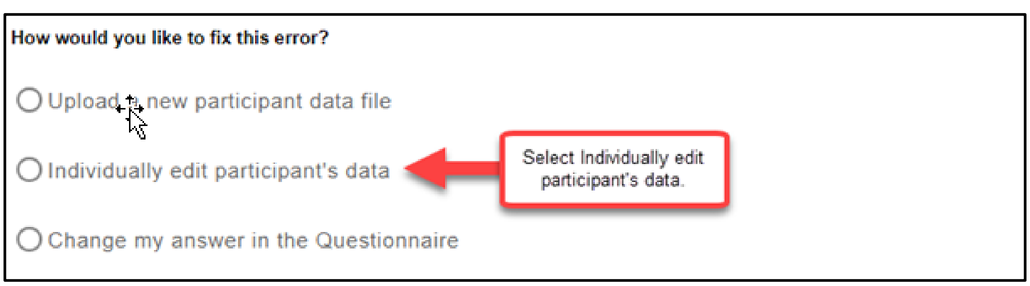
Save & Exit
Save the updates by clicking one of the save options.
Save & Validate
< Validation Summary
Save & Fix Next >

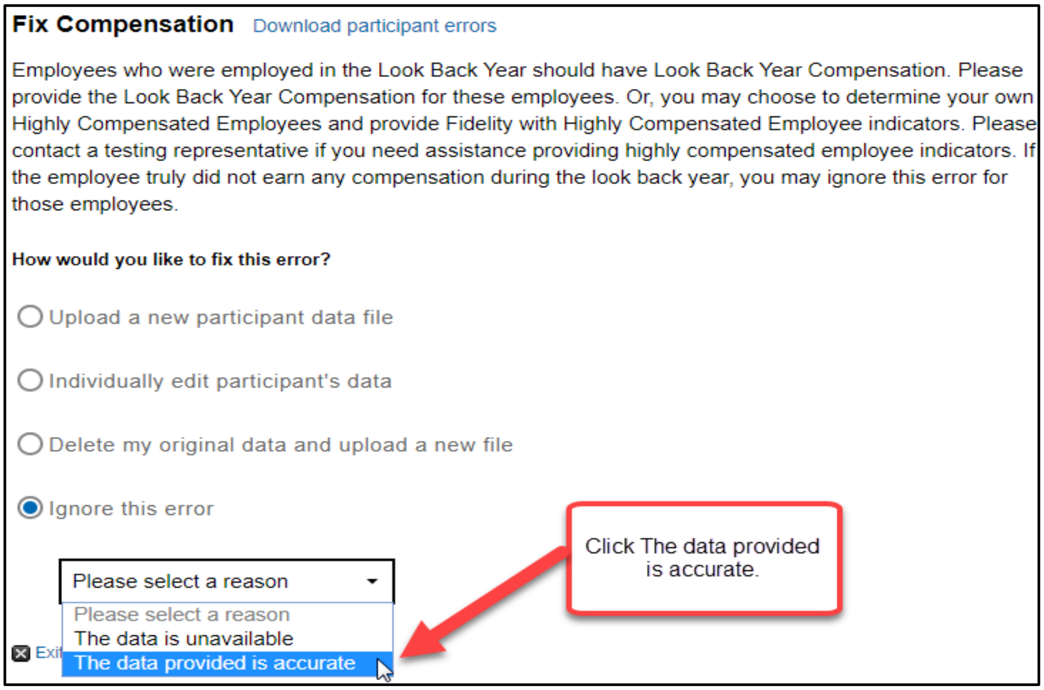
Upload a new participant data file.



Clear this validation.






Fix Compensation
Download participant errors
Employees who were employed in the Look Back Year should have Look Back Year Compensation. Please provide the Look Back Year Compensation for these employees. Or, you may choose to determine your own Highly Compensated Employees and provide Fidelity with Highly Compensated Employee indicators. Please contact a testing representative if you need assistance providing highly compensated employee indicators. If the employee truly did not earn any compensation during the look back year, you may ignore this error for those employees.
How would you like to fix this error?
Upload a new participant data file
Individually edit participant's data
Delete my original data and upload a new file
Ignore this error
Please select a reason
Please select a reason
The data is unavailable
The data provided is accurate
Click The data provided is accurate.

Social Security Number is listed more than once.

What Happened?

- SSNs were listed in multiple rows in your uploaded data file(s).

  Monetary amounts in multiple rows in the uploaded file have been combined. Non-monetary information (Name, dates, eligibility, etc.) from the last row for the SSN will be used.

The Fix

- This is accurate. I need to ignore the warning.
- I need to individually update the information for the impacted employees.
- I need to upload an updated data file.

!

***IMPORTANT TIP**: Listing an employee more than once on the data file can cause the doubling of compensation and contributions.*

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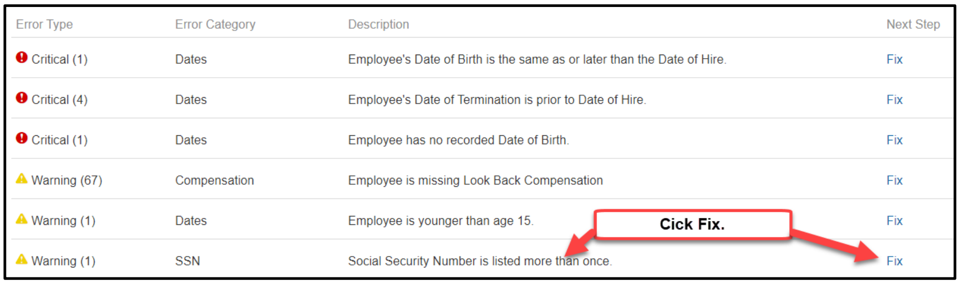
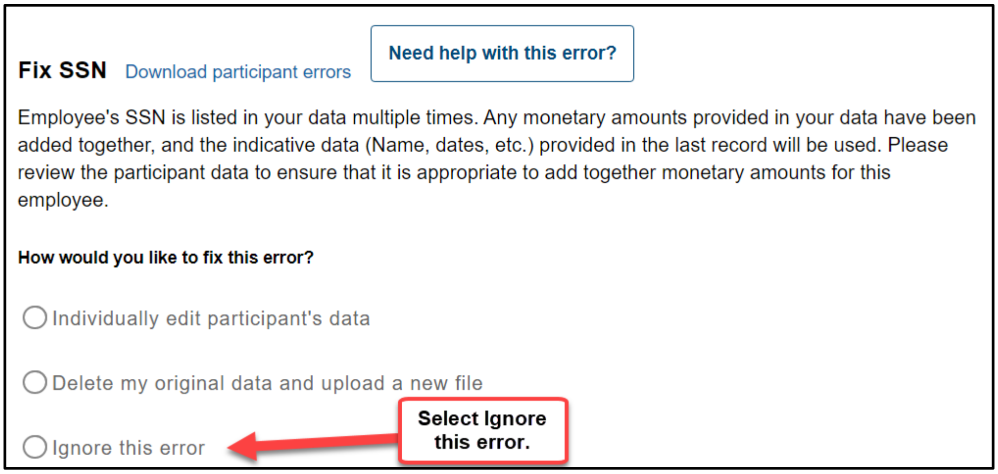
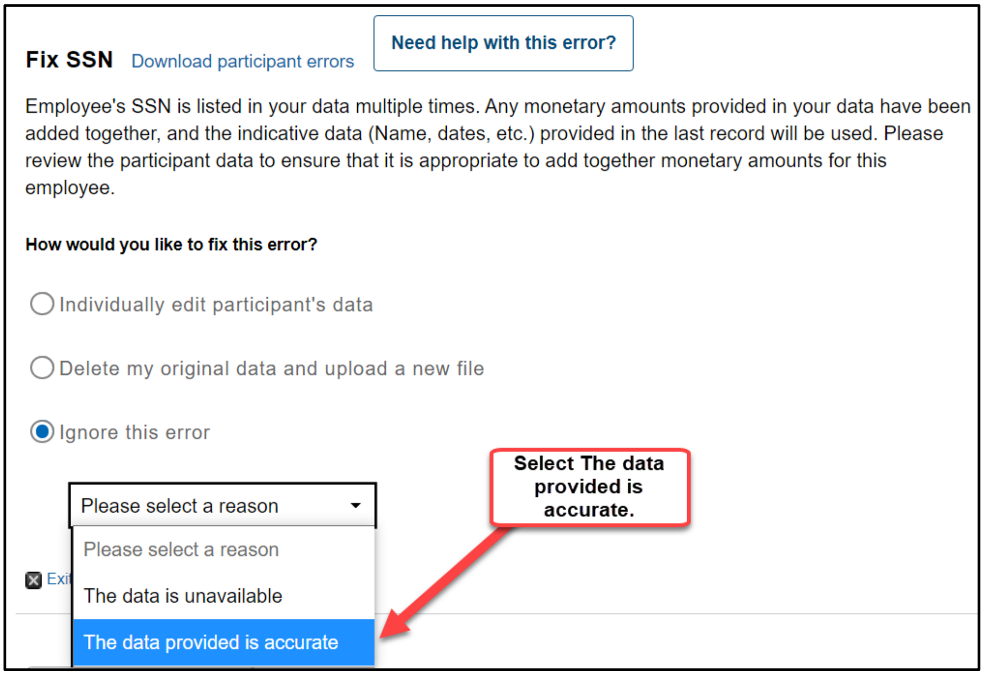
Ignore the warning.

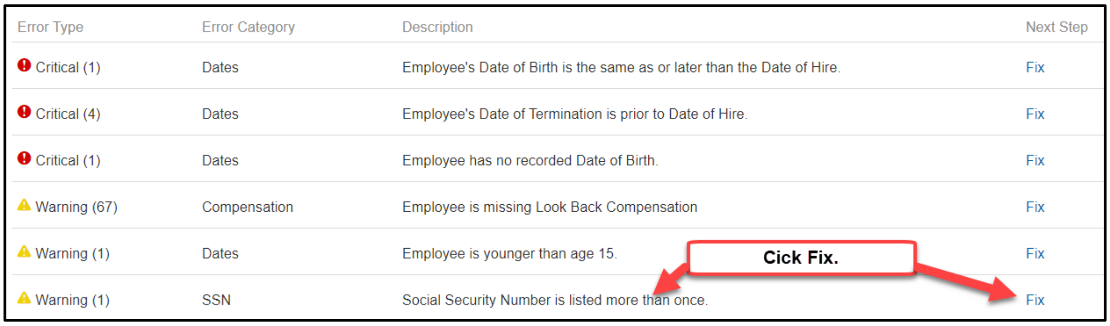


Error Type	Error Category	Description	Next Step
Critical (1)	Dates	Employee's Date of Birth is the same as or later than the Date of Hire.	Fix
Critical (4)	Dates	Employee's Date of Termination is prior to Date of Hire.	Fix
Critical (1)	Dates	Employee has no recorded Date of Birth.	Fix
Warning (67)	Compensation	Employee is missing Look Back Compensation	Fix
Warning (1)	Dates	Employee is younger than age 15.	Fix
Warning (1)	SSN	Social Security Number is listed more than once.	Fix



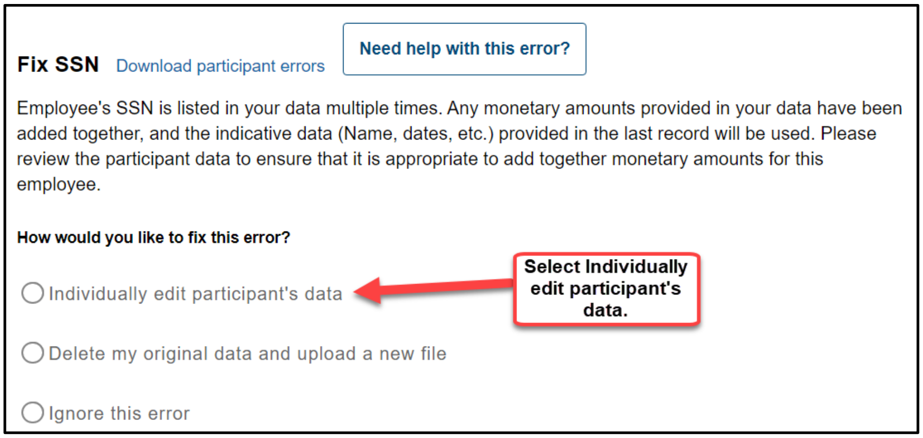


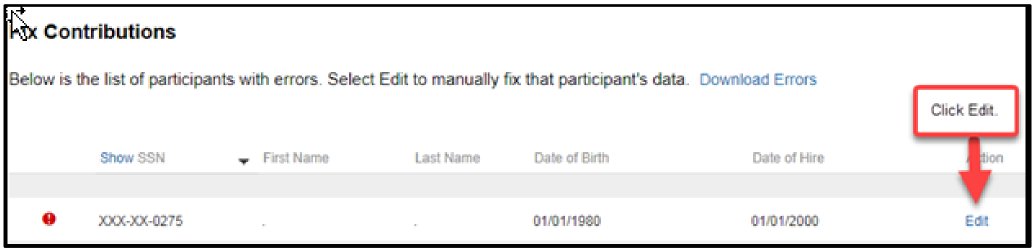
Individually update the information for the Employees.

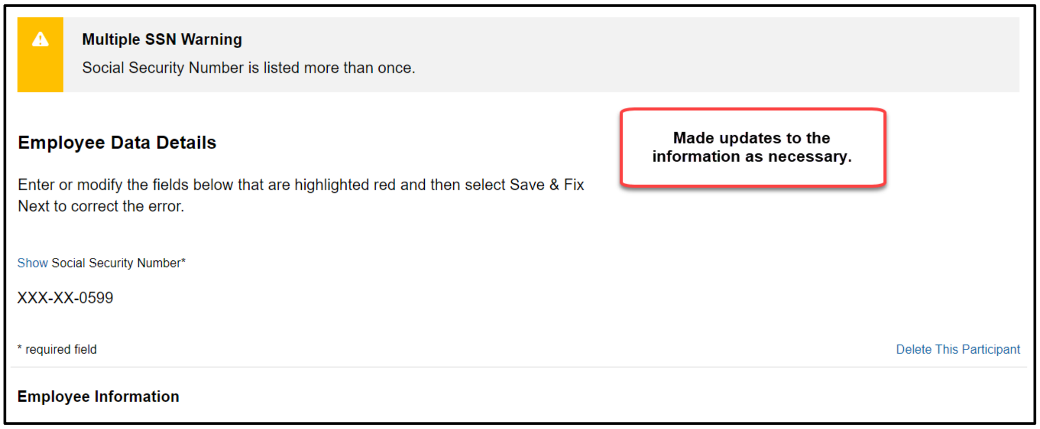


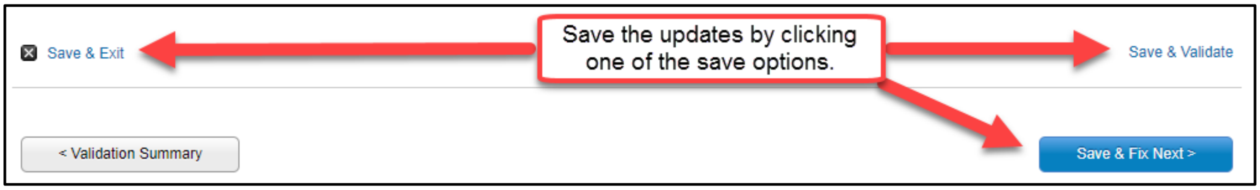
Error Type	Error Category	Description	Next Step
Critical (1)	Dates	Employee's Date of Birth is the same as or later than the Date of Hire.	Fix
Critical (4)	Dates	Employee's Date of Termination is prior to Date of Hire.	Fix
Critical (1)	Dates	Employee has no recorded Date of Birth.	Fix
Warning (67)	Compensation	Employee is missing Look Back Compensation	Fix
Warning (1)	Dates	Employee is younger than age 15.	Fix
Warning (1)	SSN	Social Security Number is listed more than once.	Fix

Cick Fix.



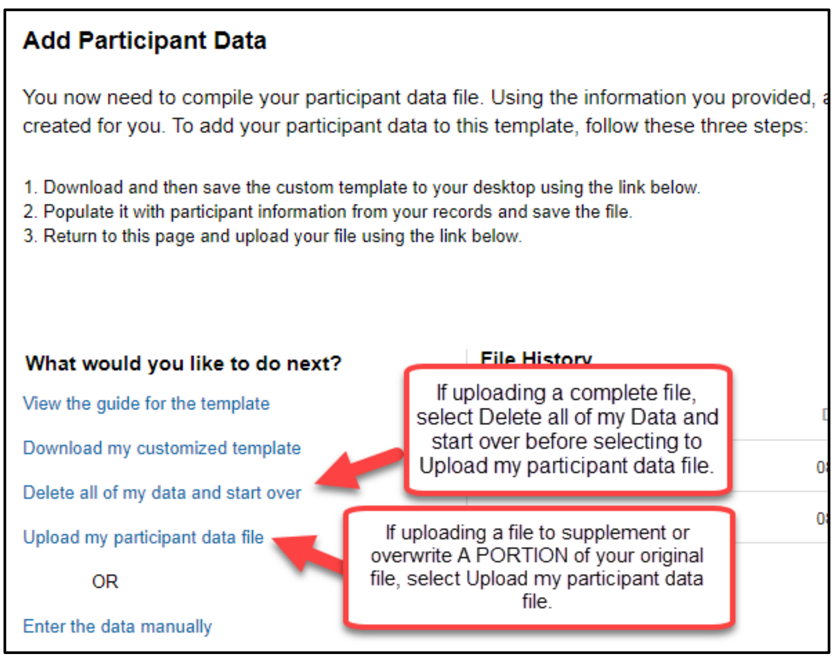






NOTE: *We recommend only clicking the "Save and Validate" link once ALL updates have been made.*

Upload a new file.



Employee's total contributions exceed Gross Compensation.

What Happened?

- The excess amounts tie to payroll reports and are accurate. This will result in a failing 415(c) Annual Additions Test. The excess contributions will need to be included in the tests and refunded from the participant accounts. You will initiate the correction in PSW® once the test results are finalized and published for your review if they have not already been corrected.
- Contributions were pulled from Fidelity deposits per the deposit dates selected in the NDT questionnaire- question CONT5, and a contribution for a plan year other than the tested plan year is included in the deposit dates.
- The contributions were funded to a BAD SSN.
- Employees were missing from your uploaded file that had contributions pulled from Fidelity deposits per the deposit dates selected in the NDT questionnaire- question CONT5.

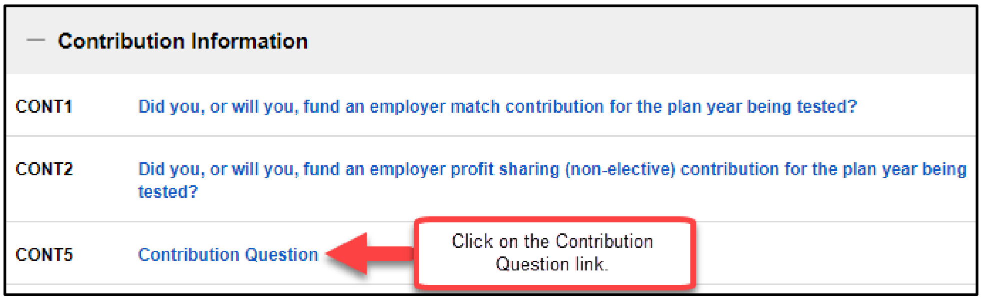
The Fix

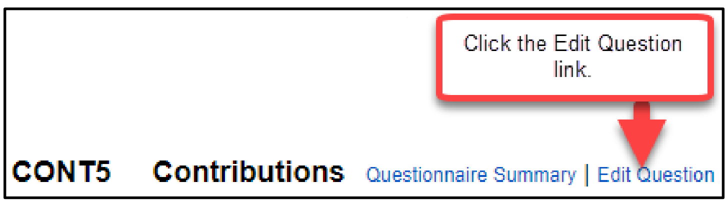
- I need to remove a deposit date applicable solely to a prior year from question CONT5.
- Contributions need to be moved from a BAD SSN to the good SSN.
- I need to adjust contributions for these employees since a prior year contribution adjustment was included with a contribution deposit for the tested plan year.
- I need to upload a revised NDT file.
  - *Important Note: If participants were missing from your original file, ALL data in your original upload file will need to be added, not just compensation.*
- Manually update compensation.
- The excess amounts are accurate. I need to clear this validation.

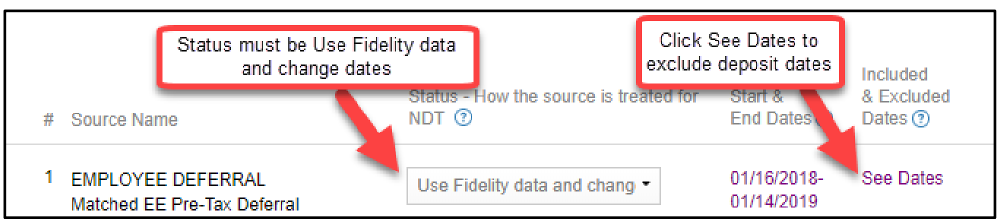
!

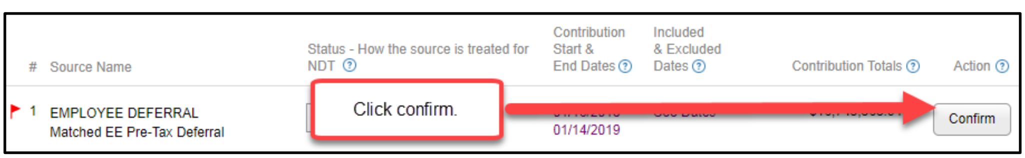
TIP: *You cannot delete contributions pulled from Fidelity deposits without updating the questionnaire. The delete participant link will NOT remove these contributions.*

Remove a deposit date applicable solely to a prior year from CONT5.









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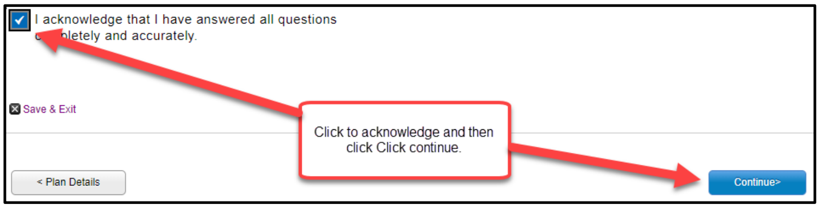


PSW® will process this questionnaire update and return to the validation step.

Contributions need to be moved from a BAD SSN to the good SSN.

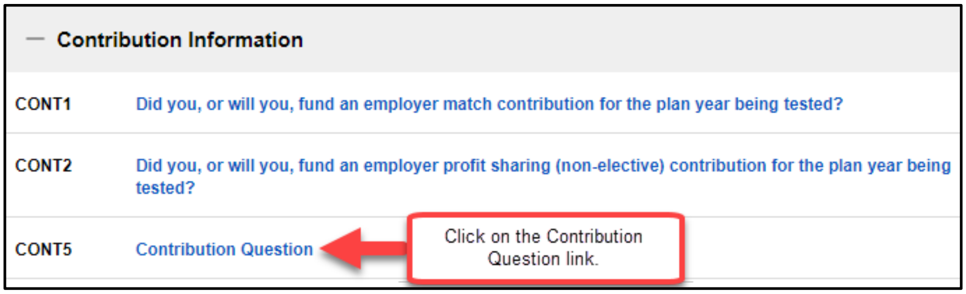
Enter the BAD SSN and related GOOD SSN in an NDT PSW® Service request. A Fidelity Testing & Reporting Services associate will clear the error and make the adjustments.

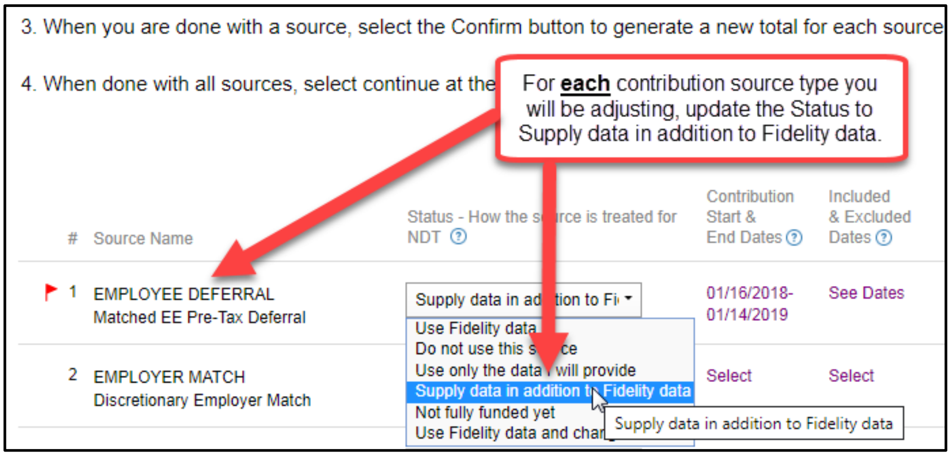
Note: This will only update the NDT file. Please contact your Client Service Manager for assistance with updating the employee account if this has not yet occurred.

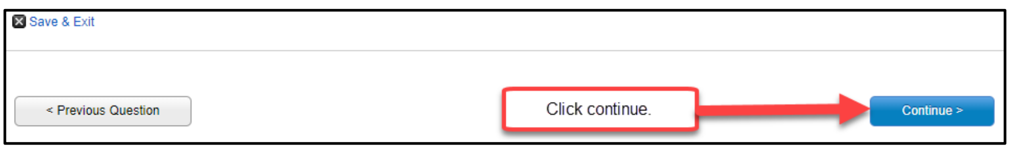
I need to adjust contributions for these employees since a prior year contribution adjustment was included with a contribution deposit for the tested plan year.

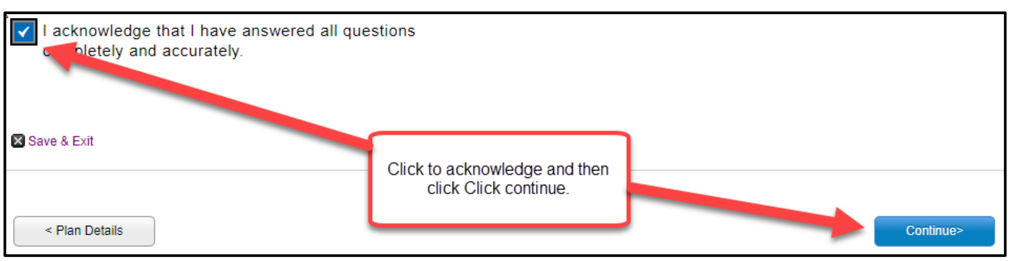
NOTE: You can enter a PSW® NDT Service Request with details on the adjustment needed per participant in lieu of completing the steps outlined below. We will clear the error and make the adjustment(s) in your NDT file.

Step 1 of 2:



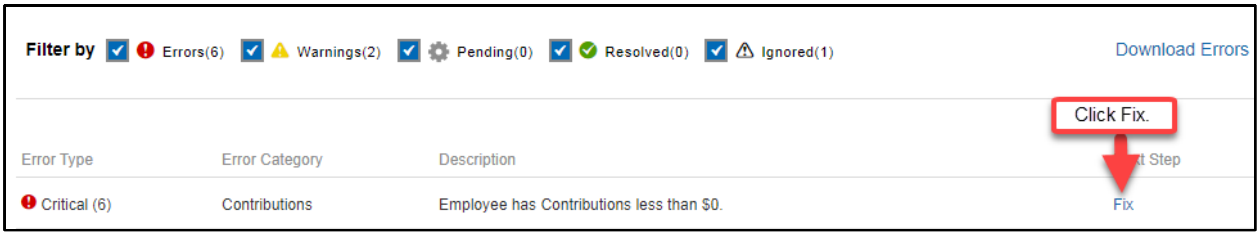


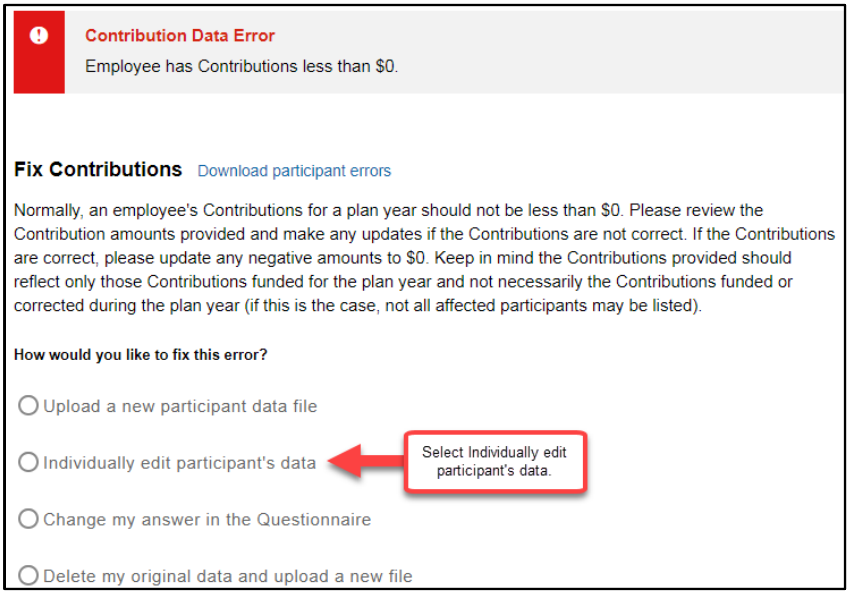


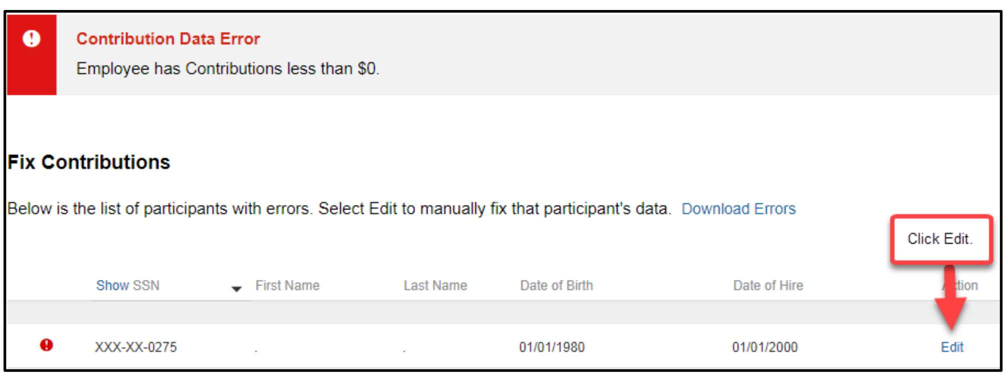


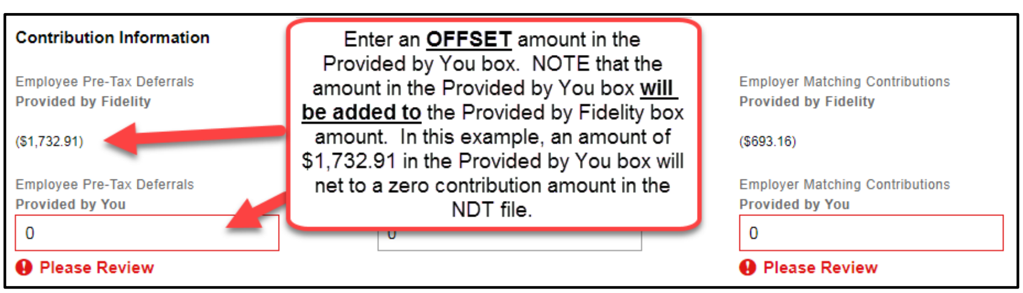
PSW® will process this questionnaire update and return to the validation step. Once the plan returns to the validation step, proceed to step 2.

Step 2 of 2:

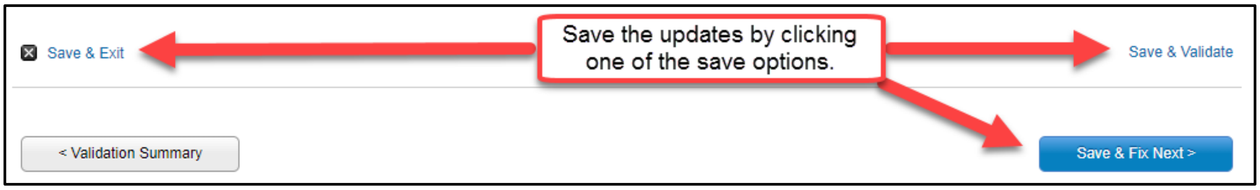








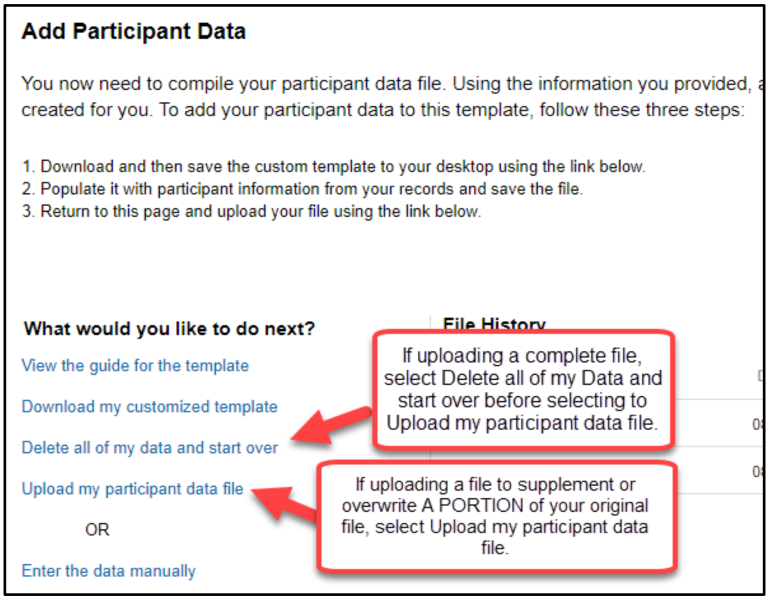
Fidelity INVESTMENTS



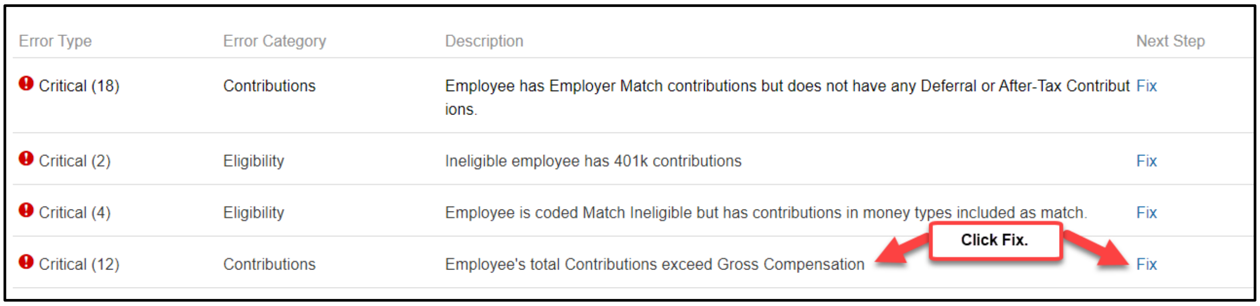
!

NOTE: *We recommend only clicking the 'Save and Validate' link once ALL updates have been made.*

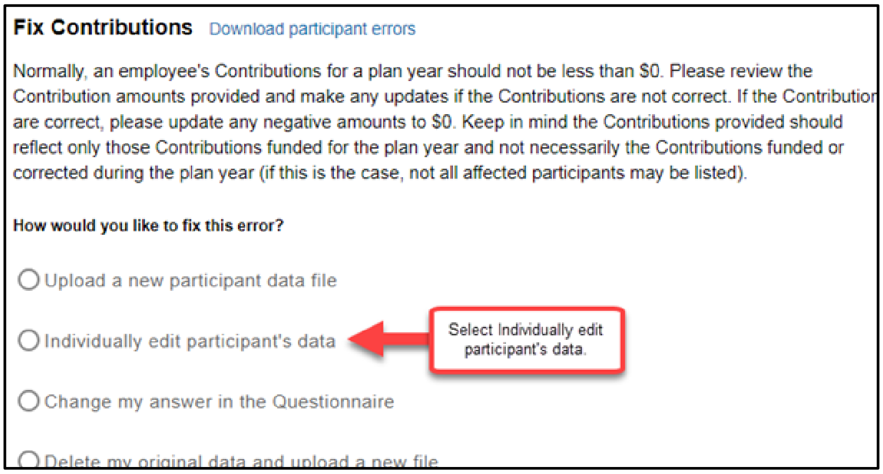
Upload a New Participant Data File.

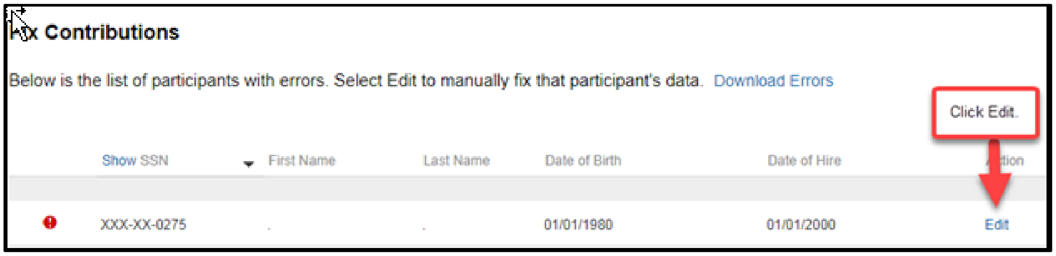


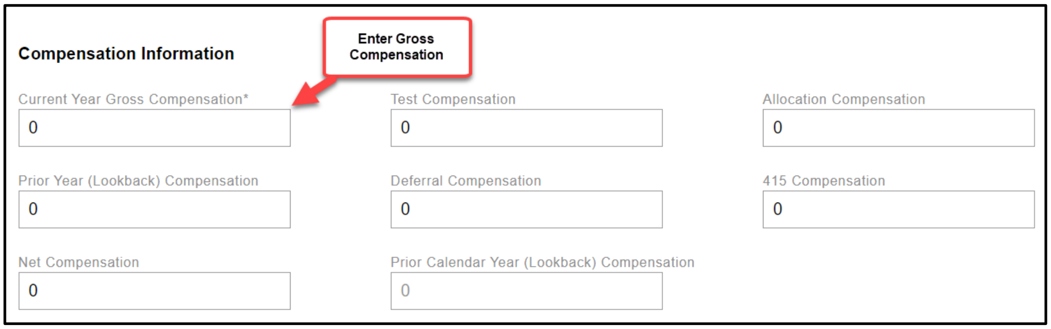
Manually update Compensation.

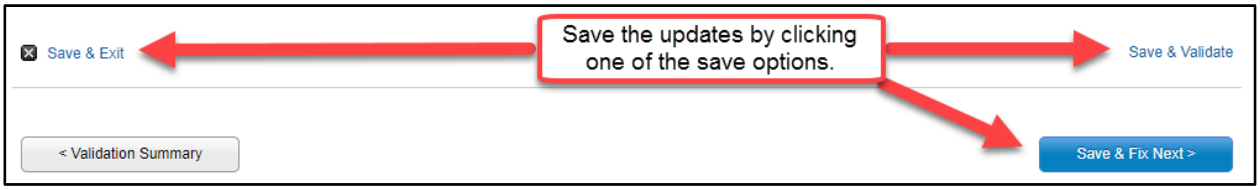


Error Type	Error Category	Description	Next Step
Critical (18)	Contributions	Employee has Employer Match contributions but does not have any Deferral or After-Tax Contributions.	Fix
Critical (2)	Eligibility	Ineligible employee has 401k contributions	Fix
Critical (4)	Eligibility	Employee is coded Match Ineligible but has contributions in money types included as match.	Fix
Critical (12)	Contributions	Employee's total Contributions exceed Gross Compensation	Fix





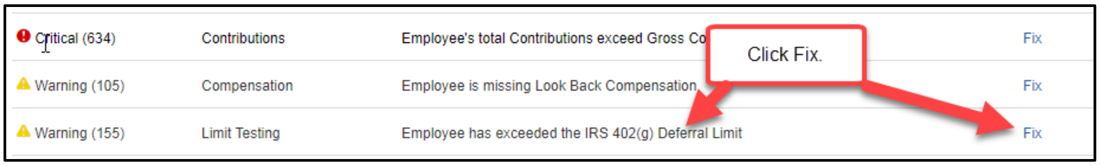


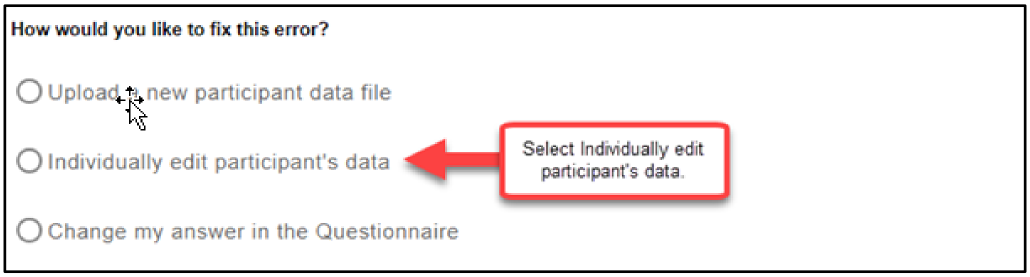


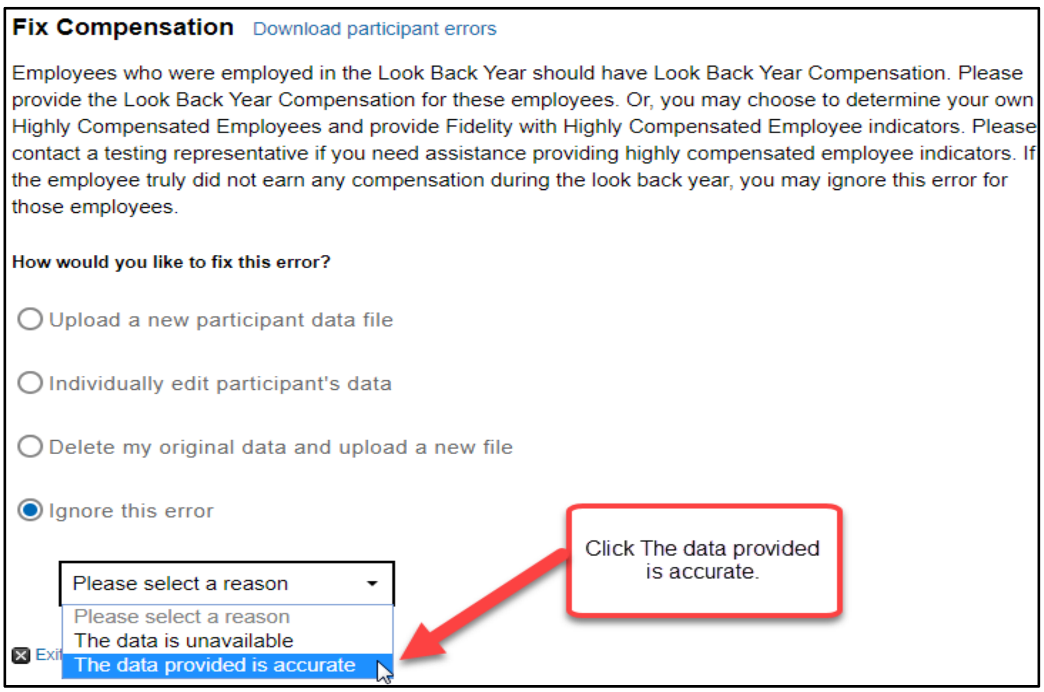
!

NOTE: *We recommend only clicking the 'Save and Validate' link once ALL updates have been made.*

Clear this validation.







Non-Elective Allocation Group Code has not been provided.

What Happened?

- Fidelity is calculating your Employer Non-Elective allocation and the allocation formula may vary by group.
- Please provide a Non-Elective Allocation Group Code for each employee to indicate which allocation formula each employee should receive.

> **!** ***VALUABLE TIP:*** *If Fidelity will not be calculating the Non-Elective allocation, you may enter 1 for all employees for the Non-Elective Allocation Group Code.*

- This can be done by uploading an additional data file with the SSN and Non-Elective Allocation Group Code or manually updating each employee.

The Fix

- Update the group code for each employee.
- If all employees are part of their own group, then number each employee as a separate number. Alternatively, you may number employees who you want to receive the same percentage profit sharing contribution with the same code.

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Employee has Contributions less than $0.00

What Happened?

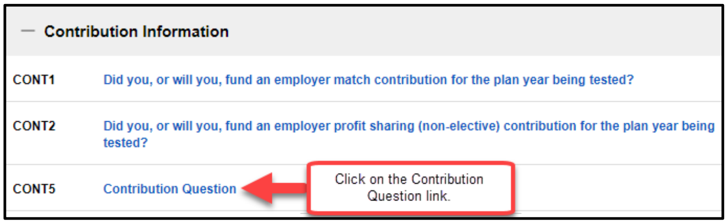
The validation generally appears for one of the following reasons.

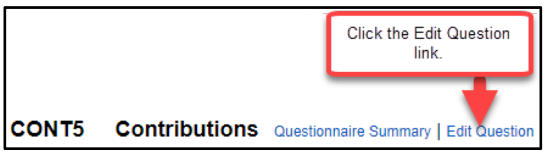
- Contributions were not included in your uploaded file, and a contribution adjustment for a plan year other than the tested plan year is included in the deposit dates selected in the NDT questionnaire- question CONT5.
- The contributions in your uploaded file are negative.

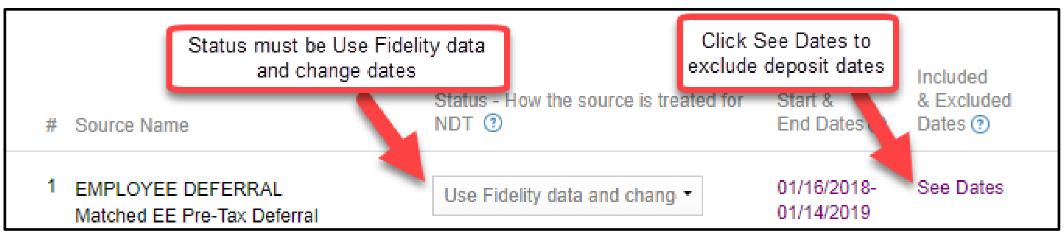
The Fix

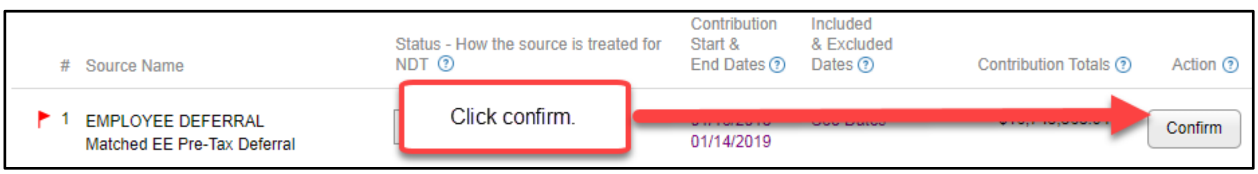
- I need to remove a deposit date applicable solely to a prior year from question CONT5.
- I need to adjust contributions for these employees since a prior year contribution adjustment was included with a contribution deposit for the tested plan year..
- I need to upload a revised NDT file.

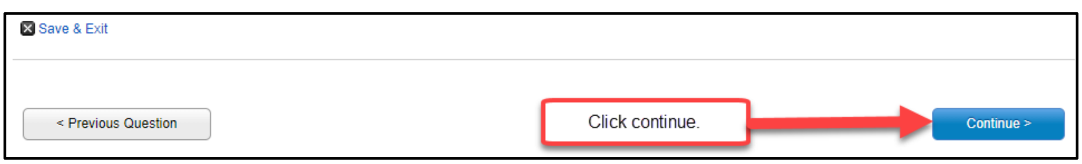
Remove a deposit date applicable solely to a prior year from CONT5.

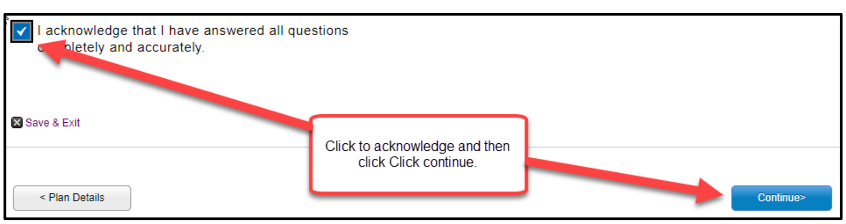








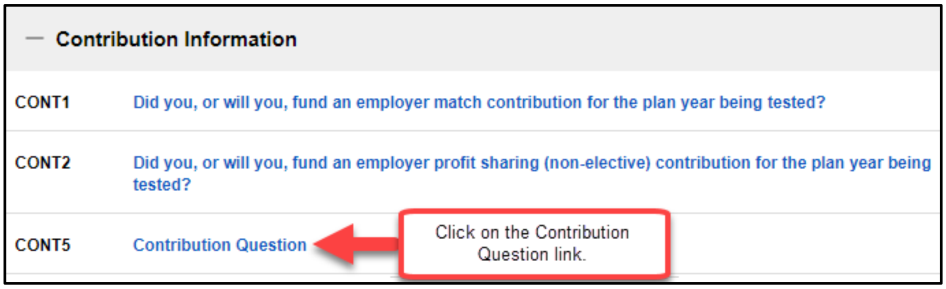


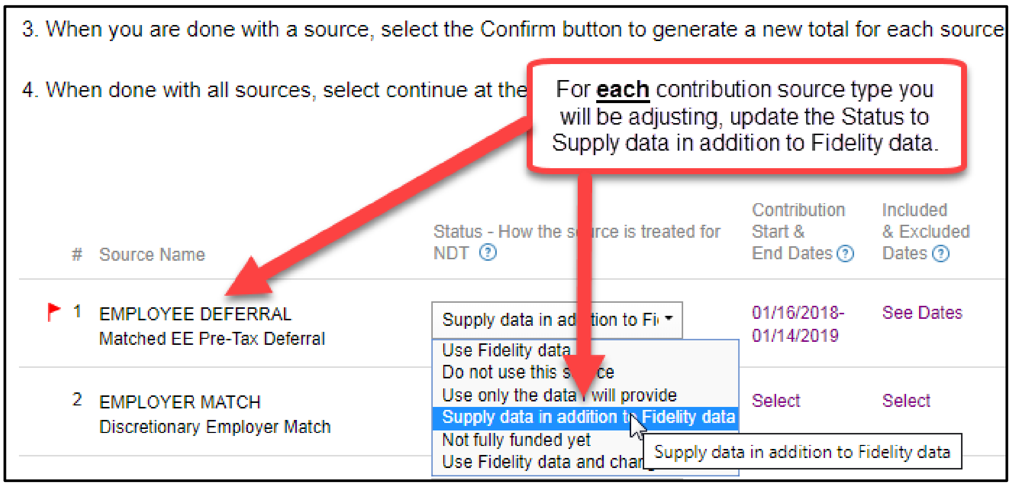


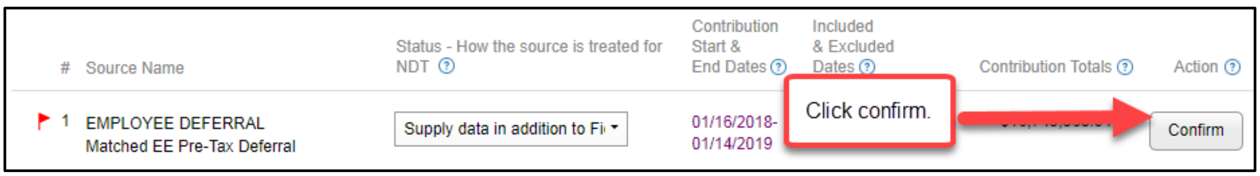
PSW® will process this questionnaire update and return to the validation step.

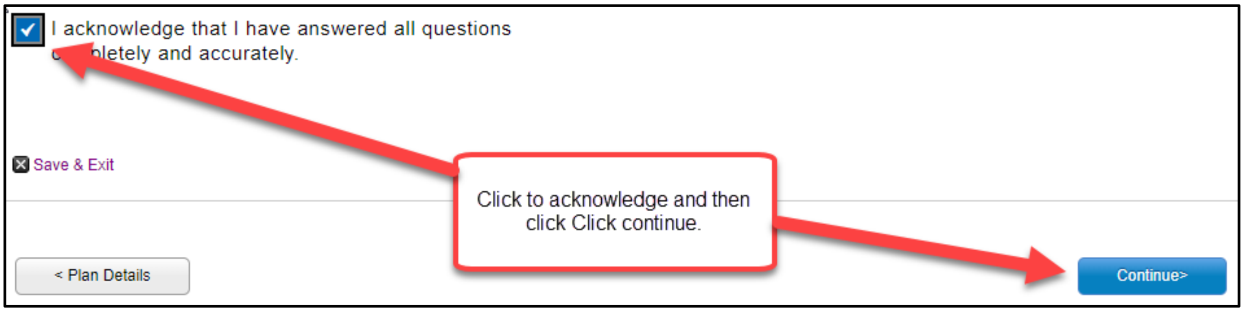
Make adjustments to the Fidelity contribution deposit detail for one or more employees.

Step 1 of 2:



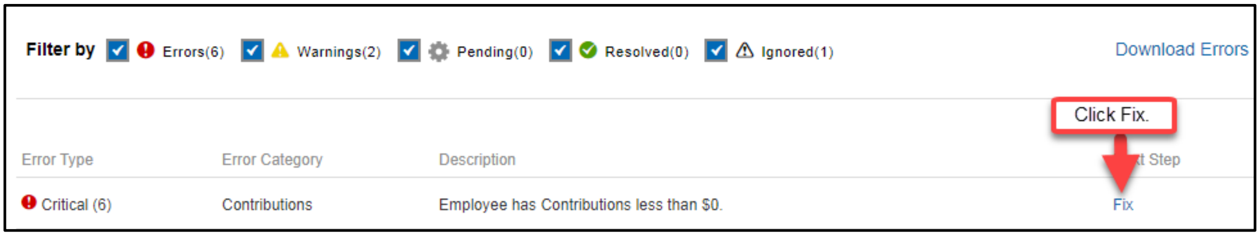


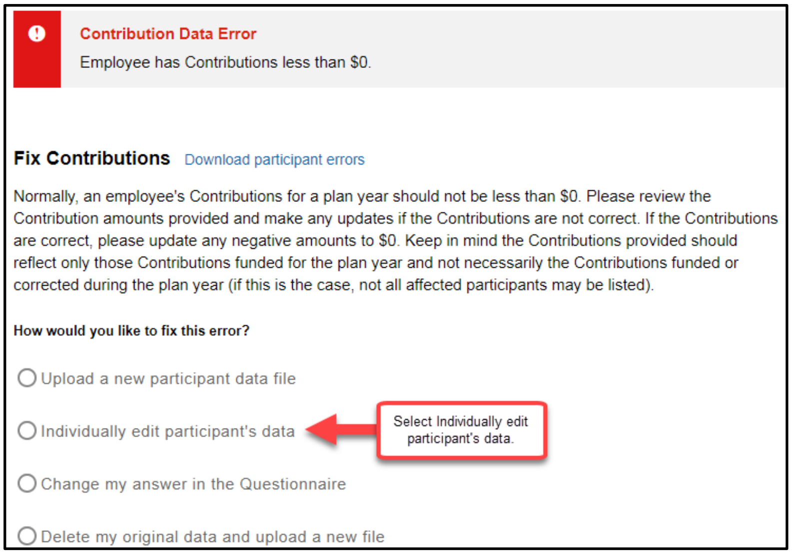


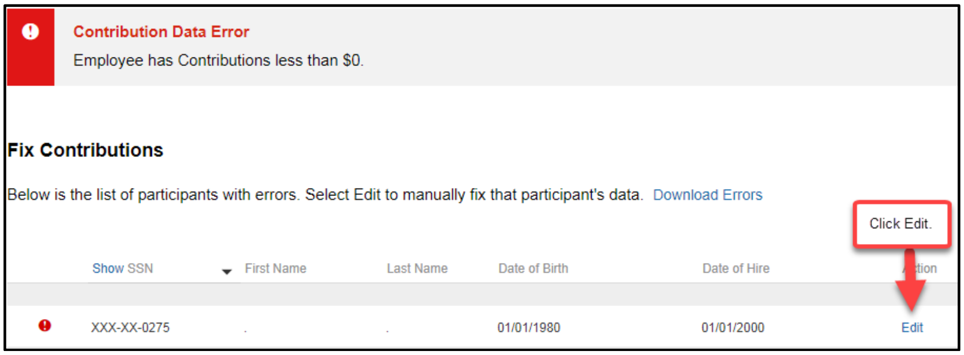


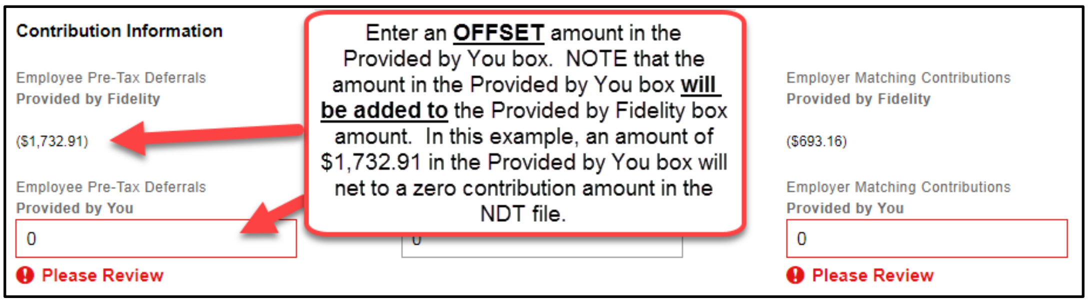
PSW® will process this questionnaire update and return to the validation step. Once the plan returns to the validation step, proceed to step 2.

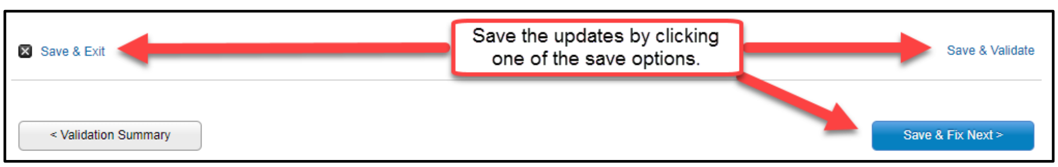
Step 2 of 2:











!

TIP: *Click 'Save & Validate' only after ALL updates have been made; otherwise, PSW® will run error check and cause delays.*

Employee has no recorded Date of Birth

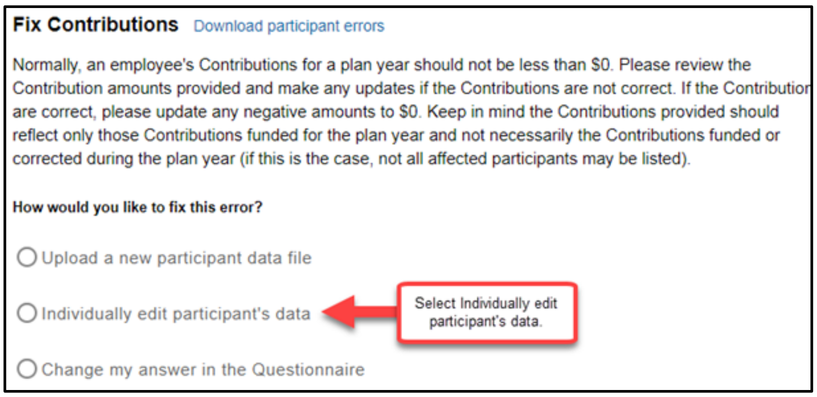
What Happened?

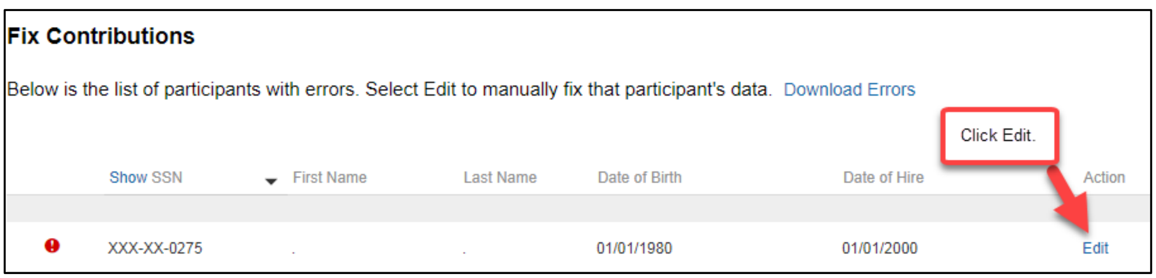
- This validation appears when an employee is missing a date of birth.

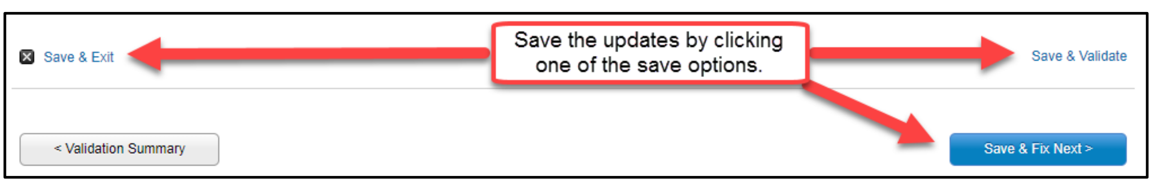
The Fix

- Manually add the date of birth.
- Upload a file containing the missing date of birth.

Manually Add the Date of Birth







!

TIP: *Click 'Save & Validate' only after ALL updates have been made; otherwise, PSW® will run error check and cause delays.*

Employee has no recorded Date of Hire

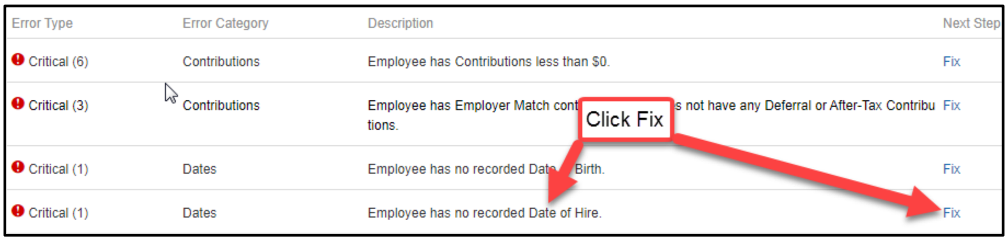
What Happened?

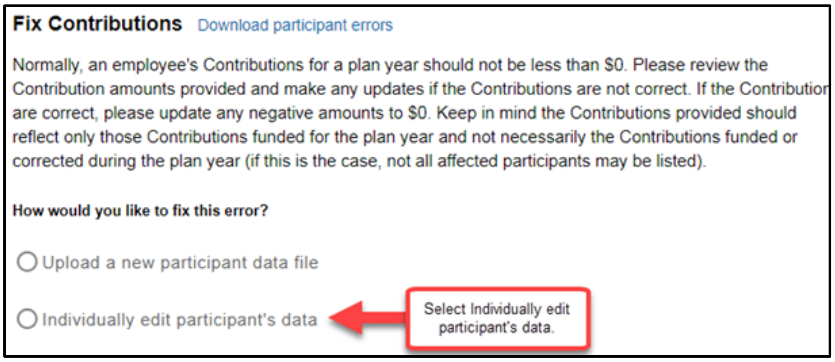
- This validation appears when an employee is missing a date of hire.

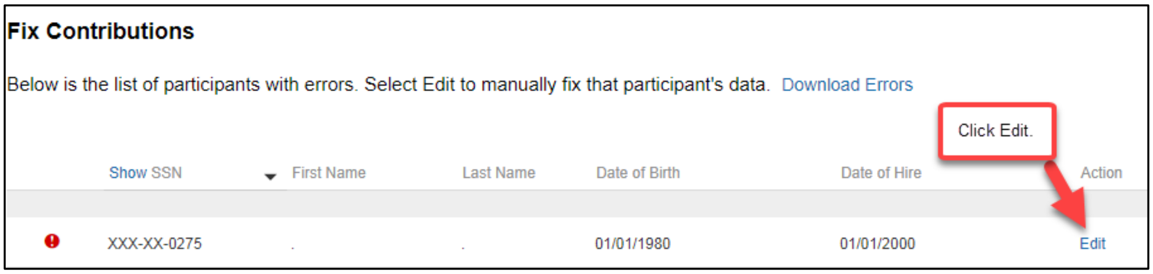
The Fix

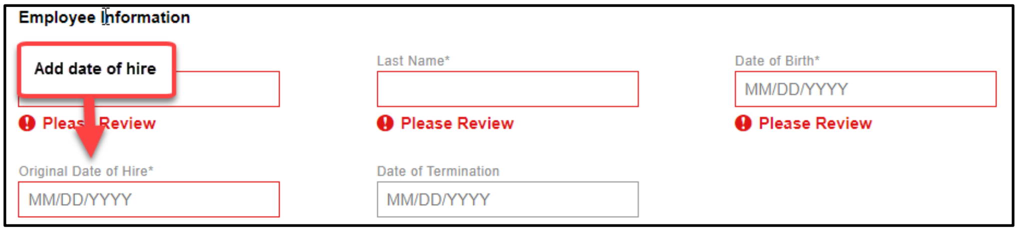
- [Manually add the date of hire.]
- [Upload a file containing the missing date of hire].

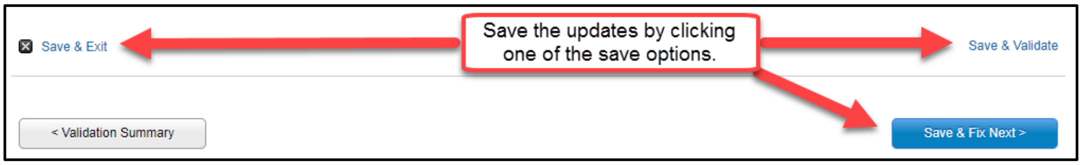
Manually Add the date of hire.





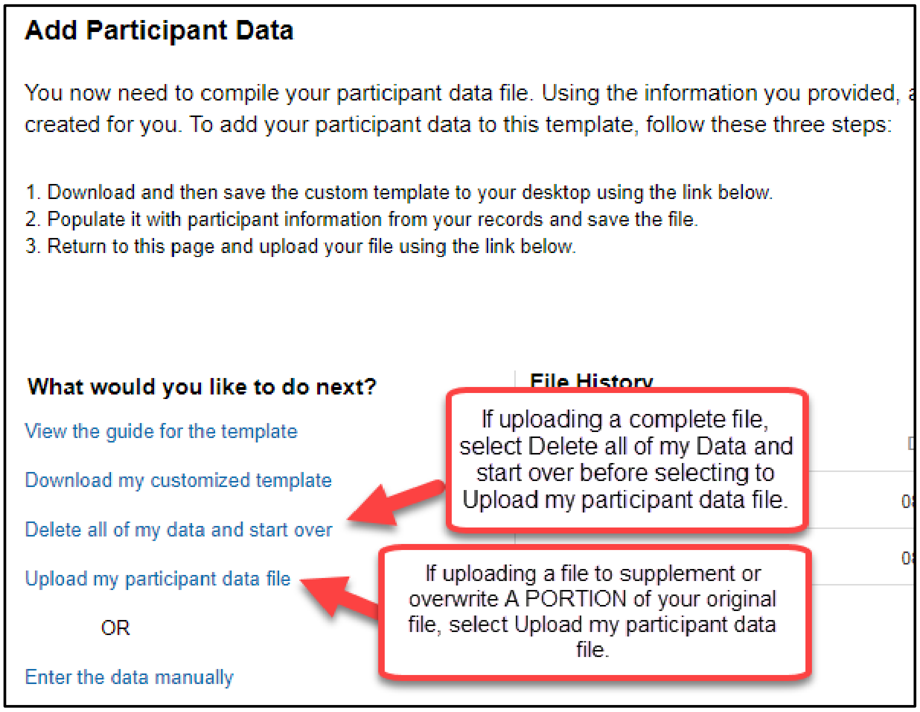






! ***TIP:*** *Click 'Save & Validate' only after ALL updates have been made; otherwise, PSW® will run error check and cause delays.*

Upload a file containing date of hire.



Employee does not have a first name provided.

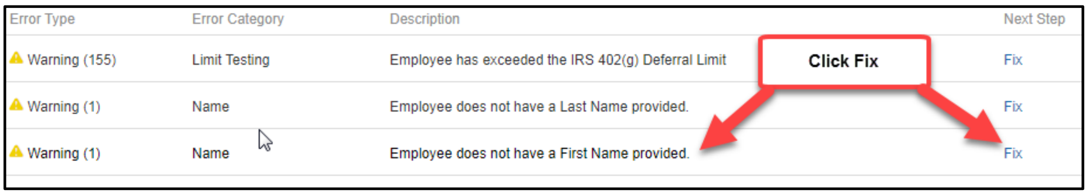
What Happened?

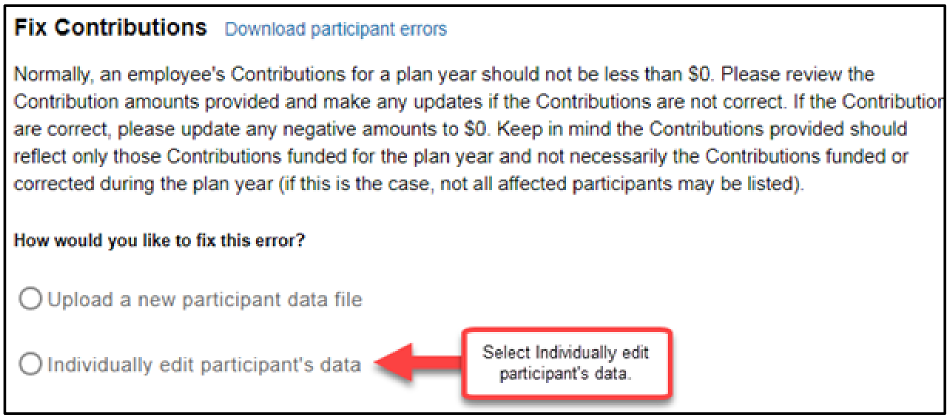
- This validation appears when an employee first name is not provided.

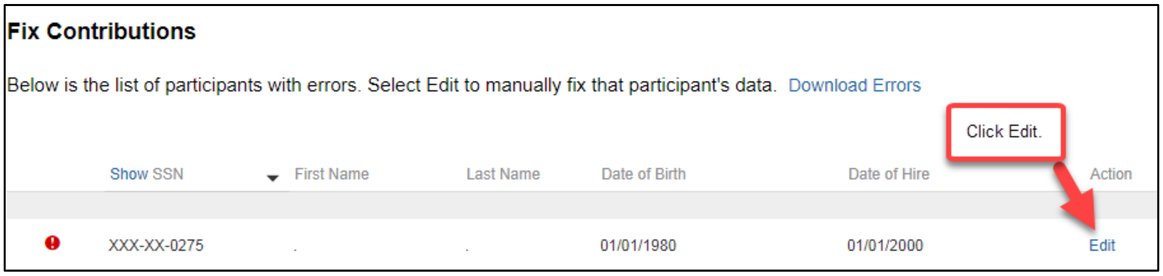
The Fix

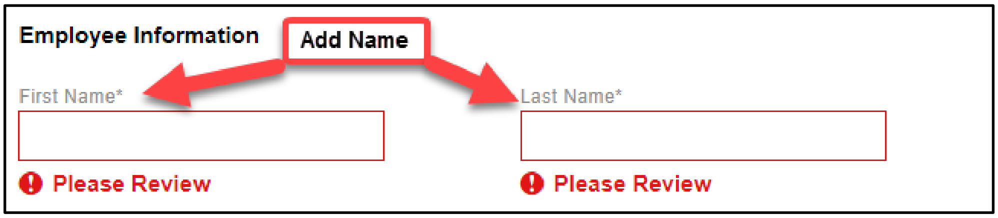
- Manually add the participant name.
- Upload a file containing the missing participant name.

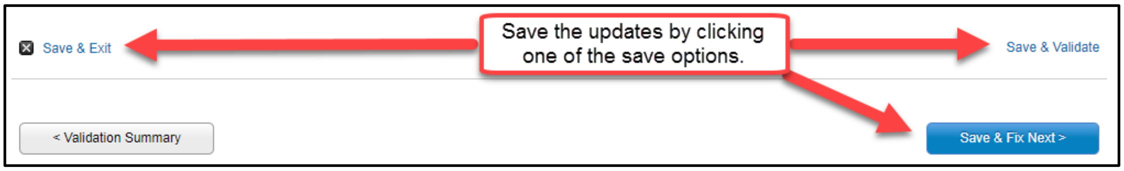
Manually add the first name.







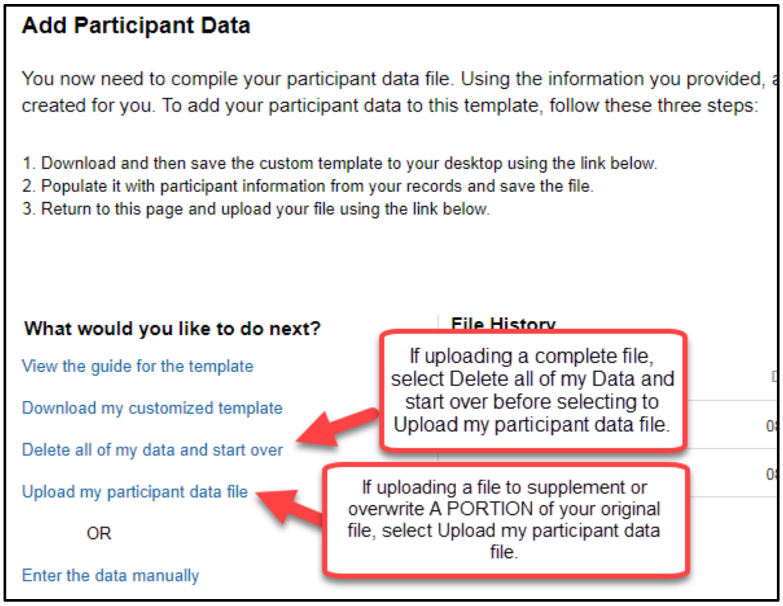




!

TIP: *Click 'Save & Validate' only after ALL updates have been made; otherwise, PSW® will run error check and cause delays.*

Upload a file containing missing information.



Employee does not have a last name provided.

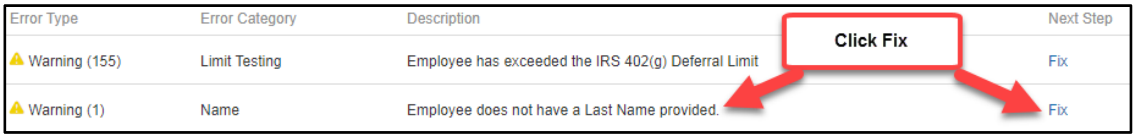
What Happened?

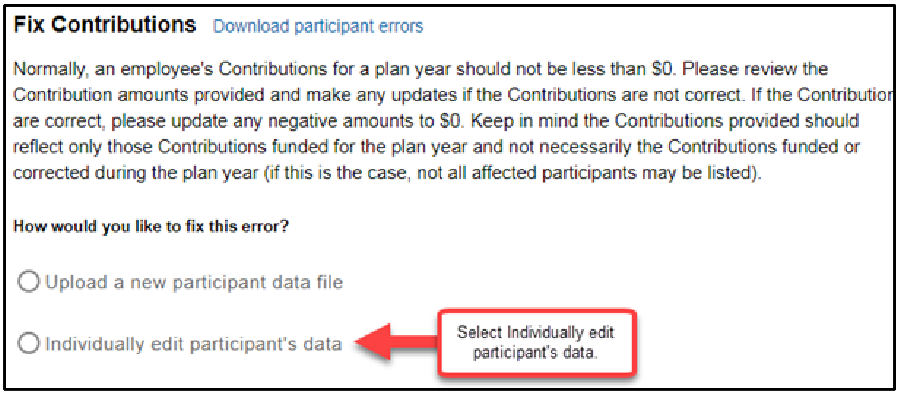
- This validation appears when an employee name is not provided.

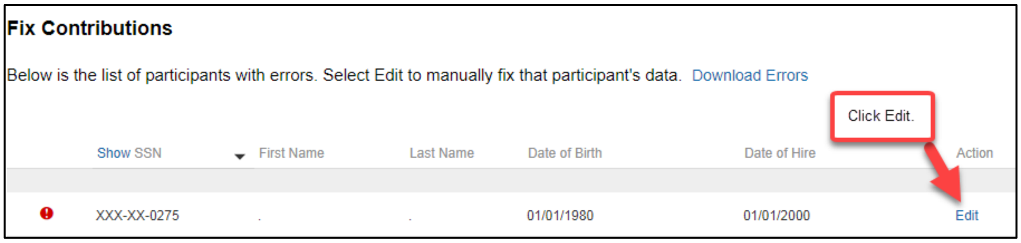
The Fix

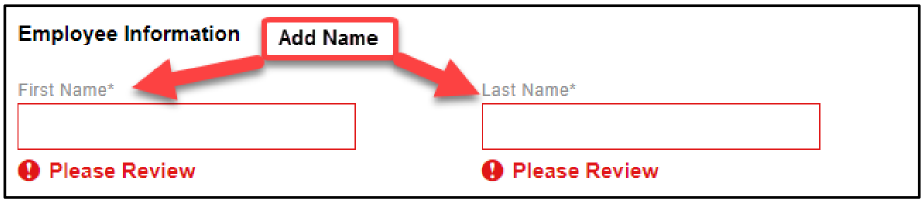
- [Manually add the participant name.]
- [Upload a file containing the missing participant name.]

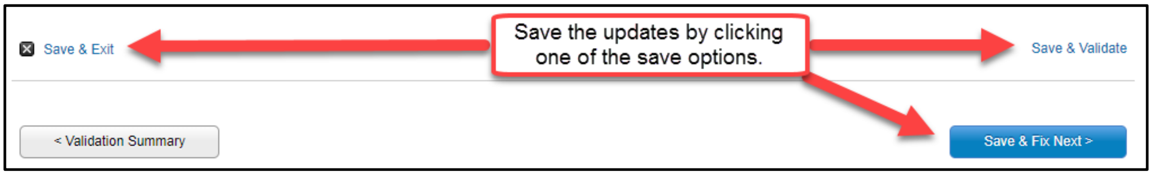
Manually add the last name.





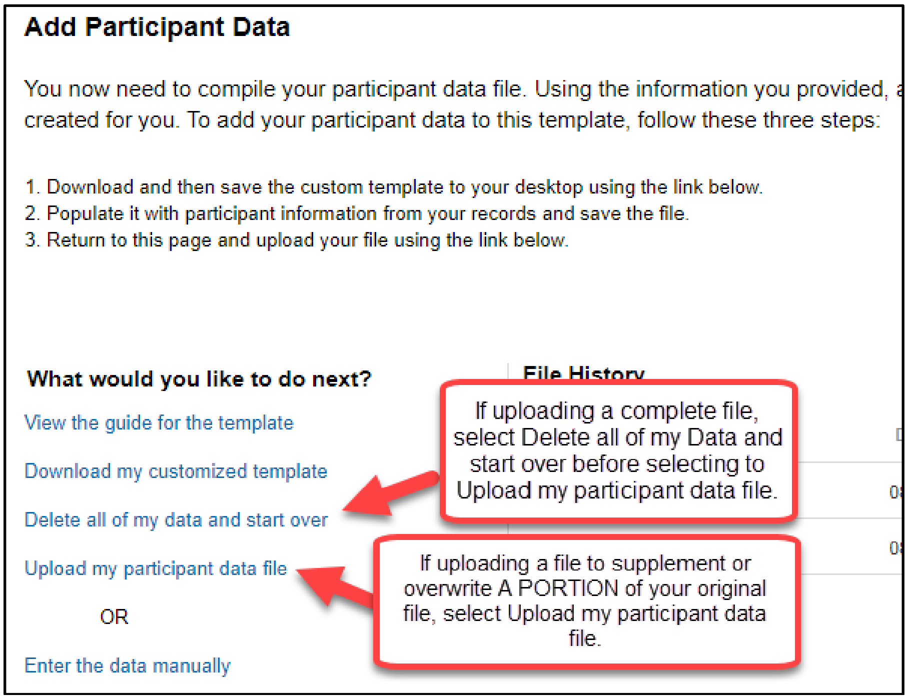






! **TIP:** *Click 'Save & Validate' only after ALL updates have been made; otherwise, PSW® will run error check and cause delays.*

Upload a file containing missing information.



Employee has a Hire Date after the Plan Year End.

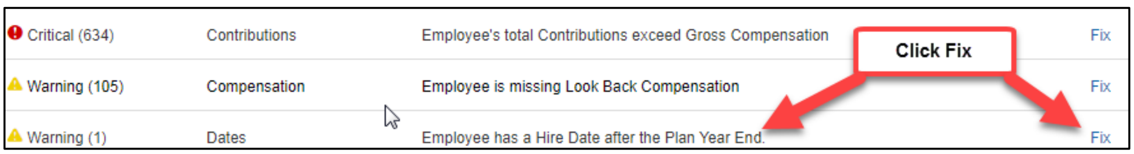
What Happened?

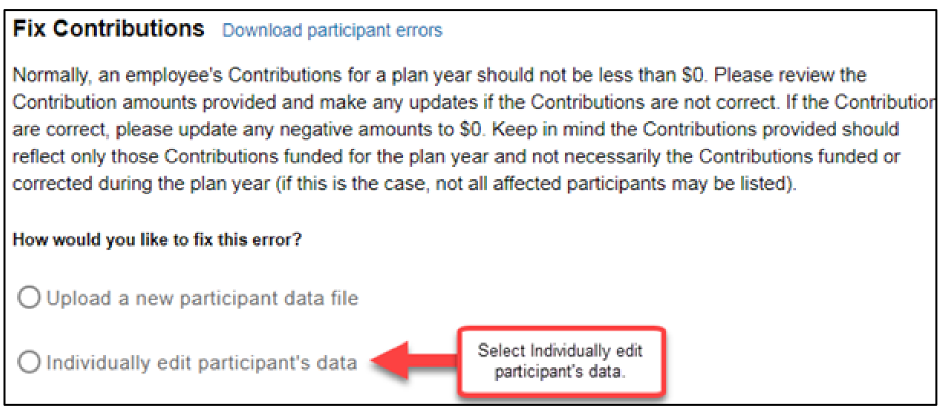
- This validation appears when the date of hire for an employee is after the last day of the tested plan year.

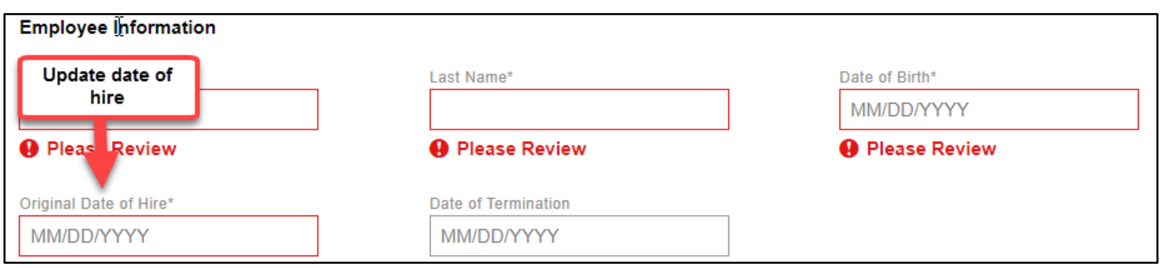
The Fix

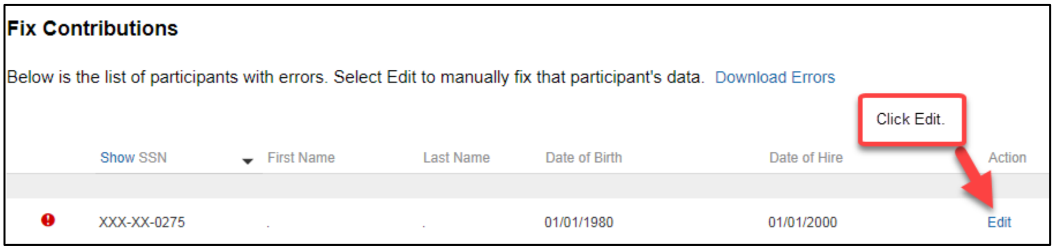
- Manually update the date of hire.
- Upload a file with updated hire date.

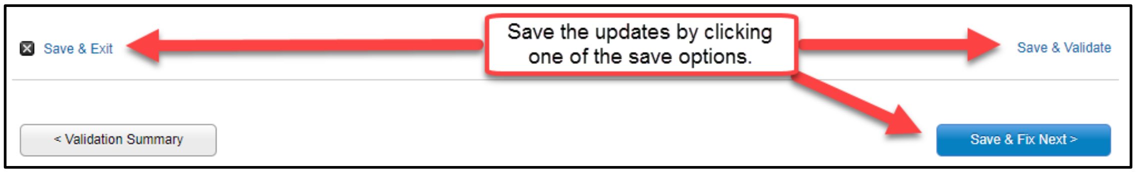
Manually Update the Date of Hire





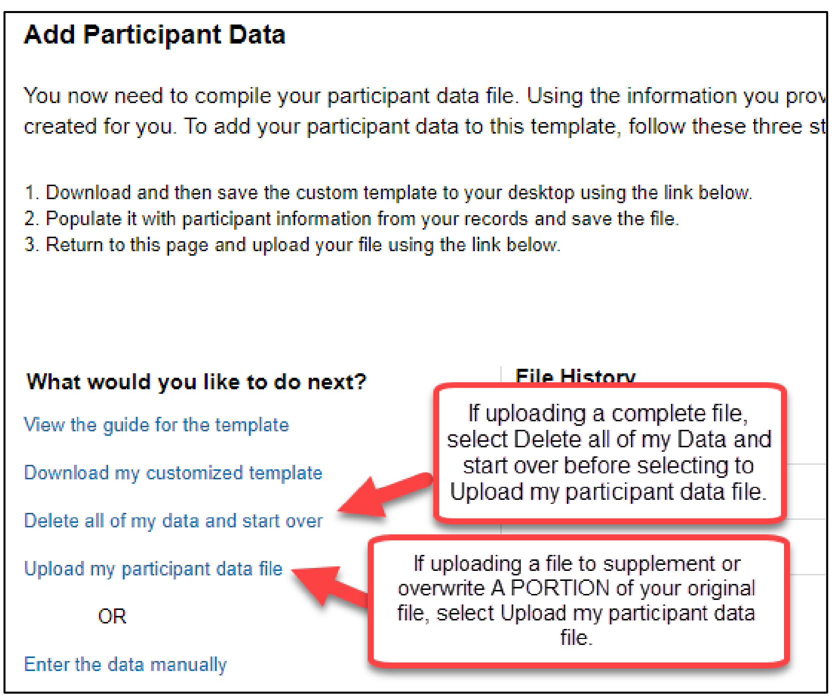






! ***TIP:*** *Click 'Save & Validate' only after ALL updates have been made; otherwise, PSW® will run error check and cause delays.*

Upload a file containing missing information



Employee's Date of Termination is prior to the Date of Hire.

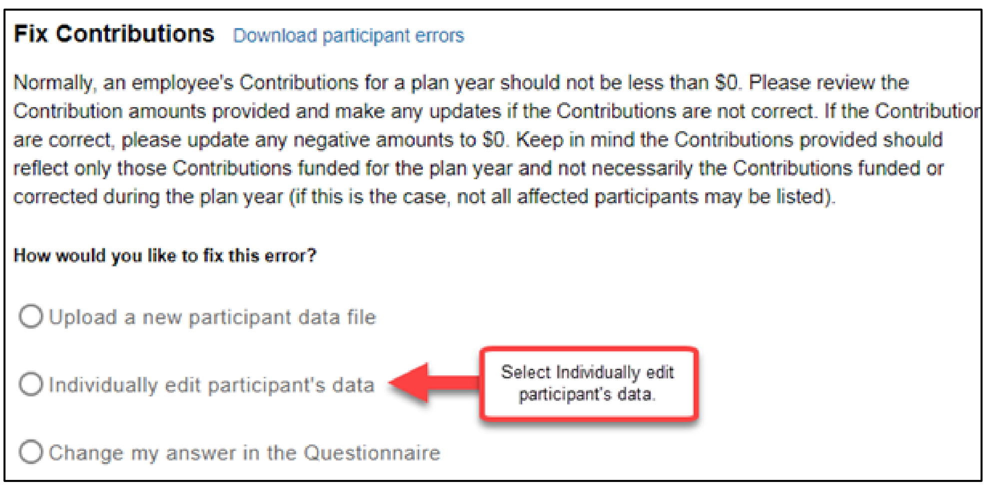
What Happened?

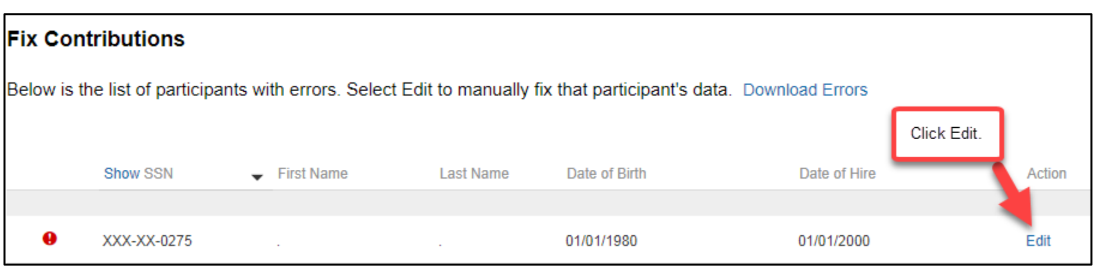
- This validation appears when the date of termination for an employee is before the date of hire. The date of hire should be the original date of hire.

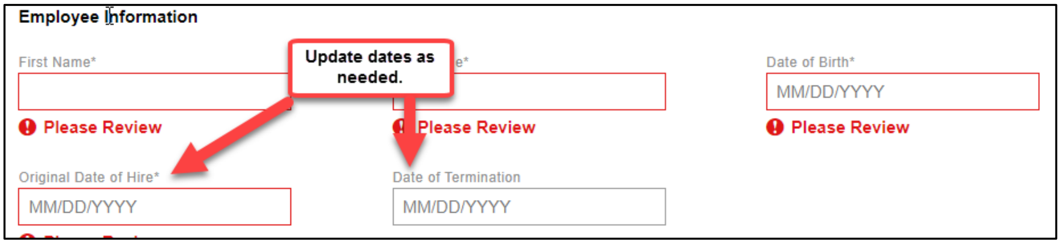
The Fix

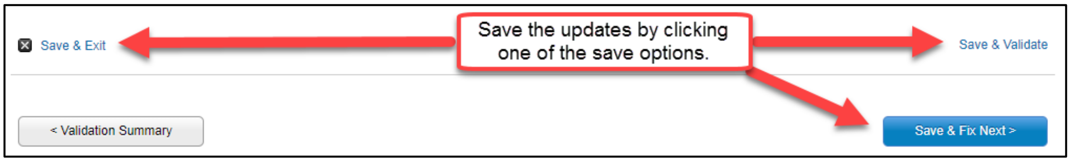
- [Manually update the date of hire and/or date of termination.]
- [Upload a file with updated hire and/or termination dates.]

Manually Update the Date of Termination.





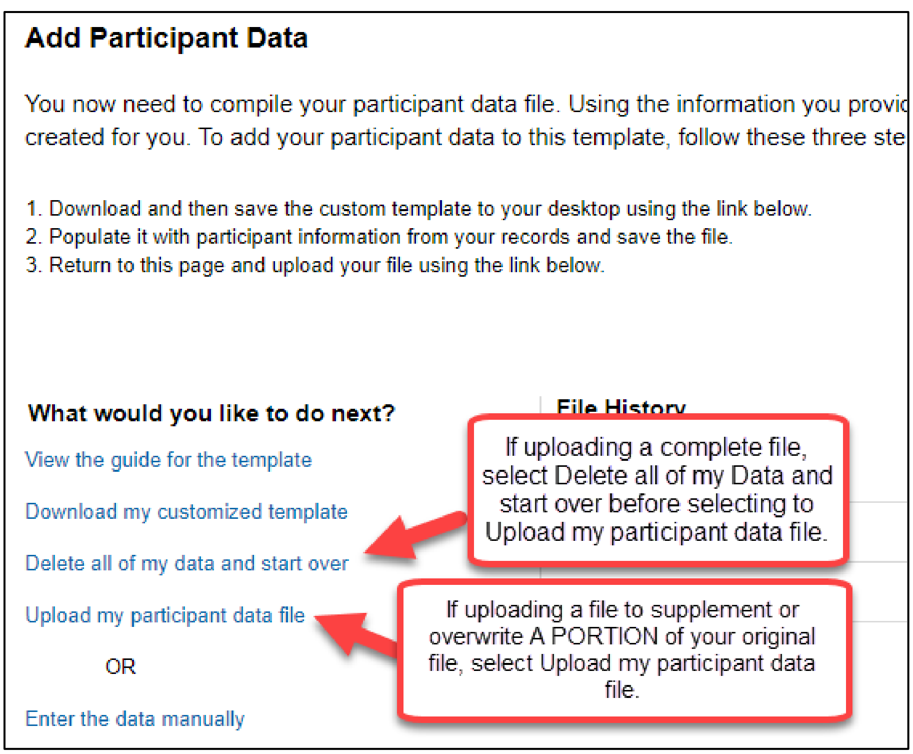




!

***TIP:* Click 'Save & Validate' only after ALL updates have been made; otherwise, PSW® will run error check and cause delays.**

Upload a revised file.



Employee is missing allocation compensation which is needed to prepare the employer calculation.

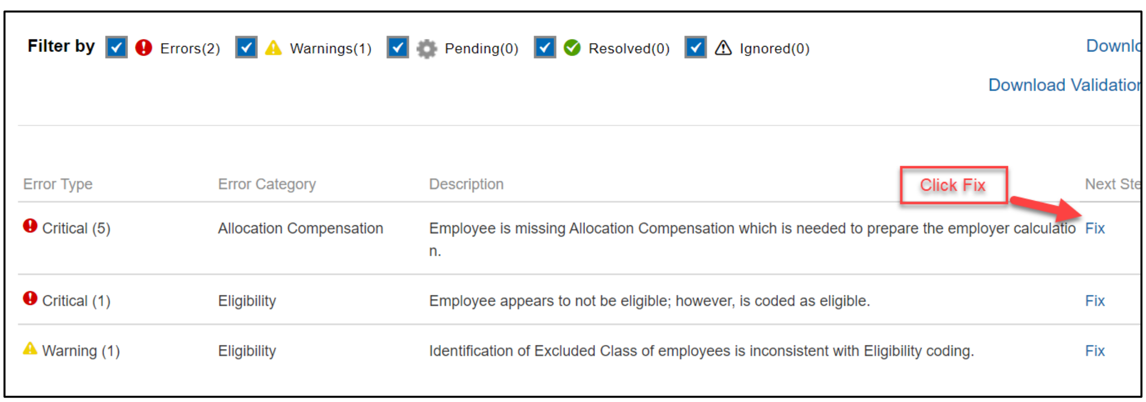
What Happened?

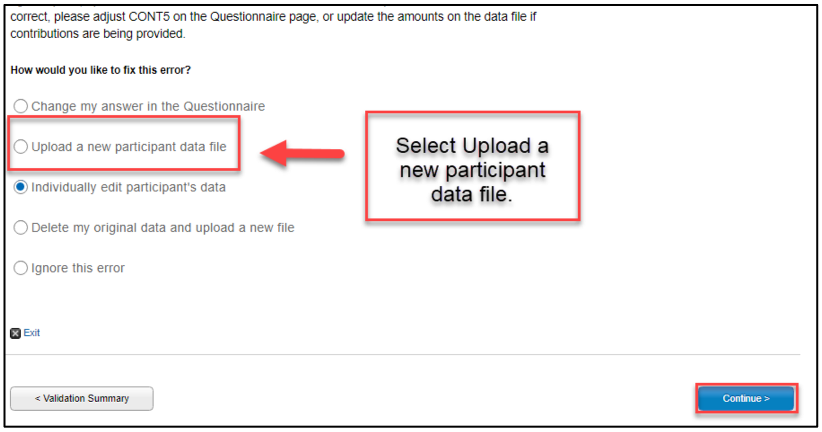
- Employee is missing allocation compensation which is needed to prepare the employer calculation. If a plan is signed up for employer calculation or allocation services for the year, this information is required.

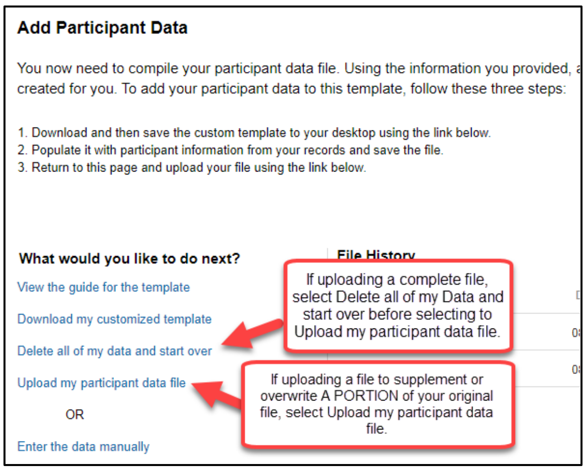
The Fix

- I need to upload a revised NDT file.
- I need to manually add Allocation Compensation for one or more employee(s).
- Fidelity's Testing & Reporting Services should not prepare any contribution allocation services.
- I need to update the participant's eligibility status.
- These employees do not have Allocation Compensation.
- I will provide this information at a later point in time.

I need to upload a revised NDT file.

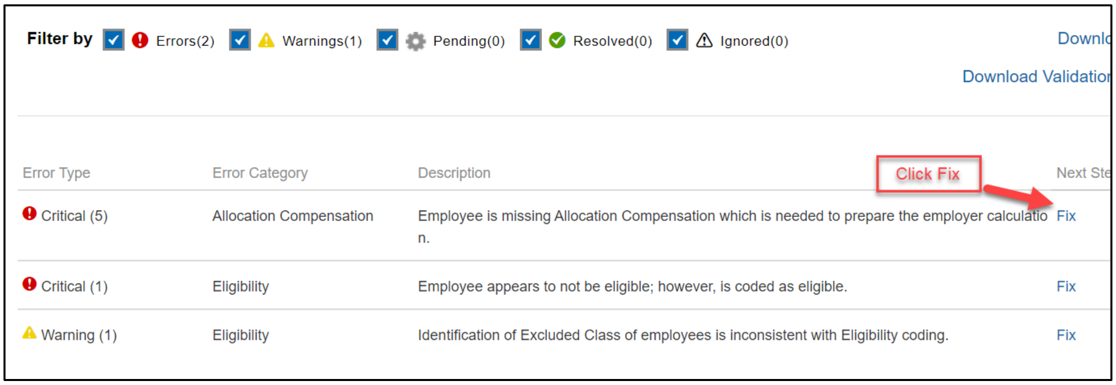


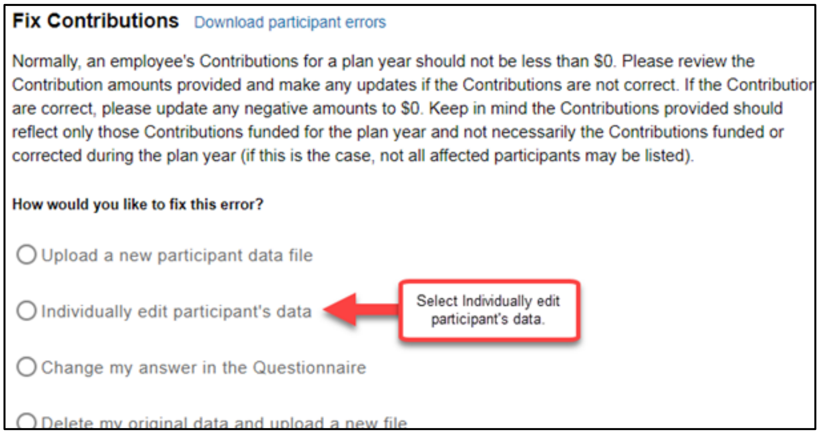


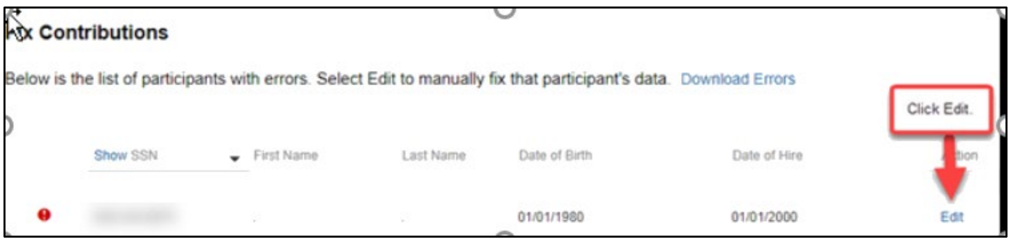


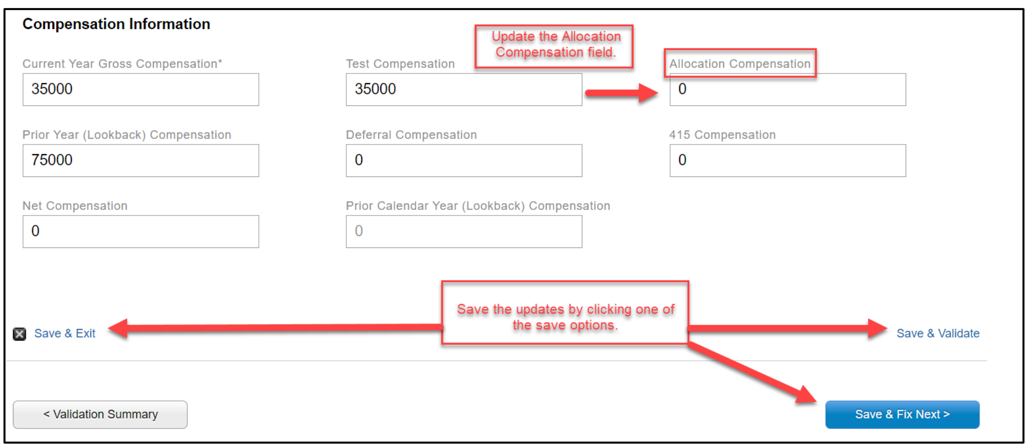
Once you upload the new or additional file, you will need to wait for the file to validate successfully before the audits run again.

I need to manually add allocation compensation for one or more employee(s).





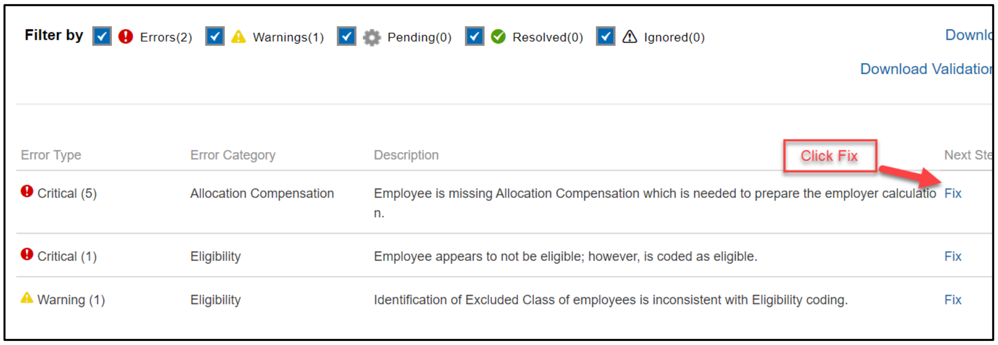


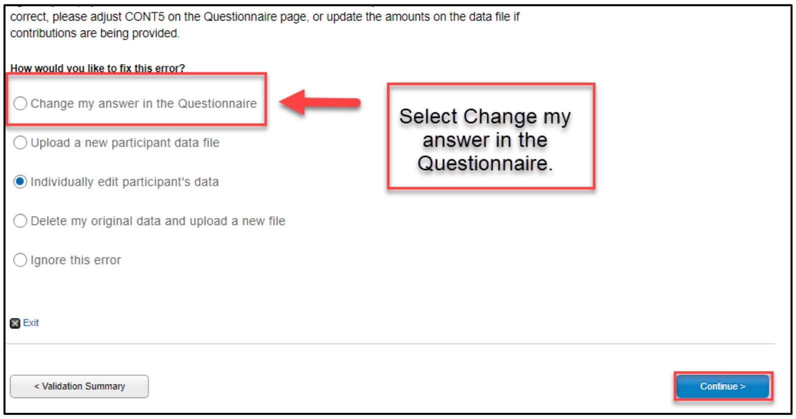


!

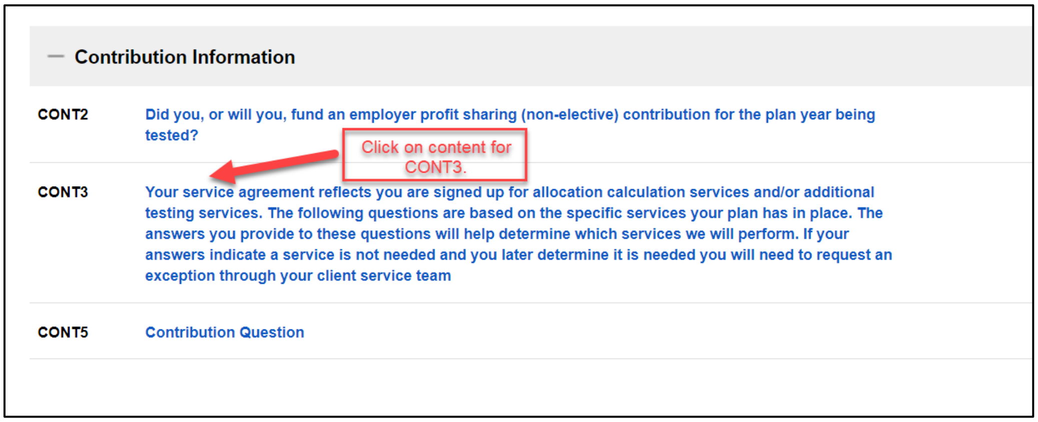
NOTE: *We recommend only clicking the 'Save and Validate' link once ALL updates have been made.*

Fidelity's Testing & Reporting Services should not prepare any contribution allocation services.

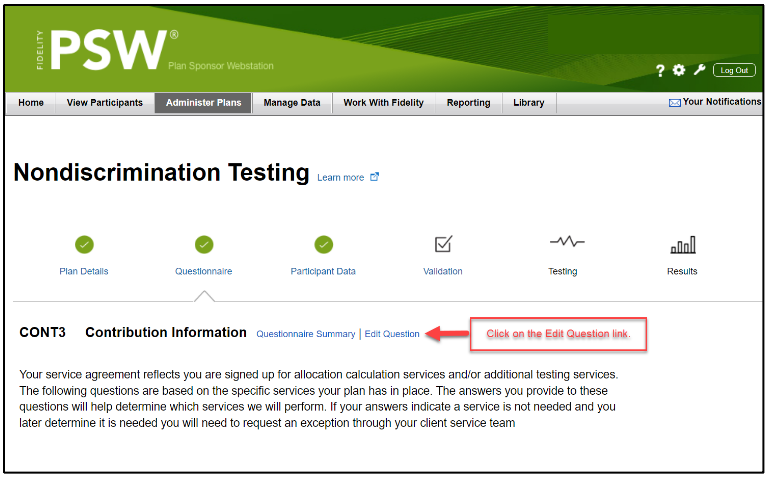


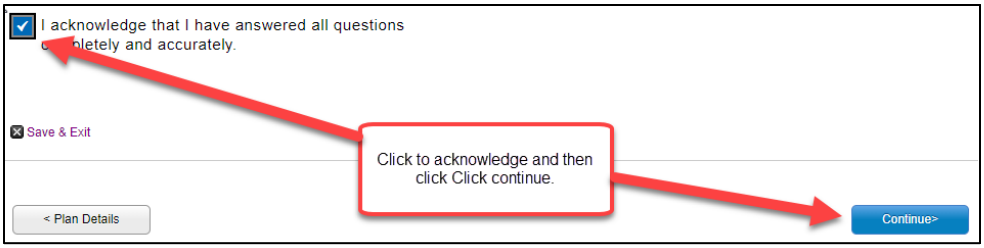


Update the Questionnaire to change any of the answers to CONT3.1, CONT3,2, CONT3.3, CONT3.4, CONT3.5, CONT3.7 to No.



Select No for any allocation services not needed for the plan year. Once the information has been updated, click Continue. Then, you must resubmit the questionnaire. Click the Acknowledge box and the click the Continue button.

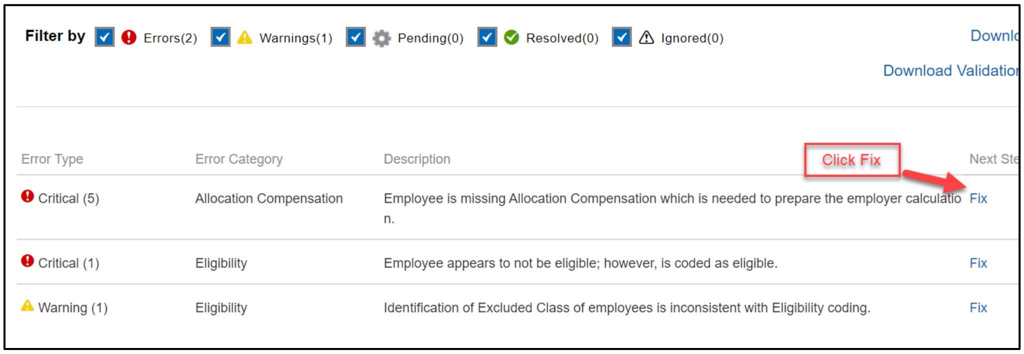


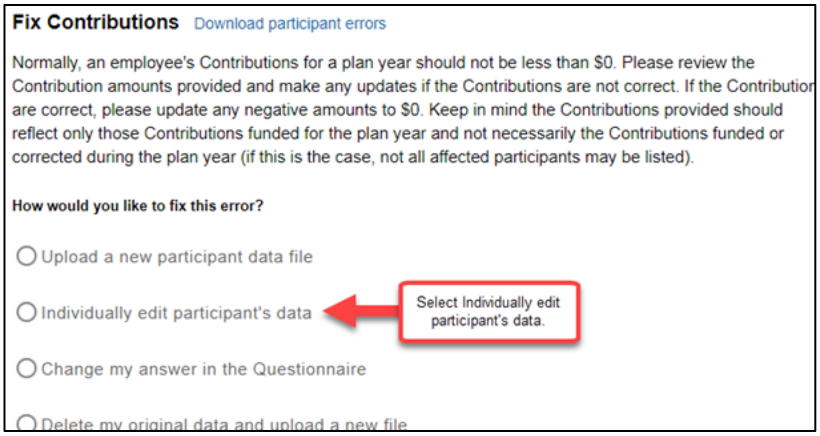


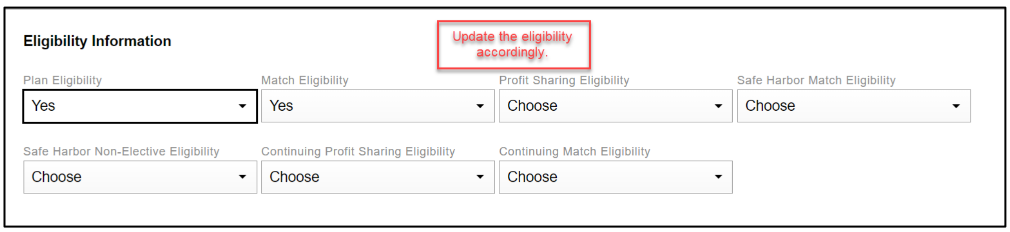
PSW® will process this questionnaire update and return to the validation step.

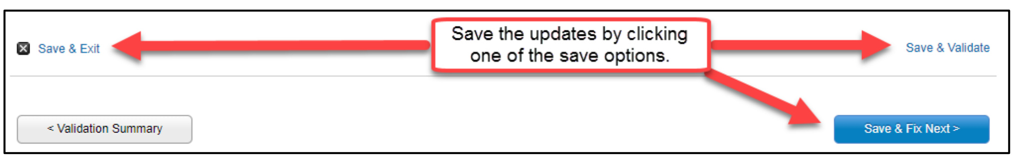
If all of the answers to CONT3.1, CONT3.2, CONT 3.3, CONT3.4, CONT3.5, CONT3.7 are No, **you must either call Fidelity or open a PSW NDT Service Request adding the note "No allocation compensation needed. No allocation or compensation test services should be performed." Fidelity will then clear the error.**

I need to update the participant's eligibility status.









!

NOTE: *We recommend only clicking the 'Save and Validate' link once ALL updates have been made.*

These employees do not have allocation compensation.

Is $0 allocation compensation accurate based on the plan document compensation restrictions? (For example, if the plan excludes commissions, the compensation received was only commissions therefore $0 allocation compensation would be accurate.)

Note: If the employee has contributions, the allocation compensation should be greater than $0.00.

If none of the employees have allocation compensation, you must either call Fidelity or open a PSW NDT Service Request adding the note "These employees do not have allocation compensation." Fidelity will then clear the error.

I will provide this information at a later point in time.

Allocation compensation can bring to light other data issues such as eligibility, contributions, and compensation. If allocation compensation is provided after ADP/ACP testing, this could lead to rework of the entire campaign and may impact ROEs and other corrective actions.

If this information is provided at a later date, you must either call Fidelity or open a PSW NDT Service Request adding the note "Allocation compensation will be provided at a later date." Fidelity will then clear the error.

Additional Resources Available

***Please note: some of the following resources may not be viewed unless logged into your PSW® account.

!

VALUABLE TIP: *To locate a* ***full list*** *of educational content, once logged into your PSW® account, click 'Administer Plans' in the menu bar. Then, choose* ***'Learn More'*** *to the right of the 'Compliance' header. This will open a window with our complete library of help content.*

Annual Compliance Calendar

COLA Limits

Guide to Administrative Deferral Limits

Guide to Compensation

Guide to Contributions

Guide to Data Validations

Guide to Eligibility

Guide to Employer Structures & Their Impact on NDT

Guide to Identifying Participants

Guide to Mandatorily Disaggregated Groups

Guide to Mergers & Acquisitions

Guide to NDT Reports

Guide to Permissive Disaggregation

Guide to QNECs

Guide to QSLOBs

Guide to Safe Harbor Plan Provisions

Testing & Reporting Acronyms

Testing & Reporting Glossary

Helpful videos:

The Nondiscrimination Testing Process

The Different Types of Compensation

The Different Types of Contributions

Safe Harbor Plan Provisions

After-Tax Contributions and Testing Impacts

Prior Year Versus Current Year Test Methods

Understanding Top Heavy Testing

Match True-Up Calculations