

How to terminate your Individual 401(k) plan

This checklist is offered only as a general guide and isn't intended to be comprehensive. If you have specific questions regarding your plan, please ask your tax advisor.

1. Amend your plan.

Ensure your plan has been amended to reflect all laws and regulations that have taken effect in the plan year in which the plan termination date occurs and in all prior years.

Draft a resolution letter indicating that the Individual 401(k) plan is being terminated on a specific date. **Keep the letter with your records; don't send it to Vanguard.**

2. Notify participants.

You're required to notify each plan participant in writing.

Inform those age 73 and older that they must take required minimum distributions (RMDs) prior to distribution of assets.

3. Finalize contributions.

Make any final contributions for the plan year, if applicable.

Deplete the suspense account in accordance with the terms of the plan document, if applicable.

4. Complete distributions within one year of termination date.

Roll over your plan assets into a new or existing Vanguard IRA[®], or an IRA at another institution.

Cash out plan assets. (Taxes and penalties may apply.)

5. Notify government agencies.

You're required to file a final Form 5500 (Annual Return/Report of Employee Benefit Plan) with the U.S. Department of Labor after all assets are distributed from your plan.

You may also file IRS Form 5310 (Application for Determination for Terminating Plan) to obtain written confirmation that your plan is qualified. For more information, consult a qualified tax advisor or visit [irs.gov](https://www.irs.gov).

Questions?

If you need assistance, call us at **877-662-7447** Monday through Friday from 8 a.m. to 8 p.m., Eastern time. Thank you for investing with Vanguard.

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