TMP WORLDWIDE INC
Form 11-K
March 04, 2002

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 11-K

ANNUAL REPORT
PURSUANT TO SECTION 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934

(Mark One)

[X] ANNUAL REPORT PURSUANT TO SECTON 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 FEE REQUIRED

For the fiscal year ended December 31, 1999

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934 NO FEE REQUIRED

For the transition period from _____________ to ______________

Commission file number: 000-21571

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

TMP Worldwide Inc.
TMP Worldwide Inc. 401(k) Savings Plan

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

TMP Worldwide Inc.
622 Third Avenue
New York, New York 10017

Financial Statements and Exhibits

(A) Financial Statements:

Financial Statements of TMP Worldwide Inc. 401(k)
Savings Plan for the years ended December 31, 1999 and 1998

(B) Exhibits:

23.1 Consent of BDO Seidman, LLP

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, TMP Worldwide Inc. has duly caused this Annual Report to be signed on its behalf by the undersigned hereunto duly authorized.

TMP Worldwide Inc.
TMP Worldwide Inc. 401(k) Savings Plan

Dated: ___________, 2002

By: /s/
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Name:
Title:

TMP WORLDWIDE INC.
401(K) SAVINGS PLAN

TMP WORLDWIDE INC.
401(K) SAVINGS PLAN

FINANCIAL STATEMENTS
AND SUPPLEMENTAL SCHEDULES
YEARS ENDED DECEMBER 31, 1999 AND 1998

TMP WORLDWIDE INC.
401(K) SAVINGS PLAN

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FINANCIAL STATEMENTS
AND SUPPLEMENTAL SCHEDULES
YEARS ENDED DECEMBER 31, 1999 AND 1998

TMP WORLDWIDE INC.
401(K) SAVINGS PLAN

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INDEPENDENT AUDITORS' REPORT

To the Trustee of the

TMP Worldwide Inc.
401(k) Savings Plan
New York, New York

We have audited the accompanying statements of net assets available for benefits of TMP Worldwide Inc. 401(k) Savings Plan (the "Plan") as of December 31, 1999 and 1998, and the related statements of changes in net assets available for benefits for the years then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 1999 and 1998, and the changes in its net assets available for benefits for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedules of assets held for investment purposes at December 31, 1999 and nonexempt transactions for the year ended December 31, 1999 are presented for the purpose of additional analysis and are not a required part of the basic financial statements, but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. These supplemental schedules are the responsibility of the Plan's management. The supplemental schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements as of and for the year ended December 31, 1999, and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/ BDO Seidman, LLP
New York, New York

December 18, 2001



TMP WORLDWIDE INC.
401(K) SAVINGS PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

| DECEMBER 31, | 1999 | 1998 |
|---|---|---|
| ASSETS | | |
| INVESTMENTS - AT FAIR VALUE (NOTE 3): | | |
| Schwab Money Market Fund | $ -- | $ 2,194 |
| Mutual funds: | | |
| Amcent: 20th Century International Growth | 1,354,757 | 443,711 |
| Baron Asset | 1,695,278 | 854,518 |
| Neuberger & Berman Socially Responsive | 304,080 | 125,377 |
| Neuberger & Berman Partners | 1,956,586 | 3,528,824 |
| Oakmark* | 5,390,234 | 7,501,453 |
| Schwab S&P 500 Investor SHS* | 6,199,609 | 3,713,762 |
| Schwab Smallcap Index | 762,851 | 286,026 |
| Scudder Greater Europe Growth | 1,200,538 | 614,231 |
| Strong Corporate Bond | 397,051 | 253,426 |
| Common/collective trust - Schwab Stable Value Fund* | 4,801,744 | 4,881,901 |
| Common Stock - TMP Worldwide Inc.* | 23,423,736 | 5,997,012 |
| Participant loans | 923,842 | 920,918 |
| TOTAL INVESTMENTS | 48,410,306 | 29,123,353 |
| CASH | -- | 22,152 |
| RECEIVABLES: | | |
| Participants' contributions | 308,123 | 306,000 |
| Employers' contributions | 1,022,329 | 908,523 |
| Amounts due from employer (Note 7) | 157,631 | 43,422 |
| Interest on loans and dividends | 6,453 | 6,603 |
| TOTAL RECEIVABLES | 1,494,536 | 1,264,548 |
| TOTAL ASSETS | 49,904,842 | 30,410,053 |
| LIABILITIES: | | |
| Amounts due participants (Note 7) | 175,221 | 46,485 |
| NET ASSETS AVAILABLE FOR BENEFITS | $49,729,621 | $30,363,568 |

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* Represents 5% or more of the net assets available for benefits.

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS.



TMP WORLDWIDE IN
401(K) SAVINGS P

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEF

| YEAR ENDED DECEMBER 31, | 1999 | 1998 |
|---|---|---|
| ADDITIONS: | | |
| Investment income: | | |
| Net appreciation in fair value of investments (Note 3) | $16,787,860 | $ 2,243,4 |
| Interest and dividends | 1,445,201 | 1,668,8 |
| | 18,233,061 | 3,912,2 |
| Contributions: | | |
| Participants | 4,396,712 | 3,703,1 |
| Employer | 1,025,728 | 919,0 |
| | 5,422,440 | 4,622,2 |
| Rollovers in participant balances | 414,092 | 7,175,6 |
| TOTAL ADDITIONS | 24,069,593 | 15,710,1 |
| DEDUCTIONS: | | |
| Benefits paid to participants | 4,636,110 | 1,777,6 |
| Administrative expenses | 67,430 | 56,9 |
| TOTAL DEDUCTIONS | 4,703,540 | 1,834,6 |
| NET INCREASE | 19,366,053 | 13,875,5 |
| NET ASSETS AVAILABLE FOR BENEFITS, BEGINNING OF YEAR | 30,363,568 | 16,488,0 |
| NET ASSETS AVAILABLE FOR BENEFITS, END OF YEAR | $49,729,621 | $30,363,5 |

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMEN

TMP WORLDWIDE INC.
401(K) SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS

1. DESCRIPTION OF PLAN

The following description of the TMP Worldwide Inc. 401(k) Savings Plan and its related Trust arrangement (collectively, the "Plan") is provided for general information purposes only. Participants should refer to the current Plan agreement for a complete description of the Plan's provisions.

The Plan was adopted as of January 1, 1992 by McKelvey Enterprises, Inc. (formerly Telephone Marketing Programs, Inc., which has since changed its name to TMP Worldwide Inc. ("TMP")) for the benefit of its eligible employees and the eligible employees of any other organization designated by TMP's Board of Directors. The Plan was amended twice during 1992. The first amendment was effective January 1, 1992, altering the Plan's vesting rules, and effective July 1, 1992, altering the eligibility rules. The second amendment was effective October 1, 1992 and that amendment permitted TMP to extend the coverage of the Plan to employees of organizations not considered an affiliate. The Plan was amended effective October 1, 1997 and that amendment permitted all matching contributions by the Plan to be made in shares of the corporation's common stock. A restatement and amendment of the Plan was adopted effective April 1, 1998, and that amendment revised the eligibility requirement to one year of service with 1,000 hours of employment and provided that the employer may make discretionary non-elective contributions and profit sharing contributions. The first amendment was effective July 1, 1998, and that amendment added a participating employer and waived the service requirement for certain employees of the new participating employer. The second amendment was effective January 1, 1999, and that amendment modified the definition of compensation to exclude stock option proceeds. The third amendment was effective April 1, 1998, and that amendment prevented the employer match stock source from being used as a source for participant loans.





GENERAL

The Plan is a defined contribution plan and provides for elective contributions on the part of the participating employees and for employer matching contributions. The Plan extends coverage to each employee of the participating employers, except those employees covered by a collective bargaining agreement where the agreement does not specifically provide for the participation in the Plan of the employees subject to that bargaining agreement. As of February 1, 1992 and April 1, 1992, the first two Plan entry dates, any eligible employee had to have completed one year of service (a twelve-month period of at least 1,000 employment hours) to enter the Plan. Subsequently, the Plan was revised to allow eligible employees to enter the Plan beginning each calendar quarter following their completion of one hour of service. As of April 1, 1998, the Plan was revised to allow eligible employees to enter the Plan upon completion of one year of service (a twelve month period of at least 1,000 employment hours). The Plan designates TMP as the Plan administrator (the "Plan Administrator"). The Plan Administrator shall be responsible for the operations of the Plan in accordance with prevailing government requirements. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA") and provisions of the Internal Revenue Code of 1986 as pertains to plans intended to qualify under Section 401(a) of that Code.





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CONTRIBUTIONS

Participating employees have the option to make elective contributions of up to 15% of their compensation, subject to the limit of Internal Revenue Code Section 402(g) ($10,000 for both 1999 and 1998). Participating employers shall make a matching contribution equal to the elective contribution, but not more than 2% of each contributing employee's compensation. The employer's matching contribution shall be made in shares of the corporation's common stock. A participating employee who makes an elective contribution, however, is only eligible for an employer matching contribution for the Plan year (the calendar year) if the employee is employed by the employer on the last day of such year. Notwithstanding the employment requirement, the Plan provides that an employer matching contribution shall be made to a sufficient number of non highly-compensated employees who have been terminated during the Plan year as may be necessary to satisfy the requirements of Internal Revenue Code Section 410(b). The employer may make discretionary non-elective contributions which are allocated in the same ratio as each participant's compensation bears to the total compensation of all participants for the Plan year.

PARTICIPANTS' ACCOUNTS

Each participant's account is credited with the elective contributions made by that participant and employer matching contributions for which that participant is eligible. The participating employees direct the investment of the contributions credited to their account into one or more of the investment funds which have been made available to them. Each participant's account will be credited with its share of the net investment earnings of the funds in which that account is invested. The benefits to which a participant is entitled is the amount that can be provided from the participant's vested account. The Plan also accepts rollover contributions (i.e., amounts which can be rolled over into a tax qualified plan from another employer's qualified plan).





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FORFEITURES

Forfeitures of terminated participants' nonvested accounts are used to pay the Plan expenses and any excess is applied as a reduction to the otherwise required employer matching contribution, discretionary non-elective contribution or profit sharing contributions. Forfeitures occur in a Plan year when a terminated participant receives the vested portion of their account or, if earlier, upon the occurrence of six consecutive one-year breaks in service. If the terminated participant resumes employment before six consecutive one-year breaks in service, the amount that the participant forfeited will be reinstated with, under certain circumstances, investment earnings. Forfeited invested accounts totaled $222,536 and $154,695 at December 31, 1999 and 1998, respectively. Forfeitures in the amount of $16,430 and $27,982 were used to pay the Plan expenses during the years ended December 31, 1999 and 1998, respectively.

VESTING

The portion of a participant's account attributed to elective contributions and rollover contributions is nonforfeitable at all times. Vesting (i.e., nonforfeitable rights to the portion of a participant's account arising from employer matching contributions) is based upon the number of years of service, with a year generally being a Plan year in which the participant accumulates at least 1,000 employment hours. Vesting starts with the completion of two years of service at the rate of 40% and increases 20% for each subsequent year until full vesting is achieved with five or more years. Notwithstanding the number of years of service, a participant is considered fully vested at the normal retirement age of sixty-five, in the event of death, or should the participant incur a disability which is considered to be total and permanent. The Plan provides special vesting rules with regard to any benefits a participant may have from a plan that was merged into the TMP Worldwide Inc. 401(k) Savings Plan.





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PAYMENT OF BENEFITS

Benefits are generally payable in the form of a lump sum following a participant's termination of employment or death. The portion of a participant's account attributed to benefits from a merged plan, however, is subject to specific rules. Provision is also made for a participant to request a withdrawal of all or a portion of the participant's account attributed to elective contributions after the attainment of age 59-1/2. Further, upon the showing of substantial hardship, and in accordance with specific rules set forth in the Plan concerning hardship withdrawals, a participant may withdraw that portion of their account attributed to the remaining employer matching contributions that have vested and the amount of elective deferrals which have not previously been withdrawn.

PARTICIPANT LOANS

In general, a participant may borrow an amount not exceeding the lesser of $50,000 or 50% of the vested portion of their account.

If the proceeds of the loan are to be applied to the purchase of a dwelling which will be used as a principal residence of the participant, the repayment period shall be as agreed upon by the Plan Administrator and the borrowing participant. If the proceeds of the loan are used for any other purpose, the repayment of the loan must be made within five years. Interest will be charged at an annual rate which is comparable to a commercial rate for a similar type of loan. Principal and interest payments will be due at a frequency no longer than quarterly and, with respect to employees, will be made by payroll deductions.

The loans are collateralized by the participants' interest in their accounts.

ADMINISTRATIVE EXPENSES

Certain administrative expenses of the Plan are paid by the Plan Administrator.





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2. ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements of the Plan have been prepared on the accrual method of accounting.

USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and changes therein, and disclosures of contingent assets and liabilities. Actual results could differ from those estimates.

RECENT ACCOUNTING PRONOUNCEMENT

In September 1999, the Accounting Standards Executive Committee issued Statement of Position ("SOP") No. 99-3, "Accounting for and Reporting of Certain Defined Contribution Plan Investments and Other Disclosure Matters". SOP No. 99-3 simplifies disclosures for certain investments. It eliminates the requirement for a defined contribution plan to present Plan investments by general type for participant directed investments in the statement of net assets available for plan benefits, to disclose participant directed investment programs and the number of units and net asset value per unit, and to disclose benefit responsive investment contracts by investment fund option. It also requires disclosure of nonparticipant directed investments that represent 5 percent or more of net assets available for Plan benefits. SOP No. 99-3 is effective for financial statements for Plan years ending after December 15, 1999. The Plan elected early adoption of SOP No. 99-3 in 1998 and the accompanying financial statements have been prepared in accordance with this SOP for all periods presented.

INVESTMENT VALUATION AND INCOME RECOGNITION

Investments are stated at fair value, which is determined by reference to quoted market prices, except for participant loans which are stated at cost plus accrued interest, which approximates their fair value. Unrealized appreciation or depreciation of investments is reflected in the financial statements.





Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

PAYMENT OF BENEFITS

Benefits are recorded when paid.

3. INVESTMENTS

During 1999 and 1998, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated in value by $16,787,860 and $2,243,438, respectively, as follows:

| DECEMBER 31, | 1999 | 1998 |
|---|---|---|

| | | |
|---|---|---|
| Mutual funds | $ 3,557,250 | $ (586,227) |
| Common/collective fund | 259,304 | 188,296 |
| Common stock | 12,971,306 | 2,641,369 |
| | $ 16,787,860 | $ 2,243,438 |

4. INCOME TAX STATUS

The Internal Revenue Service has determined and informed the Plan Administrator, in a letter dated May 8, 1995, that the Plan is qualified and the trust established under the Plan is tax-exempt under the appropriate sections of the Internal Revenue Code ("IRC"). Although the Plan has been amended since receiving the determination letter, the Plan Administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC and will request a new determination letter. Issues have been identified that will require corrections; the Plan Administrator is currently addressing such issues and expects them to be resolved with no effect on the Plan's tax-exempt status. Therefore, no provision for income taxes has been included in the Plan's financial statements.





5. TRUSTEE AND CUSTODIAN

The funds of the Plan are maintained under a Trust with CG Trust Company until March 31, 1998 and the Charles Schwab Trust Company, thereafter, as Trustee. The duties and authority of the Trustee are defined in the related Trust Agreement.

The Connecticut General Life Insurance Company ("CIGNA") was the appointed Custodian of the Plan until March 31, 1998. Effective April 1, 1998, the Custodian of the Plan has changed from CIGNA to Charles Schwab Retirement Plan Services. The duties of the Custodian have remained the same as they were under CIGNA. The duties of the Custodian include administration of the trust fund (including income therefrom) at the direction of the Trustee, and the payment of benefits and loans to plan participants and the payment of expenses incurred by the Plan in accordance with instructions from the Plan Administrator and Trustee (with the option given to participants to individually direct the investment of their interest in the Plan). The Custodian is also responsible for the maintenance of the individual participant records and to render statements to the participants as to their interest in the Plan.

6. TERMINATION

Although it has not expressed any intent to do so, each participating employer has the right under the Plan to discontinue its contributions at any time and to terminate its participation in the Plan, subject to the provisions of ERISA. If the Plan is fully or partially terminated, all amounts credited to the affected participants' accounts will become fully vested.

Upon termination, the Plan Administrator shall take steps necessary to have the assets of the Plan distributed among the affected participants.



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7. AMOUNTS DUE PARTICIPANTS AND AMOUNTS DUE FROM EMPLOYER

In order to ensure favorable tax treatment of participant accounts, the Plan must not exceed certain maximums for employee elective contributions and employer matching contributions of highly compensated employees as defined in the IRC. The Plan must take appropriate actions and make corrective distribution of excess contributions or make additional contributions to the accounts of non-highly compensated employees if IRC requirements are not met. The Plan's nondiscrimination contribution testing resulted in an adjustment to employee contributions, as well as associated income by means of refunds to highly compensated employees ("HCE") with a one-on-one contribution to non-highly compensated employees ("NHCE"). The Plan allows participants to contribute up to 15% of their compensation into the Plan. The contribution rate for certain participants exceeded the allowable contribution limit resulting in adjustments to employee contributions, as well as associated income by means of refunds to participants.

At December 31, 1999 and 1998, the Plan had amounts due participants for the current year excess employee contributions and associated income adjustments as follows:

| | 1999 | |
|---|---|---|
| Allowable contribution limit adjustment | $ 26,838 | $2 |
| Allowable contribution limit associated income adjustment | 7,564 | |
| Nondiscrimination HCE contribution adjustment | 117,745 | |
| Nondiscrimination associated income adjustment | 23,074 | |
| | $ 175,221 | $4 |





At December 31, 1999 and 1998, the Plan had amounts due from employer for the current year interest accrual on late remittances (see Note 8) and corrective employer contributions as follows:

| | 1999 |
|---|---|
| Interest on late remittances | $148,029 |
| Nondiscrimination NHCE contribution adjustment | 9,602 |
| | $157,631 |

8\. NONEXEMPT TRANSACTIONS WITH PARTY-IN-INTEREST

During the Plan years ended December 31, 1999 and 1998, employee withholdings totaling $607,699 and $907,966, respectively, were not remitted within the appropriate time period. These transactions constitute prohibited transactions as defined by ERISA. During 1999 and 1998, the Plan had accrued interest income of $114,209 and $33,820, respectively, on such late remittances which were recorded as increases to amounts due from employer with an offsetting addition to interest income.

| | | |
|---|---|---|
| 9. | SUPPLEMENTAL INFORMATION | During the period from January 1, 1999 to December 31, 1999, the Plan had no reportable transactions, lease commitments, obligations or leases in default as defined by ERISA. |





| | | |
|---|---|---|
| 10. | SUBSEQUENT EVENTS | The restatement of the Plan that was adopted effective April 1, 1998 was further amended as follows: The fourth amendment was effective January 1, 2000, and that amendment permitted to merge six qualified retirement plans maintained by entities that have been acquired by TMP, permitted early retirement at the age of fifty-five with 100% vesting, reduced service requirement for eligibility to three months with certain exception for employees of the entities acquired by TMP and identified protected benefits. The fifth amendment was effective January 1, 2000, and that amendment excluded severance pay from the definition of compensation, recognized service with certain entities acquired by TMP and provided that outstanding residential loans transferred from a merging plan may be repaid over 30 years. The sixth amendment was effective September 1, 2000, and that amendment protected the vesting schedule and in-service distribution options for participants of a merging plan. The seventh amendment was effective October 1, 2000, and that amendment protected the vesting schedule for participants of a merging plan. The eighth amendment was effective October 1, 2000, and that amendment recognized service with certain entities acquired by TMP. The ninth amendment was effective February 1, 2001, and that amendment recognized service with certain entities acquired by TMP and identified protected benefits. The tenth amendment was effective January 1, 2001, and that amendment modified the method of crediting service to elapsed time for eligibility and vesting features, determined entry dates as the first day of the month following the date a participant meets eligibility requirements, permitted participants to modify elective deferral rates at any time that is effective as soon as administratively feasible and limited the number of outstanding loans per participant to two. The eleventh amendment was effective June 1, 2001, and that amendment permitted |

certain qualified retirement plans maintained by entities that have been acquired by TMP to merge into the Plan, recognized service with such entities and identified protected benefits. The twelfth amendment was effective May 1, 2001, and that amendment recognized service with entities that have been acquired by TMP. A restatement and amendment of the Plan was adopted effective August 1, 2001 with no significant changes to the Plan.

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SCHEDULE OF ASSETS HELD FO

EIN 13-2633092

DECEMBER 31, 1999

| (a) | (b) Identity of issuer, borrower, lessor or similar party | (c) Description of investment including maturity date, rate of interest, collateral, par or maturity value | (d) Cost** |
|---|---|---|---|
| | Mutual funds: | | |
| | Amcent: 20th Century International Growth | Registered investment company. There is no maturity date, rate of interest, collateral, par or maturity value. | |
| | Baron Asset | Registered investment company. There is no maturity date, rate of interest, collateral, par or maturity value. | |
| | Neuberger & Berman Socially Responsive | Registered investment company. There is no maturity date, rate of interest, collateral, par or maturity value. | |
| | Neuberger & Berman Partners | Registered investment company. There is no maturity date, rate of interest, collateral, par or maturity value. | |
| | Oakmark | Registered investment company. There is no maturity date, rate of interest, collateral, par or maturity value. | |
| * | Schwab S&P 500 Investor SHS | Registered investment company. There is no maturity date, rate of interest, collateral, par or | |

| | | |
|---|---|---|
| | | maturity value. |
| * | Schwab Smallcap Index | Registered investment company. There is no maturity date, rate of interest, collateral, par or maturity value. |
| | Scudder Greater Europe Group | Registered investment company. There is no maturity date, rate of interest, collateral, par or maturity value. |
| | Strong Corporate Bond | Registered investment company. There is no maturity date, rate of interest, collateral, par or maturity value. |
| * | Common/collective trust - Schwab Stable Value Fund | Registered investment company. There is no maturity date, rate of interest, collateral, par or maturity value. |
| * | Common stock - TMP Worldwide Inc. | Employer Security. Common stock. $.001 par value. |
| * | Participant loans | 5 years, 8%, collateralized by participant's account balance. |

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* A party-in-interest as defined by ERISA.

** The cost of participant-directed investments is not required to be dislcosed.

SCHED
EIN 1

YEAR ENDED DECEMBER 31, 1999

| (a) Identity of party involved | (b) Relationship of plan, employer, or other party-in-interest | (c) Description of transactions including maturity date, rate of interest collateral, par or maturity value | (d) Purchase price | (e) Selling price |
|---|---|---|---|---|

| | | | | |
|---|---|---|---|---|
| TMP Worldwide Inc. | Plan Sponsor | Employee contribution not timely remitted to the Plan | $607,699* | $- |

YEAR ENDED DECEMBER 31, 1999

| (a) Identity of party involved | (h) Cost of assets | (i) Current value of asset | (j) Net gain or (loss) on each transaction |
|---|---|---|---|
| TMP Worldwide Inc. | | | |
| | $- | $607,699 | $- |

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* This represents total amount of contributions that have been withheld from employees, but not remitted into trust by the Plan sponsor within the prescribed time limits.

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