



Defined Benefit PPA Restatements

Presented by:

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Enhancements

What's New

- Ability to use completed calendar months for determining age (Section A.22)

22. Age. Solely for Actuarial Assumption purposes, a Participant's Age is determined as of:

- Last birthday
- Nearest birthday
- Completed calendar months
- Completed calendar months for Code section 417(e) purposes and age specified in A.22a or A.22b for other purposes

NOTE: Age for Code section 415 purposes and limitations on benefits (Sections 5.01 -5.04) must be completed calendar months.

What's New

- New “other” option for eligibility service requirement (Section B.15)

15. Minimum service requirement (Cannot exceed 1 year, unless the Plan provides a nonforfeitable right to 100% of the Participant's Accrued Benefit after not more than 2 years of service, in which case up to 2 years is permitted.):

- None
- Completion of ____ Years of Eligibility Service (not more than 2).
- Completion of ____ Hours of Service (not more than 1,000) in a ____ month period (not more than 12).
- Completion of ____ Hours of Service (not more than 1,000) within a twelve month period.
- Completion of ____ months of service (not more than 24 months - elapsed time only).
- Other (e.g., completion of 3 months of service in a 6 month time frame): ____

NOTE: If 1 1/2 Years of Eligibility Service is selected, an Eligible Employee will be deemed to have 1 1/2 Years of Eligibility

What's New

- Expanded "other" option to describe optional distribution forms (DB Section E.10h or CB Section E.8h)
10. Offer the following forms of payment in addition to the normal form of benefit for Normal and Early Retirement (Section 7.02(b)):
- a. Single life annuity
 - b. Lump sum distribution
 - c. Joint and survivor annuity
 - 1. The following survivor annuities will be available:
 - A. 50%
 - B. 66-2/3%
 - C. 75%
 - D. 100%
 - 2. The survivor may convert the survivor annuity to a lump sum upon the death of the Participant.
 - d. Life annuity with term certain
 - e. Term certain only
 - f. Social Security level income
 - g. Installments
 - h. Other optional form of benefit: _____

NOTE: The "Other optional form of benefit" specified above must be objectively determinable and cannot be specified in a manner that is subject to the Company's/Plan Administrator's discretion.

What's New

- Ability to select additional options, years of credited service or anniversaries of participation, for determining early retirement age (DB Section E.19 or CB Section E.17)

19. The type of service used to measure Early Retirement Age:

- a. Years of Eligibility Service
- b. Years of Vesting Service
- c. Years of Credited Service
- d. Anniversaries of participation

What's New

- Ability to describe the allocation of assets upon plan termination if insufficient for full benefits (Sections G.11.1 and G.11.2)

11. Disposition of excess assets on Plan Termination (Section 13.03(d)):

- a. Revert to Company - without effective date
- b. Revert to Company - with effective date. The effective date is: _____
- c. Reallocate to Participants on a non-discriminatory basis

11.1 Upon Plan Termination, if the assets are insufficient to provide full benefits to each Participant:

- a. Assets will be allocated in a manner which does not discriminate in favor of Highly Compensated Employees

SECTION G. PLAN OPERATIONS

- b. Assets will first be allocated to provide benefits for NonHighly Compensated Employees
- c. Assets will first be allocated to provide benefits for NonHighly Compensated Employees and the Highly Compensated Employees who are not within the group with the 25 highest Compensation in the current or any prior year

11.2 If G.11.1b or G.11.1c is selected:

- a. Such provision may be amended in future years
- b. Cannot be amended to remove such provision

What's New

- Including ability to make distributions to HCEs not in high 25 (Section 7.08(d))

(d) Exception - High 25. If the Plan Sponsor elects either Section G.11.1b or G.11.1c and Section G.11.2b in the Adoption Agreement, an employee's otherwise restricted benefit may be distributed in full to the affected Employee if the assets after payment of benefits equals or exceeds 110% of the value of current liabilities for the Accrued Benefits for NonHighly Compensated Employees and Highly Compensated Employees not in the group with the 25 highest Compensation in the current or any prior year.

What's New - Trad DB

- Increased maximum to ten for describing unit credit groups (Section C.13b)

▼ C. Unit Credit Groups	
13b. If "Unit Credit - Groups", number of groups:	<input type="text" value="2"/>
13b.i.A. Members of Group One:	<input type="text" value="2"/>
13b.i.B. Group One accrual method:	<input type="text" value="4"/> Percentage of compensation
13b.i.C. Percent of Average Annual Compensation each Year of Credited Service (without % sign):	<input type="text" value="6"/>
<input type="button" value="+"/>	
13b.i.E. Maximum number of Years of Credited Service:	<input type="text" value="9"/>
13b.ii.A. Members of Group Two:	<input type="text" value=""/>

What's New - Trad DB

- Ability to select either consecutive or non-consecutive periods for computing Average Annual Compensation (Section C.16)

16. If C.14a (Specified Years) is selected,

- a. 3 number of consecutive Annual Compensation periods will be averaged in computing Average Annual

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SECTION C. BENEFITS

Compensation.

NOTE: Option C.16a must be at least three if the Plan is intended to meet a Code section 401(a)(4) safe harbor.

- b. ____ number of non-consecutive Annual Compensation periods will be averaged in computing Average Annual Compensation.

NOTE: Option C.16b cannot be selected if the Plan provides for permitted disparity under Code section 401(l).

What's New - Trad DB

- Ability to enter any 12 month period for computing high three-year average compensation (Section C.48)

48. In determining the 100% of compensation limitation, high three-year average compensation is computed using (Section 5.03(f)):

- Plan Year
- Calendar Year
- Other twelve-month period beginning on (enter month and day): _____

What's New - Cash Balance

- Ability to create an opening account balance for a new plan (Section C.7)

Opening Balance for Hypothetical Account Balance

7. For new Plans, as of the original effective date in A.3a, the opening Hypothetical Account Balance shall be:
- _____ percent of Compensation in calendar year prior to original effective date.
 - _____ percent of the annual Principal Credits that would normally accrue for the Participant

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SECTION C. BENEFITS

based on the fixed dollar amounts selected below.

- c. Other: _____

NOTE: If C.7c is selected, the benefit must be definitely determinable and must not discriminate in favor of Highly Compensated Employees.

What's New - Cash Balance

- Increased maximum to ten for describing principal credit groups (Section C.8b)

▼ C. Pension - Formula	
8. Pension accrual formula:	<input type="text" value="Groups"/>
+	
8b. If "Groups", number of groups:	<input type="text" value="10"/>
8b.i.A. Members of Group One:	<input type="text" value="2"/>
8b.i.B. For each Principal Credit Period, each Participant's Hypothetical Account Balance in Group One will be credited with a Principal Credit equal to:	<input type="text" value="4"/> percent
8b.i.C. Percent of Compensation during the Principal Credit Period (without % sign):	<input type="text" value="7"/>
+	
8b.ii.A. Members of Group Two:	<input type="text" value="10"/>
8b.ii.B. For each Principal Credit Period, each Participant's Hypothetical Account Balance in Group Two will be credited with a Principal Credit equal to:	<input type="text" value="Fixed percent"/>
8b.ii.C. Percent of Compensation during the Principal Credit Period (without % sign):	<input type="text" value=""/>

What's New - Cash Balance

- New “other” option for principal credit period (Section C.9)

Principal Credit Period

9. Principal Credit Period:
- a. Each Plan Year
 - b. Each Plan quarter
 - c. Each Plan month
 - d. Each calendar month
 - e. Each calendar quarter
 - f. Each calendar year
 - g. Other (must be at least annually): _____
10. The first Principal Credit Period will commence:

What's New - Cash Balance

- More selections for interest credit rate, including actual rate of return (Section C.13, C.38 and C.39)

Interest Crediting Rate

13. Interest Crediting Rate

- a. Annual fixed rate of 3% (must not exceed 6%)
- b. Actual Rate of Return (Complete C.38)
- c. The discount rate on 3-month Treasury Bills plus _____ (0 to 175 basis points) with an annual floor of _____% (floor may not exceed 5%)
- d. The discount rate on _____-month Treasury Bills (specify duration, not to exceed 12 months) plus _____ (0 to 150) basis points with an annual floor of _____% (floor may not exceed 5%)
- e. The yield on 1-year Treasury Constant Maturities plus _____ (0 to 100 basis points) with an annual floor of _____% (floor may not exceed 5%)

SECTION C. BENEFITS

- f. The yield on _____-year Treasury Bonds (specify duration, not to exceed 3 years) plus _____ (0 to 50) basis points with an annual floor of _____% (floor may not exceed 5%)
- g. The yield on _____-year Treasury Bonds (specify duration, not to exceed 7 years), plus _____ (0 to 25) basis points with an annual floor of _____% (floor may not exceed 5%)
- h. The yield on _____-year Treasury Bonds (specify duration, not to exceed 30 years), with an annual floor of _____% (floor may not exceed 5%)
- i. The cost-of-living increase determined equal to the percentage change in the _____ from the preceding year, plus _____ basis points (basis points cannot exceed 300) minus _____ basis points with an annual floor of _____% (floor may not exceed 5% and may not be less than zero)
NOTE: If C.13.i. is selected, the crediting rate must be definitely determinable and consistent with the description of cost-of-living increases in Treasury Regulation section 1.401(a)(9)-6, Q&A-14(b).
- j. The third segment rate described in C.39, with an annual floor of _____% (floor may not exceed 4%)
- k. The second segment rate described in C.39, with an annual floor of _____% (floor may not exceed 4%)
- l. The first segment rate described in C.39, with an annual floor of _____% (floor may not exceed 4%)
- m. The lesser of the following rates: _____ or _____ (Describe rates in enough detail so that the Plan will provide a definitely determinable benefit. At least one of the rates must be a rate described in C.13.)

NOTE: The interest rate must be based on a yield on a security (as described in Treasury Regulation section 1.401(a)(9)-6, Q&A-14(b)).

Actual Rate of Return Interest Crediting Rate

38. If C.13b is selected, complete the following rules of application:

a. The Interest Credit Period used to determine and credit the Actual Rate of Return shall be:

1. Each Plan Year
2. Each Plan quarter
3. Each Plan month
4. Each calendar year
5. Each calendar quarter
6. Each calendar month
7. Each day

b. The Actual Rate of Return will be determined to the following number of decimals:

1. None (e.g., 1% or 3%)
2. One decimal (e.g., 1.2% or 2.7%)
3. Two decimals (e.g., 1.24% or 2.75%)

c. Contributions (excluding a contribution receivable) will be included based on the actual date of such contribution(s), with weighting for the period of time between the contribution date and the end of the Interest Credit Period based on number of:

1. Days
2. Whole Plan months
3. Whole calendar months
4. Nearest Plan months
5. Nearest Plan quarters
6. Nearest calendar months
7. Nearest calendar quarters

Additionally, in calculating the Actual Rate of Return, only distributions of benefits made during the Interest Credit Period will be reflected, and contributions receivable as of the last day of the plan year shall be treated as if they were made:

8. As of the last day of the plan year
9. On the day each amount was actually contributed

d. Distributions of benefits will be included in the calculation of the Actual Rate of Return with weighting for the period of time between the actual date of distribution and the end of the Interest Credit Period based on the number of:

1. Days
2. Whole Plan months
3. Whole calendar months
4. Nearest Plan months
5. Nearest Plan quarters
6. Nearest calendar months
7. Nearest calendar quarters

e. The following Plan expenses incurred for the Interest Credit Period will be included:

1. Investment expenses paid from the Plan's Trust
2. Administrative and investment expenses paid by the Plan's Trust
3. Administrative and investment expenses paid by the Plan's Trust except: _____ (insert description of excluded expenses)
4. No administrative or investment expenses

What's New - Cash Balance

Segment Rate as Interest Crediting Rate

39. If C.13j, C.13k, or C.13l is selected, complete the following rules of application:
- a. The segment rate chosen shall be:
 1. The segment rate defined under Code section 430(h)(2)(C),
 - A. reflecting
 - B. not reflectingthe adjustment for 25-year average interest rates under Code section 430(h)(2)(C)(iv)
 2. The segment rate defined under Code section 417(e)(3)(D)
 - b. The segment rate is determined as of the:
 1. First
 2. Second
 3. Third
 4. Fourth
 5. Fifthcalendar month preceding the first day of the:
 - A. Plan Year
 - B. Interest Credit Period

What's New - Cash Balance

- Ability to describe partial interest crediting period (Section C.22)

22. If a Participant's annuity starting date occurs before the end of an Interest Crediting Period, the Interest Credit for the partial Interest Crediting Period will be:
- Zero
 - Determined on a pro rata basis, reflecting *the portion of the Interest Credit Period before the Participant's annuity starting date*
 - Other partial Interest Crediting Period described as follows (e.g., first day of the Plan Year to the end of the quarter preceding annuity starting date): _____

What's New - Cash Balance

- Ability to enter any 12 month period for computing high three-year average compensation for 415 limit (Section C.27)

27. In determining the 100% of compensation limitation, high three-year average compensation is computed using (Section 5.03(f)):

a. Plan Year

b. Calendar Year

c. Other twelve-month period beginning on (enter month and day): _____

28. The 100% of compensation limitation shall be determined based on the highest three-year average compensation for the three-year period ending on the date of the participant's termination of service.



Drafting Tips

Traditional DB

- Actuarial assumptions other than GATT for calculating lump sums do not need to be included in the PPA restatement (EGTRRA Sections A.49, A.50 and A.51)

49. Are lump sums calculated using other assumptions in addition to GATT:

Yes No

50. If A.49 is "Yes", enter other lump sum mortality assumption: _____.

51. If A.49 is "Yes", enter other lump sum interest rate assumption: _____.

Traditional DB

- The Unit Credit Group provisions (Section C.13b) has been improved. Under the EGTRRA doc, you entered each group's benefit as a percentage with the ability to switch all groups to a dollar amount.

ii. **Unit Credit - Groups.** (Section 4.01(a)(2))

Group One. Each Participant who is a member of Group One will accrue a benefit in an amount equal to _____ percent of Average Annual Compensation for each Year of Credited Service.

Group Two. Each Participant who is a member of Group Two will accrue a benefit in an amount equal to _____ percent of Average Annual Compensation for each Year of Credited Service.

Group Three. Each Participant who is a member of Group Three will accrue a benefit in an amount equal to _____ percent of Average Annual Compensation for each Year of Credited Service.

Group Four. Each Participant who is a member of Group Four will accrue a benefit in an amount equal to _____ percent of Average Annual Compensation for each Year of Credited Service.

Group Five. Each Participant who is a member of Group Five will accrue a benefit in an amount equal to _____ percent of Average Annual Compensation for each Year of Credited Service.

Group Six. Each Participant who is a member of Group Six will accrue a benefit in an amount equal to _____ percent of Average Annual Compensation for each Year of Credited Service.

The term "dollars" shall be substituted for "percent of Average Annual Compensation" wherever it appears in this **C.25.ii**:

Yes No

Traditional DB

- Did you previously select the “Benefits Pursuant to CBA” under the pension formula? If so, under PPA, the IRS requires you to select a pension formula described in the document in addition to the CBA.
 - PPA Section C.13 =
 - o. **Benefits Pursuant to CBA.** Each Participant's benefit is determined according to the formula contained in this Adoption Agreement and is pursuant to the terms of a written collective bargaining agreement as adjusted/modified from time to time.
 - EGTRRA Section 25.xv =
 - xv. **Benefits Pursuant to CBA.** Each Participant's benefit is determined pursuant to the terms of a written collective bargaining agreement as adjusted/modified from time to time.
- NOTE:** Option C.25.xv may only be selected if the written collective bargaining agreement has a definitely determinable benefit formula.

Traditional DB

- The IRS no longer accepts a normal retirement age below 55 (Section E.1) for a preapproved plan.

▼ E. Normal Retirement	
1a. Requirement for Normal Retirement Age:	Age only
1b. Age component of Normal Retirement Age (not to exceed 65 or less than 55):	65
+	55
+	56
+	57
+	58
3a. Plan revised the definition of Normal Retirement Age:	No
+	59
+	59-1/2
+	60
4a. Normal Retirement Date:	calendar month coincident or next following NRA
+	61
	62
	63
	64
	65

Normal Retirement

- Normal Retirement Age means:
 - Attainment of Age: 62 (not to exceed 65 or less than 55).
 - Later of attainment of Age _____ (not to exceed 65 or less than 55) or _____ years (not to exceed the fifth anniversary of the first day of the Plan Year in which participation commenced).

NOTE: The age selected must not be earlier than the earliest retirement age that is reasonably representative of the typical retirement age for the industry in which the plan participants work. Age 62 or older automatically meets this requirement.

Traditional DB

- Expanded ability to select Plan Administrator as an option for Investment Fiduciary while continuing to have the option of identifying another individual or entity.

- PPA Section G.17=

17. The Investment Fiduciary is (Section 10.06):

a. The Plan Administrator

b. Other: SAMPLE FIDUCIARY, JR

10 The special trustee for purposes of determining and collecting contributions

- EGTRRA Section G.26=

26a. The Trustee is also the Investment Fiduciary (Section 10.06):

[] Yes [] No

26b. If G.26a is "No", enter the name of the Investment Fiduciary: _____.

Cash Balance

- Actuarial assumptions for calculating lump sums do not need to be included in the PPA restatement (former Sections A.42a and A.43a).

Actuarial Assumptions - Lump Sum

42a. The lump sum pre-retirement mortality assumption is: _____

43a. The non lump sum post-retirement mortality assumption is: _____

Cash Balance

- For coverage failures, do not need to detail eligible participants or target benefit accrual rates.
- PPA Section C.6 =
 6. Method to fix Code section 401(a)(26) and section 410(b) coverage failures:
 - a. Corrective amendment under Treasury Regulation section 1.401(a)(4)-11(g).
 - b. Apply Section 4.01(c).
- Former Sections C.12b and C.12c =
 - 12a. Method to fix Code section 401(a)(26) and section 410(b) coverage failures (Section 4.01(c)):
 - i. Ignore Section 4.01(c) - Do not automatically add any Participants.
 - ii. Section 4.01(c) shall apply.
 - 12b. If **C.12a.ii** is selected, indicate the Participants eligible to receive increased benefit accruals under Section 4.01(c)(2)(A): _____.
NOTE: For example, all Participants, all Nonhighly Compensated Employees who are Participants, or "None" if Section 4.01(c)(2)(A) is not used.
 - 12c. If **C.12a.ii** is selected, indicate the target benefit accrual rate under Section 4.01(c)(2)(A): _____.
NOTE: The information entered in the blank should include a percentage and the compensation used to calculate the percentage. For example: "0.5% of Compensation averaged over X Years".

Cash Balance

- The IRS removed the ability to describe any limitations or conditions on earning principal credit amounts (bottom of former Section C.24ii).

Describe any limitations and/or conditions on the amount of Principal Credits that may be earned:
_____. (If blank or zero, no limitations shall apply.)

Cash Balance

- The IRS removed the ability to select either six-month period or three-month period for the Principal Credit Period.
- Former Section 25a =

25a.	Principal Credit Period:	
i.	[]	Plan Year
ii.	[]	Plan quarter
iii.	[]	Plan month
iv.	[]	six-month period
v.	[]	three-month period
vi.	[]	calendar year
vii.	[]	calendar quarter
viii.	[]	calendar month

Cash Balance

- If these options were previously selected, mapping is to new “Other” option.
- PPA Section C.9 =

Principal Credit Period

9. Principal Credit Period:
- a. Each Plan Year
 - b. Each Plan quarter
 - c. Each Plan month
 - d. Each calendar month
 - e. Each calendar quarter
 - f. Each calendar year
 - g. Other (must be at least annually): _____

Cash Balance

- Do not need to enter cash balance conversion method for determining accrued benefit after conversion in PPA restatement.
- Former Section C.26b =

Cash Balance Conversions

- 26a.** The Plan has been converted from a traditional defined benefit formula to a cash balance formula where the Accrued Benefit is the balance of a Hypothetical Account Balance:
[] Yes [] No
- 26b.** If **C. 26a** is "Yes" and the provisions of Section 4.04 are/were not utilized for the conversion, describe the alternate method of determining the Accrued Benefit after the conversion: _____ (leave blank if Section 4.04 applies to the Plan).
- 26c.** If **C. 26a** is "Yes" the effective date of the Conversion Amendment was _____.
- NOTE:** If the conversion occurred after June 29, 2005, the method of determining the Accrued Benefit after the conversion must comply, at a minimum, with the plan conversion rules of Section 4.04, Code section 411(b)(5)(B)(ii) and Treas. Reg. section 1.411(b)(5)-1(c).

Cash Balance

- Do not need to enter cash balance conversion method for determining accrued benefit after conversion in PPA restatement.
- PPA Section C.12 =

Cash Balance Conversions

12. The Plan has been converted from a traditional defined benefit formula to a cash balance formula where the Accrued Benefit is the balance of a Hypothetical Account Balance effective: _____

Cash Balance

- The IRS removed the ability to select the last 3 options for interest crediting rates through NRA.

- Former Section C.31 =

- 31.** If **C.30** is not "N/A - Plan uses fixed interest rate" and if an Accrued Benefit is not currently payable, the Applicable Interest Crediting Rate for the Interest Credits of each future Interest Crediting Period through the Participant's Normal Retirement Age (or current age, if later) to determine a Participant's Projected Hypothetical Account Balance is:
- a. The Interest Crediting Rate (even if negative) of the current Interest Crediting Period.
 - b. The greater of the Interest Crediting Rate of the current Interest Crediting Period, or 0%.
 - c. An average (even if negative) of the Interest Crediting Rates of the current Interest Crediting Period and of one or more consecutive Interest Crediting Periods immediately preceding the current Interest Crediting Period (not to exceed 5 years in the aggregate). The total number of consecutive Interest Crediting Periods to be averaged is _____.
 - d. The greater of an average of the Interest Crediting Rates of the current Interest Crediting Period and of one or more consecutive Interest Crediting Periods immediately preceding the current Interest Crediting Period (not to exceed 5 years in the aggregate), or 0%. The total number of consecutive Interest Crediting Periods to be averaged is _____.
 - e. Other: _____.

NOTE: If **C.31** is "Other", such interest rate must be objectively determinable, and cannot be specified in a manner that is subject to the Company's/Plan Administrator's discretion.

Cash Balance

- If a benefit is not currently payable, the two available options are using the Applicable Interest Crediting Rate (even if negative) or the greater of the Applicable Interest Crediting Rate or 0%.
- PPA Section C.21 =
 21. If C.16 is not "N/A - Plan uses fixed interest rate for the Applicable Interest Crediting Rate" and if an Accrued Benefit is not currently payable, the Applicable Interest Crediting Rate for the Interest Credits of each future Interest Crediting Period through the Participant's Normal Retirement Age (or current age, if later) to determine a Participant's Projected Hypothetical Account Balance is:
 - a. The Applicable Interest Crediting Rate (even if negative) of the current Interest Crediting Period.
 - b. The greater of the Applicable Interest Crediting Rate of the current Interest Crediting Period, or 0%.
 22. If a Participant's annuity starting date occurs before the end of an Interest Crediting Period, the Interest

Cash Balance

- Cash balance benefits cannot be reduced by benefits payable under another DB plan, so provisions removed from PPA restatement.
- Former Sections C.34a, C.34b, C.34c =

Offset of Benefit by Other Plan

34a. Benefits are reduced for benefits payable under another defined benefit plan (Section 4.02(b)):
 Yes No

34b. If **C.34.a** is "Yes", the name of plan(s) is: _____

34c. If **C.34.a** is "Yes", the method to use to reduce benefits in this Plan is: _____

35a. The benefit is offset by a benefit in a defined contribution plan (Section 4.02(a)):
 Yes No

35b. If **C.35a** is "Yes", the name of defined Contribution Plan and method used to determine offset is:

NOTE: If **C.35a** is "Yes", the Plan will not satisfy the nondiscrimination safe harbors unless all of the provisions of Treas. Reg. 1.401(a)(4)-8(d) are satisfied.

Cash Balance

- Cash balance benefits cannot be reduced by benefits payable under another DB plan, so provisions removed from PPA restatement.
- PPA Section C.40 =

Offset of Benefit by Other Plan

40. The benefit is offset by a benefit in the following defined contribution plan: _____. (Section 4.02)

NOTE: To offset benefits by a defined contribution plan, the Plan must provide a minimum accrued benefit to Participants (expressed as a lifetime annuity commencing at normal retirement age) of no less than 0.5% of compensation for each year of credited service, which is not reduced by the offset applied to other formulas under the Plan.

Cash Balance

- The IRS does not accept a normal retirement age below 55 (Section E.1) for a preapproved plan.

▼ E. Normal Retirement	
1a. Requirement for Normal Retirement Age:	<input type="text" value="Age only"/>
1b. Age component of Normal Retirement Age (not to exceed 65 or less than 55):	<input type="text" value="65"/>
+ +	55 56 57 58 59 59-1/2 60 61 62 63 64 65
3a. Plan revised the definition of Normal Retirement Age:	<input type="text" value="No"/>
+ +	
4a. Normal Retirement Date:	<input type="text" value="calendar month coincident or next following NRA"/>
+ +	
5. To the extent the suspension rules do not apply, indicate when benefits commence:	<input type="text" value="at Termination - greater of AA or BA"/>
6. Indicate whether a Participant may elect to commence payments at Normal Retirement Date regardless of whether the Participant has a Termination of Employment:	<input type="radio"/> Yes / <input checked="" type="radio"/> No

- Normal Retirement Age means:
 - Attainment of Age: 65 (not to exceed 65 or less than 55).
 - Later of attainment of Age _____ (not to exceed 65 or less than 55) or _____ years (not to exceed the fifth anniversary of the first day of the Plan Year in which participation commenced).

NOTE: The age selected must not be earlier than the earliest retirement age that is reasonably representative of the typical retirement age for the industry in which the plan participants work. Age 62 or older automatically meets this requirement.

Cash Balance

- Do not need to select between annual or monthly periodic reductions for early retirement benefits in PPA restatement.

- Former Section E.12b =

12a. Specify either the method of reducing the Participant's Early Retirement benefit for the number of Annual/Monthly periods that a Participant's Early Retirement Date precedes his projected Normal Retirement Date, or an unreduced Accrued Benefit:

- i. Reduced in one step
- ii. Reduced in one step - actuarially reduced thereafter
- iii. Reduced in two steps
- iv. Reduced in two steps - actuarially reduced thereafter
- v. Actuarial Equivalent of Normal Retirement Benefit
- vi. Unreduced Accrued Benefit

NOTE: If any option other than **E.12a.v** (Actuarial Equivalent) or **E.12a.vi** (Unreduced Accrued Benefit) is selected, the percentages specified in **E.12c** and **E.12d** must be reasonable.

12b. If **E.12a.i - E.12a.iv** is selected, the frequency of the periodic reduction is:

- i. Annual
- ii. Monthly

Cash Balance

- Do not need to select between annual or monthly periodic reductions for early retirement benefits in PPA restatement.
 - PPA Section E.19 =
19. Specify either the method of reducing the Participant's Early Retirement Benefit for the number of years that a Participant's Early Retirement Date precedes his projected Normal Retirement Date, or an unreduced Accrued Benefit.
- a. Reduced in one step
 - b. Reduced in one step - actuarially reduced thereafter
 - c. Reduced in two steps
 - d. Reduced in two steps - actuarially reduced thereafter
 - e. Actuarial Equivalent of Normal Retirement Benefit
 - f. Unreduced Accrued Benefit

NOTE: If any option other than E.19e (Actuarial Equivalent) or E.19f (Unreduced Accrued Benefit) is selected, the percentages specified in E.20 and E.21 must be reasonable.

Tips & Tricks

- Context Sensitive Help
- Edit Checks
- Convert Checklist Type
- Batch Conversion - Coming soon
- DocPrint (Beta) - Batch print anything
- Global Print Settings



Questions?

About EGPS Back-Office TPA Services

- We can help you in providing Cash Balance Pension services to your clients
- You control the client relationship
- Free Initial Plan Design Analysis Illustrations
- Sales and Administration Support

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