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MULTIEMPLOYER PROGRAM DIVISION

GENERAL INSTRUCTIONS FOR MULTIEMPLOYER PLANS APPLYING FOR SPECIAL FINANCIAL ASSISTANCE

General Information

These general instructions are guidance setting forth the requirements for a multiemployer plan filing an application for special financial assistance (SFA) with PBGC. This guidance refers to section 4262 of the Employee Retirement Income Security Act of 1974 (ERISA) and PBGC's SFA regulation (29 CFR part 4262).

Section 9704 of the American Rescue Plan (ARP) Act of 2021 (P.L. 117-2) added section 4262 to ERISA, which authorizes PBGC to provide SFA to eligible multiemployer plans. Certain multiemployer plans are eligible to apply for SFA if they are in critical and declining or critical status; were approved to suspend benefits under the Multiemployer Pension Reform Act of 2014 as of March 11, 2021; or became insolvent after December 16, 2014, and have remained insolvent and have not terminated as of March 11, 2021.

On July 8, 2022, PBGC published a final rule that made changes to PBGC's SFA regulation and replaced an interim final rule issued on July 9, 2021. The final rule became effective on August 8, 2022.

The SFA regulation sets forth the requirements for SFA applications and related restrictions and conditions. These general instructions, along with the corresponding templates, addendums, and SFA assumptions guidance, provide additional guidance to multiemployer plans on how to prepare and file the required SFA application information.

The amount of SFA requested is determined as of the plan's "SFA measurement date." Except for a plan that filed its initial SFA application before August 8, 2022, when the interim final rule was in effect, a plan's SFA measurement date is defined in § 4262.2 of PBGC's SFA regulation as the last day of the third calendar month immediately preceding the date the plan's initial application is filed. For example, if the plan's initial application was filed on March 15, 2023, its SFA measurement date would be December 31, 2022; if the plan's application was filed on July 1, 2023, its SFA measurement date would be April 30, 2023. For a plan that submitted its initial SFA application under the interim final rule before August 8, 2022, its SFA measurement date is the last day of the calendar quarter immediately preceding the date the plan's initial application was filed.

Addendum A provides instructions on the additional information required for a plan that engaged in certain events between July 9, 2021, and its "SFA measurement date."

Addendum B provides instructions for the notice of reinstatement of benefits required to be issued by a plan sponsor of a plan that suspended benefits.

Addendum C provides instructions for filing a supplemented application for plans that received payment of SFA under the terms of the interim final rule and seek (1) to apply for additional SFA or (2) subject themselves, without applying for additional SFA, to the conditions of the final rule.

Addendum D provides instructions on additional information to be filed for MPRA plans (MPRA plans are defined in § 4262.4(a)(3) of PBGC's SFA regulation).

Pre-application consultations and questions

A plan sponsor may request an informal pre-application consultation to discuss a plan's potential application for SFA. At a pre-application consultation, PBGC staff members cannot offer binding decisions on such topics as a plan's eligibility for SFA or the amount of SFA to which it might be entitled. However, staff members can provide overviews of the SFA program and the application process and offer helpful tips. To request a pre-application consultation, send an email to the Multiemployer Program Division mailbox at multiemployerprogram@pbgc.gov, with the subject "Special Financial Assistance Consultation Request from (Plan Name)." You may send other questions about the SFA program to this email address as well, with the subject "Special Financial Assistance Question from (Plan Name)."

Filing an Application for Special Financial Assistance

Where to file an application

An application, with the exception of a lock-in application, must be submitted to PBGC electronically through PBGC's e-Filing Portal, (https://efiling.pbgc.gov/). After logging into the e-Filing Portal, go to the Multiemployer Events section and click "Create New ME Filing." Under "Select a filing type," select "Application for Financial Assistance – Special." Note: revised and supplemented applications must be submitted by selecting "Create New ME Filing."

A lock-in application under § 4262.10(g) is treated as a plan's initial application and locks in the plan's SFA measurement date, participant census data, non-SFA interest rate, and SFA interest rate. It is submitted by email to multiemployerprogram@pbgc.gov in accordance with the lock-in application instructions.

Note: In the case of a plan applying for priority consideration, PBGC will transmit the plan's application to the U.S. Department of the Treasury (Treasury Department). See section 432(k)(1)(D) of the Internal Revenue Code and guidance issued by the Treasury Department and Internal Revenue Service (IRS) (Notice 2021-38) for further information.

When to file an application

An initial application must be filed no later than December 31, 2025, and a revised application must be filed no later than December 31, 2026. See § 4262.10(d) of PBGC's SFA regulation. Plans in priority groups will be given the opportunity to file before March 11, 2023.

Information required for an application

The SFA application has five sections (Section A through Section E), which are described below.

Section A – Plan identifying information. This section requires the filer (e.g., accountant, actuary, attorney, plan administrator, trustee) to input basic identifying plan information into the e-Filing Portal.

Sections B through E. The filer must upload all required application files to the Documents page of the e-Filing Portal and identify each document type from the dropdown list. The Application for Approval of Special Financial Assistance Checklist identifies the specific document type to be selected for each item.

Section B – Plan documents. This section requires information that generally is readily available to the plan sponsor, such as plan documents and actuarial valuation reports. It also requires an enrollment form for the transfer of funds.

Section C – Plan data. This section requires information that the filer must provide in Excel compatible files. Links to the format and templates that may be used can be found throughout these instructions.

Section D – Plan statements. This section requires information that the filer must provide in a single, written document. On the SFA Application Checklist (Section E, Item (1)), the filer must identify the page numbers of this written document that are responsive to each required item.

Section E – Checklist, certifications, and SFA-related plan amendments. This section requires the filer to complete the SFA Application Checklist and identifies the various required certifications, plan amendments related to SFA, and other information.

Note: If required information was already filed: (1) through PBGC's e-Filing Portal; or (2) through any means for an insolvent plan, a plan that has received a partition, or a plan that submitted an emergency filing, the filer may either upload the information with the SFA application or include a statement on the SFA Application Checklist that indicates the date on which and the submission with which the required information was previously filed.

If, while the application is pending, the plan sponsor becomes aware of information that is no longer accurate or that has been omitted from the application, it must notify PBGC. See § 4262.6(e)(3) of PBGC's SFA regulation.

SECTION A – Plan identifying information. The filer inputs the following information into the e-Filing Portal.

(1) Plan name.

(2) Employer identification number (EIN).

(3) Plan number (PN).

(4) Notice filer name. Name of the individual authorized to file the SFA application.

(5) Role of filer. Relation of the individual filing the SFA application to the plan (e.g., accountant, actuary, attorney, plan administrator, trustee).

(6) Total amount requested. Amount of total SFA requested under § 4262.4(a)(1) or § 4262.4(a)(2) of PBGC's SFA regulation. This figure should match the amount reported in Section E, Item (5).

SECTION B – Plan documents. The filer uploads the following documents to the e-Filing Portal, using where applicable the required filenames identified on the SFA Application Checklist.

(1) Plan documentation.

a. Most recent plan document or restatement of the plan document and all amendments adopted since the last restatement (if any).

b. Most recent trust agreement or restatement of the trust agreement and all amendments adopted since the last restatement (if any).

c. Most recent IRS determination letter.

(2) Actuarial valuation reports. Actuarial valuation report for the 2018 plan year and each subsequent actuarial valuation report completed before the filing date of the initial application. Provide each report as a separate document.

(3) Rehabilitation plan or funding improvement plan. Most recent rehabilitation plan or, if applicable, funding improvement plan, including all subsequent amendments and updates, and the percentage of total contributions received under each schedule of the rehabilitation plan or funding improvement plan for the most recent plan year available. If the most recent rehabilitation plan does not include historical documentation of rehabilitation plan changes (if any) that occurred in calendar year 2020 and later, provide these details in a clearly identified additional document.

Provide each rehabilitation or funding improvement plan as a separate document.

(4) Form 5500. Most recently filed (as of the filing date of the initial application) Form 5500 and all schedules and attachments, including the audited financial statements. Provide as a single document.

(5) Zone certifications. Plan actuary's certification of plan status for the 2018 plan year and each subsequent annual certification completed before the filing date of the initial application, with documentation supporting each actuarial certification of plan status. The documentation supporting each actuarial certification must clearly identify all assumptions used, including the interest rate used for funding standard account purposes; such identification may be provided in an addendum (in which case, addendums are only required for the most recent actuarial certification of plan status completed before January 1, 2021, and all subsequent annual certifications) or by reference to other submitted materials such as an actuarial valuation report. Separately identify as "additional information" all information included with the zone certification to comply with this Section B, Item (5) that was not part of the original zone certification. Provide each zone certification (including its identified additional information) as a single document, separately for each plan year.

Documentation supporting a certification of critical and declining status must include a plan-year-by-plan-year projection demonstrating the plan year that the plan is projected to become insolvent. Provide the required plan-year-by-plan-year projection for each certification separately and identify the fair market value of plan assets as of the beginning and end of each plan year within the relevant period described in section 305(b)(6) of ERISA. Also, identify the following cash-flow items for each of those years:

a. Contributions.
b. Withdrawal liability payments.

c. Benefit payments.
d. Administrative expenses.
e. Amount of net investment returns.
f. Investment return assumption.

(6) Account statements. Most recent statement for each of the plan's cash and investment accounts.

(7) Plan's financial statement. Most recent plan financial statement (audited, or unaudited if audited is not available).

(8) Withdrawal liability documentation. All of the plan's written policies and procedures governing determination, assessment, collection, settlement, and payment of withdrawal liability. Provide all items as a single document.

(9) Death Audit and Census Data.

a. Documentation of a death audit to identify deceased participants that was completed on the census data used for SFA purposes, including identification of the service provider conducting the audit, date performed, date of participant census data, the participant counts (provided separately for current retirees and beneficiaries, current terminated vested participants not yet in pay status, and current active participants) run through the death audit, and a copy of the results of the audit provided to the plan administrator by the service provider. If the death audit identifies known deaths that occurred before the date of the census data used for SFA purposes, and the plan does not have information that conclusively demonstrates the participant is alive, such as a record of a call the participant had with the plan after the purported date of death, for these known deaths, provide a statement certifying these deaths were reflected for SFA calculation purposes. Deaths that occur after the census date should not be reflected (except as noted in Section III.F of PBGC's SFA assumptions guidance). If personally identifiable information is included in the death audit report, the filer must redact it before submission to PBGC.

i. *Reflecting known deaths that occurred before the date of the participant census data*. The projected benefits and projected headcounts used in the determination of the SFA amount must reflect deaths that occurred before the census date. If the plan records reflect the marital status[1] of a deceased participant, that information should be used in the projections. Otherwise, apply the plan's assumptions for percent married and spousal sex/date of birth to project any survivor benefits available under the plan.

[1] If the plan provides survivor benefits for non-spouse beneficiaries, treat any such beneficiaries in the same manner as spouses as described in these instructions.

b. Complete census data of all participants in all categories that were included in the SFA projections. Provide this data in Excel, or an Excel-compatible format, and include only name, participant status (e.g., active, retiree, beneficiary, terminated vested), and Social Security Number. The census data file submitted in response to this request must be the same as the file used to determine the SFA amount. PBGC will conduct an independent death audit on this file and, if deaths are identified that occurred before the date of the census data used for SFA purposes, provide instructions, as needed, for the plan to reflect the results of the audit for SFA calculation purposes.

c. For a plan that submits its census data early in accordance with this paragraph, a description of how the results of PBGC's independent death audit are reflected for SFA calculation purposes. A plan that has filed a lock-in application may submit the plan's census data file and request that PBGC conduct the independent death audit before the plan submits its full revised application. To request the independent death audit before filing a full revised (not lock-in) application, submit the data file and the date of the census data through PBGC's secure file transfer system, Leapfile. First send an email to sfa@pbgc.gov to request a recipient email address. The email address provided will be that of a PBGC staff member in the Multiemployer Program Division, e.g, a "[last name].[first name]@pbgc.gov" email address. Go to http://pbgc.leapfile.com, click on "Secure Upload" and then enter the email addresses provided by PBGC as the recipient email address and upload the file(s) for secure transmission. Include as the subject "Submission of Census Data for (Plan Name)," and as the memo "(Plan Name) census data dated (date of census data) through Leapfile for independent audit by PBGC." PBGC will provide the applicant with a report identifying participants in the data file that match known deaths. This report does not relieve the plan from furnishing the death audit required by Item (9)(a) when it files its full revised (not lock-in) application.

(10) Automated Clearing House (ACH) Vendor/Miscellaneous Payment Enrollment Form and required notarized bank letter. This ACH form is used to enable the plan to receive electronic transfer of funds, if the SFA application is approved. When transferring funds, PBGC will use ACH process or Fedwire process (preferred) for amounts up to $100 million (if further information is required for a sub account i.e., "further credit to" a Fedwire is required), and only Fedwire process for amounts over $100 million. If the plan is requesting SFA in an amount that is over $100 million, then the filer must confirm the bank's routing number listed on the ACH form for a Fedwire transfer and any other information necessary for the transfer. Filers are encouraged to contact the Treasury Offset Program (TOP) call center at 800-304-3107 (800-877-8339 for TTY/TDD help) to determine if there are any outstanding debts associated with the plan's EIN that must be resolved to avoid possible delays in the transfer of funds.

In addition to the plan's completed, signed ACH payment form, the plan's bank official must include a notarized bank letter on bank letterhead with signature of the bank official.

The banking information in the ACH form must match the notarized bank letter by the bank official. The notarized letter should contain the following information:

- Name and email address of a point of contact at the bank (used for PBGC to confirm receipt of funds);
- Depositor Account Title;
- Name on bank account; i.e., no numerical characters
- Bank routing number;
- Bank account number;
- Any special instructions such as "for further credit instructions;" and
- Indicate if the banking instructions provided can accept ACH, Fedwire, or both payment types.

If a plan closes the bank account that it listed on this form before PBGC transfers the SFA, then the plan must notify PBGC immediately and submit an updated form with notarization.

SECTION C – Plan data. The filer completes and uploads an Excel compatible file to the e-Filing Portal for each item below, using, where applicable, the required filenames identified on the SFA Application Checklist. The filer may use the templates specified with each item.

(1) Form 5500 projection. Template 1: For the 2018 plan year until the most recent plan year for which the Form 5500 is required to be filed by the filing date of the initial application, the projection of expected benefit payments as required to be attached to the Form 5500 Schedule MB if the response to line 8b(1) of the Form 5500 Schedule MB should be "Yes."

(2) Contributing employers. Template 2: If the plan has 10,000 or more participants, as required to be entered on line 6f of the plan's most recently filed Form 5500 (by the filing date of the initial application), a listing of the 15 largest contributing employers (the employers with the largest contribution amounts) and the amounts of contributions paid by each of these employers during the most recently completed plan year (before the filing date of the initial application). For example, if a calendar year plan filed an application on April 1, 2023, the plan would look to line 6f of the 2021 Form 5500 filed in 2022. If line 6f of the 2021 Form 5500 showed 10,000 or more participants, the plan must list the 15 contributing employers with the largest contributions and the amounts of the contributions made by each of those employers during 2022, without regard to whether a contribution was made on account of a year other than 2022. Alternatively, the plan may choose to provide the listing of the 15 largest contributing employers and the amounts of contributions paid by each of these employers on account of the most recently completed plan year. Identify the basis (cash or accrual) used to report the employer contributions. If the plan is required to provide this information, it is required for the 15 largest contributing employers even if the employer's contribution is less than 5% of total contributions.

(3) Historical plan information. Template 3: Historical plan information for the 2010 plan year through the plan year immediately preceding the date the plan's initial application was filed that separately identifies: total contributions, total contribution base units (including identification of the unit used (i.e., hourly, weekly)), average contribution rates, and number of active participants at the beginning of each plan year. Also, show separately for each of the plan years in the same period all other sources of noninvestment income, including, if applicable, withdrawal liability payments collected, reciprocity contributions (if applicable), additional contributions pursuant to the rehabilitation plan (if applicable), and other identifiable contribution streams.

(4) SFA determination. Template 4A: The calculation of the amount of SFA differs for different eligible plans, as follows:

- Plans that are not MPRA plans – "basic method." For a plan that does not meet the definition of a "MPRA plan" under § 4262.4(a)(3) of PBGC's SFA regulation, the amount of SFA is determined under the "basic method" described in § 4262.4(a)(1) of PBGC's SFA regulation.

- MPRA plans. For a plan that meets the definition of a "MPRA plan" under § 4262.4(a)(3) of PBGC's SFA regulation, the amount of SFA determined under § 4262.4(a)(2) of PBGC's SFA regulation is the greatest of the three amounts calculated using the "basic method" determined under § 4262.4(a)(1) of PBGC's SFA regulation, the "increasing assets method" determined under § 4262.4(a)(2)(i), and the "present value method" determined under § 4262.4(a)(2)(ii).

  All plans must provide the information described below for the "basic method" and may use Template 4A. MPRA plans must provide additional information, including the amount of SFA calculated using the "increasing assets method," using the format of Template 4A, as described in Addendum D. A MPRA plan that calculates the greatest amount of SFA using the "present value method" must provide additional information using the format of Template 4B, as described in Addendum D.

  Provide information used to determine the amount of SFA for the plan using the "basic method" described in § 4262.4(a)(1) of PBGC's SFA regulation based on a deterministic projection and using the actuarial assumptions as described in § 4262.4(e) of PBGC's SFA regulation. The information to be provided is:

  a. The amount of SFA calculated using the "basic method," determined as a lump sum as of the SFA measurement date.

  b. Non-SFA interest rate required under § 4262.4(e)(1) of PBGC's SFA regulation, including supporting details on how it was determined.

  c. SFA interest rate required under § 4262.4(e)(2) of PBGC's SFA regulation, including supporting details on how it was determined.

d. Fair market value of assets as of the SFA measurement date. This amount should include any assets at the SFA measurement date attributable to financial assistance received by the plan under section 4261 of ERISA on or before the SFA measurement date, but it should not reflect a payable for amounts owed to PBGC for any amounts of such financial assistance received by the plan.

e. For each plan year in the period beginning on the SFA measurement date and ending on the last day of the last plan year ending in 2051 (the "SFA coverage period"):

    i. Separately identify the projected amount of contributions, projected withdrawal liability payments reflecting a reasonable allowance for amounts considered uncollectible, and other payments expected to be made to the plan (excluding the amount of financial assistance under section 4261 of ERISA and SFA to be received by the plan).

    ii. Identify the benefit payments described in § 4262.4(b)(1) (including any benefits that were restored under 26 CFR 1.432(e)(9)-(1)(e)(3) and excluding the make-up payments in Item (4)e.iii. below), separately for current retirees and beneficiaries, current terminated vested participants not yet in pay status, current active participants, and new entrants; and total benefit payments paid and expected to be paid from projected SFA assets separately from total benefit payments paid and expected to be paid from non-SFA assets after the projected SFA assets are fully exhausted. Demographic actuarial assumptions (death, withdrawal, retirement, disability) should be applied between the census date and the SFA measurement date in the determination of benefit payments.

    iii. Separately identify the make-up payments described in § 4262.4(b)(1) attributable to the reinstatement of benefits under § 4262.15 that were previously suspended through the SFA measurement date.

    The following example provides additional information about how to determine the amounts to be provided in Section C, Items (4)e.ii. and (4)e.iii. for reinstatement of benefits previously suspended under sections 305(e)(9) or 4245(a) of ERISA.

    Example *– Joe is a retiree who was receiving a monthly benefit of $2,000 per month payable as a straight life annuity on the first of each month until a benefit suspension took effect on 1/1/2019. Starting on 1/1/2019, his benefit was reduced to $1,000 per month. The SFA measurement date is 12/31/2021, which means that, as of the SFA measurement date, 36 months of benefit payments have been suspended (from 1/1/2019 through 12/31/2021).*

    The plan decides to restore benefits at the latest possible date, so the monthly benefit paid to Joe will not increase to the original $2,000 per

month until the first of the month in which the SFA is paid to the plan (see § 4262.15(a)(1)). Also, the "make-up" payment will cover the period from 1/1/2019 through the month preceding the month in which the SFA is paid.

However, for purposes of determining the SFA amount, only, under § 4262.4, calculations are performed as if the projected benefit begins the day after the SFA measurement date as shown below:

Scenario A – Plan elects to pay the make-up payment as a single lump sum

Step 1 – The projected benefits to be provided in Section C, Item (4)e.ii. will reflect $2,000 per month payable to Joe starting on 1/1/2022 for the remainder of his life.

Step 2 – The benefit payment to be provided in Section C, Item (4)e.iii. will be $36,000, the make-up payment assumed to be paid as of the SFA measurement date of 12/31/2021.

Scenario B – Plan elects to pay the make-up payment in equal monthly installments over 5 years

Step 1 – The projected benefits provided in Section C, Item (4)e.ii. will reflect $2,000 per month payable to Joe starting on 1/1/2022 for the remainder of his life.

Step 2 – The make-up payment is paid in 60 equal monthly installments of $600 ($36,000 divided by 60). The benefits to be provided in Section C, Item (4)e.iii. will reflect $600 per month payable to Joe (or his designated beneficiary) starting on 1/1/2022 for 60 months.

iv. Separately identify administrative expenses paid and expected to be paid (excluding the amount owed PBGC under section 4261 of ERISA) for premiums to PBGC and for all other administrative expenses; and identify total administrative expenses paid and expected to be paid from projected SFA assets separately from total administrative expenses paid and expected to be paid from non-SFA assets after the projected SFA assets are fully exhausted.

v. Provide the projected total participant count at the beginning of each plan year.

vi. Provide the projected investment income earned by assets not attributable to SFA based on the non-SFA interest rate in Section C, Item (4)b. and the projected fair market value of non-SFA assets at the end of each plan year.

vii. Provide the projected investment income earned by assets attributable to SFA based on the SFA interest rate in Section C, Item (4)c. (excluding

investment returns for the plan year in which the sum of the annual projected benefit payments and administrative expenses for the year exceeds the beginning-of-year projected SFA assets) and the projected fair market value of SFA assets at the end of each plan year.

f. The projected SFA exhaustion year. This is the first day of the plan year in which the sum of annual projected benefit payments and administrative expenses for the year exceeds the beginning-of-year projected SFA assets.

(5) Baseline details. Template 5A: This Template 5A is required (except as noted in the next paragraph) for plans that are not MPRA plans. See Addendum D for separate instructions for Baseline details to be submitted for MPRA plans.

This item is not required if all assumptions and methods used to determine the requested SFA amount are identical to those used in the most recent actuarial certification of plan status completed before January 1, 2021 ("pre-2021 certification of plan status"), except the non-SFA and SFA interest rates, and except any assumptions that were changed in accordance with Section III, Acceptable Assumption Changes, in PBGC's SFA assumptions guidance (other than the acceptable assumption change for "missing" terminated vested participants described in Section III.F of PBGC's SFA assumptions guidance).

Provide a separate deterministic projection ("Baseline") in the same format as Section C, Item (4) that shows the amount of SFA using the basic method (§ 4262.4(a)(1) of PBGC's SFA regulation) that would be determined if all underlying assumptions and methods used in the projection were the same as those used in the pre-2021 certification of plan status, except the plan's non-SFA interest rate and SFA interest rate, which should instead be the same as used in Section C, Item (4). For purposes of Section C, Item (5), any assumption change made in accordance with Section III, Acceptable Assumption Changes, in PBGC's SFA assumptions guidance should be reflected in this Baseline calculation of the SFA amount and supporting projection information, except that an assumption change for "missing" terminated vested participants described in Section III.F of PBGC's SFA assumptions guidance should not be reflected in the Baseline projections. Assumption changes made in accordance with Section IV, Generally Accepted Assumption Changes, in PBGC's SFA assumptions guidance should not be reflected in this Baseline calculation. See the example below.

Example – *Plan A applies for SFA in 2025 with an SFA measurement date of 12/31/2024. Plan A's actuary prepared an actuarial certification of plan status on 3/15/2020 for the plan year beginning 1/1/2020. This is the most recent certification of plan status before 1/1/2021. In that certification, the plan's status is critical and declining, and the plan is projected to become insolvent within 8 years. When calculating the amount of requested SFA, the plan actuary uses the same assumptions that were used to prepare the actuarial certification of plan status on 3/15/2020 except for the following changes in assumptions:*

- *The funding standard account interest rate used in the pre-2021 certification is 6.00%. Assume that the applicable interest rate limit in § 4262.4(e)(1)(ii) of PBGC's SFA regulation is 5.50%, and the applicable interest rate limit in § 4262.4(e)(2)(ii) of PBGC's SFA regulation is 3.50%. The SFA amount will be calculated using a non-SFA interest rate of 5.50% and an SFA interest rate of 3.50%*

- *The mortality table used in the pre-2021 certification is the RP-2000 Mortality Table with projected improvements through 2025 using Scale AA. The plan actuary determines the mortality assumption used in this certification is no longer reasonable and proposes changing to the Pri-2012 amount-weighted Blue Collar table (Pri-2012(BC)) with projected improvements based on a mortality improvement scale published in 2024 by the Retirement Plans Experience Committee of the Society of Actuaries.*

- *Since the pre-2021 certification projected the plan to be insolvent within 8 years, the plan actuary must adopt assumptions to project administrative expenses and CBUs to the end of the SFA coverage period. The plan actuary adopts the assumptions for administrative expenses in Section III, Acceptable Assumption Changes, in PBGC's SFA assumptions guidance to project administrative expenses through 2051. The plan actuary adopts a CBU assumption based on information provided by the plan sponsor. The CBU assumption meets the criteria in Section IV.A, Generally Acceptable Assumption Changes, Proposed Change to CBU Assumption, in PBGC's SFA assumptions guidance, but the changed CBU assumption does not meet the criteria in Section III, Acceptable Assumption Changes, in PBGC's SFA assumptions guidance.*

- *Since the pre-2021 certification projected the plan to be insolvent within 8 years, the plan actuary only had an assumption for withdrawal liability payments during those 8 years, and must extend the assumption to project withdrawal liability payments expected to be received by the plan to the end of the SFA coverage period. With input from the plan sponsor, the plan actuary develops a 30-year projection reflecting a reasonable allowance for amounts considered uncollectible.*

- *The plan actuary determines that the assumed retirement rates and payment form assumptions used in the pre-2021 certification are no longer reasonable and makes changes to each of these assumptions based on an analysis of plan experience and reasonable expectations.*

The projections to be provided for Section C, Item (5) – Baseline – should reflect the following assumptions:

- *Non-SFA interest rate: 5.50%*

- *SFA interest rate: 3.50%*

- *Mortality: Pri-2012(BC) with mortality improvement scale published in 2024 by the Retirement Plans Experience Committee of the Society of Actuaries. This assumption change is included in the Baseline because it is in Section III, Acceptable Assumption Changes, in PBGC's SFA assumptions guidance.*

- *Extended CBU assumption: The CBU assumption to be shown in the Baseline projections should reflect the "extension" of the CBU assumption that is consistent with Paragraph A, "Adoption of assumptions not previously factored into pre-2021 certification of plan status," of Section III, Acceptable Assumption Changes, in PBGC's SFA assumptions guidance.*

- *Extended administrative expense assumption: This assumption change is included in the Baseline because it is in Section III, Acceptable Assumption Changes, in PBGC's SFA assumptions guidance.*

- *All other assumptions used in the projections should be the same assumptions used in the pre-2021 certification.*

All other assumption changes that are reflected in the calculation of the SFA amount in Section C, Item (4) (e.g., change in CBU assumptions that is different than the "acceptable" extension, new withdrawal liability payments, retirement rates and assumed payment forms) should not be included in the Baseline information.

(6) Reconciliation details. Template 6A: This Template 6A is required (except as noted in the next paragraph) for plans that are not MPRA plans. See Addendum D for separate instructions for Reconciliation details to be submitted for MPRA plans.

This item is not required if all assumptions and methods used to determine the requested SFA amount are identical to those used in the pre-2021 certification of plan status, except the non-SFA and SFA interest rates, and except any assumptions changed in accordance with Section III, Acceptable Assumption Changes, in PBGC's SFA assumptions guidance (other than the acceptable assumption change for "missing" terminated vested participants described in Section III.F of PBGC's SFA assumptions guidance). This item is also not required if the requested SFA amount from Section C, Item (4) is the same as the amount shown in the Baseline details of Section C, Item (5).

If the assumptions/methods used to determine the requested SFA amount differ from those in the "Baseline" projection in Section C, Item (5), then provide a reconciliation of the change in the total amount of SFA due to each change in assumption/method from the Baseline to the requested SFA as shown in Section C, Item (4). For each assumption/method change from the Baseline through the requested SFA amount, provide a deterministic projection in the same format as Section C, Item (4). Detailed

explanations and supporting rationale and information for each assumption/method change is required in Section D, Item (6)b.

Example – *Consider the same Plan A example in Section C, Item (5) above. When completing this Section C, Item (6), the reconciliation should show the change in SFA (and corresponding projection information) for each of the assumption changes not reflected in the Baseline – change in CBU assumptions from the "extended" acceptable assumption to the CBU assumption used to determine the requested SFA as shown in Section C, Item (4), change in withdrawal liability payments, change in retirement rates, and change in assumed payment forms. Below is an example of the reconciliation information to be shown:*

Item number	*Basis for Assumptions/Methods*	*Change in SFA Amount (in $million) (from prior item number)*	*SFA Amount (in $million)*
1	*Baseline*	*N/A*	*$6.0*
2	*CBU*	*$3.0*	*$9.0*
3	*Withdrawal Liability*	*$(0.2)*	*$8.8*
4	*Retirement*	*$0.7*	*$9.5*
5	*Payment form*	*$0.2*	*$9.7*

(7) Assumption/method changes. Template 7:

a. *This item is not required if the plan is eligible for SFA under § 4262.3(a)(2) or § 4262.3(a)(4) of PBGC's SFA regulation or if the plan is eligible based on a certification of plan status completed before January 1, 2021. This item is also not required if the plan is eligible based on a certification of plan status for SFA eligibility purposes completed after December 31, 2020, but reflects the same assumptions as those in the pre-2021 certification of plan status.*

A table identifying which assumptions (and methods) used in determining the plan's eligibility for SFA differ from those used in the pre-2021 certification of plan status and brief explanations as to why using those original assumptions/methods is no longer reasonable and why the changed assumptions/methods are reasonable. This should be an abbreviated version of information provided in Section D, Item (6)a.

b. A table identifying which assumptions (and methods) used in calculating the amount of SFA differ from those used in the pre-2021 certification of plan status (except the interest rates used to determine SFA) and brief explanations as to why using those original assumptions is no longer reasonable and why the changed assumptions are reasonable. Please state if the changed assumption is an extension of the CBU assumption or the

administrative expenses assumption as described in Paragraph A, "Adoption of assumptions not previously factored into pre-2021 certification of plan status," of Section III, Acceptable Assumption Changes, in PBGC's guidance on Special Financial Assistance Assumptions. This should be an abbreviated version of information provided in Section D, Item(6)b.

Example – *Consider the same Plan A example in Section C, Item (5) above. When completing Section C, Item (7)b., the plan should identify all assumption changes (except the interest rates) -- including those reflected in the Baseline.*

Assumption That Has Changed From Assumption Used in Most Recent Certification of Plan Status Completed Before 1/1/2021
Mortality
Administrative Expenses
CBU
Withdrawal Liability
Retirement
Payment Form

(8) Contributions and withdrawal liability details. Template 8: Provide details of the projected contributions and withdrawal liability payments used to calculate the requested SFA amount. This should include total contributions, contribution base units (including identification of base unit used (i.e., hourly, weekly)), average contribution rate(s), reciprocity contributions (if applicable), additional contributions from the rehabilitation plan (if applicable), and any other identifiable contribution streams. Provide the projected number of active participants at the beginning of each plan year. For withdrawal liability, separately show amounts for currently withdrawn employers and for future assumed withdrawals.

(9) Participant data. For plans with 350,000 or more participants reported on line 6f of the most recently filed Form 5500, provide the full individual participant census data (do not provide any personally identifiable information) utilized by the plan actuary in developing the cash flow projections included in the application.

(10) Assumption summaries. Template 10: A table identifying and describing all assumptions and methods used in: i) the pre-2021 certification of plan status, ii) the "Baseline"

projection in Section, C Item (5), and iii) the determination of the amount of SFA in Section C, Item (4).

- For each assumption or method used in the pre-2021 certification of status, identify the name of the source document (actuarial valuation report, zone certification, other plan statement) included with the SFA application and the corresponding page number of the source document that the assumption can be found.

- State if a changed assumption falls under Section III, Acceptable Assumption Changes, or Section IV, Generally Accepted Assumption Changes, in PBGC's SFA assumptions guidance, or if it should be considered an "Other Change."

- Provide the cash flow timing used in items (i), (ii), and (iii) above.

- Complete all rows of Template 10. If an assumption on Template 10 does not apply to the application, enter "N/A" and explain as necessary in the "comments" column. If the application contains assumptions not listed on Template 10, create additional rows as needed.

If the plan uses a SFA measurement date **after February 15, 2023**, the signing actuary is required to provide a statement indicating that in their professional opinion, the combined effect of non-prescribed assumptions used for measuring the pension obligations used to determine SFA does not have significant bias.

Example *– Consider the same Plan A example in Section C, Item (5) above. When completing Section C, Item (10), the plan should identify all method/assumption changes and complete all rows of Template 10, not just the example items below.*

	(A)	*(B)*	*(C)*	*(D)*	*(E)*
	Source of (B)	*Assumption/Method Used in Most Recent Certification of Plan Status Completed Prior to 1/1/2021*	*Baseline Assumption/ Method Used*	*Final SFA Assumption/ Method Used*	*Category of assumption change from (B) to (D) per SFA Assumption Guidance*
Base Mortality – Healthy	*2019 Plan A AVR.pdf p. 55*	*RP-2000 mortality table*	*Pri-2012(BC) mortality table*	*Same as baseline*	*Acceptable Change*
Contribution Base Units	*2020 Plan A ZC.pdf p. 19*	*125,000 hours projected to insolvency in 2028*	*125,000 hours projected through the SFA projection period in 2051*	*100,000 hours projected with 3.0% reductions annually for 10 years and 1.0% reductions annually thereafter*	*Generally Acceptable Change*

SECTION D – Plan statements. The filer uploads a single document (with a unique page number on each page of the document) as document type "Special Financial Assistance Application" to the e-Filing Portal with responses to the following information requirements. This document must be signed and dated by an authorized trustee who is a current member of the board of trustees or an authorized representative of the plan sponsor and include the printed name and title of the signer.

(1) Provide an SFA request cover letter for the application (optional, except as follows):

a. For a MPRA plan, include an SFA request cover letter that identifies the calculation method (basic method, increasing assets method, or present value method) that provides the greatest amount of SFA. See Section C, Item (4).

b. For a MPRA plan with a partition, include an SFA request cover letter that includes a statement that the plan has been partitioned under section 4233 of ERISA.

(2) Provide the name, address, email, and telephone number of the plan sponsor and the plan sponsor's authorized representative, and any other authorized representatives.

(3) Identify which of the following eligibility criteria qualify the plan to be eligible for SFA. Provide additional information as required below for each item that is applicable. If the plan is eligible for SFA under multiple criteria, the filer may (but is not required to) identify and provide the required additional information for more than one.

a. In any plan year beginning in 2020, 2021, or 2022, the plan is certified by the plan actuary to be in critical and declining status. Identify which plan year(s) apply and refer to information required in Section B, Item (5) and if applicable, Section E, Item (2).

b. The plan has been approved for a suspension of benefits under section 305(e)(9) of ERISA as of March 11, 2021.

c. The plan satisfies the eligibility requirements for a critical status plan under § 4262.3(a)(3) of PBGC's SFA regulation. The conditions do not need to be satisfied for the same plan year.

i. In any plan year beginning in 2020, 2021, or 2022, the plan is certified by the plan actuary to be in critical status within the meaning of section 305(b)(2) of ERISA. Identify the specified year(s) and refer to information required in Section B, Item (5) and if applicable, Section E, Item (3). Election of critical status under section 305(b)(4) of ERISA does not satisfy the requirement for the certification of critical status by the plan's actuary.

ii. The percentage calculated under § 4262.3(c)(2) of PBGC's SFA regulation for 2020, 2021, or 2022 is less than 40 percent. Identify which year's Form 5500 Schedule MB is used by the plan for eligibility; the current value of net

assets entered by the plan on line 2a of the Form 5500 Schedule MB; the current value of withdrawal liability due to be received by the plan on an accrual basis, reflecting a reasonable allowance for amounts considered uncollectible (if not already included in the current value of net assets); and the current liability measurement entered by the plan on line 2b(4) column (2) of the Form 5500 Schedule MB.

iii. On the Form 5500 that was required to be filed for plan year 2020, 2021, or 2022, the ratio of active participants that is entered on line 6a(2) to inactive participants (that is the sum of lines 6b, 6c, and 6e) is less than 2 to 3. Identify which year's Form 5500 is used by the plan for eligibility and the number of active participants entered by the plan on line 6a(2) and the number of inactive participants that is the sum of lines 6b, 6c, and 6e. Alternatively based on the Schedule MB of the Form 5500 that was required to be filed for plan year 2020, 2021 or 2022, the ratio of the total number of active participants at the beginning of the plan year that is entered as the number of participants on line 2b(3)(c) to inactive participants (that is the sum of retired participants and beneficiaries receiving payment on line 2b(1) and terminated vested participants on line 2b(2)) is less than 2 to 3. Identify which year's Schedule MB of the Form 5500 is used by the plan for eligibility and the number of active participants entered by the plan on line 2(b)(3)(c) and the number of inactive participants that is the sum of lines 2b(1) and 2(b)(2).

d. The plan became insolvent after December 16, 2014, and remained insolvent without terminating as of March 11, 2021.

(4) If the plan's application is submitted on or before March 11, 2023, identify which priority group the plan is in (see § 4262.10(d)(2) of PBGC's SFA regulation). If the plan is submitting an emergency application under § 4262.10(f), identify the application as an emergency application and which emergency criteria is applicable.

(5) Provide a detailed narrative description of the development of the assumed future contributions (including assumed contribution rates) and the assumed future withdrawal liability payments used to calculate the SFA amount as shown in Section C, Item (4).

(6) Provide the following:

a. If the plan is eligible for SFA under § 4262.3(a)(1) or § 4262.3(a)(3) of PBGC's SFA regulation, and the assumptions used to determine such eligibility are different from the assumptions used in the most recent actuarial certification of plan status completed before January 1, 2021, identify which assumptions are different, and provide detailed explanations and supporting rationale and information as to why using the identified assumptions is no longer reasonable and why the changed assumptions are reasonable.

b. If any assumptions or methods used to determine the SFA amount are different from those used in the most recent actuarial certification of plan status before January 1, 2021 (excluding the plan's non-SFA and SFA interest rates, which must be the same as the interest rates required under § 4262.4(e)(1) and (2)), identify which assumptions/methods are different, and provide detailed explanations and supporting rationale and information as to why using the identified original assumptions is no longer reasonable and why the changed assumptions are reasonable. Please state if the changed assumption is an extension of the CBU assumption or the administrative expenses assumption as described in Paragraph A, "Adoption of assumptions not previously factored into pre-2021 certification of plan status," of Section III, Acceptable Assumption Changes, in PBGC's SFA assumptions guidance.

The information to be provided in Items (6)a. and (6)b. is intended to be a more detailed explanation with supporting rationale and information than the brief summary that is provided in Section C, Items (7)a. and (7)b.

Following are examples of supporting rationale and information for different types of assumption changes:

- For changes to demographic assumptions such as retirement and turnover – experience study including detailed summary of actual experience and documentation of data sources and methodologies used.

- For changes to optional payment form assumptions – historical distribution of payment form selected at retirement.

- For changes to the new entrant profile – historical distribution (by year) of ages of all new entrants (whether new hires or rehires) and other relevant demographic characteristics such as service or pay.

- For changes to contribution assumptions including CBUs and contribution rates – narrative explanation of historical trends, rationale for assumption and explanation of consistency between CBU assumptions, contribution rates and assumed rates of future employer withdrawals.

- For changes in assumed collectability of withdrawal liability – historical data on collectability and, if applicable, how other relevant factors were considered.

- For changes in assumed rate of future employer withdrawals – relevant historical data and, where appropriate, relevant industry or geographic information.

- For changes to the initial amount of administrative expenses, – detailed supporting rationale for the amount of change in each type of administrative expense (e.g., legal, plan administration, office expenses, etc.)

- For changes to the assumption used to increase administrative expenses – forward-looking expectations from credible sources.

- For changes to the assumption for which terminated vested participants are included or excluded from the determination of SFA, see PBGC's SFA assumptions guidance (Sections III.F and VI.C).

Supporting information to be provided if a plan-specific mortality table or a plan specific adjustment to a standard mortality table is used (regardless of if the mortality assumption is changed or unchanged from the pre-2021 certification of plan status) should comprehensively document the methodology used and rationale for selection of the methodology used (including, but not limited to, the selection of the base table and improvement scale, methodology for weighting of mortality experience, method for adjusting the base table, experience period used, and handling of different participant groups (e.g., sex, pay status)) to develop the plan-specific rates, as well as detailed information showing the determination of plan credibility and plan experience.

For any changed assumption for which future expectations differ significantly from historical experience, provide rationale for the difference and supporting information.

(7) *This item is required only if the plan suspended benefits under section 305(e)(9) or section 4245(a) of ERISA*.

Provide a narrative description of how the plan will reinstate the benefits that were previously suspended and a proposed schedule of payments (equal to the amount of benefits previously suspended) to participants and beneficiaries under the plan. The proposed schedule should show the yearly aggregate amount and timing of such payments and assume for purposes of determining SFA only that the effective date for reinstatement is no later than the day after the SFA measurement date, as shown under Section C, Item (4)e. If the plan restored benefits under 26 CFR 1.432(e)(9)-1(e)(3) before the SFA measurement date, the proposed schedule should reflect the amount and timing of payments of restored benefits and the effect of the restoration on the benefits remaining to be reinstated. For more information regarding the reinstatement of benefits, see guidance issued by the Treasury Department and IRS (Notice 2021-38).

SECTION E – Checklist, certifications, and SFA-related plan amendments. The filer completes and uploads the Application for Approval of Special Financial Assistance Checklist to the e-Filing Portal, to ensure that the filer has uploaded the required information using, where applicable, the required filenames identified on the SFA Application Checklist.

All certifications from the plan's enrolled actuary should include, where applicable, clear indication of all[2] assumptions and methods used, including source of and date of participant census data, the count of participants (provided separately, after reflection of the death audit results in Section B(9), for current retirees and beneficiaries, current terminated vested participants not yet in pay status, and current active participants) as of the participant census date, the SFA measurement date and a statement that the actuary is qualified to render the actuarial opinion. All certifications from the enrolled actuary must be signed and dated.

The filer uploads the following documents to the e-Filing Portal.

(1) SFA Application Checklist.

(2) SFA Eligibility Certification and Supporting Information for Critical and Declining Plan. If the plan claims SFA eligibility under § 4262.3(a)(1) of PBGC's SFA regulation based on the certification from the plan's enrolled actuary of plan status completed before January 1, 2021, no information is required for this Item (2), but the applicable zone certification and supplemental information should be provided in Section B, Item (5).

If the plan claims SFA eligibility under § 4262.3(a)(1) of PBGC's SFA regulation based on a certification by the plan's enrolled actuary of plan status for SFA eligibility purposes completed on January 1, 2021, or later, the following items should be included as a single document for this Item (2).

a. Plan actuary's certification of plan status for SFA eligibility purposes for the specified year (and, if applicable, for each plan year after the plan year for which the pre-2021 zone certification was prepared and for the plan year immediately prior to the specified year). For example, if the specified year used for SFA eligibility purposes is the 2022 plan year, and the pre-2021 zone certification is for the 2020 plan year, then provide the plan actuary's certification of plan status for SFA eligibility purposes for the 2021 and 2022 plan years.

b. For each certification in a. above, include all details and additional information as described in Section B, Item (5), including clear documentation of all assumptions, methods, and census data used.

[2] Identify all demographic assumptions used (e.g., healthy mortality, disabled mortality, mortality improvement, retirement for actives, retirement for terminated vested participants, turnover, disability, assumed payment form for actives, assumed payment form for terminated vested participants, marital status, spouse age difference, and new entrant profile). Also identify the assumption used for projecting active participant counts. Identify how missing or incomplete data is handled or state that there is no missing or incomplete data. Identify whether any plan participants are excluded from the projections, or state that there are no exclusions. Clearly state the participant census date. Identify projection assumptions including CBUs, contribution rates and whether contribution rates are the current rates in CBAs in effect as of July 9, 2021, whether there were substantial contribution rate decreases negotiated after March 11, 2021, administrative expenses, and withdrawal liability payments (separately for currently withdrawn employers and future assumed withdrawals). Identify any assumptions related to reciprocity, or state there are no such assumptions and why.

c. For each certification in a. above, identify all assumptions and methods that are different from those used in the pre-2021 zone certification.

(3) SFA Eligibility Certification and Supporting Information for Critical Plan. If the plan claims SFA eligibility under § 4262.3(a)(3) of PBGC's SFA regulation, the following items should be included as a single document for this Item (3).

a. If the plan claims SFA eligibility under § 4262.3(a)(3) of PBGC's SFA regulation based on a certification by the plan's enrolled actuary of plan status completed before January 1, 2021, the zone certification and additional information provided in Section B, Item (5) is sufficient and does not need to be separately provided here.

If the plan claims SFA eligibility under § 4262.3(a)(3) of PBGC's SFA regulation based on a certification by the plan's enrolled actuary of plan status for SFA eligibility purposes completed on January 1, 2021, or later, include here the same information identified in Item (2)a., b., and c. above.

b. A certification from the plan's enrolled actuary that the plan qualifies for SFA based on the applicable certification of plan status for SFA eligibility purposes for the specified year, and by meeting the other requirements of § 4262.3(c) of PBGC's SFA regulation. The certification should specifically note the specified year for each component of eligibility (certification of plan status for SFA eligibility purposes, modified funding percentage, and participant ratio), the derivation of the modified funded percentage, and the derivation of the participant ratio. The certification should identify what test(s) under section 305(b)(2) of ERISA is met for the specified year listed above. The certification must identify all assumptions and methods (including supporting rationale, and where applicable, reliance on the plan sponsor) used to develop the current value of the withdrawal liability that is utilized in the calculation of the modified funded percentage.

(4) Priority Status. *This actuarial certification is not required if the plan is insolvent under section 4245(a) of ERISA, or has implemented a suspension of benefits under section 305(e)(9) of ERISA as of March 11, 2021, or is in critical and declining status (as defined in section 305(b)(5) of ERISA) and had 350,000 or more participants, or is listed on PBGC's website at www.pbgc.gov as a plan in priority group 6 as defined under § 4262.10(d)(2)(vi).*

If the plan is filing an application on or before March 11, 2023, a certification from the plan's enrolled actuary that the plan is eligible for priority status, with specific identification of the applicable priority group. This certification should include sufficient information to demonstrate that the plan is eligible for the identified priority group, including details of relevant plan projections and clear documentation of all assumptions, methods, and census data used in such projections.

(5) SFA Amount Certification. A certification from the plan's enrolled actuary that the requested amount of SFA is the amount to which the plan is entitled. The following items should be included as a single document for this Item (5).

a. Plan actuary's certification that identifies the requested amount of SFA and certifies that this is the amount to which the plan is entitled under section 4262(j)(1) of ERISA and § 4262.4 of PBGC's SFA regulation.

b. For a MPRA plan, identification of the amount of SFA determined under the "basic method" described in § 4262.4(a)(1) of PBGC's SFA regulation and the "increasing assets method" under § 4262.4(a)(2)(i).

c. For a MPRA plan, if the amount of SFA determined under the "present value method" described in § 4262.4(a)(2)(ii) is not the greatest amount of SFA under § 4262.4(a)(2), a statement certifying as such.

d. For a MPRA plan, if the amount of SFA determined under the "present value method" described in § 4262.4(a)(2)(ii) is the greatest amount of SFA under § 4262.4(a)(2), identification of the amount of SFA determined under the "present value method."

e. Identify all assumptions and methods used, including the SFA measurement date and other relevant information. Provide a summary of and identify the sources of participant census data used, the participant census date, the count of participants (provided separately, after reflection of the death audit results in Section B(9), for current retirees and beneficiaries, current terminated vested participants not yet in pay status, and current active participants) as of the participant census date.

(6) Fair Market Value Certification. A certification from the plan sponsor with respect to the accuracy of the amount of the fair market value of assets as of the SFA measurement date, including relevant supporting information. For MPRA plans, this certification is required even if the requested SFA amount is based on the "present value method" under § 4262.4(a)(2)(ii) of PBGC's SFA regulation. The following items should be included as a single document for this Item (6).

a. Plan sponsor's certification that explicitly identifies and certifies the amount of the fair market value of assets as of the SFA measurement date that is used in the calculation of the SFA amount using the "basic method" and, if applicable, the "increasing assets method".

b. Information that substantiates the asset value and how it was developed (e.g., trust or account statements, specific details of any adjustments).

c. If the SFA measurement date is later than the end of the plan year for the most recent audited plan financial statements, provide a reconciliation of the fair market value of assets from the date of the most recent audited plan financial statements to the SFA measurement date. The reconciliation should show the beginning and ending fair market value of assets for this period, as well as the following items for the period: contributions, withdrawal liability payments, benefits paid, administrative expenses, and investment income. The reconciliation should also

identify changes (with explanations), if any, to payables or receivables reflected in the audited plan financial statements.

d. If the SFA measurement date is the end of a plan year for which the audited plan financial statements have been issued, provide a reconciliation schedule showing adjustments, if any, made to the audited fair market value of assets used to determine the SFA amount.

e. To the extent that the fair market value of assets includes accruals that overlap with the Template 4A solvency projection – that is, accrual items related to contributions, withdrawal liability payments, other payments, benefit payments, make-up payments, or administrative expenses – and those accrual items are expected to be received or paid over the SFA projection period, the SFA calculation will need to be adjusted, if applicable, in order to avoid double counting (e.g., adjust the Template 4A cash flows in the initial projection year).

(7) Executed Plan Amendment for SFA Compliance. A copy of the executed plan amendment required by § 4262.6(e)(1) of PBGC's SFA regulation. The plan amendment must comply with the following requirements.

a. The plan amendment must be executed by either:

(i) All trustees serving on the plan's board of trustees at the time the amendment was adopted; or

(ii) If executed by fewer than all trustees, those trustees to whom the plan's board of trustees has delegated the specific authority to amend the plan document in accordance with § 4262.6(e)(1) provided the plan's governing documents permit that delegation.

Note: A resolution authorizing a subset of trustees to act on behalf of the board that does not delegate to those trustees the specific authority to amend the plan document in accordance with § 4262.6(e)(1) will be considered insufficient. For example, a resolution delegating the authority to "sign any document required for the SFA application" will be considered insufficient.

b. The plan amendment must include the following provision, which must be effective through the end of the last plan year ending in 2051:

Beginning with the SFA measurement date selected by the plan in the plan's application for special financial assistance, notwithstanding anything to the contrary in this or any other governing document, the plan shall be administered in accordance with the restrictions and conditions specified in section 4262 of ERISA and 29 CFR part 4262. This amendment is contingent upon approval by PBGC of the plan's application for special financial assistance.

A model plan amendment that includes the required information is available here.

(8) Proposed Plan Amendment to Reinstate Benefits. In the case of a plan that suspended benefits under section 305(e)(9) or section 4245(a) of ERISA, the following items should be included as a single document for this Item (8).

a. The proposed plan amendment(s) to reinstate suspended benefits and pay makeup payments, required by § 4262.6(e)(2) of PBGC's SFA regulation. A model proposed plan amendment that includes the required information is available here.

b. A certification by the plan sponsor that the proposed plan amendment(s) to reinstate suspended benefits and pay make-up payments will be timely adopted. A model certification that includes the required information is available here.

c. The certification in b. must be signed either by all members of the plan's board of trustees or by one or more trustees duly authorized to sign the certification on behalf of the entire board and to commit the board to timely adopting the amendment after the plan's application for SFA is approved, with each signature accompanied by the printed name and title of the signer.

d. If such certification is not signed by all members of the board of trustees, documentation that substantiates the authority of one or more trustees duly authorized to sign on behalf of the entire board.

(9) Executed Plan Amendment to Rescind Partition Order. In the case of a plan that was partitioned under section 4233 of ERISA that is eligible for SFA under § 4262.3(a)(2) of PBGC's SFA regulation, a copy of the executed plan amendment which (i) is signed by an authorized trustee of the plan and (ii) removes any provisions or amendments that were required to be adopted under the partition order, as required by § 4262.9(c)(2) of PBGC's SFA regulation, which also includes the following: "This amendment is contingent upon approval by PBGC of the plan's application for special financial assistance."

(10) One or more copies of the following statement that: (a) is signed by an authorized trustee who is a current member of the board of trustees, (b) includes the trustee's printed name and title, and (c) reads:

> "Under penalty of perjury under the laws of the United States of America, I declare that I am an authorized trustee who is a current member of the board of trustees of the [insert plan name] and that I have examined this application, including accompanying documents, and, to the best of my knowledge and belief, the application contains all the relevant facts relating to the application, all statements of fact contained in the application are true, correct, and not misleading because of omission of any material fact; and all accompanying documents are what they purport to be."

What happens after an application is filed

After an application is filed, the filer will hear from PBGC within 120 days of the filing date. The application will be either approved or denied. If the application is approved, the plan will receive further instructions from PBGC on how the SFA amount will be transferred. If the application is

denied, the filer will receive written notice from PBGC providing the reasons for the denial. PBGC may deny an application because it is incomplete; because an assumption is unreasonable, a proposed change in assumption is unreasonable individually, or the proposed changed assumptions are unreasonable in the aggregate; or because the plan is not an eligible multiemployer plan. The filer then may submit a revised application no later than December 31, 2026.

An authorized filer may withdraw an application at any time before PBGC denies or approves the application. To withdraw an application, the filer must send an email to the Multiemployer Program Division mailbox at multiemployerprogram@pbgc.gov and include as the subject "Withdrawal of Special Financial Assistance Application of (Plan Name)." The body of the email should read, "On behalf of (Plan Name), I withdraw the special financial assistance application filed on (filing date)" and include the filer's title, relation to the plan, and other information to demonstrate that the filer is an individual authorized to withdraw the SFA application. If a filer decides to submit an application following withdrawal, then the newly filed application will be considered a revised application. For the revised application, the filer needs to submit only the information that is changed from the initial application. The filer may state on the SFA Application Checklist that other information was previously filed.

A revised application for SFA must use the same SFA measurement date, participant census data, non-SFA interest rate, and SFA interest rate as were used in the plan's initial application (this is the plan's "base data," see § 4262.11(c)). Also, if a plan received a transfer of benefit liabilities from another plan that previously filed an initial application for SFA, then PBGC will treat the transferee plan's application as a revised application and require the revised application to use the base data of the transferor plan's initial application.

Under certain circumstances, a filer may request an "amendment," meaning that the plan is withdrawing its most recently filed application for SFA and seeking expedited review of a revised application. This procedure to request an amendment is available to a plan if the revised application is changing as a result of: inaccurate information, arithmetic errors, input errors, formula errors, and assumption or other changes reflecting feedback from PBGC staff on the assumptions and information used in the application.

A plan may submit an amendment if it meets the following requirements.

- The plan has not yet withdrawn its most recently filed application;
- Less than 100 days have elapsed since the plan filed its previous application (unless waived by PBGC); and
- The revised application is submitted when the previous application is withdrawn.

See SFA Application Amendment Cover Letter for more information.

An interim final rule filer ("IFR filer") described under § 4262.4(g) of PBGC's SFA regulation that files a revised application must use the following base data, see § 4262.4(g)(5):

(1) The plan's SFA measurement date determined as the last day of the calendar quarter immediately preceding the date the plan's initial application for SFA was filed;

(2) The plan's participant census data required to be used in the plan's initial application for SFA under the interim final rule; and

(3) The plan's non-SFA interest rate and SFA interest rate determined under § 4262.4(e)(1) and (2).

The IFR filer submitting a revised application must otherwise submit all information required under these general instructions (and Addendums A and D, as applicable). If a required document has already been submitted with the initial or an earlier revised application, the IFR filer does not need to re-submit that document, but the filer should identify in the SFA Application Checklist that it was previously submitted and its submission date.

An IFR filer that has already received payment of SFA under the terms of the interim final rule and wishes to submit a supplemented application must follow the instructions in Addendum C.

Finally, during the 120-day review period, PBGC may require a plan sponsor to file additional information, including information to clarify or verify information provided in the plan's application. The plan sponsor must promptly file with PBGC any such information upon request. If PBGC does not receive the requested information, the application may be considered incomplete, and if an error or omission in an application requires a change to the amount of SFA requested, the application will be considered incomplete.

Paperwork Reduction Act Notice

This section provides information on the time and cost estimates for preparing and filing the required application. If you have any comments concerning the accuracy of these estimates or suggestions for making it simpler to submit the information, please send your comments to the Pension Benefit Guaranty Corporation, Office of the General Counsel, 445 12th Street, SW, Washington, DC 20024-2101.

Information filed with PBGC in an application for special financial assistance (SFA) is confidential only to the extent provided in the Privacy Act. PBGC may, in its sole discretion, post an application for SFA and any documents and information filed for the application on its website at *www.pbgc.gov*, or otherwise publicly disclose the application, documents, and information, except information that is confidential under the Privacy Act.

PBGC will share with the U.S. Department of Labor and the Treasury Department (collectively the Agencies) a plan's application, including any documents and information filed with PBGC, to enable the Agencies to fulfill their responsibilities under ERISA.

This information collection is necessary for PBGC to properly administer the SFA program.

PBGC uses the information it receives in a plan's application to determine, as required by section 4262 of ERISA and 29 CFR part 4262, whether to approve or deny the requested payment of SFA to the plan.

PBGC estimates an average burden of 12 hours of Fund office time and $34,000 in contractor costs per plan. These are estimates and the actual time and cost per plan will vary depending on the circumstances of a given filing and the size of the plan.

This collection of information has been approved by the Office of Management and Budget (OMB) under control number 1212-0074 (expires 05/31/2027). Under the Paperwork Reduction Act, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.