

MULTIEMPLOYER PROGRAM DIVISION

INSTRUCTIONS FOR FILING REQUIREMENTS FOR MULTIEMPLOYER PLANS APPLYING FOR SPECIAL FINANCIAL ASSISTANCE

ADDENDUM A – SFA APPLICATION INSTRUCTIONS FOLLOWING CERTAIN EVENTS

The plan sponsor of a plan with respect to which an event, including a merger event , described in § 4262.4(f) of PBGC’s SFA regulation occurs during the period beginning on July 9, 2021 (the “applicable date”) and ending on the SFA measurement date, is required to provide supplemental information with its application for SFA as set forth in the following Addendum A to the general instructions. This Addendum A identifies the supplemental information which must be provided and provides supplemental guidance on the information required to be submitted in the application . All references to Sections A through Section E in this Addendum A refer to the Sections as described in the general instructions.

Much of the supplemental information to be provided is the same for all events described in § 4262.4(f)(2) through (f)(4). For purposes of these instructions, an event is any of the following that occurs during the period beginning on the applicable date and ending on the SFA measurement date:

- Transfer of assets or liabilities (including a spinoff) as defined in § 4262.4(f)(2). This does not include a merger.
- An amendment that increases accrued or projected benefits, as described in § 4262.4(f)(3).
- A reduction in the contribution rate used to determine contributions, as described in § 4262.4(f)(4). As described in § 4262.4(f)(4), if there is a reduction in benefit accruals associated with the contribution rate reduction, that plan change is considered part of this event.

Within these instructions, the above events will be referred to as the “event.”

For plans that experience merger event, as described in § 4262.4(f)(1)(ii), during the above period, more extensive information is required for because information on the plans that no longer exist as a result of the merger event must be provided.

The requirements below apply to any event or any merger event:

SECTION A – Plan identifying information. With respect to Section A, Item 6, provide the amount of SFA requested, reflecting the provisions of § 4262.4 including § 4262.4(f).

SECTION B – Plan documents. All information to be provided with respect to Section B should reflect, as applicable, any events or any merger event.

For a merger event, information provided for Items 1 through 8 should include information for both the plan that is applying for SFA and for each plan merged into this plan. For example, if Plan A merges into Plan B, then include supplemental Items 1 through 8 for Plan A.

SECTION C – Plan data. With respect to complying with all items in this section C, prepare all requested information for the application reflecting any events or any merger event. In addition, provide a supplemental version of Section C, Item 4 (SFA Determination, [Template 4](#)) that shows the determination of the SFA amount for the plan as if the events or the merger event had not occurred.

For a merger event, information provided for Section C, Items 1 to 3 should include information for both the plan that is applying for SFA and for each plan merged into this plan. For example, if Plan A merges into Plan B, then include supplemental Section C, Items 1 through 3 for Plan A. In addition, when the plan provides the supplemental Section C, Item 4 that shows the determination of the SFA amount as if the merger event had not occurred, the supplemental information should show the determination (in the format of [Template 4](#)) for this plan and for each plan merged into this plan (each of these determined as if they were still separate plans). For example, if Plan A merges into Plan B, then include supplemental Section C, Item 4 for Plan A and for Plan B as if they were separate plans.

SECTION D – Plan statements. All information to be provided with respect to Section D should reflect, as applicable, any event. The filer should upload a separate document to the e-Filing Portal as document type “Special Financial Assistance Application” that provides the following supplemental information:

With respect to Section D, Item 3 (SFA Eligibility), the plan should provide this information reflecting any event and should also provide supplemental information that demonstrates that the plan is eligible for SFA where eligibility is determined as if the event had not occurred. For a merger, provide supplemental demonstrations of the SFA eligibility (or lack thereof) for this plan and for each plan merged into this plan (each of these determined as if they were still separate plans).

Provide a narrative description of any event, including relevant supporting documents which may include plan amendments, collective bargaining agreements, actuarial certifications related to a transfer or merger, or other relevant materials. Provide identifying information for all plans involved in the transfer of assets or liabilities (including a spinoff) described in § 4262.4(f)(2) or for a merger event described in § 4262.4(f)(1)(ii), including plan name, EIN and plan number, and the date of the transfer or merger. The narrative description should also identify the amount of SFA reflecting any event and the amount of SFA determined as if the event had not occurred, and confirmation that the requested SFA provided in Section A, Item 6 is no greater than the amount that would have been determined if the event had not occurred unless the event is a contribution rate reduction and such event lessens the risk of loss to plan participants and beneficiaries. For a merger, the determination of the amount of SFA as if the

event had not occurred is the sum of the amount that would be determined for this plan and for each plan merged into this plan (each as if they were still separate plans).

For any event due to a contribution rate reduction, if the amount of requested SFA is not limited to the amount of SFA determined as if the event had not occurred, provide a detailed demonstration that shows that the event lessens the risk of loss to plan participants and beneficiaries. Also identify all assumptions used, supporting rationale for the assumptions, and other relevant information.

SECTION E – Checklist and certifications. All information to be provided with respect to Section E should reflect, as applicable, any events. The filer should also upload supplemental information as follows:

With respect to Section E, Item 2 (Certification of SFA Eligibility), the plan should provide the plan actuary's certification reflecting any events (only required if the plan is eligible for SFA under section 4262(b)(1)(C) of ERISA) and a supplemental certification with the SFA eligibility determined as if any events had not occurred. For any merger, provide supplemental certifications of the SFA eligibility for this plan and for each plan merged into this plan (each of these determined as if they were still separate plans).

With respect to Section E, Item 4 (Certification of SFA Amount), the plan should provide the plan actuary's certification reflecting any events and a supplemental certification that is determined as if the events had not occurred. For any merger, provide supplemental certifications of the SFA amount determined for this plan and for each plan merged into this plan (each of these determined as if they were still separate plans). Each of these certifications should clearly identify all assumptions and methods used, sources of participant data and census data, and other relevant information.

For an event due to a contribution rate reduction where the plan provides a demonstration that the event lessens the risk of loss to plan participants and beneficiaries, the plan should provide an additional certification from the plan's enrolled actuary (or if appropriate, from the plan sponsor) with respect to the demonstration provided to support a finding that the event lessens the risk of loss to plan participants and beneficiaries. This certification must identify all assumptions and methods used, sources of participant data and census data, and other relevant information.