Pension
Benefit
Guaranty
Corporation

PBGC
Protecting America's Pensions

Comprehensive Premium Filing Instructions for 2022 Plan Years

Contents

Introduction and What's New

Introduction

Payment of premiums to the Pension Benefit Guaranty Corporation (PBGC) is required by sections 4006 and 4007 of the Employee Retirement Income Security Act of 1974 (ERISA), and PBGC's Premium Regulations (29 CFR Parts 4006 and 4007).

There are two kinds of annual premiums: Flat-rate Premium, which applies to all plans, and Variable-rate Premium (VRP), which applies only to Single-employer Plans.

Every covered plan under ERISA section 4021 must make a premium filing each year. The due dates are described in the "When to File" section.

Electronic filing is mandatory for all plans. My Plan Administration Account (My PAA) is a secure web-based application that enables pension plan professionals to electronically submit premium filings to PBGC in accordance with PBGC's regulations. Electronic filings may be prepared using My PAA's data entry screens or with compatible private-sector software. See "How to File" section for more information. For more information on e-filing options, see Appendix 3.

This document provides information for plans paying premiums for plan years beginning in **2022**, including instructions for each data element that must be reported.

Plan years beginning before 2022

If you are filing for a previous year or amending a filing for a previous year, you must follow the instructions for that year (available from the "Premium Filing" web page). However, because contact information and information about electronic funds transfers change periodically, the most recent information should be used instead of the information included in an instructions booklet for a prior plan year.

Defined terms

Appendix 1 provides definitions for terminology used in this document. In general, the defined terms are capitalized to signal the reader to refer to Appendix 1 for more information. The convention of capitalizing the defined terms is not followed for a few defined terms such as "participant," "we," "you," and "your." In addition, this convention is not followed on the illustrative form (i.e., in the "Data to be Submitted" section).

Introduction and What's New

What's New

The filing requirements for 2022 are almost identical to the filing requirements for 2021. Here are the key changes to note for 2022:

- Changes in premium rates:
  - Single-employer plans other than CSEC plans:
    - The Flat-rate Premium is $88 per-participant, up from $86
    - The Variable-rate Premium is $48 per $1,000 of unfunded vested benefits capped at $598 times the number of Participants, up from $46 per $1,000 of unfunded vested benefits capped at $582 times the number of Participants.
  - Multiemployer Plans: The Flat-rate Premium is $32 per-participant, up from $31. Multiemployer plans do not pay Variable-rate Premiums.

  Premium rates for CSEC plans are not indexed, and thus those rates have not changed.
- Retroactive effective dates: Given the increase in popularity of adopting plans with retroactive effective dates, a result of favorable tax treatment provided under the SECURE Act, the instructions have been modified to clarify what information is reported with respect to such plans (and when) and to include examples to further clarify the reporting requirements. See pages 3, 6, and 39.

Common filing errors

- Incorrect plan identifying information (e.g., effective date)
- Required explanation for certain amended filings
- Sending payment by ACH or Fedwire without properly identifying plan
- Lookback Rule inconsistencies (Small Plans only)
- Entering incorrect "plan year" information for final Short Plan Years
- Disregarding warning messages during submission process.

Appendix 3 provides detailed information about these errors.

Who Must File

All covered plans must file

The Plan Administrator of each pension plan covered under ERISA section 4021 is required to annually file the prescribed premium information and pay the premium due in accordance with PBGC's Premium Regulations and instructions.

Most private-sector defined benefit plans that meet tax qualification requirements are covered.[1] If you are uncertain whether your plan is covered, we recommend you promptly request a determination by submitting a coverage determination form, available on PBGC's "Pension Insurance Coverage" web page.

If your plan is covered, you must submit a premium filing even if:

- No premium is owed;
- The plan year is less than 12 months (i.e., a Short Plan Year); or
- The plan was not covered by PBGC for the entire plan year (i.e., a Short Coverage Year).

In certain specified situations, plans with Short Plan Years or Short Coverage Years pay a prorated premium. See "Premium Proration" section.

Note for Plans with Retroactive Effective Dates — PBGC coverage begins on the plan's effective date, regardless of when the plan is adopted. Thus, a 2022 filing is required for a plan with an effective date in 2022, even if that plan isn't adopted until after 2023 and regardless of whether a premium is owed for 2022.

One Plan or More Than One?

If several unrelated employers participate in a program of benefits wherein the funds attributable to each employer are available to pay benefits to all Participants (i.e., a Multiemployer or Multiple-employer Plan), the Plan Administrator must file and pay premiums for the plan as a whole. If separate plans are maintained for different groups of employees, regardless of whether each is maintained by the same employer or by employers that are part of the same controlled group, the Plan Administrator(s) must file and pay premiums separately for each plan.

[1] A church plan that makes an irrevocable election under IRC § 410(d) to be subject to certain IRC § 401(a) tax qualification requirements (e.g., participation, vesting, funding) is covered by PBGC only if it chooses to be covered and notifies PBGC accordingly. See PBGC's "Pension Insurance Coverage" web page for information about this requirement.

When Filing Obligation Ceases

You must continue to make premium filings and pay premiums through and including the plan year in which any of the following occurs:

- A trustee is appointed for the plan under ERISA section 4042;
- The plan ceases to exist because all of its assets and liabilities were transferred to one or more other plans in a Merger or Consolidation;
- The plan ceases to be a covered plan under ERISA section 4021;[2] or
- Plan assets are distributed in satisfaction of all Benefit Liabilities pursuant to a standard termination.[3]

The following examples illustrate when the filing obligation ceases:

Example 1 – A calendar-year plan terminates in a standard termination with a termination date of September 29, 2021. On April 6, 2022, assets are distributed in satisfaction of all Benefit Liabilities. The Plan Administrator must file and make the premium payments for the 2021 and 2022 plan years. There is also an obligation to file a post-distribution certification (Form 501) as part the standard termination process. See § 4041.29 for additional information.

Example 2 – A plan with a plan year beginning July 1 and ending June 30 terminates in a distress termination with a termination date of April 27, 2022 (i.e., during the plan year beginning July 1, 2021). On July 6, 2022, a trustee is appointed to administer the plan under ERISA section 4042. Because a trustee was not appointed until after the beginning of the 2022 plan year, a premium filing and payment must be made for this plan for 2022 plan year.

[2] PBGC encourages plans that believe coverage has ceased to request a determination as soon as possible. See PBGC's "Pension Insurance Coverage" web page for information about how to request a coverage determination.

[3] The due date for the final filing may be accelerated for the plan year in which assets are distributed in satisfaction of Benefit Liabilities pursuant to a standard termination. See "When to File" section).

When to File

Introduction

This section describes when premium filings are due. A filing includes both the submission of required data and the payment of any required premium. In general, if a filing is not made by the due date, late payment charges will apply. Late payment charges include both interest charges and penalty charges. See "Late Payment Charges" section for more information on the ramifications of missing a deadline.

Normal Premium Due Date

In most cases, premium filings are due on the Normal Premium Due Date, (i.e., the 15th day of the 10th full calendar month in the plan year).[4] If the Normal Premium Due Date falls on a Saturday, Sunday or Federal Holiday,[5] the due date is automatically extended to the next business day.[6] The special situations for which premiums are due on a date other than the normal premium due are summarized in the next section.

The following table shows the Normal Premium Due Dates for plan years beginning in 2022:

2022 Normal Premium Due Dates

Date Premium Payment Year Begins	Normal Premium Due Date	Date Premium Payment Year Begins	Normal Premium Due Date
1/1/2022	10/17/2022*		
1/2/2022 - 2/1/2022	11/15/2022	7/2/2022 - 8/1/2022	5/15/2023
2/2/2022 - 3/1/2022	12/15/2022	8/2/2022 - 9/1/2022	6/15/2023
3/2/2022 - 4/1/2022	1/17/2023*	9/2/2022 - 10/1/2022	7/17/2023*
4/2/2022 - 5/1/2022	2/15/2023	10/2/2022 - 11/1/2022	8/15/2023
5/2/2022 - 6/1/2022	3/15/2023	11/2/2022 - 12/1/2022	9/15/2023
6/2/2022 - 7/1/2022	4/17/2023*	12/2/2021 - 12/31/2021	10/16/2023*

* The Normal Premium Due Date falls on a Saturday, Sunday or Federal Holiday, so the date shown above is the first business day following the actual due date.

[4] The due date is the 15th day of the 10th full calendar month that begins on or after the first day of the Premium Payment Year. In situations involving a Short Plan Year, this due date may not be "in the plan year."

[5] This extension does not apply to state or local holidays such as Patriots Day in Massachusetts or Emancipation Day in the District of Columbia.

[6] See "Late Payment Charges" section for information on how late charges are determined if payment is made after an automatically extended due date.

Due Date for Special Situations

In the situations noted below, premiums may be due on a date other than the Normal Premium Due Date:

- The plan is a New or Newly Covered Plan,
- All assets are distributed during the Premium Payment Year pursuant to a standard termination,
- The plan is eligible for PBGC disaster relief, or
- The plan year changed since last year.

The due dates for these situations are described below. For all of these situations, if the adjusted due date falls on a Saturday, Sunday or Federal Holiday, the due date is automatically extended to the next business day.

New and Newly Covered Plans

In some cases, these first-time filers cannot have their filings ready by the Normal Premium Due Date. For example, consider a calendar year plan that is adopted November 1st with an effective date retroactive to January 1. Because the plan was adopted after the Normal Premium Due Date (October 17th), a later due date is warranted. This rule applies even if the New Plan was created as the result of a mid-year Spinoff from another plan.

To accommodate such plans, the due date for New and Newly Covered Plans is the latest of:

- The Normal Premium Due Date,
- 90 days after the date of the plan's adoption,
- 90 days after the date on which the plan became covered by Title IV of ERISA, or
- In the case of a Small Plan that is also a Continuation Plan, 90 days after the UVB Valuation Date.

These rules are illustrated in the following examples:

Example 1 – Plan A, a calendar-year plan, was adopted August 1, 2022 with a retroactive effective date of January 1, 2022. Plan A is not a Continuation Plan or a Small Plan. The due date for Plan A's first premium filing is October 31 (90 days after August 1, 2022 is Sunday October 30th, so the due date moves to the next business day) because that date is later than the Normal Premium Due Date (October 17, 2022).

Example 2 – The situation for Plan B is identical to Plan A (see Example 1) except that the plan was adopted one month earlier (i.e., July 1, 2022). The normal due date for Plan B's first premium filing is October 17, 2022, the Normal Premium Due Date because that date is later than 90 days after the adoption date (September 29, 2022).

Example 3 — The situation for Plan C is identical to Plan A (see Example 1) except that the retroactive effective date was one year earlier (i.e., January 1, 2021). Because the effective date is in 2021, a premium filing is due for the 2021 plan year. That filing is due October 31, 2022 (90 days after the adoption date) because that date is later than the Normal Due Date for the 2021 plan year.

Because Plan C is not considered a New Plan for 2022, the regular due date rules apply which means the 2022 premium filing is due October 17, 2022 (two weeks before the 2021 premium is due).

Example 4 – A professional service employer maintains Plan D, a calendar plan year plan. From plan inception through September 30, 2022, Plan D never had more than 25 active Participants, and was not a covered plan under ERISA section 4021. On October 1, 2022, a few employees were hired and became covered by the plan resulting in a total active Participant count of 26 and therefore, the plan became a covered plan on that date. Plan D will continue to be a covered plan regardless of how many active Participants the plan has in the future. Note that the Premium Payment Year begins on January 1, 2022, even though the plan did not become covered until after that date. The due date for the plan's first premium filing is December 30, 2022 (90 days after October 1, 2022) because the date is later than the Normal Premium Due Date (October 17, 2022).

See "Spinoffs, Mergers, and Consolidations" section for additional examples of how these types of transactions affect due dates.

Assets Distributed Pursuant to a Standard Termination

For the Premium Payment Year in which all plan assets are distributed pursuant to a standard termination, it is possible that the employer will be out of business or plan records and personnel will not be available by the Normal Premium Due Date. To streamline the final premium payment with the other activities related to a standard termination, the due date for a plan in this situation is the earlier of:

- The Normal Premium Due Date (i.e., the date premiums would have been due had the plan not been terminated), or
- The date when the post-distribution certification[7] is filed with PBGC.

Plans Affected by Certain Disasters

When the IRS grants relief to certain taxpayers that are unable to meet filing deadlines because of a major disaster (e.g., a hurricane), the premium due date for plans in the IRS-designated disaster area is extended to the end of the relief period.

If your plan qualifies for disaster relief, you must notify PBGC on or before the end of the relief period. In general, this notification is done as part of the Comprehensive Premium Filing.[8] However, if you anticipate it will be difficult to submit the Comprehensive Premium Filing by the end of the relief period, you may notify us by email. See PBGC's Disaster Relief Announcement for more information.

When an expected premium filing is not received timely, PBGC typically sends a "past due filing notice" to the plan administrator. We appreciate that receiving such notices can be disconcerting in situations where the filer is eligible for disaster relief. But, until PBGC receives a filing or email indicating that your plan is subject to an extended due date because of disaster relief, PBGC does not know that there is a good reason the filing has not yet been submitted.

If your plan is eligible for disaster relief, you can stop these notices from being sent simply by letting PBGC know that your plan is eligible for disaster relief. To do so, just send an email in advance of the normal due date to premiums@pbgc.gov identifying the plan, the disaster, the applicable IRS Notice number, etc.

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[7] The post-distribution certification (Form 501) is a document required to be submitted to PBGC as part the standard termination process. See § 4041.29 for additional information.

[8] See line 20 and box at the top of the first page of the illustrative form in the "Data to be Submitted" section.

When to File

Plans Changing Plan Years

For a plan that changes its plan year, the filing due dates for the short year are unaffected by the change in plan year. However, for the first plan year under the new cycle, the due date is whichever is later:

- The Normal Premium Due Date, or
- 30 days following the date on which a plan amendment changing the plan year was adopted.

The following examples show the due dates for plans changing plan years:

Example 1 – By plan amendment adopted on December 1, 2022, a plan changes from a plan year beginning January 1 to a plan year beginning June 1. This results in a Short Plan Year beginning January 1, 2022 and ending May 31, 2022. Premiums for the Short Plan Year are due October 17, 2022, the Normal Premium Due Date.

For the plan year beginning June 1, 2022, the premiums are due by the Normal Premium Due Date (March 15, 2023) because that is later than 30 days after the date the plan amendment changing the plan year was adopted (December 31, 2022).

Example 2 – By plan amendment adopted on January 7, 2023, and made retroactively effective to April 1, 2022, a plan changes from a plan year beginning on March 1 to a plan year beginning on April 1. For the March 1, 2022 - March 31, 2022 Short Plan Year, the premium is due December 15, 2022. For the new plan year beginning April 1, 2022, the due date is 30 days after the adoption of the plan amendment changing the plan year (February 6, 2023) because that is later than the Normal Premium Due Date (January 17, 2023).

Additional Information

You can find detailed rules about filing due dates in PBGC's premium payment regulation (29 CFR Part 4007).

How to File

General

To make a complete premium filing, you must report certain required data and submit any required premium payment by completing and submitting a Comprehensive Premium Filing.

A list of the data that must be reported is included in the "Data to be Submitted" section. For simplicity, the required data elements are shown in a traditional "form" format. The purpose of the "form" is to provide a comprehensive list of data that must be submitted electronically. These instructions are written as if they related to the illustrative form (see "Description of Data Elements" section). The "form" is for illustrative purposes only.

Filing Method

Premium filings are submitted electronically through PBGC's e-filing application, My Plan Administration Account (My PAA).

You may prepare the filing directly using My PAA's data entry screens. Alternatively, you may use approved private-sector software to prepare a filing and then "upload" the filing via My PAA. Approved private-sector software will convert your filing in an "XML" file that meets PBGC specifications.

Depending on how you choose to prepare electronic filings (My PAA data entry screens or private-sector software), the order in which the questions are asked may differ from the order shown on the forms. In addition, in some cases, the software may perform certain calculations instead of requiring that you manually enter each required data element.

The "Online Premium Filing (My PAA)" section of PBGC's website provides detailed, and often more up to date, information about My PAA.

Paying Premiums

Although e-filing of premium information through My PAA is mandatory, premium payments may be made either within My PAA or outside of My PAA. If you choose to pay within My PAA, your payment will be made by an electronic funds transfer using Automated Clearing House (ACH). If you pay outside of My PAA, you may pay by electronic funds transfer (ACH or Fedwire), paper check or on-line via www.pay.gov. Pay.gov is a free, and user-friendly Federal website from which you can make secure electronic payments directly to many Federal Agencies, including PBGC. We recommend using Pay.gov to minimize the potential for errors (e.g., incorrect account numbers).

Note re: debit blocks - If you are sending payment electronically, be sure to provide the PBGC Company ID to your financial institution **before you submit your payment** so they may authorize PBGC to debit your account. Without this authorization, your financial institution may reject the processing of your payment. A debit block is the most common reason for failed ACH payments, and the most common reason late premium payment penalties are assessed.

Currently, PBGC has two Company ID numbers, one for payments made within My PAA, and one for payments made outside of My PAA. Please refer to the payment instructions in My PAA or on PBGC's website for up-to-date information.

Additional information on payment options is included in Premium Filing Payment & Instructions web page.

How to Count Participants

General

Plan Participants must be counted because Flat-rate Premiums are based on the number of Participants, as are both caps on the Variable-rate Premium (MAP-21 Cap and Small Employer Cap). In addition, the number of Participants affects whether Variable-rate Premiums are based on current or prior (i.e., "lookback") year measurements. The date on which Participants are counted is called the "Participant Count Date."

Participant Count Date

In general, the Participant Count Date is the last day of the Prior Premium Payment Year. However, in the scenarios described below, it is the first day of the Premium Payment Year:

- The plan is a New Plan
- The plan is a Newly Covered Plan (regardless of whether the plan was covered under ERISA section 4021 on that date).
- With respect to a Spinoff:
  - The plan is the Transferor Plan,
  - The Spinoff is effective on the first day of the Transferor Plan's Premium Payment Year, and
  - The Spinoff is not De Minimis.
- With respect to a transaction in which a plan transfers some, but not all of its assets into another plan:
  - The plan is the Transferee Plan,
  - The transaction is effective on the first day of the Transferee Plan's Premium Payment Year, and
  - With respect to the Transferor Plan, the transfer (i.e., the Spinoff) is not De Minimis.
- With respect to a Merger:
  - The plan is the Transferee Plan,
  - The Merger is effective on the first day of the Transferee Plan's Premium Payment Year, and
  - The Merger is not De Minimis, or the amount transferred to the Transferee Plan in conjunction with the Merger exceeds the value of the Transferee Plan's assets immediately before the Merger (i.e., the transaction was structured such that the smaller plan was the surviving plan).

The following examples illustrate the determination of the Participant Count Date.

Example 1 – An ongoing plan changes its plan year from a calendar year to a plan year that begins June 1, effective June 1, 2022. The Participant Count Date for the:

- January 1, 2022 – May 31, 2022 plan year is December 31, 2021,
- June 1, 2022 – May 31, 2023 plan year is May 31, 2022.

Example 2 – A new calendar-year plan is adopted February 18, 2022, retroactively effective as of January 1, 2022. The Participant Count Date is January 1, 2022.

Example 3 – A new calendar-year plan is adopted January 1, 2022, effective April 1, 2022. The Participant Count Date is April 1, 2022.

Example 4 – A calendar-year plan that was not a covered plan under ERISA section 4021 becomes covered on May 31, 2022. The first day of the Premium Payment Year is January 1, 2022, and the Participant Count Date is January 1, 2022.

See "Spinoffs, Mergers, and Consolidations" section for additional examples of how these types of transactions affect the Participant Count Date.

Participant

For premium purposes, "Participant" means an individual (whether active, inactive, retired, or deceased) with respect to whom the plan has Benefit Liabilities as of the Participant Count Date. Beneficiaries and alternate payees are not counted as Participants. However, a deceased Participant will continue to be counted as a Participant if there are one or more beneficiaries or alternate payees who are receiving or have a right to receive benefits earned by the Participant.

An individual is not counted as a Participant after an insurer makes an irrevocable commitment to pay all Benefit Liabilities with respect to the individual or after all Benefit Liabilities with respect to the individual are otherwise distributed. In addition, a non-vested individual is not counted as a Participant after:

- A deemed "zero-dollar cashout,"
- A one-year break in service under plan rules, or
- Death.

Cashouts

If the plan has a separate cashout provision for zero benefits, terminated non-vested Participants are deemed to be cashed out as of the date specified in the deemed cashout provision or, if no date is specified, as of the employment termination date. If the plan provides that zero benefit amounts will be deemed to be paid as soon as possible, terminated non-vested Participants will also be deemed to be cashed out as of the employment termination date.

If the plan does not have a separate cashout provision for zero benefits, but does have a mandatory cashout of small benefit amounts (*e.g.*, benefits $5,000 or less), terminated non-vested Participants are deemed to be cashed out in the same manner as terminated vested Participants. If the plan is silent as to the timing of actual cashouts of terminated vested Participants, the plan is deemed to read "as soon as practicable" and the terminated non-vested Participants are deemed to be cashed out immediately upon termination of employment. If the plan specifies a date as of which actual cashouts of terminated vested Participants take place (*e.g.*, on the first day of the next month), that rule would also apply to deemed cashouts of terminated non-vested Participants. These rules do not apply if, despite plan language, the plan has an obvious pattern or practice of delaying distributions for long periods.

Example – Suppose a calendar-year plan provides that if a Participant terminates employment and the Participant's vested benefit has a value of $5,000 or less, the plan will pay the vested benefit to the Participant in a lump sum as of the first of the month following termination of employment. Suppose further that no plan provisions specifically address payment of benefits upon termination of employment by non-vested Participants. If a Participant with a non-vested accrued benefit terminates employment on December 15, 2021, the Participant will be included in the Participant Count as of December 31, 2021 (because the cashout is deemed to occur on January 1, 2022, the first of the month following termination of employment). If, as is typically the case for a calendar-year plan, the plan's Participant Count Date for 2022 is December 31, 2021, a Flat-rate Premium must be paid for this Participant for 2022.

Breaks in Service

A non-vested individual ceases to be a Participant for premium purposes when the individual incurs a one-year break in service under the plan.

If the break in service occurs in a service computation period that coincides with the Prior Premium Payment Year, we treat the individual as not being a Participant for purposes of determining the premium for the Premium Payment Year.

Example 1 – A calendar-year plan with five-year vesting provides that a Participant who performs 500 or fewer hours of service in a service computation period incurs a one-year break in service as of the last day of the computation period. The plan also provides that the annual service computation period begins on the anniversary of a Participant's date of hire. Consider an employee who was hired on December 1, 2016 and terminates employment on February 1, 2021. Further assume that this Participant does not perform more than 500 hours of service during the December 1, 2020 – November 30, 2021 computation period. This Participant incurs a one-year break in service on November 30, 2021. Since the break occurred before December 31, 2021 (the Participant Count Date for the 2022 premium), the individual would not be included in the Participant Count for 2022.

Example 2 – A calendar-year plan provides that a Participant who performs 500 or fewer hours of service in a service computation period incurs a one-year break in service as of the last day of the computation period. The plan also provides that the annual service computation period is the calendar year. Consider a non-vested employee who does not perform more than 500 hours of service during the 2021 calendar-year computation period. This Participant incurs a one-year break in service on December 31, 2021. Although the break occurs on the Participant Count Date for the 2022 premium, the individual would not be included in the Participant Count for 2022.

Comparison to Form 5500

The Participant Count for the Premium Payment Year and the number of Participants reported for item 6 of Form 5500 for the Prior Premium Payment Year (*e.g.*, the 2022 premium filing and the 2021 Form 5500) are generally determined as of the same date (*i.e.*, the last day of the Prior Premium Payment Year). However, the two counts may differ. For example:

- For premium purposes, individuals who are earning or retaining credited service but with respect to whom a plan has no Benefit Liabilities are not counted as Participants. But individuals who are earning or retaining credited service are considered to be Participants for purposes of item 6 of the Form 5500, even if the plan has no Benefit Liabilities with respect to them.

How to Count Participants

- There is a difference in the break-in-service rules that apply when counting Participants for premium purposes and for purposes of item 6 of Form 5500. For purposes of item 6 of Form 5500, whether a non-vested individual is excluded from the count because of a break in service depends upon the plan language; under the provisions of most plans, the instructions for item 6 would require that a separated non-vested individual be counted as a Participant until the individual has incurred five or more consecutive one-year breaks in service. For premium purposes, on the other hand, a non-vested individual is excluded from the count because of a break in service when the individual has incurred a one-year break in service under the terms of the plan.

How to Determine Unfunded Vested Benefits

General

"Unfunded vested benefits" (UVBs) is the term used to describe the underfunding measure on which the Variable-rate Premium is based (i.e., the excess, if any, of the Premium Funding Target, over the fair market value of plan assets). This section describes how and when the Premium Funding Target and fair market value of plan assets are determined for this calculation.

Note for CSEC plans – the instructions below relate to Single-employer plans other than CSEC plans. Appendix 4 provides information about where the special rules for CSECs override these instructions.

Which year's UVBs

In general, Variable-rate Premiums are based on UVBs for the Premium Payment Year. However, Small Plans are subject to a Lookback Rule, under which the Variable-rate Premium for the Premium Payment Year is based on UVBs for the Prior Premium Payment Year - for example, under the Lookback Rule, the 2022 Variable-rate Premium is based on UVBs for 2021 (the Lookback Year).

The lookback rule first applied for 2014 plan years. At that time Small Plans were given automatic approval to permanently opt out of the Lookback Rule (i.e., to use current year UVBs to determine the Variable rate Premium). Most Small Plans chose to do so. Those plans must continue to use current year UVBs to determine the Variable-rate Premium unless and until they seek and receive permission from PBGC to start using the Lookback Rule in the future. Information about how to seek such permission is covered later in this "Which year's UVBs" section.

New and Newly Covered Small Plans

The Lookback Rule doesn't apply to New and Newly Covered Small Plans because such plans don't have a covered prior year to look back to. So, special rules apply. If a New or Newly Covered Plan is Small and:

- Was created as the result of a non-De Minimis Spinoff or Consolidation (i.e., "Continuation Plans"), the Variable-rate Premium for the Premium Payment Year is based on UVBs for that same year. These plans do, however, get more time to complete their filings (see "When to File" section).
- Is not a Continuation Plan, the plan is exempt from the Variable-rate Premium for its first year of filing. Note that such a plan could be either a newly established plan or a plan resulting from a De Minimis Spinoff. The exception applies in either case.

These plans will be permitted to opt out of using the Lookback Rule without first seeking PBGC permission, the first time the Lookback Rule would otherwise apply.

Opting out of the Lookback Rule Starting with 2022

- Not the first opportunity to opt out - If a Plan had the opportunity to opt out of the Lookback Rule in the past but chose not to, PBGC permission is required to opt out for 2022. See next page for information on how to seek such permission.
- First opportunity to opt out - If the 2022 plan year is the first year for which a plan has the opportunity to opt out of the Lookback Rule, the plan may do so without first seeking permission from PBGC. For example, permission to opt out is not required if:
  - The plan was not a Small Plan for any year after 2014, but because of a decrease in Participant Count, is a Small Plan for 2022;

- The plan was a New or Newly Covered Small Plan that was also a Continuation Plan for 2021 and was thus, required to use current year UVBs to determine its 2021 Variable-rate Premium;
- The plan did not have to calculate nor report UVBs for any year after 2014 because it was exempt from the Variable-rate Premium or eligible for the Small-employer Cap and chose to pay the cap and not report UVBs.

Small Plans reporting UVBs for the first time are cautioned to be careful to ensure the data reported in the Variable-rate Premium section of the filing are entered correctly because if the reported UVB Valuation Date[9] is within the Premium Payment Year, we will expect all future filings to be completed using current year UVBs to determine the Variable rate- Premium.

Note for Small Plans with year-end valuation dates – It is not practical for a Small Plan with a year-end valuation date to opt out of the Lookback Rule. For example, consider a Small Plan with a calendar year plan year. Opting out of the Lookback Rule would mean measuring UVBs on December 31st, two and a half months after the October 15th due date.

Requesting permission to use (or not use) the Lookback Rule

As noted above, PBGC permission is required if:

- a Small Plan that had the opportunity to opt out of the Lookback Rule in the past but chose not to, wants to opt out starting with 2022, or
- a Small Plan that opted out of using the Lookback Rule in the past, wants to start using the Lookback Rule starting with 2022.

Such requests must be submitted at least 60 days before the due date using one of the following options:

- My PAA: Send a message via My PAA by selecting the "Submit Request" link from the Plan Details page, then selecting "Other Requests & Correspondence" and finally the "Request re: Lookback Rule" request type. Submitting the request this way has many benefits (e.g., automatically generated confirmation email, ability to check the status of a request).

  For more information about submitting requests via My PAA, see PBGC's My PAA online demo web page.
- Email: Send an email to premiums@pbgc.gov with "Request re: Lookback Rule" in the subject line. If you do not receive an email acknowledgement within two business days, please call PBGC at 1-800-736-2444 or (202) 229-4242 (select option 2) to confirm that your request was received.

PBGC will review such requests based on the facts and circumstances and will grant such requests only for good cause in appropriate circumstances. PBGC will not grant requests made solely to reduce premiums.

If you do not receive a determination within 30 days of making the request, please call us at 1-800-736-2444, as you will need the determination to make a timely premium filing.

[9] See line (7)(c)(3) of the illustrative form in the "Data to be Submitted" section.

Measurement date

UVBs are measured on the funding valuation date (i.e., the measurement date for determining the minimum required contribution) for the applicable plan year (i.e., either the Premium Payment Year or the Lookback Year, depending on whether the Lookback Rule applies). Regardless of whether the Lookback Rule applies, this date is called the UVB Valuation Date to distinguish it from the Participant Count Date (see "How to Count Participants" section).

So, for plans using the Lookback Rule, the UVB Valuation Date is the valuation date used to determine the minimum required contribution (i.e., "the funding valuation date") for the Lookback Year. For all other plans, the UVB Valuation Date is the funding valuation date for the Premium Payment Year.

Examples

The following examples illustrate these rules:

Example 1 – Plan A, a calendar year plan, is not a Small Plan and therefore, in accordance with ERISA 303 must have a beginning of year valuation date. Plan A's Variable-rate Premium for 2022 is based on UVBs for 2022 (i.e., the Premium Payment Year) measured as of 1/1/2022. This result is not dependent on whether the plan is a Continuation Plan.

Example 2 – Plan B is a pre-existing Small Plan that did not opt out of the Lookback Rule in 2014 and to date has not submitted a request to PBGC regarding the Lookback Rule. Plan B has a calendar year plan year and a beginning of year valuation date. Plan B's Variable-rate Premium for 2022 is based on UVBs for the plan year beginning in 2021 measured as of 1/1/2021.

Example 3 – Plan C is a New Small Plan with a calendar year plan year created as the result of a non-De Minimis Spin-off on 1/1/2022 is therefore considered a Continuation Plan for 2022. Plan C has a beginning of year valuation date. As a Continuation Plan, Plan C is not subject to the Lookback Rule for 2022 (because there is no prior year to look back to). That means UVBs are measured as of 1/1/2022.[10]

Example 4 – Plan D is a pre-existing Plan with a calendar year plan year and a beginning of year valuation date. Plan D had a Participant count greater than 100 for all years from 2016 through 2021, but due to attrition, its 2022 Participant count is 98. Thus, Plan D is now subject to the Lookback Rule. That means Plan D's Variable-rate Premium for 2022 is based on UVBs for the plan year beginning in 2021 (i.e., the "Lookback Year" measured as of 1/1/2021), the same UVBs that were used to determine the 2021 VRP. Alternatively, Plan D may opt out of the Lookback Rule, in which case, its Variable-rate Premium for 2022 will be based on UVBs for the plan year beginning in 2022 measured as of 1/1/2022.

[10] Assuming the participant count remains below 100, Plan C will be subject to the Lookback Rule for 2022 unless Plan C chooses to opt out of using the Lookback Rule. If Plan C does not opt out, Plan C's Variable-rate Premium for 2022 will also be based on UVBs for 2021 measured as of 1/1/2021.

Premium Funding Target

The Premium Funding Target is the liability measure underlying the UVB calculation. It is determined the same way the funding target is determined under ERISA section 303 (minimum funding requirements) except that only vested benefits are included, and a special premium discount rate structure is used. With the exception of the discount rate, all other assumptions must be identical to those used to determine the minimum required contribution under ERISA section 303. In lieu of using the special premium discount rates, you may make an election (**irrevocable for five years**) to use smoothed discount rates, similar to, and in some cases identical to, the rates used to determine the minimum required contribution. Different terminology is used to describe the Premium Funding Target depending on whether this election is in effect.

- Standard Premium Funding Target – This term describes the Premium Funding Target that applies unless the above-noted election is in effect. The discount rates used to determine the Standard Premium Funding Target are the ERISA section 4006(a)(3)(E)(iv)) segment rates for:
  - In the case of a Small Plan using the Lookback Rule, the month before the month in which the Lookback Year begins.
  - In the case of any other plan, the month before the month in which the Premium Payment Year begins.

  The ERISA section 4006(a)(3)(E)(iv) segment rates are based on the same bond yields as used to determine the segment rates for the ERISA section 303 funding target. However, unlike ERISA 303 segment rates which are averaged over 24 months, the segment rates used to determine the Standard Premium Funding Target are not averaged. These "spot" segment rates are published by IRS each month and are also posted on PBGC's "Interest Rates and Factors" web page.
- Alternative Premium Funding Target – This term describes the Premium Funding Target if the election described above is in effect. The Alternative Premium Funding Target is determined using the discount rates that would have been used to determine the ERISA section 303 funding target[11] for the Premium Payment Year (or, for a plan using the Lookback Rule, the Lookback Year) if not for the Interest Rate Stabilization Rules. Thus, if an election is made under:
  - ERISA section 303(h)(2)(D)(ii) to use the full yield curve instead of the three segment rates for purposes of determining the minimum required contribution, that same yield curve is used to determine the Alternative Premium Funding Target; or
  - ERISA section 303(h)(2)(E) to use one of the four months preceding the valuation date as the "applicable month," instead of the month containing the valuation date, for determining which month's rates to use, that same month's rates, determined without regard to the Interest Rate Stabilization Rules, are used to determine the Alternative Premium Funding Target.

Until an election is officially revoked, it remains in place. An election to use the Alternative Premium Funding Target cannot be revoked for five calendar years. Similarly, once an election is revoked, the plan cannot make another election to use the Alternative Premium Funding Target for five full years. The following example illustrates the rules on making and revoking an election to use the Alternative Premium Funding Target.

[11] Note that this will not be the case if the plan is not subject to the Pension Protection Act of 2006 (PPA) for funding purposes, or if an election is made under PPA section 402, to use an 8.25% discount rate to determine the funding target for funding purposes. See "Plans Subject to Special Funding Rules" later in this section.

Example – Plan A first makes an election to use the Alternative Premium Funding Target for a plan year that begins on April 1, 2022. In this case, the Alternative Premium Funding Target must be used to determine UVBs for all plan years beginning before April 1, 2027. The plan may revoke the election first effective for any plan year beginning on or after April 1, 2027, but unless the election is revoked, it will remain in place.

This is the case even if the plan year subsequently changes. For example, if the plan year is changed to the calendar year first effective January 1, 2027, the Alternative Premium Funding Target must be used for the Short Plan Year April 1, 2026 – December 31, 2026 and for the January 1, 2027 – December 31, 2027 plan year. The first plan year for which the Plan Administrator may revoke the election is the 2028 plan year.

The election (or revocation) must be made by the premium filing due date. An election to use (or revoke) the Alternative Premium Funding Target is made as part of the Comprehensive Premium Filing. If an election (or revocation) is not made as part of the Comprehensive Premium Filing, it may be made as part of an amended filing only if the amended filing is made on or before the due date.

Vested Benefits

Only vested benefits are taken into account when determining the Premium Funding Target. For this purpose, a benefit does not fail to be considered vested solely because it is not protected under Code section 411(d)(6) and thus may be eliminated or reduced by the adoption of a plan amendment or by the occurrence of a condition or event. Such a benefit is vested for premium purposes (if the other requirements for vesting have been met) so long as the benefit has not actually been eliminated or reduced. In addition, certain benefits payable upon a Participant's death do not fail to be considered vested solely because the Participant is still living. The benefits to which this rule applies are a qualified pre-retirement survivor annuity (QPSA), a post-retirement survivor annuity such as the annuity paid after a Participant's death under a joint-and-survivor or certain-and-continuous option, and a benefit that returns a Participant's accumulated mandatory employee contributions. The following examples illustrate these concepts:

- *Example 1* – Under Plan A, if a Participant retires at or after age 55 but before age 62, the Participant receives a temporary supplement from retirement until age 62. The supplement is not a qualified social security supplement (QSUPP) as defined in Treasury Reg. § 1.401(a)(4)-12 and is not protected under Code section 411(d)(6). The temporary supplement is considered vested, and its value is included in the Premium Funding Target, for each Participant who, on the UVB Valuation Date, is at least 55 but less than 62, and thus eligible for the supplement. The calculation is unaffected by the fact that the plan could be amended to remove the supplement after the UVB Valuation Date.

- *Example 2* – Plan B provides a QPSA upon the death of a Participant who has five years of service, at no charge to the Participant. The QPSA is considered vested, and its value is included in the Premium Funding Target, for each Participant who, on the UVB Valuation Date, has five years of service and is thus eligible for the QPSA. The calculation is unaffected by the fact that the Participant is alive on that date.

A Participant's pre-retirement lump-sum death benefit (other than a benefit that returns accumulated mandatory employee contributions or a QPSA paid as a lump sum) is not vested if the Participant is living. Similarly, a disability benefit is not vested if the Participant is not disabled.

Estimated Premium Funding Target

If the Premium Funding Target is not known by the due date, an estimated Variable-rate Premium may be paid on the due date. Doing so triggers a requirement to submit an amended filing at a later date to reconcile the actual Variable rate Premium with the estimate. In the event the actual Variable-rate Premium is greater than the estimate, penalties for late payment will be waived if the estimate meets certain criteria and the reconciliation filing is made by the end of the sixth calendar month that begins on or after the premium filing due date (generally April 30th after year end for calendar year plans). For additional information, see "Automatic Penalty Waiver for Certain Late Variable-rate Premiums" in the "Late Payment Charges" section.

Fair Market Value of Plan Assets

The asset measure underlying the UVB calculation is determined the same way assets are determined under ERISA section 303 except without regard to any averaging method. For premium purposes, the market value of assets is measured on the UVB Valuation Date and adjusted to account for contribution receipts using the same methodology as is used for funding purposes.

Adjustments for prior year contributions

If contributions for the plan year prior to the Premium Payment Year (or, in the case of a plan using the Lookback Rule, the plan year preceding the Lookback Year) are made after the UVB Valuation Date, the market value is increased to reflect the value of such contributions discounted to the UVB Valuation Date. The discount rate for this purpose is the ERISA section 303(h)(2)(A) effective interest rate for the plan year for which the contributions were made (as reported in item 5 of Schedule SB). For example, consider a calendar year plan with a January 1 UVB Valuation Date:

Contributions made in 2022 for the 2021 plan year are included in the January 1, 2022 asset value. Such contributions are discounted from the date made to January 1, 2022 using the 2021 effective interest rate. Such contributions are included only to the extent made by the date of the premium filing.

Adjustments for current year contributions

If contributions for the Premium Payment Year (or, in the case of a plan using the Lookback Rule, the Lookback Year), are made before the UVB Valuation Date, the market value is decreased to exclude the adjusted value of these current year contributions. For this adjustment, such contributions are increased to the UVB Valuation Date using the ERISA section 303(h)(2)(A) effective interest rate for the plan year for which they were made. This can happen only if the UVB Valuation Date is after the beginning of the plan year. For example, consider a calendar year Small Plan with a July 1 UVB Valuation Date:

Contributions made in April 2022 for the 2022 plan year are not included in the July 1, 2022 asset value. Such contributions are increased from the date made to July 1, 2022, using the 2022 effective interest rate. The July 1, 2022 market value of assets are decreased by the adjusted value of contributions made in April 2022.

Comparison to asset value reported on Schedule SB

In the case of:

- a Small Plan using the Lookback Rule, the asset value reported is generally the same as the market value of assets required to be reported in the Schedule SB for the Lookback Year (item 2a).
- any other plan, the asset value reported here is generally the same as the market value of assets required to be reported in the Schedule SB for the Premium Payment Year (item 2a).

The amounts would differ only if a premium filing is made before the premium due date and prior year contributions are made after the premium filing is made (and thus not included in assets).

Summary

The following table summarizes the various dates and assumptions that are used to determine Variable-rate Premiums for 2022. Although Participant Count Date is not used to determine the Variable-rate Premium, it is included in the table so that all of the variables affecting premium calculations are contained in one summary. Please review the column that relates to your plan.

Summary[12]

	If Lookback Rule Applies		If Lookback Rule Does Not Apply	
	Standard Premium Funding Target	**Alternative Premium Funding Target**	**Standard Premium Funding Target**	**Alternative Premium Funding Target**
Participant Count Date	Last day of 2021 plan year	Last day of 2021 plan year	Last day of 2021 plan year	Last day of 2021 plan year
UVB Valuation Date	Funding valuation date for 2021	Funding valuation date for 2021	Funding valuation date for 2022	Funding valuation date for 2022
Benefits reflected in Premium Funding Target	Vested portion of benefits included in 2021 funding target	Vested portion of benefits included in 2021 funding target	Vested portion of benefits included in 2022 funding target	Vested portion of benefits included in 2022 funding target
Assumptions				
• Discount rates	Spot segment rates for month before 2021 plan year begins	Whatever would have been used for funding purposes for 2021 if Interest Rate Stabilization Rules had not applied[13]	Spot segment rates for month before 2022 plan year begins	Whatever would be used for funding purposes for 2022 if Interest Rate Stabilization Rules did not apply[14]
• All other assumptions	Whatever was used for funding purposes for 2021	Whatever was used for funding purposes for 2021	Whatever is used for funding purposes for 2022	Whatever is used for funding purposes for 2022
At-risk status	Whatever status was in effect for funding purposes for 2021	Whatever status was in effect for funding purposes for 2021	Whatever status is in effect for funding purposes for 2022	Whatever status is in effect for funding purposes for 2022

[12] **Table entries assume plan is not a New or Newly Covered Small Plan and that none of special Participant Count Date rules apply.** The terms "funding" or "for funding purposes" in this table mean amounts determined under ERISA Section 303. References to 2021 or 2022 relate to the plan year beginning in such year.

[13] This is not the case for plans that are not subject to the Pension Protection Act of 2006 (PPA) for funding purposes or frozen airline plans that made an election under section 402 of PPA. See "Plans Subject to Special Funding Rules" on next page.

Summary (continued)

	If Lookback Rule Applies		If Lookback Rule Does Not Apply	
	Standard Premium Funding Target	**Alternative Premium Funding Target**	**Standard Premium Funding Target**	**Alternative Premium Funding Target**
At-risk load				
• 4% of liability portion of load	If the plan was at-risk for 2021 for funding purposes, 4% of what the Standard Premium Funding Target would be if the plan wasn't at-risk. Otherwise, N/A.	If the plan was at-risk for 2021 for funding purposes, 4% of what the Alternative Premium Funding Target would be if the plan wasn't at-risk. Otherwise, N/A.	If the plan is at-risk for 2022 for funding purposes, 4% of what the Standard Premium Funding Target would be if the plan wasn't at-risk. Otherwise, N/A.	If the plan is at-risk for 2022 for funding purposes, 4% of what the Alternative Premium Funding Target would be if the plan wasn't at-risk. Otherwise, N/A.
• Per-participant portion of load	The same amount included in the liability for funding purposes for 2021	The same amount included in the liability for funding purposes for 2021	The same amount included in the liability for funding purposes for 2022	The same amount included in the liability for funding purposes for 2022

Plans Subject to Special Funding Rules

Plans covered by the special funding rules listed below must determine UVBs in the same manner (and using the same discount rate basis) as all other plans. This includes:

- Section 402(b) of the Pension Protection Act of 2006, Public Law 109-280, dealing with certain frozen plans of commercial passenger airlines and airline caterers.
- Section 115 the SECURE Act, enacted on December 20, 2019, as Division O of Public Law 116-94, dealing with plans sponsored by certain community newspapers or members of such sponsors' controlled group.

Premium Proration

General

In certain situations, plans with Short Plan Years or Short Coverage years qualify to pay a prorated premium. For example, if a plan with a nine-month plan year qualifies for premium proration, only 75% (i.e., 9/12) of the un-prorated premium is due. In addition, in some cases, premiums are prorated if the plan is not covered by PBGC for the entire plan year.

The situations in which premium proration applies (or does not apply) are described below.

Short Coverage Years

Premiums are prorated for Newly Covered Plans if the first day of coverage begins more than a month after the plan year begins. For example, if a calendar year plan becomes covered by PBGC in March of 2022, the premium is prorated (i.e., 10/12 of the un-prorated premium would be owed).

Premiums are not prorated to reflect a period of non-coverage that occurs during the plan year. For example, if a calendar year plan that's covered on January 1, 2022 ceases to be covered on July 15, 2022, the full 2022 premium is owed.

Short Plan Years – in general

Premiums are prorated if the Short Plan Year:

- Is the first year of a New Plan;
- Is the result of:
  - an amendment that changes the plan year,[14]
  - the appointment of a trustee for a Single-employer Plan under ERISA section 4042, or
  - plan assets being distributed pursuant to standard termination, unless the plan engaged in Spinoff that was not De Minimis during that same Short Plan Year.

Premiums are not prorated if a Short Plan Year is the result of:

- A Merger or Consolidation with another plan, or
- Plan assets being distributed pursuant to a standard termination in the same Premium Payment Year the plan engaged in a Spinoff that was not De Minimis.

Reminder – plans that cease to exist mid-year because of a standard termination might be subject to an accelerated due date as explained in "When to File" section.

Short Plan Years that end after filing due date

If proration applies, you may pay a prorated premium even if the Short Plan Year has not ended by the time the premium is due. For example, consider a Single-employer plan with a calendar year plan year that expects to distribute plan assets pursuant to a standard termination on November 15, 2022. When preparing the 2022 premium filing (due October 15, 2022), you may report an anticipated distribution date of November 15, 2022 (see item 13 in the "Description of Data Elements" section) and prorate the premium.

[14] An amendment is not considered to change the plan year if the plan merges into or consolidates with another plan or otherwise ceases its independent existence either during the Short Plan Year or at the beginning of the full plan year following the Short Plan Year.

However, if you take this approach and the plan year turns out to be longer than you anticipated (i.e., longer than what you report in the filing), you will have to make up any premium underpayment, which will be subject to late payment charges. This happens fairly regularly with respect to plans that are expecting to distribute plan assets pursuant to a standard plan termination near the end of the year because it often takes longer than expected to complete the distribution.

Recommended approach

To avoid the possibility of late payment charges arising if the final distribution takes longer than expected, if you are anticipating a short final plan year as the result of distribution of plan assets pursuant to a standard plan termination, but the distribution hasn't been completed by the premium due date, you may file without regard to the anticipated Short Plan Year. With this approach, you would:

- Report that the premium filing is for the full plan year (i.e., report the "plan year end" date as if the plan year is not a Short Plan Year.
- Pay the entire premium, without proration and without regard to the Variable-rate Premium exemption for plans distributing assets during the plan year (See instructions for line 7c in the "Description of Data Elements" section).
- Not report that the premium filing is the final filing for the plan (See line 13 on the illustrative form in the "Data to be Submitted" section.

With this approach, it will not be necessary to amend the premium filing if it turns out the distributions are completed before year end. Rather, after Form 501 (Post-Distribution Certification) is processed, PBGC will automatically prorate the premium, apply the Variable-rate Premium exemption (if applicable) and close out the premium account. Any overpayment will be available for refund. The refund can be requested by email or via the "Submit Request" link from the My PAA Plan Details Page.

For more information about submitting requests via My PAA, see PBGC's My PAA online demo web page.

Which months count for purposes of prorating premiums

Plans that qualify to prorate their premium pay a premium for each full or partial month in the Short Plan Year or Short Coverage Year. For example, if the Short Plan Year begins on January 1 and ends on June 15th, the Short Plan Year is considered to be a six-month plan year (i.e., five full months and one 15 -day partial month). That means the premium owed is 6/12 of the un-prorated amount. When counting months for:

- A Multiemployer Plan that distributed all its assets pursuant to ERISA section 4041A, the plan's short final year is treated as ending on the date the distribution is completed.
- A Single-employer Plan that distributed all its assets pursuant to a standard termination, the plan's short final year is treated as ending the date on which the distribution of the plan's assets in satisfaction of all Benefit Liabilities was completed.
- A Single-employer Plan for which a trustee was appointed under ERISA section 4042, the plan's short final year is treated as ending on the date the trustee was appointed.
- A New Plan, the Short Plan Year is treated as beginning on the Participant Count Date (i.e., the plan effective date).
- A Newly Covered Plan, the Short Coverage Year is treated as beginning on the date the plan becomes covered under ERISA section 4021.

How to count months for purposes of prorating premiums

Generally, when counting months (full and partial), each month in the plan year is treated as beginning on the same day of each successive calendar month. For example, if the plan year begins on July 1, the first day of each successive calendar month is the beginning of a new plan month. Similarly, if the plan year begins on January 15, the second plan month begins on February 15, the third plan month on March 15, etc.

There are two exceptions to this general rule that relate to plan years beginning on the 30th or 31st of a calendar year month:

- Plan years beginning on the 30th – If the plan year begins on the 30th day of a calendar month that contains:
  - 30 days, successive plan months, are treated as beginning on the last day of such successive month, even if that successive month contains 31 days (see example 1 below).
  - 31 days, successive plan months are treated as beginning on the 30th day of such successive month, or in the case of February, the last day of the month (see example 2 below).
- Plan years beginning on the 31st – If the plan year begins on the 31st day of a calendar month, successive plan months are treated as beginning on the last day of such successive month (see example 3 below).

These special rules are illustrated in the following examples.[15]

Example 1 – Plan A qualifies for premium proration for its final plan year which begins on November 30th (the last day of November) and ends on March 6th. All subsequent months in the final plan year are treated as beginning on the last day of the calendar month. Accordingly, there are four (full or partial) months in the proration period: November 30 to December 30, December 31 to January 30, January 31 to February 27, and February 28 to March 6.

Example 2 – Plan B qualifies for premium proration for its final plan year which begins on December 30th and ends on March 12th. With the exception of February, all subsequent months in the final plan year are treated as beginning on the 30th day of the calendar month. February is treated as beginning on February 28th. Accordingly, there are three (full or partial) months in the proration period: December 30 to January 29, January 30 to February 27, and February 28 to March 12.

Example 3 – Plan B qualifies for premium proration for its final plan year which begins on January 31st and ends on April 26th. All subsequent months in the final plan year are treated as beginning on the last day of the calendar month. Accordingly, there are three (full or partial) months in the proration period: January 31 to February 27, February 28 to March 30, March 31 to April 26.

[15] In examples 2 and 3, if February of the final plan year falls in a leap year, references to February 27 change to February 28 and references to February 28 change to February 29.

Spinoffs, Mergers and Consolidations

General

This section provides additional guidance for plans involved in a Spinoff, Merger, or Consolidation. Plans considering any of these transactions are encouraged to read this section carefully before finalizing the transaction because decisions that have little impact on funding requirements can have a significant impact on the amount of premium due and the due date. For example, with respect to a non-De Minimis Spinoff to a New Plan, the aggregate premium due for both plans will generally be less if the Spinoff occurs at the beginning of the plan year. Also, when combining two plans, aggregate premium amounts will differ depending on, for example, whether Plan A is merged into Plan B, Plan B is merged into Plan A, or the two plans are consolidated into a New Plan C.

Note that as the result of one of these transactions, a plan could become a Small Plan for the first time or cease to be a Small Plan. Filers are cautioned to review the Lookback Rule provisions in either of these situations (See "How to Determine UVBs" section).

Information about Spinoffs, Mergers and Consolidations are reported by all PBGC-covered plans involved in the transaction as part of the Comprehensive Premium Filing in items that request information about "Transfers from other plans" and "Transfers to other plans". See "Description of Data Elements" section, items 14 and 15.

Spinoffs

A "Spinoff" is a transaction in which a plan (the Transferor Plan) transfers a portion of its assets and/or liabilities to another plan (the Transferee Plan). The Transferee Plan may be a New Plan, created by the Spinoff, or it may be a pre-existing plan.

If the Transferee Plan is a New Plan, all of the special rules applicable to New Plans apply. For example, for the New Plan's first plan year:

- Depending on when the transaction occurs and the plan's UVB Valuation Date, the due date might be later than the Normal Due Date (see "When to File" section).
- The applicable Participant Count Date for purposes of determining the Flat-rate Premium is the first day of the Premium Payment Year (see "How to Count Participants section").
- The Standard Premium Funding Target is used to determine the Variable-rate Premium unless the plan makes a timely election to use the Alternative Premium Funding Target. This is the case even if the Transferor Plan had an election to use the Alternative Premium Funding Target in effect or revoked such an election fewer than five years prior to the Spinoff(see "How to Determine Unfunded Vested Benefits" section").
- If the plan is a Small Plan, the Lookback Rule does not apply because there is no prior plan year to look back to. The Lookback Rule will automatically apply for the plan's second year of existence, unless the plan opts out of using that rule (see "How to Determine Unfunded Vested Benefits" section).
- If the Spinoff is De Minimis (i.e., if the plan is not a Continuation Plan) and the plan is a Small Plan, the plan is exempt from the Variable-rate Premium.

Spinoffs, Mergers and Consolidations

Mergers

A "Merger" is a transaction in which a plan transfers all of its assets and liabilities to an existing plan and, as a result, ceases to exist. In essence, the Transferor Plan becomes part of the Transferee Plan.

If, as the result of a Merger, a plan ceases to exist, in addition to reporting information about the transaction, the fact that the filing is the last filing for the plan must also be reported.[16] (See "Description of Data Elements" section, item 13).

Consolidations

A "Consolidation" is a transaction in which two or more plans transfer all of their assets and liabilities to a New Plan and, as a result, cease to exist (because the Transferor Plans become part of the new Transferee Plan). It differs from a Merger because in a Merger, the Transferee Plan existed before the transaction. In a Consolidation, the Transferee Plan is a New Plan that is created in the Consolidation. Thus, the plan that exists after a Consolidation follows the premium filing rules for New Plan.

If, as the result of a Consolidation, a plan ceases to exist, in addition to reporting information about the transaction, you must also report that the filing is the last filing for the plan. (See "Description of Data Elements" section, item 13).[17]

Examples

The following examples illustrate the effect of these transactions on premiums. For purposes of these examples, assume all plans have been covered by PBGC since inception and that none of the affected plans are Small Plans (which means they all have beginning of year valuation dates and none of them use the Lookback rule for determining UVBs).

Example 1 (Beginning of Plan Year Spinoff to a New Plan) — Plan B is created at the beginning of 2022 as the result of a non-De Minimis Spinoff from Plan A (a plan with a calendar year plan year). Plan B will also have a calendar year plan. Plan A made an election to use the Alternative Premium Funding Target in 2010; such election is still in effect.

For 2022, premiums for these plans are determined as follows:

- Due date — Premiums for both plans are due October 15, 2022.
- Participant Count Date:
  - Plan A: Because the Spinoff occurred at the beginning of Plan A's plan year, Plan A's 2022 Flat-rate Premium is based on the Participant count on the first day of the plan year (January 1, 2022) instead of the last day of the prior year (December 31, 2021). As a result, Plan A does not include the spun off Participants in its Participant count. See special rule re: beginning of year non-De Minimis Spinoffs in "How to Count Participants" section.
  - Plan B: Because Plan B is a New Plan, its Participant Count Date is also the first day of the plan year (January 1, 2022).

[16] If a plan ceases to exist because of a Merger or Consolidation and the transaction occurs after the premium filing is submitted, please contact PBGC via email at premiums@pbgc.gov, so we can update our records. Absent this notification, PBGC will likely contact the plan (that no longer exists) to inquire about why the subsequent year's filing is not submitted.

Note – if the Spinoff had been De Minimis, the special Participant Count Date rule would not apply (i.e., Plan A's Participant Count Date would have been December 31, 2021). Because Plan B's Participant Count Date is January 1, 2022, that means both plans would have owed Flat-rate Premiums on behalf of the Participants that were spun off from Plan A to Plan B.

- UVB Measurement Date — Both plans measure UVBs as of January 1, 2022.
- Premium Funding Target:
  - Plan A: The Alternative Premium Funding Target is used unless the election is revoked as part of the 2022 Comprehensive Premium Filing.
  - Plan B: As a New Plan, the Variable-rate Premium must be determined using the Standard Premium Funding Target unless the Plan makes a timely election to use the Alternative Premium Funding Target (as part of its 2022 filing).
- Proration — Neither plan qualifies to prorate its 2022 premium.
- Reporting on Comprehensive Premium Filing (item 14):
  - Plan A checks the "Transferor Plan" box (item 14a), the "Spinoff to/from another plan" box for the type of transfer question (item 14c), and the "No" box for the De Minimis question (item 14e).
  - Plan B checks the "Transferee Plan" box (item 14a), the "Spinoff to/from another plan" box for the type of transfer question (item 14c). The De Minimis question (item 14e) is left blank because Plan B is a New Plan and New Plans are not required to answer that question.

Example 2 (Mid-year Spinoff to a New Plan) — Plan B is created on July 1, 2022 as the result of a Spinoff from Plan A. Plan B's first plan year will be a Short Plan Year (i.e., July 1, 2022 – December 31, 2022). Plan A made an election in 2010 to use the Alternative Premium Funding Target that is still in effect. For 2022, premiums are determined as follows:

- The Spinoff has no effect on Plan A's 2022 premium obligation. That means:
  - Due Date: October 17, 2022.
  - Flat-rate Premium: Based on the Participant count as of December 31, 2021. There is no adjustment for Participants who are spun off later in the year.
  - Variable-rate Premium: UVBs are:
    - Measured as of January 1, 2022. There is no adjustment for the assets and/or liabilities that are spun off later in the year.
    - Determined using the Alternative Premium Funding Target unless the Plan makes a timely election to revoke the prior election (as part of its 2022 filing).
- Plan B is subject to special rules because it is a New Plan. For example:
  - Due date: April 15, 2022 (i.e., the 15th day of the 10th full calendar month after July 1, 2022).
  - Flat-rate Premium: Based on the Participant count on July 1, 2022. The fact that some of these Participants may have been included in the Participant count for Plan A's 2022 Flat-rate Premium has no bearing on Plan B's Flat-rate Premium.

  - Variable-rate Premium: UVBs are:
    - Measured on the same date used to determine funding requirements for Plan B's first (short) plan year.
    - Determined using the Standard Premium Funding Target unless the Plan makes a timely election to use the Alternative Premium Funding Target (as part of its 2022 filing).
  - Proration: Because the first plan year is a Short Plan Year and the plan was created as the result of a Spinoff, the 2022 premium is prorated. There are six months in the Short Plan Year (July 1, 2022 – December 31, 2022), so the plan owes 50% (i.e., 6/12) of the otherwise determined premium. Note that for proration purposes, a partial month is treated as a full month. So, had the Spinoff had occurred on July 25th instead of July 1st, the result would be the same.
- Reporting on Comprehensive Premium Filing:
  - Plan A checks the "Transferor Plan" box (item 14a), the "Spinoff to/from another plan" box for the type of transfer question (item 14c). The De Minimis question (item 14e) is left blank because the transfer did not occur at the beginning of Plan A's plan year.
  - Plan B checks the "Transferee Plan" box (item 14a), the "Spinoff to/from another plan" box for the type of transfer question (item 14c). The De Minimis question (item 14e) is left blank because Plan B is a New Plan

Example 3 (Mid-year Spinoff to a pre-existing plan) — Plans A and B are both calendar year plans. Both plans made an election in 2017 to use the Alternative Premium Funding Target that is still in effect. On July 1, 2022, Plan A spun off assets and liabilities for Participants in Location XYZ to Plan B.

- In this scenario, the Spinoff has no effect on the amount of premium owed or the due date for the 2022 plan year of either plan.
- Reporting on Comprehensive Premium Filing:
  - Plan A checks the "Transferor Plan" box (item 14a), the "Spinoff to/from another plan" box for the type of transfer question (item 14c). The De Minimis question (item 14e) is left blank because the transfer did not occur at the beginning of Plan A's plan year.
  - Plan B checks the "Transferee Plan" box (item 14a), the "Spinoff to/from another plan" box for the type of transfer question (item 14c). The De Minimis question (item 14e) is left blank because the transfer did not occur at the beginning of Plan B's plan year and in such cases, that question is not required to be answered.

Example 4 (Beginning of year Merger) — Plans A and B are both calendar year plans. On January 1, 2022, Plan B merges into Plan A. The Merger is not De Minimis.

The Merger's impact on 2022 premiums is as follows:

- Because the Merger (1) was not De Minimis and (2) occurred at the beginning of Plan A's plan year, Plan A's 2022 Flat-rate Premium is based on the Participant count on the first day of the plan year (January 1, 2022) instead of the last day of the prior year (December 31, 2021). (See special rule re: beginning of year Mergers in "How to Count Participants" section).

- Plan B is not required to submit a 2022 Comprehensive Premium Filing because the plan ceased to exist on what would have been the first day of Plan B's 2022 plan year. In other words, the Merger is deemed to be effective before the 2022 plan year begins.
- Reporting on Comprehensive Premium Filing: Plan A checks the "Transferee Plan" box (item 14a), the "Merger" box for the type of transfer question (item 14c), and the "No" box for the De Minimis question (item 14e).

Because the Merger did not occur until after the due date for Plan B's 2021 Comprehensive Premium Filing, PBGC expects that Plan B would not have reported that 2021 would be its "Final Filing" as part of its 2021 filing. As long as Plan A properly reports the Merger in its 2022 filing, it is not necessary for Plan B to amend its 2021 filing to indicate that that is the final filing.

Note – if the Merger had been De Minimis, the special Participant Count Date rule would not apply (i.e., Plan A's Participant Count Date would have been December 31, 2021). Exception – if the plan reports that the Merger is De Minimis, but the surviving plan was the smaller of the two plans, the special Participant Count Date rule would apply. See instructions for item 14e for a description of which plan is considerers the "smaller" of the two plans.

Example 5 (Mid-year Merger) — Plan A is a calendar year plan. Plan B has a plan year that begins on March 1. On February 1, 2022, Plan B merges into Plan A.

The Merger's impact on 2022 premiums is as follows:

- The Merger has no effect on Plan A's premium obligation. Among other things, that means the Flat-rate Premium is based on the Participant count as of December 31, 2021 (i.e., the Plan B Participants that merged into Plan A on February 1, 2022 are not included).
- Plan B is not required to submit a Comprehensive Premium Filing because the plan ceased to exist before its 2022 plan year would have begun (i.e., before March 1, 2022).
- Plan A checks the "Transferor Plan" box (item 14a) and the "Merger" box for the type of transfer question (item 14c). The De Minimis question (item 14e) is left blank because the transfer did not occur at the beginning of Plan A's plan year.
- Because the Merger did not occur until after the due date for Plan B's 2021 Comprehensive Premium Filing, PBGC expects that Plan B would not have reported that 2021 would be its "Final Filing" as part of its 2021 filing. As long as Plan A properly reports the Merger in its 2022 filing, it is not necessary to amend Plan B's 2021 filing to indicate that it's the final filing.

Example 6 (Mid-year Merger) — Plan A is a calendar year plan. Plan B has a plan year that begins on October 1. Plan B merges into Plan A on December 1, 2022. The Merger's impact on premiums is as follows:

- Plan A: The Merger has no effect on the amount of Plan A's 2022 premium. Because the Merger occurs after the due date for Plan A's 2022 Comprehensive Premium Filing, Plan A will not report the Merger in the "Transfers between plans" item until the 2023 filing.

- Plan B: Although Plan B's 2022 plan year is a Short Plan Year (October 1, 2022 – November 30, 2022), Plan B's 2022 premium is not prorated because the Short Plan Year was created as the result of a mid-year Merger. In its 2022 Comprehensive Premium Filing:
  - Plan B indicates this is a "Final Filing" due to Merger in item 13.
  - Plan B checks the "Transferor Plan" box (item 14a), the "Merger" box for the type of transfer question (item 14c). The De Minimis question (item 14e) is left blank because the transfer did not occur at the beginning of Plan B's plan year

Example 7 (Beginning of Plan Year Spinoff to an Existing Plan) — Plans A and B are both calendar year plans. On January 1, 2022, Plan A spun off assets and liabilities for Participants in Location XYZ to Plan B.

For 2022, premiums for these plans are determined as follows:

- Due date — Premiums for both plans are due October 17, 2022.
- Participant Count Date:
  - Plan A: Because the Spinoff occurred at the beginning of Plan A's plan year, Plan A's 2022 Flat-rate Premium is based on the Participant count on the first day of the plan year (January 1, 2022) instead of the last day of the prior year (December 31, 2021). As a result, Plan A does not include the spun off Participants in its Participant count. See special rule re: beginning of year non-De Minimis Spinoffs in "How to Count Participants" section.
  - Plan B: Because the transfer occurred at the beginning of Plan B's plan year and was not considered a De Minimis Spinoff (with respect to Plan A), Plan's B's Participant Count Date is also the first day of the plan year (January 1, 2022). As a result, Plan B, the Transferee Plan, includes the spun off Participants in its Participant count.

  Note – if the Spinoff had been De Minimis, the special Participant Count Date rule would not apply for either plan (i.e., The Participant Count Date for both plans would have been December 31, 2021).
- UVB Measurement Date — Both plans measure UVBs as of January 1, 2022.
- Proration — Neither plan qualifies to prorate its 2022 premium.
- Reporting on Comprehensive Premium Filing:
  - Plan A checks the "Transferor Plan" box (item 14a), the "Spinoff to/from another plan" box for the type of transfer question (item 14c) and checks "No" for the De Minimis question (item 14e).
  - Plan B checks the "Transferee Plan" box (item 14a), the "Spinoff to/from another plan" box for the type of transfer question (item 14c) and checks "No" for the De Minimis question (item 14e).

Data to be Submitted

The following image provides a comprehensive list, in a traditional "form" format, of the data that must be submitted electronically via My PAA. **This is for illustrative purposes only**.

Amended filing ☐ **2022 PBGC Comprehensive Premium Filing** Disaster Relief ☐

Part I – General Plan Information

1 Plan sponsor information

a Name _____

b Six-digit business code _ _ _ _ _ _ **c** First six digits of CUSIP number _ _ _ _ _ _

2 Plan administrator information

a Name _____

b Address line 1 _____

c Address line 2 _____

d City _____ **e** State _____ **f** Zip _____ **g** Country (if not U.S.) _____

h Contact person

(1) Name (for "attention" line of mailings) _____

(2) e-mail address _____ **(3)** Phone number: _ _ _ -_ _ _ - _ _ _ _ ext _ _ _ _ _

i Alternative phone number for Insured Plans List on pbgc.gov: _ _ _ -_ _ _ - _ _ _ _ ext _ _ _ _ _

3 Additional plan contact (optional)

(1) Name _____

(2) e-mail address _____ **(3)** Phone number _ _ _ -_ _ _ - _ _ _ _ ext _ _ _ _ _

4 Plan information

a Plan name _____

b Premium payment year information:

(1) This filing is for the premium payment year commencing _ _ /_ _ / _ _ _ _ and ending _ _ /_ _ / _ _ _ _.

(2) For the premium payment year, is the plan a "small plan" (see definitions section of instructions)? ☐ Yes ☐ No

(3) If the plan year commencement date has changed since the most recent PBGC filing as a result of a plan amendment changing the plan year, enter the date the plan year change was adopted _ _/_ _/_ _ _ _.

(4) ☐ Check box if plan qualifies to pay a prorated premium for this premium payment year.

c Employer Identification Number and Plan Number information:

(1) EIN and PN: EIN _ _ _ _ _ _ _ _ _ PN _ _ _

(2) If the EIN and PN are not **both** the same as on the most recent premium filing, enter EIN and PN from most recent premium filing: EIN _ _ _ _ _ _ _ _ _ PN _ _ _. Otherwise, skip to item 4c(3).

(3) If the EIN and PN are not **both** the same as on the 2021 Form 5500, enter EIN and PN from 2021 Form 5500 and provide explanation: Otherwise, skip to item 4d. EIN _ _ _ _ _ _ _ _ _ PN _ _ _. Explanation _____

d Plan effective date _ _ /_ _ / _ _ _ _

e Plan type: ☐ Multiemployer ☐ Single-employer other than CSECs (including multiple-employer plans) ☐ CSEC Plan

f ☐ Check box if plan is a new or newly covered plan and provide the following information:

(1) Adoption date _ _ /_ _ / _ _ _ _ **(2)** Date coverage began on _ _ /_ _ / _ _ _ _.

(3) Is the plan a "continuation plan" (see definitions section of instructions)? ☐ Yes ☐ No

Data to be Submitted

Part II – Flat-Rate Premium Information

5 Flat-rate Premium

a Participant count date: Month ___ Day ___ Year ____

b Flat-rate premium calculation

(1) Applicable rate (Single-employer plans other than CSECs - enter $88; Multiemployer plans - enter $32; CSEC plans- enter $19) _____

(2) Participant count as of participant count date

Active: _____ Terminated vested: _____ Retirees and beneficiaries: _____ Total: _____

(3) Flat-rate premium (item 5b(1) x item 5b(2)) _____

Part III – Variable-rate Premium Information
Multiemployer plans — Skip to Part IV

Complete item 6 only if the plan is electing, or revoking an election, to use the Alternative Premium Funding Target instead of the Standard Premium Funding Target; otherwise skip to item 7. CSEC plans may not make this election.

6 Alternative Premium Funding Target Election or Revocation

a ☐ *Election - Check box to elect to use the Alternative Premium Funding Target instead of the Standard Premium Funding Target. The election will be effective — and the plan will be required to use the Alternative Premium Funding Target — beginning with this premium payment year and for all subsequent plan years unless and until the election is subsequently revoked.*

b ☐ *Revocation - Check box to revoke a prior election to use the Alternative Premium Funding Target. The revocation will be effective — and the plan will be required to use the Standard Premium Funding Target — beginning with this premium payment year and for all subsequent plan years unless and until a new election is subsequently made.*

Note — Elections or Revocations must remain in place for at least five years.

7 Variable-rate Premium (VRP)

a VRP exemptions – If an exemption applies, check applicable box and skip to item 8.

☐ New or newly covered small plan other than a continuation plan ☐ No vested participants

☐ Standard termination with a final distribution during the premium payment year ☐ 412(e)(3) plan

☐ Standard termination with a proposed termination date in a prior year (proposed termination date: _ _/_ _/_ _ _ _)

b VRP small employer cap qualification – ☐ Check box if this plan qualifies for the small employer cap applicable to certain plans of small employers (those with 25 or fewer employees). If box is checked, items 7c through 7g may, but need not, be omitted.

c Assumptions and methods used to determine premium funding target

(1) Premium funding target method: ☐ Standard ☐ Alternative ☐ NA, CSEC

(2) Discount rate(s): 1st segment ____% 2nd segment ____% 3rd segment ____% ☐ N/A, full yield curve used CSEC plan rate _____%

(3) UVB valuation date: Month ___ Day ___ Year ____

d Premium funding target as of UVB valuation date – ☐ Check box if the reported premium funding target information is an estimate.

(1) Attributable to active participants _____

(2) Attributable to terminated vested participants _____

(3) Attributable to retirees and beneficiaries receiving payment _____

(4) Total premium funding target (item 7d(1) + item 7d(2) + item 7d(3)) _____

e Market value of assets as of UVB valuation date _____

f Unfunded vested benefits (excess, if any, of item 7d(4) over item 7e, rounded up to the next $1,000) _____

g Uncapped variable-rate premium (CSEC plans, item 7f x 0.009. Other plans, item 7f x 0.048) _____

h Maximum VRP

(1) MAP-21 cap ($598 item 5b(2)) _____

(2) Small employer cap, if applicable ($5 x item 5b(2) x item 5b(2)) – Omit this item if plan is not eligible for this cap _____

(3) Maximum variable-rate premium — If the plan qualifies for the small employer cap, the lesser of item 7h(1) and 7h(2). Otherwise, item 7h(1). _____

i Variable-rate premium — If the plan qualifies for the small employer cap and item 7g was omitted, item 7h(3). Otherwise, the lesser of item 7g and item 7h(3). _____

Part IV – Total Premium Information

8 Premium proration ***(If the plan does not qualify for premium proration, skip to item 9)***

a Number of months (complete and partial) in the short plan year or short coverage year _____

b Total premium before reflecting proration (item 5b(3) + item 7i, if applicable) _____

9 Total premium — If the plan does not qualify for premium proration, item 5b(3) + item 7i, if applicable. If the plan qualifies for premium proration, item 8b x item 8a ÷ 12. _____

Part V – Payment Information

10 Premium credit

a Payments made previously for this premium payment year (including credits used) _____

b Outstanding credit from prior premium payment years _____

c Total (item 10a + item 10b) _____

11 Amount due (excess, if any, of item 9 over item 10c) _____

12 Treatment of overpayment

a Excess, if any, of item 10c over item 9 _____

b Treatment of balance (select one): ☐ Credit towards next year's premium ☐ Refund by check
☐ Refund by electronic funds transfer (ACH). If you select this option, complete item 12c.

c Information for ACH refund: Type of account ☐ Checking ☐ Savings Bank routing number _____

Account number _____

Part VI – Miscellaneous Information

13 Final filing – If this is the last filing for this plan, enter the date of event _ _ /_ _ / _ _ _ _ and check box that best describes why filing obligation is ceasing:
☐ Merger/Consolidation ☐ Trusteeship ☐ Distribution pursuant to termination ☐ Cessation of covered status (enter explanation)

_____
_____

14 Transfers between plans – If this plan transferred some, or all assets or liabilities to another plan (or vice versa) since the most recent comprehensive premium filing, provide the following information with respect to the plan to (or from) which assets or liabilities were transferred (if transfer involved a new or newly covered plan or if more than one transfer needs to be reported, see instructions).

a Check box for (1) or (2), whichever is applicable box: ☐ (1) This plan is the transferor plan. ☐ (2) This plan is the transferee plan.

b Employer Identification numbers and plan numbers: Transferor Plan: EIN _ _ _ _ _ _ _ _ _ PN _ _ _ Transferee Plan EIN _ _ _ _ _ _ _ _ _ PN _ _ _

c Type of transfer: ☐ Merger ☐ Consolidation ☐ Spinoff to/from another plan ☐ Other **d** Date of transfer _ _ /_ _ / _ _ _ _

e Additional information for certain transactions. *Complete this item only if the transfer occurred on the first day of the plan year and the plan is not a new plan.*

(1) Was transfer de minimis? ☐ Yes ☐ No

(2) If plan is the transferee plan in a de minimis merger, was plan smaller than transferor plan (see instructions)? ☐ Yes ☐ No

Data to be Submitted

15 Participation freeze – If, as of the beginning of the premium payment year, this plan is closed to new entrants, enter the date the plan became closed to new entrants _ _/_ _/_ _ _ _.

16 Accrual freeze – If, as of the beginning of the premium payment year, benefit accruals under this plan are partially or totally frozen, enter the date the freeze became effective_ _/_ _/_ _ _ _ and check box that best describes the nature of the freeze:

☐ For all participants, both pay and service are frozen

☐ For all participants, service is frozen, pay is not

☐ For some participants, both pay and service are frozen

☐ For some participants, service is frozen, pay is not

☐ Other (enter explanation) _____

17 Risk transfer activity – Do not complete this item if this is the last filing for this plan

a Lump Sum Windows: If the plan provided one or more lump sum windows during the prior premium payment year, report the number of participants eligible to elect a lump sum under all such windows and the number of participants who elected a lump sum:

(1) Participants not in pay status when lump sum was offered: Eligible to elect lump sum _____ Elected lump sum _____

(2) Participants in pay status when lump sum was offered: Eligible to elect lump sum _____ Elected lump sum _____

b Annuity purchases: If the plan purchased annuities for a group of participants during the prior premium payment year, report the number of participants for whom an annuity was purchased:

(1) Participants not in pay status when annuity was purchased: _____

(2) Participants in pay status when annuity was purchased: _____

18 Amended filing – Complete this item only if this is an amended filing

a If either the first or last day of the premium payment year reported in this amended filing (item 4b(1)) differs from what was reported in the filing that is being amended, provide the dates that were reported in the original filing:
Date premium payment year commenced _ _ /_ _ /_ _ _ _ Date premium payment year ended _ _ /_ _ /_ _ _ _.

b If the EIN and PN reported in this amended filing (item 4c(1)) are not **both** the same as what was reported in the filing that is being amended, enter the EIN and PN from the original filing: EIN _ _ _ _ _ _ _ _ _ PN _ _ _.

c If the reason for amending the filing is other than reconciling an estimated Variable-rate Premium and the total premium reported in this amended filing (item 9) is less than the amount reported in the filing that is being amended, provide an explanation of why an amended filing is necessary:
_____
_____

19 Disaster relief – Complete this item only if this filing is subject to an extended due date per PBGC's disaster relief announcement.

a Identifying number of applicable IRS Disaster Relief News Release (e.g., CA-2020-01): _ _ - _ _ _ _ - _ _

b Is the plan administrator's address (i.e., address reported in item 2) in the disaster area covered by the applicable IRS News Release)? ☐ Yes ☐ No

c Complete this item only if item 19b is "No". Enter the information below as it relates to the person affected by the disaster.

(1) Name _____ **(2)** Role _____

(3) Address line 1 _____

(4) Address line 2 _____

(5) City_____ **(6)** State ___ **(7) Zip**_____

Part VII – Certifications

20 Certification of Plan Administrator – The plan administrator must sign and complete this item.

I certify under penalty of perjury, to the best of my knowledge and belief, that all the information in the filing is true, correct and complete and has been determined in accordance with PBGC's premium regulations and instructions, except that if the filing reports an estimated premium funding target, the estimate is reasonable, takes into account the most current information available to the enrolled actuary, and has been determined in accordance with generally accepted actuarial principles and practices, and that if I received Variable-rate Premium information certified by an enrolled actuary for this filing, the Variable-rate premium information in the filing is the same as the Variable-rate Premium information certified by the enrolled actuary.

Name of person signing: First name _____ Last name _____

_____ E-mail address

_ _ _-_ _ _-_ _ _ _ ext _ _ _ _ _ _ Telephone

_____ Signature

_ _/_ _/_ _ _ _ Date

21 Certification of Enrolled Actuary – An enrolled actuary must sign and complete this item unless the plan is (1) a multiemployer plan, (2) exempt from the Variable-rate Premium, or (3) eligible for the small employer cap, paying the maximum VRP and not reporting the uncapped VRP.

I certify under penalty of perjury, to the best of my knowledge and belief, that the Variable-rate Premium information in the filing is true, correct and complete and has been determined in accordance with PBGC's premium regulations and instructions; except that if the premium funding target is estimated, the estimate is reasonable, takes into account the most current information available to me and has been determined in accordance with generally accepted actuarial principles and practices.

Name of person signing: First name _____ Last name _____

_____ Firm

_ _ _-_ _ _-_ _ _ _ ext _ _ _ _ _ _ Telephone

_____ E-mail address

_ _-_ _ _ _ _ Enrollment number

_____ Signature

_ _/_ _/_ _ _ _ Date

Description of Data Elements

Overview

This section provides a description of each required data element presented in the same order as the "form" used to illustrate the data elements (see "Data to be Submitted" section). Item numbers are presented solely to facilitate understanding. The My PAA screens do not include item numbers. If you are using private-sector software, item numbers may or may not be included. We recommend you review these instructions with a copy of the "form" in front of you.

Note for plans with more than one plan year beginning in 2021 or 2022 - References in these instructions to the 2021 plan year (and to filings for the 2021 plan year) should be considered to refer to your plan's most recent complete plan year. For example, a plan that changes its plan year could have two plan years beginning in calendar 2022. When such a plan makes its premium filing(s) for its second 2022 plan year, the references in these instructions to the 2021 plan year (and to filings for the 2019 ? plan year) should be considered to refer to the plan's first 2022 plan year (and to filings for that plan year), because that is the plan's most recent complete plan year. Similarly, if your plan had two plan years beginning in calendar 2021, the references in these instructions to the 2021 plan year (and to filings for the 2021 plan year) should be considered to refer to the plan's second 2021 plan year, which is the plan's most recent complete plan year.

Note about reporting dollar amounts - With the exception of total premium, premium credits, the amount due PBGC, and the amount of any overpayment, money amounts reported should be in dollars only (no cents). UVBs are rounded up to the next $1,000.

Amended Filing

Check this box only if this filing is an amendment to a previously submitted filing for the 2022 plan year. If this is an amended filing, be sure to complete item 18.

Note that a Variable-rate Premium reconciliation filing (in which you provide final Premium Funding Target information after having reported an estimated Premium Funding Target) is considered an amended filing. If you amend a comprehensive filing for a reason other than reconciling an estimated Variable-rate Premium and the amended filing shows a lower premium than the amount that was reported in the filing that is being amended, you must provide an explanation of the specific circumstances or events that caused the reduction. See the "Correcting Errors, Credit Balances and Reconciling Estimates" section for more information.

If you are amending a filing for a plan year that did not begin in 2022, the rules in this document do not apply.

Disaster Relief

If your plan is eligible for disaster relief, check the box and be sure to complete item 19. For more information, see PBGC's Disaster Relief web page.

Instructions for Part I – General Plan Information

1 Plan sponsor information

a Report the name of the Plan Sponsor.

b Business Code – Report the six-digit business code that:

- In the case of a Single-employer Plan, best describes the primary nature of the plan sponsor's business, and
- In the case of a Multiemployer Plan, best describes the predominant industry in which the active Participants are employed (e.g., 484120 - General Freight Trucking, Long-distance, 236110 - Residential Building Construction).

A list of business codes can be found in the instructions to Form 5500 and on PBGC's "Premium Filings" web page. Because codes for the Premium Payment Year may not be available at the time you submit this filing, you may report the relevant code for either the Premium Payment Year or the prior year.

Do not enter code 525100 (Insurance & Employee Benefit Funds) or 813930 (Labor Unions and Similar Labor Organizations) unless such code satisfies the above description of what the code represents.

c CUSIP number – If a CUSIP number has been assigned to publicly traded securities of the Plan Sponsor or any member of the Plan Sponsor's controlled group, report the first six digits of the CUSIP number. Otherwise, leave this item blank.

A CUSIP number is a nine-digit number assigned to the publicly traded securities of a Plan Sponsor (or member of the Plan Sponsor's controlled group) under the securities numbering system of the Committee on Uniform Securities Identification Procedures. The first six digits of the CUSIP number identify the securities issuer, the next two digits identify the specific securities issue, and the last digit is a check digit.

2 Plan administrator information

a-g Report the name and address of the Plan Administrator. Note that this is the address where we send official correspondence to the plan (*e.g.*, an invoice for late payment charges).

h Report the name, e-mail address, and phone number of the person we should contact if we have any questions concerning this filing. We will send official correspondence to the "attention of" this person at the address reported in 2(b)-(g). In addition, unless a different phone number is provided in item 2i, the phone number reported in 2h will be posted on PBGC's Is My Pension Insured list as the number plan Participants should call if they have questions about their plan.

i If you would prefer plan Participants with questions about their plan call a phone number other than the one reported in item 2h, report the phone number you would like them to use. If this item is left blank, Is My Pension Insured list on PBGC's website will show the phone number reported in item 2h.

To keep our records current and enable us to send correspondence to the correct address, you should inform us of address changes as soon as they occur. You may do so by contacting us either in writing or by e-mail. See Appendix 2 for contact information.

3 Additional plan contact (optional)

Although official correspondence related to premium filings is directed to the Plan Administrator (see item 2), some plans choose to provide contact information for another individual as well. In general, the contact person identified in this section will be used for questions that are not important enough for official correspondence. PBGC may also contact this individual if official inquiries to the Plan Administrator go unanswered.

4 Plan information

a Plan name – Report the complete name of the plan as stated in the plan document. For example, "The ABC Company Pension Plan for Salaried Personnel."

b Premium Payment Year information

(1) Report the date the Premium Payment Year commences and the date it ends. If you are filing for:

- The first year of a New Plan, the Premium Payment Year commencement date ("PYC") is the plan effective date.
- A plan's final year and the final year is a Short Plan Year, enter the date the Short Plan Year ends.
- A plan that ceased PBGC coverage during the plan year, enter the date the plan year ends, not the date the coverage ceased.

(2) Check the appropriate box to indicate whether the plan is a Small Plan for the Premium Payment Year (See definition of Small Plan in Appendix 1).

(3) If the plan year commencement date has changed since the most recent PBGC filing as a result of a plan amendment changing the plan year, enter the adoption date of the plan year change.

(4) Check the box if plan qualifies to pay a prorated premium for this Premium Payment Year (see "Premium Proration" section for rules related to proration).

c Employer Identification Number (EIN) and Plan Number (PN) information.

(1) Report the nine-digit EIN of the Plan Sponsor and the three-digit PN of the plan.

(2) If the EIN and PN for this filing do not both match exactly the EIN and PN reported in the most recent premium filing, report both the EIN and PN that were reported in the most recent premium filing. If this is the first premium filing for this plan, leave this item blank.

Please note the following exceptions that apply only if this is an amended filing:

- If item 4c(2) was reported incorrectly in the original filing (*i.e.*, the filing that is being amended), provide the correct information in the amended filing.
- If item 4c(2) was reported correctly in the original filing, provide the same information in the amended filing.

(3) If the EIN and PN for this filing do not both match exactly the EIN and PN reported in the 2021 Form 5500, report both the EIN and PN that were reported in the 2021 Form 5500 and attach an explanation. If a 2021 Form 5500 was not required, leave this item blank.

d Plan effective date – Report the date the plan became effective.

e Plan type – Indicate whether the plan is a Multiemployer Plan, a Single-employer Plan other than a CSEC Plan, or a CSEC Plan. Note that Multiple-employer Plans are considered Single-employer plans for this purpose.

f Information for New or Newly Covered Plans – If this is a New or Newly Covered Plan, check the box and complete the rest of item 4f.

(1) Adoption date – Enter the date the plan was adopted.

(2) Date coverage began – Enter the date the plan became covered under Title IV. If the plan has had one or more periods of coverage, report the earliest date in the Premium Payment Year when the plan was covered under Title IV — not the date when the plan became covered in a prior year. If another plan transferred assets or liabilities to this New or Newly Covered Plan, be sure to complete the "Transfers from other plans" item (see item 14).

Note for New Plans with Retroactive Effective Dates — PBGC coverage for a New Plan begins on the plan's effective date, regardless of when the plan is adopted.

(3) Continuation Plan – Check the box to indicate whether this New or Newly Covered Plan meets the definition of a Continuation Plan (see definition).

Instructions for Part II – Premium Information

5 Flat-rate Premium

a Report the Participant Count Date. See "How to Count Participants" section for special rules relating to New Plans, Newly Covered Plans, Mergers and Spinoffs.

b Flat-rate Premium calculation

(1) Applicable rate – Enter the per-participant premium rate. For 2022, the applicable rates are:
- $88 for Single-employer Plans other than CSEC Plans,
- $19 for CSEC Plans, and
- $32 for Multiemployer Plans.

(2) Participant count – Report the number of Participants covered by the plan on the Participant Count Date separately for active Participants, terminated vested Participants, retirees and beneficiaries receiving payment, and in total. See "How to Count Participants" section.

(3) Flat-rate Premium – Report the product of the Participant Count and the applicable premium rate. If the plan year is a Short Plan Year, the required Flat-rate Premium may be a prorated portion of this amount; however, the amount reported in this item must reflect a full year's premium.

Note that you must make a premium filing even if the Flat-rate Premium is $0. This may happen, for example, if your plan is a New Plan that grants no past service credits, so that there are no Benefit Liabilities on the Participant Count Date. A plan with no Benefit Liabilities has no Participants for premium purposes.

Instructions for Part III – Alternative Premium Funding Target Election/Revocation

This Part applies only to Single-employer Plans. Multiemployer Plans should skip to Part IV. CSEC Plans should skip to item 7.

6 Alternative Premium Funding Target Election/Revocation

To be valid, an election must be made in accordance with these instructions and must be filed with PBGC on or before the deadline.

a *Election* - Check this box to make an election to use the Alternative Premium Funding Target first effective for this Premium Payment Year.

b *Revocation* - Check this box to revoke a prior election to use the Alternative Premium Funding Target that was in effect for the Prior Premium Payment Year.

You may elect to use the Alternative Premium Funding Target to determine UVBs instead of the Standard Premium Funding Target. Once an election is made, it remains in effect for all subsequent plan years unless and until it is subsequently revoked.

You may revoke a prior election only if the Premium Payment Year begins at least five years after the beginning of the plan year for which the election was first applicable. Similarly, if you revoke an election, you may not make a new election to use the Alternative Premium Funding Target until five years have passed.

If you are not sure if an election is in effect or when an election first took effect, you can find out by viewing your account history in My PAA, by clicking the "Account History" link from the Plan Details page.

See "How to Determine Unfunded Vested Benefits" section for more information on elections and revocations.

7 Variable-rate Premium

This item relates to Variable-rate Premium information and applies only to Single-employer Plans.

In general, for 2022 the Variable-rate Premium is $48 per $1,000, or fraction thereof, of UVBs as of the UVB Valuation Date, but no more than $598 times the number of Participants (i.e., the MAP-21 Cap). For CSECs, the rate per $1,000 UVBs is $9 instead of $48. For certain plans of small employers, the Variable-rate Premium may be capped at an amount lower than the MAP-21 Cap (see item 7b).

Some Single-employer Plans are exempt from the Variable-rate Premium; others may have a Variable-rate Premium of $0. In either case, this section must be completed in accordance with the following instructions.

a Exemptions – A Single-employer Plan may claim an exemption from the Variable-rate Premium if it meets the requirements for any of the exemptions described below:

- New or Newly Covered Small Plans other than Continuation Plans – Your plan qualifies for this exemption if it is a New or Newly Covered Plan and a Small Plan, but not a Continuation Plan. See Appendix 1 for more information about these terms.
- Standard termination: closing out in current year – Your plan qualifies for this exemption if it makes a final distribution of assets in a standard termination during the Premium Payment Year unless it engaged in a non-De Minimis Spinoff in the same Premium Payment Year

  You may claim this exemption in anticipation of a full distribution by plan year-end even if that hasn't happened by the time you submit the filing. However, if you fail to complete the final distribution by the end of the year, the exemption will not apply. In that case, you will need to amend the filing accordingly and late payment charges will be assessed on any Variable-rate Premium owed and paid after the applicable due date.

To avoid the possibility of late payment charges arising if the final distribution takes longer than expected, consider the alternative approach described in the "Short Plan Years" part of the "Who Must File" section.

- Standard termination: proposed termination date in a prior year — Your plan qualifies for this exemption if notices of intent to terminate in a standard termination were issued in accordance with ERISA section 4041(a)(2), setting forth a proposed termination date before the beginning of the Premium Payment Year.

  To qualify for this exemption, it is not necessary that the plan make a final distribution of assets during the Premium Payment Year. However, this exemption is conditioned on the plan's ultimately making a final distribution of assets in full satisfaction of its obligations under the standard termination. If that doesn't happen, the premium that would otherwise have been required will be due retroactive to the applicable due date. In that case, you will need to amend the filing.

- Plans with no vested Participants – Your plan qualifies for this exemption if the plan has no Participants with vested benefits as of the UVB Valuation Date.

- Section 412(e)(3) plans (formerly called 412(i) plans) – Your plan qualifies for this exemption if the plan is described in section 412(e)(3) of the Code and regulations thereunder on the UVB Valuation Date.

If an exemption applies, check the applicable box to indicate which exemption applies and skip to item 8. If more than one exemption applies, check all applicable boxes.

b Small-Employer Cap qualification – If the plan qualifies as a small-employer plan, the Variable-rate Premium may be capped at an amount lower than the MAP-21 Cap.

Determining whether a plan qualifies for the Small-Employer Cap – For this purpose:

- a plan is a small-employer plan if the aggregate number of employees of all contributing sponsors of the plan and all members of the contributing sponsors' controlled groups, as of the first day of the Premium Payment Year, is 25 or fewer,

- the aggregate number of employees is determined in the same manner as under section 410(b)(1) of the Code, taking into account the provisions of section 414(m) and (n) of the Code, but without regard to section 410(b)(3), (4), and (5) of the Code, and

- employees are counted as of the first day of the Premium Payment Year, not as of the Participant Count Date or the UVB Valuation Date.

Note that a plan with 25 or fewer Participants does not necessarily qualify for the Small-Employer Cap because the eligibility criterion is based on employees, not the Participant Count. For example, if a plan has 15 Participants, but there are more than 25 employees (taking into account all employees of all contributing sponsors of the plan and all members of their controlled groups), the plan does not qualify for the cap.

Also note that a plan with more than 25 Participants might qualify for the cap. For example, consider a contributing sponsor with 20 employees, all of whom are Participants in a plan. If the plan also covers 15 former employees who are either terminated vested or retired, there are 35 Participants in total. This plan would qualify for the cap (assuming there are no other contributing sponsors and no controlled group members).

Reporting requirements – If your plan qualifies for the Small-employer Cap, check the box to report that fact.

If your plan qualifies for this cap, instead of calculating and reporting both the uncapped Variable-rate Premium and the maximum Variable-rate Premium and then paying the lesser of the two amounts, you may report and pay only the maximum Variable-rate Premium.

If you choose to not report the uncapped Variable-rate Premium, omit all items 7c through 7g and go directly to item 7h. Note that if you choose to pay the maximum Variable-rate Premium without determining whether it is less than the uncapped Variable-rate Premium, you may pay a larger Variable-rate Premium than required.

c Assumptions and methods used to determine Premium Funding Target

(1) Premium Funding Target method – Report whether you are using the Standard Premium Funding Target or the Alternative Premium Funding Target to determine UVBs by checking the applicable box (*i.e.*, "Standard" or "Alternative"). Note that:

- The standard method must be used unless an election to use the alternative method is in effect.
- If an election to use the alternative method is in effect, you must use the alternative method. This is the case only if a valid election:
  - is made as part of a timely filing for the Premium Payment Year by checking the election box in item 6 of Part III, or
  - that was made in a prior year has not yet been revoked.
- Filers are encouraged to review prior filings or to review the Account History via the Plan Details page in My PAA to confirm whether an election to use the alternative method is in effect.
- Checking the alternative box in item 7(c)(1) does not constitute an election. See item 6 instructions.

For additional information on Premium Funding Target methods, see "How to Determine Unfunded Vested Benefits" section.

(2) Discount rates – Report the discount rates used to determine the Premium Funding Target. For information on which rates to use, see "How to Determine Unfunded Vested Benefits" section.

(3) UVB Valuation Date – Report the UVB Valuation Date for the Premium Payment Year. In the case of a Small Plan using the Lookback Rule, this date must be the valuation date for the Lookback Year. For any other plan this date must be the valuation date for the Premium Payment Year.

Note for Small Plans - For information about whether you should be using the Lookback Rule, see "How to Determine Unfunded Vested Benefits" section.

d Premium Funding Target as of UVB Valuation Date

Report the Premium Funding Target (dollars only) calculated as described in the Premium Funding Target part of the "How to Determine Unfunded Vested Benefits" section. Report the amount separately for (1) active Participants, (2) terminated vested Participants, (3) retirees and beneficiaries receiving payment, and (4) the total premium funding target ((1)+(2)+(3)).

Estimated Premium Funding Targets – If the Premium Funding Target being reported in this filing is an estimate, check the box to report that fact. If you file on an estimated basis, you must ultimately make a reconciliation filing using the actual Premium Funding Target (by amending this filing). In the reconciliation filing, in addition to reporting the actual Premium Funding Target data, be sure to indicate that the reported amount is no longer an estimate by making sure the "estimate" box is no longer checked. See "Correcting Errors, Credit Balances and Reconciling Estimates" section for more information. See also the "Late Payment Charges" section for information on the automatic late payment penalty relief that may be available to plans paying estimated Variable-rate Premiums by the due date and later reconciling.

e Market value of assets – Report the fair market value of plan assets (dollars only) as of the UVB Valuation Date adjusted to reflect contribution receipts as described in the "How to Determine Unfunded Vested Benefits" section.

f Unfunded vested benefits – Report the excess (rounded up to the next $1,000), if any, of the Premium Funding Target over the fair market value of assets.

g Uncapped Variable-rate Premium – For CSEC plans, report the product of 0.009 and the amount of UVBs. For other plans, report the product of 0.048 and the amount of UVBs.

h Maximum Variable-rate Premium

(1) MAP-21 Cap – Report the product of the Participant Count and $598.

(2) Small Employer Cap – Report the product of $5 and the Participant Count squared. *If the plan does not qualify for the Small Employer Cap, this item must be left blank.*

(3) Maximum Variable-rate Premium – If the plan qualifies for the Small Employer Cap, report the lesser of the Small Employer Cap and the MAP-21 Cap. Otherwise, report the MAP-21 Cap.

i Variable-rate Premium – Report the lesser of the maximum Variable-rate Premium and the uncapped Variable-rate Premium. *If the plan qualifies for the Small Employer Cap and chooses not to report uncapped Variable-rate Premium data, report the maximum Variable-rate Premium.*

If this is a Short Plan Year of coverage, the required Variable-rate Premium may be a prorated portion of this amount; however, the full year's premium amount must be reported in this item.

Instructions for Part IV – Total Premium Information

8 Premium proration If the plan does not qualify for premium proration, skip to item 9.

If the plan does qualify for premium proration:

- In the case of a Short Plan Year, make sure the dates entered in item 4b(1) regarding the date the plan year begins and ends reflect the Short Plan Year, and
- In the case of a Newly Covered Plan for which coverage began after the first day of the plan year, make sure the date entered in item 4f(2) is correct.

a Number of months (complete and partial) in the Short Plan Year or Short Coverage Year

Enter the number of complete and partial months in the Short Plan Year or Short Coverage Year.See "Premium Proration" section for detailed information about how to count months for this purpose.

b Total premium before proration – Report the sum of the Flat-rate Premium and, if applicable, the Variable-rate Premium.

9 Total premium

- If the plan does not qualify for premium proration, report the sum of the Flat-rate Premium and, if applicable, the Variable-rate Premium.
- If the plan qualifies for premium proration, multiply the total premium before reflecting proration by the number of months (complete and partial) in the Short Plan Year and then divide by 12. Round to two decimal places after completing the calculation.

If this amount includes cents, report the exact amount (dollars and cents), not a rounded amount.

Instructions for Part V – Payment Information

10 Premium credit

Report the total amount of premium credits available to offset the premium due as follows:

a Enter the sum of any credits used and any payments already made for 2022 (e.g., an estimated Variable-rate Premium when amending a filing to reconcile the estimate; see "Correcting Errors, Credit Balances and Reconciling Estimates" section).

b Enter any overpayment for an earlier plan year that was not refunded or used to offset the premium owed for a subsequent plan year.

The plan's account history via the Plan Details page in My PAA will show whether any payment has already been made for 2022 or if any overpayments from a prior year are available to offset the 2022 premium.

If you are using My PAA to prepare the 2022 filing and a credit is available due to an overpayment for the 2021 plan year, that amount will automatically populate on-screen as a premium credit. Overpayments for earlier plan years or payments already made for 2022 will need to be entered manually.

If this amount includes cents, report the exact amount (dollars and cents), not a rounded amount.

11 Amount due

If the total premium due exceeds the total premium credit, subtract the total credit from the total premium and report the result as the amount due. This is the amount you owe PBGC. If this amount includes cents, report the exact amount (dollars and cents), not a rounded amount.

12 Treatment of overpayment

a If the total premium is less than the total premium credit, subtract the total premium from the total credit and report the result as an overpayment. If this amount includes cents, report the exact amount (dollars and cents), not a rounded amount.

b If you have an overpayment, you must choose whether to have the overpayment credited towards the next year's premium for the plan or refunded (by electronic funds transfer or check). Report your choice by checking the appropriate box.

- *Credit* - If you choose to use the overpayment as a credit towards next year's premium for the plan, you should claim the overpayment amount as a credit on the next year's premium filing for the plan.

- *Refund* - If you choose to have the overpayment refunded, the quickest way to receive your refund is to select the electronic funds transfer option, which we strongly recommend. To facilitate an ACH electronic funds transfer, indicate whether the account is a checking account or savings account, and provide the bank routing number and account number to which the refund is to be credited.

Instructions for Part VI – Miscellaneous Information

13 Final premium filing

If this is the last premium filing for this plan, check the box to indicate the reason:

- the plan merged or consolidated with another plan,
- the plan was trusteed under ERISA section 4042,
- the plan completed a distribution pursuant to termination, or
- the plan ceased to be covered by Title IV of ERISA.

If the reason is a cessation of coverage, include an explanation as to why you believe the plan is no longer covered (e.g., the only remaining Participant is a substantial owner), and if you have not already done so, request a determination by submitting a coverage determination form available on PBGC's "Pension Insurance Coverage" web page.

Regardless of the reason for this being the final filing, report the date of the event that led to the cessation of the requirement to file. If the reason this is the last premium filing is because:

- of a Merger or Consolidation, report the effective date of the Merger or Consolidation;
- of an involuntary or distress termination, report the effective date of the trusteeship;
- assets were distributed pursuant to a termination:
  - for a Single-employer Plan that completed a standard termination, report the date on which the distribution of the plan's assets in satisfaction of all Benefit Liabilities was completed (the same date reported on PBGC Form 501 in item 3a), or
  - for a Multiemployer Plan that distributed all its assets pursuant to ERISA section 4041A, report the date the distribution is completed; or
- of a cessation of PBGC coverage, report the date coverage ceased.[17]

See also "Failure to report a filing as the final premium filing" in the "Correcting Errors, Credit Balances and Reconciling Estimates" section.

14 Transfers between plans

Complete this item only if, since the most recent comprehensive premium filing, your plan transferred some, or all assets or liabilities to another plan or another plan transferred some, or all assets or liabilities to your plan.

[17] In general, this date can be found on the determination PBGC provides after processing a coverage determination form. If you have not received such a determination by the time the filing is due, report the date you believe coverage ceased.

If your plan was involved in more than one transfer since the most recent comprehensive premium filing, provide the following information with respect to each transfer.

a Check the applicable box to indicate whether your plan was the Transferor Plan or the Transferee Plan.

b Enter the employer identification number and plan number for both plans involved in the transaction. Note that My PAA and most private sector software will pre-populate this information with respect to your plan**.**

c Check the applicable box to indicate the type of transfer. See Appendix 1 for definitions of Merger, Spinoff, and Consolidation for premium purposes. Check the "Other" box if:

- If your plan is the Transferee Plan and you have no way of determining whether the Transferor Plan ceased to exist in connection with the transaction, or
- If the transfer is the result of a reciprocity arrangement where assets and liabilities are transferred between two plans when an employee changes locations or changes status (*e.g.*, from Salaried to Hourly and as a result becomes covered by another plan). For these types of transfers, you may aggregate all such transfers between the same two plans and report as if they all occurred on the same date.

d Enter the date the transfer occurred. Note that the date of a transfer is determined based on the facts and circumstances of the particular situation. (For transfers subject to section 414(l) of the Code, report the date determined under 26 CFR 1.414(l)-1(b)(11).)

e Additional information for certain transactions. *Complete this item only if the transfer occurred on the first day of the plan year and the plan is not a New Plan*

(1) Check the applicable box to indicate whether the transfer was De Minimis. In general, this item should be completed from the perspective of your plan. However, if some, but not all, of the assets and liabilities of another plan were transferred into this plan, if this plan is the Transferee Plan, check the "De Minimis" box if, from the perspective of the Transferor Plan, the Spinoff was De Minimis.

(2) *Complete this item only if the plan is reporting that another plan was merged into this plan at the beginning of this plan's plan year (i.e., this plan is the Transferee Plan) and the Merger was De Minimis.*

Check the "yes" box if this plan's assets, immediately before the Merger were less than the total assets transferred to this plan in the Merger.

The section on "Spinoffs, Mergers and Consolidations" contains examples of how this item is completed in various scenarios.

15 Participation freeze

If, as of the beginning of the Premium Payment Year, participation is limited to Participants who were covered by the plan as of a specified date (i.e., the plan is closed to new entrants), enter the date the plan became closed to new entrants.

16 Benefit accrual freeze

If, as of the beginning of the Premium Payment Year, the plan is partially or totally frozen for benefit accrual purposes, enter the date the freeze became effective and indicate the nature of the freeze by reporting whether (1) both pay and service are frozen for all Participants, (2) both pay and service are frozen for some Participants, (3) for all Participants, service is frozen, but pay is not, (4) for some Participants, service is frozen, but pay is not, or (5) some other type of accrual freeze is in effect (in which case you must provide a description of the freeze).

If more than one description applies (for example, if pay and service are frozen for employees at location X and only service is frozen for employees at location Y), select "Other" and provide a description.

If more than one freeze has occurred, report the date and nature of the most recent freeze.

17 Risk transfer activity – Do not complete this item if this is the final filing for the plan.

a Lump Sum Windows – If the plan provided one or more Lump Sum Windows for which the election period ended during the Prior Premium Payment Year, enter the requested information with respect to Participants eligible to elect a lump sum under the window. For this purpose:

- Disregard lump sums offered:
  - In the course of routine plan operations,
  - In conjunction with a plan termination,
  - Upon a Participant's separation from service, or
  - As part of an incentive program to encourage active Participants to retire early (commonly called an early retirement window).
- Disregard lump sums paid under mandatory cash out provisions.
- Include beneficiaries of deceased Participants that were eligible to elect a lump sum in conjunction with the Lump Sum Window.
- A Participant eligible for a Lump Sum Window whose offer letter is undeliverable may be excluded from the "Participants eligible to elect a lump sum" count.
- If the exact counts are not readily available, reasonable estimates based on readily available plan records may be reported.
- Disregard Lump Sum Windows for which the election period ended after the end of the Prior Premium Payment Year.

b Annuity Purchases - If the plan purchased annuities for any Participants during the Prior Premium Payment Year, enter the requested information with respect to those Participants. For this purpose:

- Do not include annuity contracts:
  - Purchased in the course of routine plan operations,
  - Purchased in conjunction with a plan termination, or
  - That remain an asset of the plan (commonly called a "buy-in").
- Include beneficiaries of deceased Participants for whom an annuity was purchased.
- If the exact counts are not readily available, reasonable estimates based on readily available plan records may be reported.

18 Amended filings – Complete this item only if this is an amended filing.

a If either the first day or the last day of the Premium Payment Year reported in this amended filing (item 4b(1)) differs from what was reported in the original filing (*i.e.*, the filing that is being amended), provide the dates that were reported in the original filing.

b If the EIN and PN reported in this amended filing (item 4c(1)) are not both the same as what was reported in the original filing (*i.e.*, the filing that is being amended), report the EIN and PN from the original filing.

c If this is an amended filing for a reason other than reconciling an estimated Variable-rate Premium and the amended filing shows a lower premium than the amount that was originally reported, **you must provide an explanation** of the specific circumstances or events that caused the reduction in premium.

19 Disaster Relief – Complete this item only if the plan is eligible for disaster relief for the Premium Payment Year.

a Enter the identifier for the IRS Disaster Relief News Release applicable to your plan. For example, if the applicable News Release is labelled CA-2020-01, enter CA202001.

b If the address of the Plan Administrator reported in this filing is in the disaster area covered by the IRS News Release identified in item 20a, check yes. Otherwise, check no.

c If the answer to item 20b is yes, this item may be left blank. Otherwise, enter the name, address and role (e.g. TPA, Enrolled Actuary) of the person affected by the disaster.

Instructions for Part VII – Certifications

20 Plan Administrator Certification

All of the information reported in this filing must be certified by the Plan Administrator. Be sure to provide the Plan Administrator's name, the telephone number, email address, and the certification date.

Although filings must be submitted electronically, procedures have been established under which the Plan Administrator may manually sign a computer-generated copy of the "form" instead of signing it electronically within My PAA. If the Plan Administrator chooses this method of certifying the filing:

- For My PAA screen-prepared filings, a person assigned the role of "plan administrator's representative (Plan Admin Rep)" must electronically certify within My PAA that the plan administrator has manually certified the filing.

- For software-prepared filings that are uploaded into My PAA, the name, email and phone number of the plan administrator who manually certified (or will be manually certifying) the filing is reported in the certification section of the filing (within the XML filing data).

  Although the filing may not be submitted until the plan administrator has manually signed certified the filing, for uploaded filings, the plan certification date (i.e., the date the plan administrator manually certified the filing) may be omitted if that date is not known at the time the XML file is created. Manually certified copies of filing information are subject to audit and must be retained with plan records for six years from the due date of the filing. After a paper copy of premium information is certified, it may be converted to electronic form for preservation in the plan records subject to the requirements of subpart E of the PBGC's regulation on Filing, Issuance, Computation of Time, and Record Retention (29 CFR Part 4000).

See the certification instructions on PBGC's My PAA online demo web page for additional information about the Plan Administrator certification requirement.

21 Enrolled Actuary Certification

An enrolled actuary must certify the Variable-rate Premium calculation unless:

- The plan is a Multiemployer Plan (and thus, there is no Variable-rate Premium).
- The plan is a Single-employer Plan and is either:
  - exempt from the Variable-rate Premium, or
  - omitting the variable rate premium information in items 7c through 7g because the plan is eligible for the Small Employer Cap and is paying the maximum Variable-rate Premium.

Be sure to provide all of the required information related to the enrolled actuary (i.e., name, firm, telephone number, enrollment number, and if the enrolled actuary has an e-mail address, email address).

The actuary must follow the certification instructions for the electronic filing method that is used to make the filing. See the certification instructions on PBGC's My PAA online demo web page for additional information about the Enrolled Actuary certification requirement.

Late Payment Charges

If you file a premium payment after the due date, we will bill the plan for late charges. Late charges include both interest and penalty charges. The charges are based on the outstanding premium amount due on the due date.

Late Payment Interest Charges

The late payment interest charge is set by ERISA, and we cannot waive it. Interest accrues at the rate imposed under section 6601(a) of the Code (the rate for late payment of taxes) and is compounded daily. These rates are published by IRS quarterly and are also posted on PBGC's "Interest Rates and Factors" web page.

Late Payment Penalty Charges

Late payments are generally subject to a penalty of 2½% of the late amount per month (or partial month) late, capped at 50% of the late amount. However, in the event a plan discovers and corrects an underpayment before PBGC sends written notice that there is or may be a premium delinquency, the 2½% rate is reduced to ½% and the cap is reduced from 50% to 25%.

The written notices mentioned above include, but are not limited to:

- Past Due Filing Notice (PDFN) — This notice is sent if we expect to receive a premium filing from the Plan but do not. These notices are sent to the Plan Administrator at the address reported on the most recent filing.
- Notice of Filing Error (NFE) — This notice is sent if an initial review of a premium filing indicates an error or inconsistency that must be corrected before the filing can be processed. If you receive a Notice of Filing Error, you must amend your filing to correct the error. If we do not receive an amended filing within 30 days, we will send a PDFN (see above).
- Statement of Account (SOA) — If we receive a filing, but the payment is late or less than the reported amount owed, we will send a Statement of Account. A SOA is, in essence, an invoice for premium, penalty, and interest amounts owed to PBGC. To ensure that the amount due does not increase, the premium and interest must be paid within 30 days of the SOA's issue date.
- Notice of a Premium Compliance Evaluation (PCE) — This notice is sent if we select your premium filing to assess the accuracy of the reported information. See the Premium Filings page on our web site for further information.

Penalty Waivers

Case-by-Case Waivers

If you receive a Statement of Account ("SOA") that includes a penalty charge, but you believe there is a reason why all or a portion of the penalty should be waived (e.g., reasonable cause), you may request a waiver. Information about what constitutes reasonable cause as well as information about other situations where a penalty waiver might be warranted can be found in § 21 of the appendix to PBGC's premium payment regulation, 29 CFR Part 4007, available on PBGC's "Legal Resources" web page.

The instructions and timeframe for requesting a waiver will be provided in the SOA. Be sure to follow the instructions carefully. Requests that are submitted late will not be considered.

Hardship (i.e., "Statutory") Waivers

If, before the filing due date, you can show substantial hardship and that you will be able to pay the premium within 60 days after the filing due date, you may request that we waive the late payment penalty charge. If we grant your request, we will waive the late payment penalty charge for up to 60 days. To request a waiver, contact PBGC at least 30 days before the filing due date. Be sure to include specific information and documents to demonstrate both that it will be a substantial hardship to make the payment on or before the filing due date and that you will have the ability to make the payment within 60 days after the filing due date.

Automatic Penalty Waiver for Premiums paid Within Seven Days of Due Date

If the sole reason a late payment penalty charge applies is because a premium was paid in full after the due date, but within seven calendar days of the due date, the late payment penalty charge will automatically be waived.

Automatic Penalty Waiver for Certain Typically Compliant Plans

PBGC will automatically waive 80% of the penalties assessed at the 2½% rate if the plan:

- Corrects the underpayment within 30 days of PBGC's initial notice, and
- Has a good premium compliance history.

For this purpose, a "good premium compliance history" generally means that the plan paid required premiums timely for the five plan years immediately preceding the Premium Payment Year. In addition, if, during the 5 -year period, the plan paid its premium late, but was not required to pay a late payment penalty (e.g., the penalty was waived), the plan is treated as paying timely for that year.

Automatic Penalty Waiver for Certain Late Variable-rate Premiums

As explained in the "When to File" section, in rare circumstances (e.g., a mid-year Merger or change in actuary), the Premium Funding Target might not be calculated or finalized by the premium due date. PBGC allows plans in this situation to file timely and pay an estimated Variable-rate Premium by the due date and then submit an amended filing at a later date to reconcile the actual Variable-rate Premium with the estimate.

Because a plan's full Variable-rate Premium (not merely an estimate) is due by the due date, if the full amount is not paid by that date, the plan will be subject to late payment interest charges and may also be subject to late payment penalty charges.

If the actual Variable-rate Premium is greater than the estimate, penalties for late payment will be waived if:

- the reconciliation filing is made and any additional required Variable-rate Premium paid by the end of the sixth calendar month that begins on or after the premium due date (generally April 30th after year-end for calendar year plans), and
- by the premium due date, you report:
  - the fair market value of the plan's assets, and
  - an estimate of the Premium Funding Target that the enrolled actuary certifies is reasonable and that:
    - takes into account the most current data available to the enrolled actuary;
    - has been determined in accordance with generally accepted actuarial principles and practices;
    - uses the calculation methodology (alternative or standard) in effect for the plan year; and

- by the premium due date, you pay at least the amount of Variable-rate Premium determined from the value of assets and estimated Premium Funding Target so reported.

Note that this waiver applies only to estimated Premium Funding Targets, not estimated asset values. If the asset value reported in the reconciliation filing differs from what was reported in the original (i.e., estimated) filing, this automatic penalty relief will be lost. However, PBGC will consider a request for an appropriate penalty waiver in such a situation and, in acting on the request, will consider such facts and circumstances as the reason for the mistake, whether assets were overstated or understated, and, if assets were overstated, the extent of the overstatement.

If you know the final Premium Funding Target by the time the Variable-rate Premium is due, you should pay the amount owed by that date. If you do so, you will avoid the interest charge and any penalty charge. If you report that you are making a filing based on an estimated Premium Funding Target, you will be required to make an amended filing reflecting the actual Premium Funding Target by the date the Variable-rate reconciliation filing is due.

Minimizing Late Payment Charges

If you cannot make a filing by the due date because you are having difficulty determining some of the required information, you can minimize late payment charges by submitting payment (the amount due or an estimate) without submitting the certified filing. As of the date these instructions were issued, when submitting a payment without a corresponding filing, the payment has to be made outside of My PAA, either via www.pay.gov, or by check or electronic payment.

Making a premium payment without an accompanying premium information filing (i.e., EIN, PN, PYC) may cause significant delay in providing a statement of account for the plan. However, when the information filing is ultimately made, the payment will be credited as of the date it was filed and thus stop the accrual of late payment charges on the amount paid.

Saturday, Sunday, and Federal Holidays

As explained in the "When to File" section, if your premium filing due date falls on a Saturday, Sunday or Federal Holiday, it is extended automatically to the next business day. However, if your premium payment is filed after the extended due date, interest and penalties will be computed from the actual (unextended) due date.

Example **–**The Normal Due Date for a plan with a plan year beginning on April 1, 2022 would normally be January 15, 2023. Because that day is a Sunday, the due date is Monday, January 17, 2023. If the filing is made after January 17th late payment charges, if applicable, will be computed from Saturday, January 15, 2023, not January 17th.

Correcting errors

Making Payment Without Filing Information

If you make a premium payment without filing the related premium information, file the information as soon as possible to get proper credit for your payment and minimize any late filing penalty. Follow the instructions in this document or on PBGC's "Premium Filing Payment and Instructions" web page for identifying your payment so that we can associate it with your information filing.

Note that PBGC may assess a penalty under ERISA section 4071 for failure to furnish premium-related information by the required due date.

Filing Information Without Making Required Payment

If you make a filing of premium information without making a required payment, send the payment as soon as possible to minimize late payment charges. Follow the instructions in this document or in My PAA for identifying your payment so that we can associate it with your information filing.

Failure to report a filing as the final premium filing

If you make a premium filing that is a "Final premium filing" as described in item 13 of the Comprehensive Premium Filing instructions, and you do not provide the information required by item 13, you must make an amended filing **if the event referred to in item 13 occurred before you made your original filing**, unless:

- The event was a distribution of assets pursuant to plan termination and was reported on PBGC Form 501, or
- The event was a Merger into or Consolidation with another plan and was reported on a premium filing for the surviving plan.

If you make a premium filing that is a "Final premium filing" as described in item 13 of the Comprehensive Premium Filing instructions, and you do not provide the information required by item 13 **because the event referred to in item 13 has not yet occurred when you make the filing**, you are not required to make an amended filing. However, to avoid the need for correspondence to establish why you are not making any more premium filings, we recommend that you contact us to report the event, unless:

- The event was a distribution of assets pursuant to plan termination and is being reported on PBGC Form 501, or
- The event was a Merger into or Consolidation with another plan and is being reported on a premium filing for the surviving plan.

Even if an amended filing is not required, you may want to make one where the plan has made a distribution of assets pursuant to plan termination, because that event may enable you to reduce the premium through proration and request a refund as part of the amended filing.

Alternatively, because our system automatically prorates premiums for plans in this situation based on the information reported on PBGC Form 501 and updates the plan's statement of account to reflect any overpayment, in lieu of submitting an amended filing, you may request a refund of such overpayment by utilizing the "Submit Request" link available on the My PAA Plan Details page or by sending an email to premiums@pbgc.gov.

For more information about submitting requests via My PAA, see PBGC's My PAA online demo web page.

Amending Filings

If, after submitting a filing, you discover an error has been made (*e.g.*, reported information is incorrect), you must amend the filing to report the correct information even if the correction has no impact on the premium amount. A filing can be amended by resubmitting the filing with the corrected information. Be sure to indicate that the filing is an amendment to a previously submitted filing (see "Description of Data Elements" sections).

In the amended filing, report all of the required information, including information that was correct in the original filing (*i.e.*, the filing that is being amended). Include as credits all the credits you previously claimed increased by the amount you paid with your most recent filing and reduced by any refund you requested.

If the originally reported premium:

- was too low, the additional premium due will equal the excess of the revised total premium amount over the revised total credit. Pay the additional premium due when you submit your amended filing. If the additional premium is paid after the premium due date, late payment interest charges will apply and late payment penalty charges may apply. You will receive an invoice for these charges after your amended filing is received. You may include payment of anticipated late payment charges when you pay the additional premium, but the amount reported on the amended filing should reflect only the additional premium due.
- was too high, the overpayment will equal the excess of the revised total credit over the revised total premium. You must indicate whether you want the overpayment refunded or applied to the next year's premium for the plan. We recommend that small credit amounts be carried over to the next plan year. Please verify the credit amount by either reviewing the plan's account history in My PAA or by contacting our Premium Customer Service Center. Then, simply enter the relevant amount under "Premium Credits "in the next year's premium filing. See line 10b on the illustrative form in the "Data to be Submitted" section.

  If you prefer a refund by electronic funds transfer (ACH), provide the necessary information in the applicable section of the amended filing; we will make the transfer through the ACH system.

  With either option, the overpayment will appear as an "Amount Overpaid" on your plan's account history until it is refunded or used to satisfy a future year's premium. See section below on Premium Credit Balances.

Required explanation if premium amount decreases

If you amend a comprehensive filing, for a reason other than reconciling an estimated Variable-rate Premium and the amended filing shows a lower premium than the amount that was originally reported, **you must provide an explanation** of the specific circumstances or events that caused the reduction. For example, if your original comprehensive filing's Participant Count included employees at a division that is not covered by the plan, you would explain why the employees were erroneously counted as Participants and how the error was discovered.

Amending a prior year's filing

Note that if you are amending a filing for an earlier year, you must follow the instructions for that year except that current mailing and electronic funds transfer (EFT) addresses should be used instead of the addresses that were included in the instructions for the original filing (*i.e.*, the filing that is being amended). Prior year instructions are available on PBGC's "Premium Filing" web page.

Premium Credit Balances

Premium credit balances, whether resulting from an amended filing or any overpayment, are shown on plans' account histories and can be viewed in My PAA at any time. We recommend you review your plan's account history before you file to ensure that any available credits from the prior plan year have been used. If you have a credit from two or more years prior to the Premium Payment year, you will need to contact the Premium Customer Service Center in order to use it (See Appendix 2).

Note that an overpayment for one plan cannot be applied to offset an underpayment on another plan.

A plan administrator may request that a premium credit balance be refunded or be credited against the next year's premium. Requests must be made within the statutory limitation period (generally six years).

Reconciling Estimates

For plans that filed an estimated Variable-rate Premium, the reconciliation is made by amending the filing that included the Variable-rate Premium estimate. This reconciliation filing serves to finalize a previously estimated Premium Funding Target; it does not afford an opportunity to elect to use the alternative method after the due date for such election (or to revoke a prior election after the due date for such revocation). See the instructions for item 7d in the "Description of Data Elements" section for additional information on how to reconcile an estimated Variable-rate Premium.

Failure to reconcile these estimates in a timely manner will result in late payment charges if the estimate to be reconciled was too low. PBGC may also assess penalties under ERISA section 4071 for failure to reconcile estimated premium filings by the reconciliation due date.

Recordkeeping Requirements and PBGC Audits

Recordkeeping requirements

Plan Administrators are required to retain all plan records that are necessary to establish, support and validate the amount of any PBGC premium required to be paid and any information required to be reported. The records must include calculations and other data prepared by an enrolled actuary, the Plan Sponsor, and an employer required to contribute to the plan with respect to its employees; or for a plan described in section 412(e)(3) of the Code, by the insurer from which the insurance contracts are purchased. The records must be kept for six years after the premium due date.

Records that must be retained include, but are not limited to, records that establish the number of plan Participants and the amount of UVBs on which the Variable-rate Premium is based. For this purpose, the term "records" includes, but is not limited to: plan documents, Participant data records, personnel and payroll records, actuarial tables, worksheets, and reports, records of computations, projections, and estimates, benefit statements, disclosures, and applications, financial and tax records, insurance contracts, records of plan procedures and practices, and any other records, whether in written, electronic, or other format, that are relevant to the determination of the amount of any premium required to be paid or any premium-related information required to be reported.

Records retained must be made available or submitted to PBGC promptly upon request. If a record to be produced for PBGC inspection and copying exists in more than one format, it must be produced in the format that PBGC specifies.

PBGC Audits

We may audit any premium filing; inspect and copy any records that are relevant to the determination of the amount of any premium required to be paid and any premium-related information required to be reported; and require disclosure and demonstration of any system used to determine any premium required to be paid or premium-related information required to be reported, so that PBGC can assess the system's effectiveness and reliability.

If we determine upon audit that the full amount of the premium due was not paid, late payment interest charges under § 4007.7 of the Premium Regulations and late payment penalty charges under § 4007.8 of the Premium Regulations will apply to the unpaid balance from the premium due date to the date of payment (see "Late Payment Charges" section for more information on penalties and interest for late payment of premiums).

If, in our judgment, the plan's records fail to establish the number of Participants with respect to whom premiums were required, we may rely on data we obtain from other sources (including the Internal Revenue Service and the Department of Labor) for presumptively establishing the number of plan Participants for premium computation purposes. Similarly, if, in our judgment, the plan's records fail to establish the UVB amount reported in the premium filing, we may rely on data we obtain from other sources for estimating the UVBs for premium computation purposes.

In addition to penalties for late payment of premiums, we may assess a penalty under ERISA section 4071 for failure to furnish premium-related information by required due dates.

Appendix 1 – Definitions

Definitions for terms shown in capital letters throughout the instructions are shown below. New terms and terms that have been modified from the 2021 instructions are highlighted in yellow for emphasis.

"Alternative Premium Funding Target" – see "Premium Funding Target"

"Benefit Liabilities" means all liabilities with respect to employees and their beneficiaries under the plan (within the meaning of Code section 401(a)(2)). Thus, Benefit Liabilities include liabilities for all accrued benefits, whether or not vested. In addition, a plan's Benefit Liabilities include liabilities for ancillary benefits not directly related to retirement benefits, such as disability benefits not in excess of the qualified disability benefit, life insurance benefits payable as a lump sum, incidental death benefits, or current life insurance protection (see Treasury Regulation § 1.411(a)-7(a)(1)).

"**Code**" means the Internal Revenue Code of 1986, as amended.

"Comprehensive Premium Filing" is the term used to describe the premium filing, regardless of whether the filing is the first filing for the plan year, an amended filing, or a reconciliation filing.

"**Consolidation**" means a transaction in which two or more plans transfer all of their assets and liabilities to a New Plan and, as a result, cease to exist (because the Transferor Plans become part of the new Transferee Plan). It differs from a Merger because in a Merger, the Transferee Plan existed before the transaction. In a Consolidation, the Transferee Plan is a New Plan that is created in the Consolidation. Thus, the plan that exists after a Consolidation follows the premium filing rules for New Plans.

"**Continuation Plan**" means a New Plan resulting from a Consolidation or Spinoff that is not De Minimis.

"CSEC Plan" means a cooperative and small-employer charity plan (as defined in section 210(f)(1) of ERISA) that is subject to the alternative funding standards of section 306.

"De Minimis" with respect to a Merger or Spinoff means a transaction described as de minimis in regulations under section 414(l) of the Code (for single-employer plans) or in part 4231 of this chapter (for multiemployer plans). With respect to a pre-existing Transferee Plan to which another plan transfers, some, but not all, assets and liabilities, the transaction is considered De Minimis from the perspective of the Transferee Plan if the Spinoff is De Minimis from the perspective of the Transferor Plan.

"**EIN**" means Employer Identification Number. It is always a nine-digit number assigned by the Internal Revenue Service for tax purposes.

"**ERISA**" means the Employee Retirement Income Security Act of 1974, as amended (29 U.S.C. 1001 et seq.).

"Flat-rate Premium" means the portion of the premium determined by multiplying the flat premium rate by the number of Participants in the plan on the Participant Count Date.

"**Form 5500 Series**" means Form 5500, Annual Return/Report of Employee Benefit Plan, jointly developed by the Internal Revenue Service, the Department of Labor, and PBGC.

"**Interest Rate Stabilization Rules"** means the rules under which the volatility of certain discount rates used for funding purposes is limited by constraining them within a specified corridor as provided in ERISA 303(h)(2)(C)(iv).

"**Lookback Rule**" means the provision under which the Variable-rate Premium for the Premium Payment Year is determined based on UVBs for the plan year Prior Premium Payment Year instead of the Premium Payment Year.

"**Lookback Year**" means the Prior Premium Payment Year.

"**Lump Sum Window**" means a temporary opportunity to elect a lump sum in lieu of future annuity payments that is offered to individuals meeting specified criteria who would not otherwise be eligible to elect a lump sum.

"**MAP-21 Cap"** means the per-Participant cap on the Variable-rate Premium as provided in The Moving Ahead for Progress in the 21st Century Act.

"**Merger**" means a transaction in which one or more plans transfer all of their assets and liabilities to an existing plan and, as a result, cease to exist (because the Transferor Plan(s) become part of the Transferee Plan). It differs from a Consolidation because in a Consolidation, the Transferee Plan did not exist before the transaction. In a Merger, the Transferee Plan is an existing plan and follows the rules for preexisting, ongoing plans.

"**Multiemployer Plan**" (subject to the provisions of ERISA sections 3(37)(E) and (G) and 4303, dealing with elections to be treated or not to be treated as a Multiemployer Plan) means a plan:

- to which more than one employer is required to contribute,
- which is maintained pursuant to one or more collective bargaining agreements between one or more employee organizations and more than one employer, and
- which satisfies such other requirements as the Secretary of Labor may prescribe by regulation.

For purposes of determining whether a plan is a Multiemployer Plan or a Single-employer Plan, all trades or businesses (whether or not incorporated) that are under common control are considered to be one employer.

"**Multiple-employer Plan**" means a plan to which more than one employer contributes that is not a Multiemployer Plan.

"**My PAA**" means "My Plan Administration Account," PBGC's electronic premium filing application.

"New or Newly Covered Plan" means a plan that is either a New Plan or a Newly Covered Plan. In some cases, the term "New and Newly Covered Plan" is used for the same purpose.

"New Plan" means a plan that did not exist before the Premium Payment Year. This includes a plan resulting from a Consolidation or Spinoff. A plan that meets this definition is considered to be a New Plan even if the plan constitutes a successor plan within the meaning of ERISA section 4021(a).

A plan adopted during the Premium Payment Year with an effective date retroactive to a date in the Prior Payment Year is considered a New Plan for the Prior Premium Payment Year, not the Premium Payment Year.

"Newly Covered Plan" means a plan that becomes covered by title IV of ERISA during the Premium Payment year and that existed as an uncovered plan immediately before the first date of the Premium Payment Year on which it was a covered plan.

"Normal Premium Due Date" means the date premiums are due unless some special situation applies (i.e., a change in plan year, first time filing, or a standard termination). See "When to File" section.

"**Participant"** of a plan means an individual (whether active, inactive, retired, or deceased) with respect to whom the plan has Benefit Liabilities. See "How to Count Participants" section for more information.

"Participant Count" means the number of Participants on the Participant Count Date. See "How to Count Participants" section for more information.

"Participant Count Date" means the date on which Participants are counted for purposes of determining the Flat-rate Premium, the MAP-21 Cap on the Variable-rate Premium, whether the plan is a Small Plan, and, if applicable, the Small Employer Cap on the Variable-rate Premium. In general, it is the last day of the Prior Premium Payment Year, but there are some exceptions. See "How to Count Participants" section for more information.

"**Plan Administrator**" means:

- the person specifically so designated by the terms of the instrument under which the plan is operated; or
- if an administrator is not so designated, the Plan Sponsor.

"Plan Adoption Date" means the date on which a plan was formally adopted.

"**Plan Sponsor**" is determined as follows:

- For a Single-employer Plan with:
  - one contributing sponsor, the Plan Sponsor is the contributing sponsor;
  - two or more contributing sponsors that are all in a single controlled group, the Plan Sponsor is the parent of the controlled group or, if there is no parent, the largest member of the controlled group (whether or not the parent or largest member is a contributing sponsor);
  - two or more contributing sponsors that are not all in a single controlled group, the Plan Sponsor is determined as follows: first identify the controlled group or contributing sponsor that is not in a controlled group, that has the most Participants in the plan. If you identify a contributing sponsor that is not in a controlled group, the Plan Sponsor is that contributing sponsor. But if you identify a controlled group, then the Plan Sponsor is the parent of that controlled group or, if there is no parent, the largest member of that controlled group (whether or not the parent or largest member is a contributing sponsor).
- For a Multiemployer Plan, the Plan Sponsor is the association, committee, joint board of trustees, or other entity that establishes or maintains the plan.

"**PN**" means Plan Number. This is always a three-digit number. The employer maintaining the plan assigns this number to distinguish among employee benefit plans established or maintained by the same employer. An employer usually starts numbering pension plans at "001" and uses consecutive Plan Numbers for each additional plan. Once a PN is assigned, always use it to identify the same plan. If a plan is terminated, retire the PN — do not use it for another plan.

"Premium Funding Target" is the liability measure used to determine the Variable-rate Premium. This is similar to the funding target that is used to determine the minimum funding requirement except that only vested benefits are taken into account. The discount rates used to determine this amount vary depending on which calculation method is used (standard or alternative):

- **"Standard Premium Funding Target"** means a Premium Funding Target determined using the ERISA section 4006(a)(3)(E)(iv) segment rates.
- **"Alternative Premium Funding Target"** means a Premium Funding Target determined using ERISA section 303 (i.e., funding) discount rates, but without regard to the MAP-21 Stabilization Rules. See "How to Determine Unfunded Vested Benefits" section for additional information related to the election and use of the Alternative Premium Funding Target.

"**Premium Payment Year**" means the plan year for which the premium is being paid. For example, because this document relates to premium filings for plan years beginning in 2022, all references to Premium Payment Year relate to plan years beginning in 2022.

"**Premium Regulations**" means PBGC's regulations on Premium Rates and Payment of Premiums (29 CFR Parts 4006 and 4007). The premium filing procedures (including the My PAA electronic filing application, paper instructions, and forms) are prescribed under and implement the Premium Regulations.

"**Prior Premium Payment Year**" means the plan year immediately preceding the Premium Payment Year.

Appendix 1 – Definitions

"**Schedule SB**" means Schedule SB to the Form 5500 Series.

"Short Plan Year" means a plan year of less than 12 full months.

"Short Coverage Year" means a plan year in which the plan was not covered by PBGC for a portion of the year.

"**Single-employer Plan**" means any plan that is not a Multiemployer Plan. A Single-employer Plan includes a Multiple-employer Plan. For purposes of determining whether a plan is a Multiemployer Plan or a Single-employer Plan, all trades or businesses (whether or not incorporated) that are under common control are considered to be one employer.

"Small-Employer Cap" means the maximum Variable-rate Premium due for certain plans of small employers, generally employers with 25 or fewer employees. For these plans, the maximum Variable-rate Premium is the lesser of the product of $5 and the Participant Count squared and the MAP-21 cap.

"Small Plan" means a plan:

- With a Participant Count for the Premium Payment Year of not more than 100, or
- With a funding valuation date for the Premium Payment Year, determined in accordance with ERISA section 303(g)(2), that is not the first day of the Premium Payment Year.

"**Spinoff**" means a transaction in which the Transferor Plan transfers only part of its assets and/or liabilities to the Transferee Plan. The Transferee Plan may be a New Plan that is created in the Spinoff, or it may be a preexisting plan that simply receives part of the assets and/or liabilities of the Transferor Plan.

"Standard Premium Funding Target" – see "Premium Funding Target"

"Transferee Plan" means a plan that receives assets and/or liabilities from another plan in a transfer (e.g., Spinoff, Merger, or Consolidation).

"Transferor Plan" means a plan that gives assets and/or liabilities to another plan in a transfer (e.g., Spinoff, Merger, or Consolidation).

"UVB Valuation Date" means the date on which UVBs are determined. This date is the plan's funding valuation date determined in accordance with ERISA section 303(g)(2) for:

- In the case of a plan using the Lookback Rule, the Lookback Year, or
- In the case of any other plan, the Premium Payment Year.

"UVBs" means unfunded vested benefits, the term used to describe the underfunding measure on which the Variable-rate Premium is based.

"Variable-rate Premium" means the portion of the Single-employer premium based on a plan's UVBs.

"**We**" or "**us**" refers to the Pension Benefit Guaranty Corporation.

"**You**" or "**your**" refers to the Plan Administrator.

Appendix 2 – Contact information

- For premium-related inquiries and requests, including premium filing questions, requests for instructions, address changes, requests for refunds (that are not submitted with premium filings), and requests for penalty waivers, contact our premium customer service center using one of these following options:
  - *Preferred options:*

    Utilize the "Ask a Question" tool within My PAA.
  - Send electronic inquiry/request via My PAA's "Submit a Request" link available on the Plan Detail page. Submitting the request this way has many benefits (e.g., automatically generated confirmation email, ability to check the status of a requests).

    For more information about submitting requests via My PAA, see PBGC's My PAA online demo web page.
  - *Other options:*
    - Mail or private delivery service: Send to the address for premium correspondence posted on the "Contact Us for Practitioners" web page.
    - Call: 1-800-736-2444 or 202-326-4242 and select option 2 (premiums).
    - E-mail: premiums@pbgc.gov
- For questions about coverage determinations or plan terminations:
  - Call: 1-800-736-2444 or 202-326-4242 and press "0"
  - E-mail: standard@pbgc.gov or coverage@pbgc.gov (which is applicable)
- If you have a complaint about the service you have received or still need assistance after calling our practitioner telephone numbers listed in item 3 (1-800-736-2444 or 202-326-4242), please contact the Problem Resolution Officer (Practitioners):
  - Call: 1-800-736-2444, ext. 4136 or 202-326-4000, ext. 4136
  - E-mail: practitioner.pro@pbgc.gov
  - Mail or private delivery service: Send to the address for the Problem Resolution Officer posted on the "Contact Us for Practitioners" web page.
- For questions about our Premium Compliance Evaluation Program:
  - Call: 1-800-736-2444, ext. 6855 or 202-326-4161, ext. 6855
  - E-mail: pce@pbgc.gov
- For software developers requesting approval of XML files produced by private-sector software for use in My PAA, follow the submission instructions on the "Software Developer E-filing Resources for Integrating with PBGC" web page.

PBGC's business hours are 8:00 am to 5:00 pm Eastern Time, Monday through Friday, except Federal Holidays.

TTY/TDD users may call the Federal relay service toll-free at 1-800-877-8339 and ask to be connected to any telephone number.

Appendix 3 — Common Filing Errors

Incorrect identifying information

The Employer Identification Number (EIN) combined with the Plan Number (PN) are used by the IRS, DOL and PBGC as a unique 12-digit number to identify the plan. In addition, PBGC uses the Plan's effective date as an additional confirmation that the premium filing is for a plan that's already in our database (based on previously reported information on Forms 5500 and on premium filings.)

Unless there has been a change to the EIN and/or PN, the EIN and plan number provided on the filing must match what was reported on the most recent premium filing. If there is a new EIN and/or PN, both the EIN and PN from the previous filing must also be reported. The EIN and PN combination may not be the EIN and PN that were previously used to identify a different plan.

If we receive a filing for a plan that doesn't indicate that it's a New Plan and we are unable to match the plan to one that's already in our database, we will be unable to perform further validations and will send an error notice accordingly.

Sending Payment without Properly Identifying Plan

We often receive premium payments that do not contain sufficient information to identify the plan and thus, we cannot credit the payment to the plan's premium account. When we receive a Comprehensive Premium Filing indicating the amount owed, but no payment is credited to the account, we send an invoice for the premium, including late payment charges. This can be avoided by ensuring that the following information be included with all premium payments:

- EIN
- Plan number
- Plan year Commencing Date (PYC)
- My PAA Filing ID (for premium payments)

PBGC premium payments will automatically be credited to the premium account if the identifying information noted above is included with the payment.

The best way to avoid issues with your premium payment is to submit the payment via PBGC's online filing website, My PAA (https://mypaa.pbgc.gov) or www.pay.gov and ensure you enter the correct information into the on-line voucher.

We continue to see much higher error rates when processing external ACH and Fedwire payments as the information received for each differs based on the bank which initiates the transaction.

We encourage you to review our "Premium Filing" web page each year before sending payment.

Appendix 3 — Common Filing Errors

Lookback Rule inconsistencies (Small Plans only)

Variable-rate Premiums for Small Plans are based on UVBs for the prior plan year unless:

- The plan opted out of the Lookback Rule in 2014, or if later, the first year the plan was required to report Unfunded Vested Benefits.
- PBGC approved a request to opt out of the Lookback after 2014.

See "How to Determine Unfunded Vested Benefits" for details.

PBGC reviews all small plan filings to ensure that plans that didn't opt out are, in fact, using the Lookback Rule and vice versa. PBGC uses the reported UVB Valuation Date to determine whether the Lookback Rule is used. For example, if a calendar year plan reports 12/31/2021 as the UVB Valuation Date in the Comprehensive Premium Filing for the 2022 plan year, PBGC assumes the plan (1) has a year-end valuation date and (2) is using the Lookback Rule for purposes of determining its 2022 Variable-rate Premium.

- If our records indicate the plan opted out of using the Lookback Rule in an earlier year, an error letter will be sent.
- If our records indicate that the plan was supposed to using the Lookback rule, PBGC will review the discount rates reported to have been used to determine the Premium Funding Target to confirm that those rates are acceptable options for a plan using the Lookback Rule. If that is not the case, an error letter will be sent.

Similarly, if a calendar year plan reports 1/1/2022 as the UVB Valuation Date in the Comprehensive Premium Filing for the 2022 plan year, PBGC assumes the plan (1) has a beginning of year valuation date and (2) is not using the Lookback Rule for purposes of determining its 2022 Variable-rate Premium.

- If our records indicate the plan did not opt out of using the Lookback Rule in an earlier year, an error letter will be sent.
- If our records indicate that the plan was not supposed to use the Lookback rule, PBGC will review the discount rates reported to have been used to determine the Premium Funding Target to confirm that those rates are acceptable options for a plan that is not using the Lookback Rule. If that is not the case, an error letter will be sent.

See "How to Determine Unfunded Vested Benefits" section for more information.

Required explanation for certain amended filings

In most cases, if an amended filing shows a lower premium than the amount that was originally reported, you must provide an explanation of the specific circumstances or events that caused the change. PBGC has found that, in many instances, the explanation does not adequately explain the reason for the change. For example, "error corrected" or "premium funding target recalculated" does not suffice.

If the explanation provided is not sufficient, PBGC will contact the Plan Administrator for more details. If a refund was requested, this will slow down the timing of the refund significantly.

Appendix 3 — Common Filing Errors

Reporting incorrect "Plan Year" information for final Short Plan Year

As explained in the "Short Plan Years" part of the "Who Must File" section, in some cases, plans qualify to pay a prorated premium for a Short Plan Year. Plans eligible for prorating report:

- The beginning and end of the Short Plan Year,
- The number of months in the Short Plan Year, and
- The prorated premium owed.

See lines 4b and 8 on the illustrative form in the "Data to be Submitted" section.

PBGC has found several instances where this information is inconsistent. For example, we have received filings that indicate the plan year begins on January 1 and ends on December 31, 2018, but also that the premium was prorated because there are 10 months in the Short Plan Year. Such inconsistencies may trigger unnecessary inquiries and/or invoices.

Reminder – Premiums are not prorated for Short Plan Years created as the result of a mid-year Merger or Consolidation.

Disregarding warning messages during submission process

My PAA checks for errors and inconsistencies and provides warning messages where either is found to give practitioners a chance to resolve the issue right away. Warning messages about the discounts rates used to determine the Premium Funding Target are, by far, the most prevalent, and the most frequently overlooked.

If the wrong discount rates are used to determine the Premium Funding Target, the filing will need to be amended and, if using the correct rates results in a higher Variable-rate Premium, late payment charges may be incurred.

In most cases where a discount rate warning is triggered, it is because the wrong month's discount rates are used, the wrong type of rates are used (e.g., using 24-month average segments rates instead of spot segment rates to determine the Standard Premium Funding Target, or vice versa). With respect to small plans that use the Lookback Rule to determine UVBs, a common mistake is to use the discount rates that would be used if the plan wasn't using the Lookback Rule (i.e., rates for the Premium Payment Year instead of for the Prior Premium Payment Year).

In some cases, it turns out the correct rates were used, but a warning message is triggered because of a data entry/transposition error.

These errors and inconsistencies can (and should be) corrected before submitting your filing. If that doesn't happen, once the filing is processed, PBGC will send an initial determination letter (IDL) to the plan administrator alerting them to the issue and instructing them to amend the filing to resolve the inconsistency.

PBGC encourages practitioners to resolve these issues before the filing is submitted to avoid the IDL process entirely.

Appendix 4 — Special Rules for CSEC Plans

The appendix overrides the general instructions and provides alternate definitions for certain terms for CSEC Plans. For CSEC Plans:

- "Standard Premium Funding Target" or "Premium Funding Target" means the present value of vested benefits) is determined using the plan's funding assumptions (e.g., the plan's selected discount rate and mortality table) as provided in section 306(j)(5)(C) of ERISA.
- CSEC plans cannot elect to use the Alternative Premium Funding Target instead of the Standard Premium Funding Target.
- UVB Valuation Date means valuation date per ERISA 306(c)(8)(b)(i) w/o regard to (b)(ii).

All other rules related to the determination of Unfunded Vested Benefits apply to CSEC Plans. This includes the determination of assets on the UVB Valuation Date, including whether and how to include contributions for the prior plan year made during the 8½ month period after the plan year ends.

Appendix 5 — Paperwork Reduction Act Notice

OMB has approved this collection of information under control number 1212-0009.

Confidentiality is that provided by the Privacy Act and the Freedom of Information Act.

PBGC estimates that preparation and submission of a premium filing takes approximately 26 minutes on average of in-house time and $692 on average of contracted out cost. The actual time and cost will vary depending on the circumstances of each plan.

If you have comments concerning the accuracy of these burden estimates or suggestions for making the forms or the electronic filing process simpler, please send your comments to Pension Benefit Guaranty Corporation, at the address provided on PBGC's "Contact Us" web page.