

## **MULTIEMPLOYER PROGRAM DIVISION**

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

#### **ADDENDUM C – INSTRUCTIONS FOR SUPPLEMENTED APPLICATIONS**

All citations to PBGC’s SFA regulation, part 4262, refer to the regulation as it was published on July 8, 2022, and is effective on August 8, 2022, unless otherwise noted.

A plan sponsor that filed an application for special financial assistance (SFA) for a plan during the period beginning on July 9, 2021, and ending before August 8, 2022, when PBGC’s interim final rule was in effect, is known as an “IFR filer.” See § 4262.4(g) of PBGC’s SFA regulation for the rules applicable to IFR filers.

The instructions in this Addendum C are for IFR filers whose applications for SFA were approved under the provisions of the interim final rule issued on July 9, 2021,<sup>1</sup> and who have received SFA under the terms of the interim final rule. IFR filers in this situation, who are seeking additional SFA under the final rule, must file a supplemented application. Likewise, IFR filers in this situation, who are not seeking additional SFA but seek to have the conditions under the final rule apply to the plan, must file a supplemented application.

Under § 4262.8(g)(8) of PBGC’s SFA regulation, a supplemented application must not:

- (1) Change the plan’s SFA measurement date, fair market value of assets, or participant census data.
- (2) Propose a change in assumptions as described in § 4262.5(c) of PBGC’s SFA regulation, except to propose a change to the plan’s employer contribution assumption to exclude contribution rate increases agreed to on or after July 9, 2021, as permitted under § 4262.4(c)(3) of PBGC’s SFA regulation (in which case, the plan must exclude any benefit increases resulting from those contribution increases).

Note: Addendum C does not apply to IFR filers who are submitting revised applications. IFR filers in that situation should see § 4262.4(g)(5) of PBGC’s SFA regulation and follow the general [SFA Filing Instructions](#).

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<sup>1</sup> Published in the Federal Register on July 12, 2021. See, 86 FR 36598.

### **Where to file an application**

A supplemented application must be submitted to PBGC electronically through PBGC's [e-Filing Portal](https://efilingportal.pbgc.gov/site/), (<https://efilingportal.pbgc.gov/site/>). After logging into the e-Filing Portal, go to the Multiemployer Events section and click "Create New ME Filing." Under "Select a filing type," select "Application for Financial Assistance – Special."

### **When to file an application**

A supplemented application cannot be filed until after SFA has been paid to the plan under the terms of the interim final rule and must be filed no later than December 31, 2026. Note: If you go to the e-Filing Portal and do not see "Application for Financial Assistance – Special" under the "Select a Filing Type," then the e-Filing Portal is currently temporarily closed and PBGC is not accepting applications at the time, unless the plan is eligible to make an emergency filing under § 4262.10(f). PBGC's website, [www.pbgc.gov](http://www.pbgc.gov), will be updated when the e-Filing Portal reopens for applications. PBGC maintains information on its website at [www.pbgc.gov](http://www.pbgc.gov) to inform prospective applicants about the current status of the e-Filing portal, as well as to provide advance notice of when PBGC expects to open or temporarily close the e-Filing Portal.

### **Information required for a supplemented application**

A supplemented application is an abbreviated version of a full SFA application and must include the information described below. If the plan is applying for additional SFA, the supplemented application must be accompanied by a simplified [Application Checklist - Supplemented](#). If the plan is not requesting additional SFA, only minimal information is required in the supplemented application, as noted below, and no checklist is required.

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

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

- (1) - (5) See SFA Filing Instructions.
- (6) Total amount requested. If the plan is not requesting additional SFA, the amount to be shown in this Item (6) should be the amount of SFA requested as of the SFA measurement date in the application that was approved under the interim final rule.

If the plan is applying for additional SFA, the amount to be shown in this Item (6) is the total SFA requested as of the SFA measurement date, as described in § 4262.4(a)(1) or § 4262.4(a)(2) of PBGC's SFA regulation (without any offset for SFA already paid to the plan under the interim final rule). This figure should match the amount reported in Section E, Item (5).

**SECTION B – Plan documents.**

- (1) - (9) N/A – not required for a supplemented application.
- (10) [Automated Clearing House \(ACH\) Vendor/Miscellaneous Payment Enrollment Form](#). If the plan is not requesting additional SFA, this Item (10) is not required. Otherwise, if the plan is applying for additional SFA, submit the form as directed in the SFA Filing Instructions, even if the information is unchanged from the information used by PBGC to pay the SFA approved

under the interim final rule. A new notarization by a bank official must accompany the plan's newly completed payment form.

**SECTION C – Plan data.** If the plan is not requesting additional SFA, the information in this Section C is not required. Otherwise, if the plan is applying for additional SFA, the filer completes and uploads an Excel compatible worksheet to the e-Filing Portal for each item below, using, where applicable, the required filenames identified on the Application Checklist – Supplemented. The filer may use the templates specified with each item.

(1) - (3) N/A – not required for a supplemented application.

(4) SFA determination. [Template 4A](#). See SFA Filing Instructions for Section C, Item (4). All information in this Item (4) is calculated under § 4262.4 of PBGC's SFA regulation. Certain information is not required in a supplemented application, and certain information provided should be the same as provided in the application approved under the interim final rule, as noted below.

With respect to Section C, Item (4)d., the fair market value of assets as of the SFA measurement date should be the same as that used in the application approved under the interim final rule.

With respect to Section C, Item (4)e.i. (projected contributions, projected withdrawal liability payments, and other payments), these amounts should be the same as those used in the application approved under the interim final rule, unless the filer proposes a change to the plan's employer contribution assumption to exclude contribution rate increases agreed to on or after July 9, 2021, as permitted under § 4262.4(c)(3) of PBGC's SFA regulation (in which case, the plan must exclude any benefit increases resulting from those contribution increases).

With respect to Section C, Item (4)e.ii. (projected benefit payments excluding make-up payments), irrespective of the split between non-SFA assets and SFA assets, these amounts should be the same as those used in the application approved under the interim final rule, unless the filer proposes a change to the plan's employer contribution assumption to exclude contribution rate increases agreed to on or after July 9, 2021, as permitted under § 4262.4(c)(3) of PBGC's SFA regulation (in which case, the plan must exclude any benefit increases resulting from those contribution increases). If the total projected benefit payments are the same as those used in the application approved under the interim final rule, the filer is not required to provide the breakdown of benefit payments in Template 4A, sheet *4A-2 SFA Ben Pmts*.

With respect to Section C, Item (4)e.iii. (make-up payments, if applicable), these amounts should be the same as those used in the application approved under the interim final rule.

With respect to Section C, Item (4)e.iv. (projected administrative expenses), irrespective of the split between non-SFA assets and SFA assets, the total amount of administrative expenses should be the same as those used in the application approved under the interim final rule. For a supplemented application, the filer is not required to provide the split of projected administrative expenses (between PBGC premiums and other expenses), as shown in Template 4A, sheet *4A-3 SFA Pcount and Admin Exp*.

With respect to Section C, Item (4)e.v. – N/A – not required for a supplemented application.

With respect to Section C, Item (4)f. (projected SFA exhaustion year), this date is only required for the calculation method under which the requested amount of SFA is determined.

- (5) Baseline – N/A – not required for a supplemented application.
- (6) Reconciliation details – N/A – not required for a supplemented application, but additional information is required later in Sections F, G, and H of this addendum.

With respect to Section C, Items (7), (8) and (9) – N/A – not required for a supplemented application.

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

- (1) Provide an SFA request cover letter for the supplemented application identifying the date the plan’s application was approved under the interim final rule, as well as the approved SFA amount under the interim final rule as of the SFA measurement date.

For a plan not requesting additional SFA, include a statement that the plan is submitting a supplemented solely to be subject to the conditions under the final rule, and not to request additional SFA.

For a MPRA plan requesting additional SFA, identify whether the requested SFA under the final rule is determined using the “increasing asset method” or the “present value method.”

- (2) If the plan is not requesting additional SFA, this Item (2) is not required. Otherwise, if the plan is applying for additional SFA, submit the information described in the SFA Filing Instructions for Section D, Item (2), even if it is unchanged from the information used by PBGC to pay the SFA approved under the interim final rule.
- (3) N/A – not required for a supplemented application.
- (4) N/A – not required for a supplemented application.
- (5) If the plan is not requesting additional SFA, this Item (5) is not required. Otherwise, if the plan is applying for additional SFA, and the projected employer contributions are different from those assumed in the application approved under the interim final rule, provide:
  - a. A detailed narrative description of the development of the assumed future contributions (including assumed contribution rates) used to calculate the requested SFA amount under the final rule.
  - b. The documentation described in § 4262.4(c)(3) of PBGC’s SFA regulation that substantiates that the contribution rate increases that are excluded in the supplemented application were agreed to on or after July 9, 2021. This can be demonstrated by the execution of (a) a collective bargaining agreement not rejected by the plan or (b) a document reallocating contribution rates.

- (6) N/A – not required for a supplemented application.

- (7) N/A – not required for a supplemented application.

**SECTION E – Checklist and certifications.** If the plan is not requesting additional SFA, the information in this Section E is not required. Otherwise, if the plan is applying for additional SFA, the filer completes and uploads the SFA Application Checklist – Supplemented to the e-Filing Portal, to ensure that the filer has uploaded the required information using, where applicable, the required filenames identified on the Application Checklist – Supplemented.

All certifications from the plan’s enrolled actuary should include, where applicable, clear indication of all assumptions and methods used including source of and date of participant census data, measurement date (where applicable) and a statement that the actuary is qualified to render the actuarial opinion.

(1) SFA Application Checklist – Supplemented.

(2) - (4) N/A – not required for a supplemented application.

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

- a. Plan actuary’s certification that identifies the requested amount of SFA under the final rule as of the SFA measurement date (without any offset for SFA already paid to the plan under the interim final rule) and certifies that this is the total SFA amount to which the plan is entitled under section 4262(j)(1) of ERISA and § 4262.4 of PBGC’s SFA regulation.
- b. For a MPRA plan, identification of the amount of SFA determined under both the “basic method” described in § 4262.4(a)(1) of PBGC’s SFA regulation and the “increasing assets method” under § 4262.4(a)(2)(i), regardless of what method yields the greatest amount of SFA under § 4262.4(a)(2).
- c. For a MPRA plan, if the amount of SFA determined under the “present value method” described in § 4262.4(a)(2)(ii) is not the greatest amount of SFA under § 4262.4(a)(2), a statement certifying as such.
- d. For a MPRA plan, if the amount of SFA determined under the “present value method” described in § 4262.4(a)(2)(ii) is the greatest amount of SFA under § 4262.4(a)(2), identification of the amount of SFA determined under the “present value method.”
- e. Confirmation that all assumptions and methods used, sources of participant census data, SFA measurement date, participant census date, and other relevant information are the same as those used in the application that was approved under the interim final rule, with the exception of the non-SFA and SFA interest rates, the application of the new calculation methodology under the final rule and a change to the plan’s employer contribution assumption to exclude contribution rate increases agreed to on or after July 9, 2021, as permitted under § 4262.4(c)(3) of PBGC’s SFA regulation (if applicable).

(6) - (9) N/A – not required for a supplemented application.

(10) With respect to this Section E, Item (10), provide the same information as described in the SFA Filing Instructions.

**SECTION F – Additional information required for a Supplemented Application for a plan that is not a MPRA plan**

If the plan is not requesting additional SFA, the information in this Section F is not required.

This section applies to a plan other than a MPRA plan that calculated its requested amount of SFA based on the “basic method” under § 4262.4(a)(1) of PBGC’s SFA regulation.

- (1) Reconciliation. For this Section F, Item (1), provide a reconciliation of the change in the requested amount of SFA under the final rule from the total amount of SFA approved under the interim final rule, each as of the SFA measurement date. The reconciliation may use Template 9 and should incrementally identify, in order:
  - a. The change due to calculating the amount of SFA using the “basic method” described in § 4262.4(a)(1) of PBGC’s SFA regulation, then
  - b. The change in the amount of SFA using the “basic method” due to a change in the assumed employer contributions (if applicable).

### **SECTION G – Additional information required for a Supplemented Application for a MPRA plan for which the requested amount of SFA is determined under the “Increasing Assets Method”**

If the plan is not requesting additional SFA, the information in this section is not required.

This section applies to a MPRA plan that calculated its requested amount of SFA based on the “increasing assets method” described in § 4262.4(a)(2)(i) of PBGC’s SFA regulation.

- (1) SFA Determination. For this Section G, Item (1), provide the information shown in Template 4A, sheet *4A-5 SFA Details .4(a)(2)(i)*.
- (2) Reconciliation. For this Section G, Item (2), MPRA plans for which the requested amount of SFA is based on the “increasing assets method” under § 4262.4(a)(2)(i) must provide the information described below and may use [Template 9](#). Provide a reconciliation of the change in the requested amount of SFA under the final rule from the total amount of SFA approved under the interim final rule. The reconciliation should incrementally identify, in order:
  - a. The change due to calculating the amount of SFA using the “basic method” described in § 4262.4(a)(1) of PBGC’s SFA regulation,
  - b. The change in the amount of SFA using the “basic method” due to a change in the assumed employer contributions (if applicable), and
  - c. The change due to calculating the requested SFA using the “increasing assets method” described in § 4262.4(a)(2)(i) of PBGC’s SFA regulation.

### **SECTION H – Additional information required for a Supplemented Application for a MPRA plan for which the requested amount of SFA is determined under the “Present Value Method”**

If the plan is not requesting additional SFA, the information in this Section H is not required.

This section applies to a MPRA plan that calculated its requested amount of SFA based on the “present value method” described in § 4262.4(a)(2)(ii) of PBGC’s SFA regulation.

- (1) SFA Determination. For this Section H, Item (1), provide the information shown in Template 4A, sheet *4A-5 SFA Details .4(a)(2)(i)*, as well as the information shown in Template 4B, sheet *4B-1 SFA Ben Pmts*, sheet *4B-2 SFA Details .4(a)(2)(ii)*, and sheet *4B-3 SFA Exhaustion*.
- (2) Reconciliation. For this Section H, Item (2), MPRA plans for which the requested amount of SFA is based on the “present value method” under § 4262.4(a)(2)(ii) must provide the

information described below and may use [Template 9](#). Provide a reconciliation of the change in the requested amount of SFA under the final rule from the total amount of SFA approved under the interim final rule. The reconciliation should incrementally identify, in order:

- a. The change due to calculating the requested SFA using the “basic method” described in § 4262.4(a)(1) of PBGC’s SFA regulation,
- b. The change in the amount of SFA using the “basic method” due to a change in the assumed employer contributions (if applicable), and
- c. The change due to calculating the requested SFA using the “present value method” described in § 4262.4(a)(2)(ii) of PBGC’s SFA regulation.

### **What happens after an application is filed**

After a supplemented application is filed, the filer will hear from PBGC within 120 days of the filing date. The supplemented application will be either approved or denied. If the application is approved, the plan will receive further instructions from PBGC on how the additional SFA amount will be transferred. If the application is denied, the filer will receive written notice from PBGC providing the reason(s) for the denial. PBGC may deny a supplemented application because it is incomplete, because an assumption is unreasonable or a proposed change in assumption is unreasonable individually, or the proposed changed assumptions are unreasonable in the aggregate. If a supplemented application is denied, the plan may file a new supplemented application which addresses the reasons for the denial.

An authorized filer may withdraw a supplemented application at any time before PBGC denies or approves the supplemented application. To withdraw a supplemented application, the filer must send an email to the general Multiemployer Program Division mailbox at [multiemployerprogram@pbgc.gov](mailto:multiemployerprogram@pbgc.gov), and include as the subject “Withdrawal of Special Financial Assistance Supplemented Application of (Plan Name).” The body of the email should read, “On behalf of (Plan Name), I withdraw the special financial assistance supplemented application filed on (filing date)” and include the filer’s title, relation to the plan, and other information to demonstrate that the filer is an individual authorized to withdraw the SFA supplemented application.

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