

# 1996

## Instructions for Schedule B (Form 5500)

### Actuarial Information

Section references are to the Internal Revenue Code. ERISA refers to the Employee Retirement Income Security Act of 1974.

## General Instructions

### Who Must File

The employer or plan administrator of a defined benefit plan that is subject to the minimum funding standards (see Code section 412 and Part 3 of Title I of ERISA) must file this schedule as an attachment to the return/report filed for this plan year. The Schedule B does not have to be filed if Form 5500-EZ is not required to be filed (in accordance with the instructions for Form 5500-EZ); however, the funding standard account for the plan must continue to be maintained, even if the Schedule B is not filed.

Lines A through E and G (most recent enrollment number) *must* be completed for ALL plans. Check the box in line F if the plan has 100 or fewer participants in the prior plan year. A plan has 100 or fewer participants in the prior plan year only if there were 100 or fewer participants (both active and nonactive participants) on each day of the preceding plan year, taking into account participants in all defined benefit plans maintained by the same employer (or any member of such employer's controlled group) who are also employees of that employer or member. Nonactive participants include vested terminated and retired employees.

All defined benefit plans, regardless of size or type, *must* complete and file Part I. Part II *must* be filed for all plans other than those specified in 1 and 2 below:

1. Part II should not be filed for multiemployer plans for which box 2 in line E is checked.
2. Part II should not be filed for plans that have 100 or fewer participants in the prior plan year as described above.

In addition, please note that "RPA '94" refers to the Retirement Protection Act of 1994 and that "OBRA '87" refers to the Omnibus Budget Reconciliation Act of 1987.

**Note:** (1) For split-funded plans, the costs and contributions reported on Schedule B should include those relating to both trust funds and insurance carriers. (2) For plans with funding standard account amortization charges and credits see the instructions for lines 9c, 9j, 12j, and 13i, as applicable, regarding attachment.

### Statement by Enrolled Actuary

An enrolled actuary must sign Schedule B. The signature of the enrolled actuary may be qualified to state that it is subject to attached qualifications. See Income Tax Regulations section 301.6059-1(d) for permitted qualifications. If the actuary has not fully reflected any final or temporary regulation,

revenue ruling or notice promulgated under the statute in completing the Schedule B, check the box on the last line of page 1. If this box is checked, indicate on an attachment whether an accumulated funding deficiency or a contribution that is not wholly deductible would result if the actuary had fully reflected such regulation, revenue ruling or notice. A stamped or machine produced signature is not acceptable. The most recent enrollment number must be entered in line G. In addition, the actuary may offer any other comments related to the information contained in Schedule B.

## Specific Instructions for Part I

**Line 1.**— All entries must be reported as of the valuation date.

**Line 1a.—Actuarial Valuation Date.**— The valuation for a plan year may be as of any date in the plan year, including the first or last day of the plan year. Valuations must be performed within the period specified by ERISA section 103(d) and Code section 412(c)(9).

**Line 1b(1).—Current Value of Assets.**— Enter the current value of assets as of the valuation date. The current value is the same as the fair market value. Do not adjust for items such as the existing credit balance or the outstanding balances of certain amortization bases. Contributions designated for 1996 should not be included in this amount. Note that this entry may be different than the entry in line 2a. Such a difference may result, for example, if the valuation date is not the first day of the plan year, or if insurance contracts are excluded from assets reported on line 1b(1) but not on line 2a.

Rollover amounts or other assets held in individual accounts that are not available to provide defined benefits under the plan should not be included on line 1(b)(1) regardless of whether they are reported on the 1996 Form 5500 (line 311, column (a)), 5500-C (line 27k, column (a)), or 5500-R (line 13c), or, alternatively, the 1995 Form 5500-EZ (line 8a: total assets on the last day of the prior year). Additionally, asset and liability amounts must be determined in a consistent manner. Therefore, if the value of any insurance contracts have been excluded from the amount reported on line 1b(1), liabilities satisfied by such contracts should also be excluded from the liability values reported on lines 1c(1), 1c(2), 1d(2), and 1d(3).

**Line 1b(2).—Actuarial Value of Assets.**— Enter the value of assets determined in accordance with Code section 412(c)(2) or ERISA section 302(c)(2). Do not adjust for

items such as the existing credit balance or the outstanding balances of certain amortization bases, and do not include contributions designated for 1996 in this amount.

**Line 1c(1).—Accrued Liability for Immediate Gain Methods.**— Complete this line only if you use an immediate gain method (see Rev. Rul. 81-213, 1981-2 C.B. 101, for a definition of immediate gain method).

**Lines 1c(2)(a), (b), and (c).—Information for Plans Using Spread Gain Methods.**— Complete these lines only if you use a spread gain method (see Rev. Rul. 81-213 for a definition of spread gain method).

**Line 1c(2)(a).—Unfunded Liability for Methods with Bases.**— Complete this line only if you use the frozen initial liability or attained age normal cost method.

**Lines 1c(2)(b) and (c).—Entry Age Normal Accrued Liability and Normal Cost.**— For spread gain methods, the full funding limitation is calculated using the entry age normal method (see Rev. Rul. 81-13, 1981-1 C.B. 229).

**Line 1d(1).—Amount Excluded from Current Liability.**— In computing current liability for purposes of Code section 412(l) (but not for purposes of section 412(c)(7)), certain service is disregarded under Code section 412(l)(7)(D) and ERISA section 302(d)(7)(D). If the plan has participants to whom those provisions apply, only a percentage of the years of service before such individuals became participants in the plan is taken into account. Enter the amount excluded from "RPA '94" current liability. If an employer has made an election under section 412(l)(7)(D)(iv) not to disregard such service, enter zero. Note that such an election, once made, cannot be revoked without the consent of the Secretary of the Treasury.

**Lines 1d(2)(a) and 1d(3)(a)—"RPA '94" Current Liability and "OBRA '87" Current Liability.**— All plans regardless of the number of participants must provide the information indicated in accordance with these instructions. The interest rate used to compute the "RPA '94" current liability must be in accordance with guidelines issued by the IRS, using the 90% to 108% interest rate corridor of Code section 412(l)(7)(C)(i) for plan years beginning in 1996.

The "RPA '94" current liability must be computed using the 1983 G.A.M. mortality table for non-disabled lives published in Rev. Rul. 95-28, 1995-1 C.B. 74, and the mortality table for disabled lives published in Rev. Rul. 96-7, 1996-1 C.B. 59. The "OBRA '87" current liability is the current liability as defined in Code section 412(l)(7), but computed without regard to the limitation on the interest rate and prescribed mortality tables provided in section

412(l)(7)(C) as enacted by "RPA '94." See Q&A-9(1) of Rev. Rul. 96-21, 1996-1 C.B. 64, for the specific circumstances under which the "OBRA '87" current liability interest rate may be different from the "RPA '94" current liability interest rate.

Each other actuarial assumption used in calculating the "RPA '94" and "OBRA '87" current liabilities must be the same assumptions used for calculating other costs for the funding standard account. See Notice 90-11, 1990-1 C.B. 319. The actuary must take into account rates of early retirement and the plan's early retirement and turnover provisions as they relate to benefits, where these would significantly affect the results. Regardless of the valuation date, "RPA '94" and "OBRA '87" current liabilities are computed taking into account only credited service through the end of the prior plan year. No salary scale projections should be used in these computations. Do not include the expected increase in current liability due to benefits accruing during the plan year reported in lines 1d(2)(b) and 1d(3)(b) in these computations.

**Lines 1d(2)(b) and 1d(3)(b).—Expected Increase in Current Liability.**— Enter the amounts by which the "RPA '94" and "OBRA '87" current liabilities are expected to increase due to benefits accruing during the plan year on account of credited service and/or salary changes for the current year. One year's salary scale may be reflected.

**Line 1d(2)(c).—Current Liability Computed at Highest Allowable Interest Rate.**— Enter the current liability computed using the highest allowable interest rate (108% of the weighted average interest rate for plan years beginning in 1996). All other assumptions used should be identical to those used for lines 1d(2)(a) and (b). It is not necessary to complete line 1d(2)(c) if the plan is a multiemployer plan or if the plan had 100 or fewer participants in the prior plan year. Whether or not a plan had 100 or fewer participants in the prior plan year is determined in accordance with the instructions under **Who Must File** on page 1. This line need not be completed if the actuarial value of assets (line 1b(2)) divided by the "RPA '94" current liability (line 1d(2)(a)) is greater than or equal to 90%. However, if this line is not completed, sufficient records should be retained so that the current liability amount that would otherwise have been entered on this line can be computed at a later time if required.

**Lines 1d(2)(d) and 1d(3)(c).**— Do not complete these lines if Code section 412(l) does not apply to the plan for this plan year under Code sections 412(l)(1), 412(l)(6), or 412(l)(9).

**Line 1d(2)(d).—Expected Release from "RPA '94" Current Liability for the Plan Year.**— If applicable, enter the expected release from "RPA '94" current liability on account of disbursements (including single sum distributions) from the plan expected to be paid after the valuation date but prior to the end of the plan year (see also Q&A-7 of Rev. Rul. 96-21). This line is applicable if the employer has elected the Transition Rule of Code section 412(l)(11) for the plan year.

**Line 1d(3)(c).—Expected Release from "OBRA '87" Current Liability for the Plan Year.**— If applicable, enter the expected release from "OBRA '87" current liability on account of disbursements (including single sum distributions) from the plan expected to be paid after the valuation date but prior to the end of the plan year (see also Q&A-7 of Rev. Rul. 96-21).

**Line 1d(4).—Expected Plan**

**Disbursements.**— Enter the amount of plan disbursements expected to be paid for the plan year (plans for which the Transition Rule of section 412(l)(11) is being elected, see also Q&A-8 of Rev. Rul. 96-21).

**Line 2.**— All entries must be reported as of the beginning of the 1996 plan year. Lines 2a and 2b should include all assets and liabilities under the plan except for assets and liabilities attributable to: (1) rollover amounts or other amounts in individual accounts that are not available to provide defined benefits, or (2) benefits for which an insurer has made an irrevocable commitment as defined in 29 CFR 4001.2.

**Line 2a.—Current Value of Assets.**— Enter the current value of net assets as of the first day of the plan year. Except for plans with excluded assets as described above, this entry should be the same as reported on the 1996 Form 5500 (line 31, column (a)), 5500-C (line 27k, column (a)), or 5500-R (line 13c), or, alternatively, the 1995 Form 5500-EZ (line 8a: total assets on the last day of the prior year). Note that contributions designated for the 1996 plan year are not included on those lines.

**Line 2b.—"RPA '94" Current Liability (beginning of year).**— Enter the "RPA '94" current liability as of the first day of the plan year. Do not include the expected increase in current liability due to benefits accruing during the plan year. See the instructions for lines 1d(2)(a) and 1d(3)(a) for actuarial assumptions used in determining "RPA '94" current liability.

Column (1)—Enter the number of participants and beneficiaries as of the beginning of the plan year. If the current liability figures are derived from a valuation that follows the first day of the plan year, the participant and beneficiary count entries should be derived from the counts used in that valuation in a manner consistent with the derivation of the current liability reported in columns (2) and (3).

Column (2)—Include only the portion of the current liability attributable to vested benefits.

Column (3)—Include the current liability attributable to all benefits, both vested and nonvested.

**Line 2c.**— This calculation is required under ERISA section 103(d)(11). Do not complete if line 2a divided by line 2b(4), column (3), is 70% or greater.

**Line 3.—Contributions Made to Plan.**

Show all employer and employee contributions for the plan year. Include employer contributions made not later than 2½ months (or the later date allowed under Code section 412(c)(10) and ERISA section 302(c)(10)) after the end of the plan year. Show only contributions actually made to the plan by the date Schedule B is signed. Certain employer contributions must be made in quarterly installments; see Code section 412(m). Note that contributions that are made to meet the liquidity requirement of Code section 412(m)(5) should be reported.

Add the amounts in both columns (b) and (c) and enter both results on the total line. All contributions must be credited toward a particular plan year.

**Line 4a.—Quarterly Contributions.**— In accordance with "RPA '94", only plans that have a funded current liability percentage (as provided in Rev. Rul. 95-31, 1995-1 C.B. 76) for the preceding plan year of less than 100 percent are subject to the quarterly contribution requirement of Code section 412(m) and ERISA section 302(e). For 1996, the funded current liability percentage for the preceding plan year is equal to line 1b(2) (actuarial value of assets) divided by line 1d(2)(a) ("RPA '94"

current liability), both lines as reported on the 1995 Schedule B (Q&A-3,4 and 5 of Rev. Rul. 95-31, also provide guidance on this computation).

**Line 4b.**— Multiemployer plans, plans with funded current liability percentages (as provided in Code section 412(m)(1)) of 100 percent or more for the preceding plan year, and plans that on every day of the preceding plan year had 100 or fewer participants (as defined under **Who Must File**) are not subject to the liquidity requirement of Code section 412(m)(5) and ERISA section 302(e)(5) and should not complete this line. See Q&A's 7 through 17 of Rev. Rul. 95-31 for guidance on the liquidity requirement. Note that a certification by the enrolled actuary must be attached if the special rule for nonrecurring circumstances is used (see Code section 412(m)(5)(E)(ii)(II) and Q&A-13 of Rev. Rul. 95-31).

If the plan has a liquidity shortfall for any quarter of the plan year (see Q&A-10 of Rev. Rul. 95-31), enter the amount of the liquidity shortfall for each such quarter. If the plan was subject to the liquidity requirement, but did not have a liquidity shortfall, enter zero. File Form 5330 with the IRS to pay the 10% excise tax(es) if there is a failure to pay the liquidity shortfall by the required due date, unless a waiver of the 10% tax under Code section 4971(f) has been granted.

**Line 5.—Actuarial Cost Method.**— Enter only the primary method used. If the plan uses one actuarial cost method in one year as the basis of establishing an accrued liability for use under the frozen initial liability method in subsequent years, answer as if the frozen initial liability method was used in all years. The projected unit credit method is included in the "Accrued benefit (unit credit)" category of line 5c. If a method other than a method listed in lines 5a through 5g is used, check the box for line 5h and specify the method. For example, if a modified individual level premium method for which actuarial gains and losses are spread as a part of future normal cost is used, check the box for 5h and describe the cost method. For the shortfall method, check the appropriate box for the underlying actuarial cost method used to determine the annual computation charge.

Changes in funding methods include changes in actuarial cost method, changes in asset valuation method, and changes in the valuation date of plan costs and liabilities or of plan assets. Changes in the funding method of a plan include not only changes to the overall funding method used by the plan but also changes to each specific method of computation used in applying the overall method. Generally, these changes require IRS approval. If the change was made pursuant to Rev. Proc. 95-51, 1995-2 C.B. 430, check "yes" in line 5j. If approval was granted by either an individual ruling letter or a class ruling letter for this plan, enter the date of the applicable ruling letter in line 5k. Note that the plan sponsor's agreement to a change in funding method (made pursuant to Rev. Proc. 95-51) should be reported on line 19 of Form 5500 and Form 5500-C/R.

**Line 6.—Actuarial Assumptions.**— If gender-based assumptions are used in developing plan costs, enter those rates where appropriate in line 6. Note that requests for gender-based cost information do not suggest that gender-based benefits are legal. If unisex tables are used, enter the values in both "Male" and "Female" lines. Complete all blanks. Enter "N/A" if not applicable.

Attach a statement of actuarial assumptions (if not fully described by line 6), and actuarial methods used to calculate the figures shown in lines 1 and 9 (if not fully described by line 5).

Also attach a summary of the principal eligibility and benefit provisions on which the valuation was based, an identification of benefits not included in the valuation, a description of any significant events that occurred during the year, a summary of any changes in principal eligibility or benefit provisions since the last valuation, a description (or reasonably representative sample) of plan early retirement factors, and any change in actuarial assumptions or cost methods and justifications for any such change (see section 103(d) of ERISA).

Also, include any other information needed to fully and fairly disclose the actuarial position of the plan.

**Line 6a(1).—“RPA '94” Current Liability Interest Rate.**— Enter the interest rate used to determine “RPA '94” current liability. For plan years beginning in 1996, the interest rate used must not fall outside the corridor of 90% to 108% of the weighted average interest rate (See Code section 412(l)(7)(C)(i)). The rate used must be in accordance with the guidelines issued by the IRS. See Notice 90-11 and Rev. Rul. 96-21. Enter rate to the nearest .01 percent.

**Line 6a(2).—“OBRA '87” Current Liability Interest Rate.**— Enter the interest rate used to determine “OBRA '87” current liability. The interest rate used must not fall outside the corridor of 90% to 110% of the weighted average interest rate. The rate used must be in accordance with the guidelines issued by the IRS. See Notice 90-11 and Rev. Rul. 96-21. Enter rate to the nearest .01 percent.

**Line 6b.—Weighted Average Retirement Age.**— If each participant is assumed to retire at his/her normal retirement age, enter the age specified in the plan as normal retirement age. If the normal retirement age differs for individual participants, enter the age that is the weighted average normal retirement age; do not enter “NRA.” Otherwise, enter the assumed retirement age. If the valuation uses rates of retirement at various ages, enter the nearest whole age that is the weighted average retirement age. On an attachment to Schedule B, list the rate of retirement at each age and describe the methodology used to compute the weighted average retirement age, including a description of the weight applied at each potential retirement age.

**Line 6c.**— Check “Yes,” if the rates in the contract were used (e.g., purchase rates at retirement).

**Line 6d.—Mortality Table.**— The 1983 G.A.M. mortality table published in Rev. Rul. 95-28 must be used in the calculation of “RPA '94” current liability for non-disabled lives. The 1983 G.A.M. mortality table published in Rev. Rul. 96-7 must be used in the calculation of “RPA '94” current liability for disabled lives. Enter the mortality table code for non-disabled lives used for “OBRA '87” current liability (see instructions for lines 1d(2)(a) and 1d(3)(a)) and for valuation purposes as follows:

Mortality Table	Code
1951 Group Annuity .....	1
1971 Group Annuity Mortality (G.A.M.) .....	2
1971 Individual Annuity Mortality (I.A.M.) .....	3
UP-1984 .....	4
1983 I.A.M. ....	5
1983 G.A.M. ....	6
1983 G.A.M. (solely per Rev. Rul. 95-28) .....	7
UP-1994 .....	8
Other .....	9
None .....	0

Code 6 includes all sex-distinct versions of the 1983 G.A.M. table other than the table published in Rev. Rul. 95-28. Thus, for

example, Code 6 also would include the 1983 G.A.M. male-only table used for males, where the 1983 G.A.M. male-only table with a 6-year setback is used for females. Code 9 includes mortality tables other than those listed in Codes 1 through 8, including any unisex version of the 1983 G.A.M. table including the table published by the Service in Rev. Rul. 95-6, 1995-1 C.B. 80.

Where an indicated table consists of separate tables for males and females, add F to the female table (e.g., 1F). When a projection is used with a table, follow the code with “P” and the year of projection (omit the year if the projection is unrelated to a single calendar year); the identity of the projection scale should be omitted. When an age setback or set forward is used, indicate with “-” or “+” and the number of years. For example, if for females the 1951 Group Annuity Table with Projection C to 1971 is used with a 5-year setback, enter “1P71-5.” If the table is not one of those listed, enter “9” with no further notation. If the valuation assumes a maturity value to provide the post-retirement income without separately identifying the mortality, interest and expense elements, under “post-retirement,” enter on line 6d the value of \$1.00 of monthly pension beginning at the age shown on line 6b, assuming the normal form of annuity for an unmarried person; in this case enter “N/A” on lines 6e and 6f.

**Line 6e.—Valuation Liability Interest Rate.**— Enter the assumption as to the expected interest rate (investment return) used to determine all the calculated values with the exception of current liability and liabilities determined under the alternative funding standard account (see instructions for line 8b). If the assumed rate varies with the year, enter the weighted average of the assumed rate for 20 years following the valuation date. Enter rates to the nearest .01 percent.

**Line 6f.—Expense Loading.**— If there is no expense loading, enter -0-. For instance, there would be no expense loading attributable to investments if the rate of investment return on assets is adjusted to take investment expenses into account. If there is a single expense loading not separately identified as pre-retirement or post-retirement, enter it under pre-retirement and enter “N/A” under post-retirement. Where expenses are assumed other than as a percentage of plan costs or liabilities, enter the assumed pre-retirement expense as a percentage of the plan’s normal cost, and enter the post-retirement expense as a percentage of plan liabilities. If the normal cost of the plan is zero, enter the assumed pre-retirement expense as a percentage of the sum of the lines 9c(1) and 9c(2), minus line 9j. Enter rates to the nearest .1 percent.

**Line 6g.—Annual Withdrawal Rates.**— Enter rates to the nearest .01 percent. Enter the rate assumed for a new entrant to the plan at the age shown. Enter “S” before the rate if that rate is different for participants with the same age but longer service. Enter “U” before the rate if all participants of that age are assumed to experience the same withdrawal rates, regardless of service. Enter “C” before the rate if criteria other than service apply to the rates used.

**Line 6h.—Salary Scale.**— If a uniform level annual rate of salary increase is used, enter that annual rate. Otherwise, enter the level annual rate of salary increase that is equivalent to the rate(s) of salary increase used. Enter the annual rate as a percentage to the nearest .01 percent, used for a participant from age 25 to assumed retirement age. If the plan’s benefit formula is not related to compensation, enter N/A.

**Line 6i.—Estimated Investment Return.**— Enter the estimated rate of return on the actuarial value of plan assets for the 1-year period ending on the valuation date. For this purpose, the rate of return is determined by using the formula  $2I/(A + B - I)$ , where I is the dollar amount of the investment return under the asset valuation method used for the plan, A is the actuarial value of the assets one year ago, and B is the actuarial value of the assets on the current valuation date. Enter rates to the nearest .1 percent, with negative amounts in parentheses.

**Note:** Use the above formula even if the actuary feels that the result of using the formula does not represent the true estimated rate of return on the actuarial value of plan assets for the 1-year period ending on the valuation date. The actuary may attach a statement showing both the actuary’s estimate of the rate of return and the actuary’s calculations of that rate.

**Line 7.—New Amortization Bases Established.**— List all new amortization bases established in the current plan year (prior to the combining of bases, if bases were combined). Use the following table to indicate the type of base established, and enter the appropriate code under “Type of Base.” Put negative numbers (i.e., credit bases) in parentheses (e.g., (\$20,000)). List amortization bases and charges and/or credits as of the valuation date. Bases that are considered fully amortized because there is a credit for the plan year on line 9l(4) should be listed.

Code	Type of Amortization Base
1	Experience gain or loss
2	Shortfall gain or loss
3	Change in unfunded liability due to plan amendment
4	Change in unfunded liability due to change in actuarial assumptions
5	Change in unfunded liability due to change in actuarial cost method
6	Waiver of the minimum funding standard
7	Switchback from alternative funding standard account
8	Initial unfunded liability (for new plan)
9	150% current liability full funding limitation base

**Line 8a.—Funding Waivers or Extensions.**— If a funding waiver or extension request is approved after the Schedule B is filed, an amended Schedule B should be filed with Form 5500 to report the waiver or extension approval (also see instructions for line 9m(1)).

**Line 8b.—Alternative Methods or Rules.**— Enter the appropriate code from the table below if one or more of the alternative methods or rules were used for this plan year.

Code	Method or Rule
1	Shortfall method
2	Alternative funding standard account (AFSA)
3	Shortfall method used with AFSA
4	Plan is in reorganization status
5	Shortfall method used when in reorganization status

**Shortfall Method:** Only certain collectively bargained plans may elect the shortfall funding method (see regulations under Code section 412). Advance approval from the IRS for the election of the shortfall method of funding is NOT required if it is first adopted for the first plan year to which Code section 412 applies. However, advance approval from the IRS is required if the shortfall funding method is adopted at a later time, if a specific computation method is changed, or if the shortfall method is discontinued.

**Alternative Minimum Funding Standard Account:** A worksheet must be attached if the alternative minimum funding standard account is used. The worksheet should show:

**Line 8c—Schedule of Active Participant Data**

Attained Age	YEARS OF CREDITED SERVICE						40 & up
	Under 1		1 to 4		5 to 9		
	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	
Under 25							
25 to 29							
30 to 34							
35 to 39							
40 to 44							
45 to 49							
50 to 54							
55 to 59							
60 to 64							
65 to 69							
70 & up							

- The prior year alternate funding deficiency (if any).
- Normal cost.
- Excess, if any, of the value of accrued benefits over the market value of assets.
- Interest on 1, 2, and 3 above.
- Employer contributions (total from columns (b) of line 3 of Schedule B.
- Interest on 5 above.
- Funding deficiency: if the sum of 1 through 4 above is greater than the sum of 5 and 6 above, enter the difference.

If the entry age normal cost method was not used as the valuation method, the plan may not switch to the alternative minimum funding standard account for this year. Additionally, in line 3 of the worksheet, the value of accrued benefits should exclude benefits accrued for the current plan year. The market value of assets should be reduced by the amount of any contributions for the current plan year.

**Reorganization Status:** Attach an explanation of the basis for the determination that the plan is in reorganization for this plan year. Also, attach a worksheet showing for this plan year:

- The amounts considered contributed by employers,
- Any amount waived by the IRS,
- The development of the minimum contribution requirement (taking into account the applicable overburden credit, cash-flow amount, contribution bases and limitation on required increases on the rate of employer contributions), and
- The resulting accumulated funding deficiency, if any, which is to be reported on line 9p.

**Line 8c.**— All multiemployer plans check "No". Plans other than multiemployer plans check "Yes" only if the plan is covered by Title IV of ERISA.

If line 8c is "Yes" attach a schedule of the active plan participant data used in the valuation for this plan year. Use the same size paper as the Schedule B and the format shown above and label the schedule "Line 8c—Schedule of Active Participant Data."

Expand this schedule by adding columns after the "5 to 9" column and before the "40 & up" column for active participants with total years of credited service in the following ranges: 10 to 14; 15 to 19; 20 to 24; 25 to 29; 30 to 34; and 35 to 39. For each column, enter the number of active participants with the

specified number of years of credited service divided according to age group. For participants with partial years of credited service, round the total number of years of credited service to the next lower whole number.

Plans reporting 1,000 or more active participants on line 2b(3) must also provide average compensation data. For each grouping, enter the average compensation of the active participants in that group. For this purpose, compensation is the compensation taken into account for each participant under the plan's benefit formula, limited to the amount defined under section 401(a)(17) of the Code. Years of credited service are the years credited under the plan's benefit formula. Do not enter the average compensation in any grouping that contains fewer than 20 participants.

If the plan is a multiple-employer plan, complete one or more schedules of active-participant data in a manner consistent with the computations for the funding requirements reported on line 9. See the specific instructions for **Lines 9a through 9q**. For example, if the funding requirements are computed as if each participating employer maintained a separate plan, attach a separate schedule for each participating employer in the multiple-employer plan.

**Line 9.—Shortfall Method.**— Under the shortfall method of funding, the normal cost in the funding standard account is the charge per unit of production (or per unit of service) multiplied by the actual number of units of production (or units of service) that occurred during the plan year. Each amortization installment in the funding standard account is similarly calculated.

**Lines 9a through 9q.—Multiple Employer Plans.**— If the plan is a multiple employer plan subject to the rules of Code section 413(c)(4)(A) for which minimum funding requirements are to be computed as if each employer were maintaining a separate plan, complete one Schedule B for the plan. Also submit an attachment completed in the same format as lines 9a through 9q showing, for this plan year, for each individual employer maintaining the plan, the development of the minimum contribution requirement (taking into account the applicable normal cost, amortization charges and credits, and all other applicable charges or credits to the funding standard account that would apply if the employer were maintaining a separate plan).

Compute the entries on Schedule B, except for the entries on lines 9a, 9h, 9o, and 9p, as the sum of the appropriate individual amounts computed for each employer. Compute the entry on line 9a as the sum of the prior year's funding deficiency, if any, for each individual employer and the entry on line 9p as the sum of the separately computed funding deficiency, if any, for the current year for each employer. Credit balance amounts on lines 9h and line 9o are separately computed in the same manner. (Note that it is possible for the Schedule B to show both a funding deficiency and a credit balance for section 413(c) plans. This could not appear for other plans.)

**Lines 9c and 9j.—Amortization Charges and Credits.**— If there are any amortization charges or credits, attach a maintenance schedule of funding standard account bases. The attachment should clearly indicate the type of base (i.e., original unfunded liability, amendments, actuarial losses, etc.), the outstanding balance of each base, the number of years remaining in the amortization period, and the amortization amount. If bases were combined in the current year, the attachment should show information on bases both prior to and after the combining of bases.

The outstanding balance and amortization charges and credits must be calculated as of the valuation date for the plan year.

**Line 9c(1).—150% Current Liability Full Funding Limitation Base.**— If a credit was entered on line 9l(5) on the prior year's Schedule B, establish a new base equal to the amount of the credit (increased with interest to the current valuation date at the valuation rate) and amortize the base over a 10-year period at the valuation rate.

**Line 9c(2).**— Amortization for funding waivers must be based on the interest rate provided in Code section 412(d) ("mandated rate").

**Line 9d.—Interest as Applicable.**— Interest as applicable should be charged to the last day of the plan year. The mandated rates must be used when calculating interest on any amortization charges for funding waivers.

**Line 9e.**— If the funded current liability percentage for the preceding year reported in line 4a is at least 100%, quarterly contributions are not required for the current plan year.

Interest is charged for the entire period of underpayment. Refer to IRS Notice 89-52, 1989-1 C.B. 692, for a description of how this amount is calculated.

**Note:** Notice 89-52 was issued prior to the amendment of section 412(m)(1) by the Revenue Reconciliation Act of 1989. Rather than using the rate in the Notice, the applicable interest rate for this purpose is the greater of:

- 175% of the Federal mid-term rate at the beginning of the plan year, or
- The rate used to determine the "RPA '94" current liability.

All other descriptions of the additional interest charge contained in Notice 89-52 still apply.

**Line 9f.**— Enter the required additional funding charge from line 12u. Enter "N/A" if line 12 is not applicable.

**Line 9h.**— Note that the credit balance or funding deficiency at the end of "Year X" should be equal to the credit balance or funding deficiency at the beginning of "Year X+1." If such credit balances or funding deficiencies are not equal, attach an explanation. For example, if the difference is because contributions for a prior year which were not previously reported are received this plan year, attach a listing of the amounts and dates of such contributions.

**Line 9l(1).—ERISA Full Funding Limitation.**— Instructions for this line are reserved pending published guidance.

**Line 9l(2).—150% Current Liability Full Funding Limitation.**— Instructions for this line are reserved pending published guidance.

**Line 9l(3).—“RPA '94” Override.**— Instructions for this line are reserved pending published guidance.

**Line 9l(4).—Full Funding Credit before reflecting “OBRA '87” Full Funding Limitation.**— Enter the excess of (1) the accumulated funding deficiency, disregarding the credit balance and contributions for the current year, if any, over (2) the greater of lines 9l(1) or 9l(3).

**Line 9l(5).—Additional Credit due to “OBRA '87” Full Funding Limitation.**— Enter (1) the excess, if any, of the accumulated funding deficiency, disregarding the credit balance and contributions for the current plan year, over the greater of lines 9l(2) or 9l(3), minus (2) the amount in line 9l(4). If the result is negative, enter zero.

**Line 9m(1).—Waived Funding Deficiency Credit.**— Enter a credit for a waived funding deficiency for the current plan year (Code section 412(b)(3)(C)). If a waiver of a funding deficiency is pending, report a funding deficiency. If the waiver is granted after Form 5500 is filed, file Form 5500 with an amended Schedule B to report the funding waiver.

**Line 9m(2).—Other Credits.**— Enter a credit in the case of a plan for which the accumulated funding deficiency is determined under the funding standard account if such plan year follows a plan year for which such deficiency was determined under the alternative minimum funding standard.

**Line 9q.—Reconciliation Account.**— The reconciliation account is made up of those components that upset the balance equation of Income Tax Regulations section 1.412(c)(3)-1(b). Valuation assets should not be adjusted by the reconciliation account balance when computing the required minimum funding.

**Line 9q(1).**— The accumulation of additional funding charges for prior plan years must be included. Enter the sum of line 9q(1) (increased with interest at the valuation rate to the first day of the current plan year) and line 9f, both from the prior year's Schedule B (Form 5500).

**Line 9q(2).**— The accumulation of additional interest charges due to late or unpaid quarterly installments for prior plan years must be included. Enter the sum of line 9q(2) (increased with interest at the valuation rate to the first day of the current plan year) and line 9e, both from the prior year's Schedule B (Form 5500).

**Line 9q(3)(a).**— If a waived funding deficiency is being amortized at an interest rate that differs from the valuation rate, enter the prior year's "reconciliation waiver outstanding balance" increased with interest at the valuation rate to the current valuation date and decreased by the year end amortization amount based on the mandated interest rate. Enter the amounts as of the valuation date.

**Line 9q(4).**— Enter the sum of lines 9q(1), 9q(2), and 9q(3)(b) (each adjusted with interest at the valuation rate to the current valuation date, if necessary).

**Note:** *The net outstanding balance of amortization charges and credits minus the prior year's credit balance minus the amount on line 9q(4) (each adjusted with interest at the valuation rate, if necessary) must equal the unfunded liability.*

**Line 10.—Contribution Necessary to Avoid Deficiency.**— Enter the amount from line 9p. However, if the alternative funding standard account is elected and the accumulated

funding deficiency under that method is smaller than line 9p, enter such amount (also see instructions for line 8b). For multiemployer plans in reorganization, see the instructions for line 8b. File Form 5330 with the IRS to pay the 10% excise tax (5% in the case of a multiemployer plan) on the funding deficiency.

**Line 11.**— In accordance with ERISA section 103(d)(3), attach a justification for any change in actuarial assumptions for the current plan year. The preceding sentence applies for all plans.

The following instructions are applicable only to changes in current liability assumptions for plans (other than multiemployer plans) subject to Title IV of ERISA which resulted in a decrease in the unfunded current liability (UCL). If the current liability assumptions (other than a change in the assumptions required under Code section 412(l)(7)(C)) were changed for the current plan year and such change resulted in a decrease in UCL, approval for such a change may be required. However, if one of the following three conditions is satisfied with respect to a change in assumptions for a plan year, then the plan sponsor is not required to obtain approval from the IRS for such change(s):

**Condition 1: Aggregate Unfunded Vested Benefits**

The aggregate unfunded vested benefits as of the close of the plan year preceding the year in which assumptions were changed (as determined under section 4006(a)(3)(E)(iii) of ERISA) for the plan, and all other plans maintained by contributing sponsors (as defined in section 4001(a)(13) of ERISA) and members of such sponsor's controlled group (as defined in section 4001(a)(14) of ERISA) which are covered by Title IV of ERISA (disregarding plans with no unfunded vested benefits) is less than or equal to \$50 million.

**Condition 2: Amount of Decrease in UCL**

The change in assumptions (other than a change required under Code section 412(l)(7)(C)) resulted in a decrease in the UCL of the plan for the plan year in which the assumptions were changed of less than or equal to \$5 million.

**Condition 3: Amount of Decrease in UCL, and CL Before Change in Assumptions**

Although the change in assumptions (other than a change required under Code section 412(l)(7)(C)) resulted in a decrease in the UCL of the plan for the plan year in which the assumptions were changed which was greater than \$5 million and less than or equal to \$50 million, the decrease was less than five percent of the current liability of the plan before such change.

If the current liability assumptions for the plan have been changed, and such change requires approval of the Service, enter on an attachment the date(s) of the ruling letter(s) granting approval.

If the current liability assumptions for the plan have been changed, and such change would have required approval in the absence of satisfaction of one of the conditions outlined above, enter on an attachment the number of the applicable condition and the plan year for which it applies. If condition 1 or 2 applies, also enter the amount of the decrease in UCL. Note that only one of the conditions needs to be entered.

## Specific Instructions for Part II

**Line 12.—Additional Required Funding Charge.**— There is no additional funding charge for plans that have 100 or fewer participants in the prior plan year (as defined

under **Who Must File**). Do not complete Part II for such plans.

**Line 12a.**— A plan's "Gateway %" is equal to the actuarial value of assets (line 1b(2)), unreduced by any credit balance) divided by the current liability computed with the highest allowable interest rate (line 1d(2)(c)). If line 1d(2)(c) is not completed in accordance with instructions for that line, use "RPA '94" current liability reported on line 1d(2)(a). There is no additional funding charge for plan years beginning in 1996 if the "Gateway %" is at least 90%. In such case, enter -0- on line 12u. There is no additional funding charge for plan years beginning in 1996 if (a) the "Gateway %" is at least 80% but less than 90%, and (b) for any two plan years beginning in 1992, 1993, and 1994 at least one of the following four conditions is met (in such case, enter -0- on line 12u):

Condition Code	Condition
1	The full funding limitation was equal to zero.
2	The plan had no additional funding requirement as defined in Code section 412(l).
3	The plan would have had no additional funding requirement as defined in Code section 412(l) if current liability were computed using the highest allowable current liability interest rate for such year, and without reducing the assets by the credit balance.
4	The plan's additional funding requirement did not exceed the lesser of (a) 1/2 of 1% of current liability as reported in line 13a of the Schedule B of the applicable year, or (b) \$5,000,000.

Also, there is no additional funding charge for plan years beginning in 1996 if (a) the "Gateway %" (for 1996) is at least 80% but less than 90%, (b) the "Gateway %" for the plan year beginning in 1995 was at least 90%, and (c) at least one of the four conditions listed above is met for the plan year beginning in 1994. If the previous sentence applies, enter the appropriate condition code (from the four condition codes listed above) for the 1994 plan year, enter "5" as a condition code for the 1996 plan year, and enter -0- on line 12u.

**Line 12c.**— Enter the actuarial value of assets (line 1b(2)), reduced by the prior year's credit balance (line 9h). If line 9h was determined at a date other than the valuation date, adjust the credit balance for interest at the valuation rate to the current valuation date before subtracting. Do not add a prior year's funding deficiency to the assets.

**Line 12d.—Current Liability Percentage.**— Enter the actuarial value of the assets expressed as a percentage of "RPA '94" current liability. Enter the result to the nearest .01% (e.g., 28.72%).

**Line 12f.**— Enter the liability for any unpredictable contingent event (other than events that occurred before the first plan year beginning after 1988) that was included in line 12b, whether or not such unpredictable contingent event has occurred.

**Line 12g.**— Enter the outstanding balance of the unfunded old liability as of the valuation date. This is line 12(g)(3) of the 1995 Schedule B reduced by the prior year's amortization amount, and adjusted for interest at the prior year's current liability interest rate from the prior year's valuation date to the current valuation date. The unfunded old liability for 1996 includes the DRC base, if any, established by a plan for the 1995 plan year. The unfunded old liability (and therefore all its components) will be considered fully amortized in accordance with Q&A-7 of Rev. Rul. 96-20, 1996-1 C.B. 62.

**Note:** *In the case of a collectively bargained plan, this amount must be increased by the unamortized portion of any "unfunded existing*

benefit increase liability" in accordance with Code section 412(l)(3)(C).

**Line 12h.**— This amount is the unfunded new liability. It is recomputed each year. If a negative result is obtained, enter zero.

**Line 12i.**— If the unfunded new liability is zero, enter zero for the unfunded new liability amount. If the unfunded new liability is greater than zero, first calculate the amortization percentage as follows:

1. If the funded current liability percentage (line 12d) is less than or equal to 60%, the amortization percentage is 30%.
2. If the current liability percentage exceeds 60%, the amortization percentage is determined by reducing 30% by the product of 40% and the amount of such excess. Enter the resulting amortization percentage to the nearest 0.01 percent.

The unfunded new liability amount is equal to the above-calculated percentage of the unfunded new liability.

**Line 12j.**— Enter the amortization amount for line 12g based on the "RPA '94" current liability interest rate (line 6a(1)) in effect for the plan year and the following amortization period:

**In general:** For the 1996 plan year, the remaining amortization period is 11 years.

**Special rule:** In the case of a collectively bargained plan, the amortization amount must be increased by the amortization of any "unfunded existing benefit increase liability" in accordance with Code section 412(l)(3)(C)(ii). For any such amortization, the amortization period is equal to the remainder of the original 18-year period that applied when the amortization began.

**Base maintenance:** On a separate attachment, show the initial amount of each DRC amortization base (as defined in Rev. Rul. 96-20) being amortized under the general or special rule, the outstanding balance of each DRC amortization base, the number of years remaining in the amortization period, and the amortization amount (with the valuation date as the due date of the amortization amount). It is not necessary to separately list the unfunded old liability base and the additional unfunded old liability base. Do not enter base maintenance required for line 13 here. See instructions for line 13(i) only if applicable.

**Line 12l.**— Enter the result determined by subtracting the amortization credits (line 9j) from the sum of the normal cost and the amortization charges (lines 9b, 9c(1) and 9c(2)). Use the valuation date as the due date for the amortization amounts. A negative result should be entered in parentheses.

**Note:** Any amortization installments established under Code section 412(b) for plan years beginning after December 31, 1987, and before January 1, 1993, by reason of nonelective changes under the frozen initial liability method shall not be included in the calculation of the offset for the first 5 plan years beginning after December 31, 1994.

**Line 12m.—Unpredictable Contingent Event Amount.**— Line 12m does not apply to the unpredictable contingent event benefits (and related liabilities) for an event that occurred before the first plan year beginning after December 31, 1988.

**Line 12m(1).**— Enter the total of all benefits paid during the plan year that were paid solely because an unpredictable event occurred.

**Line 12m(5).—Amortization of All Unpredictable Contingent Event Liabilities.**— Amortization should be based on the "RPA '94" current liability interest rate (line 6a(1)), using the valuation date as the due date. The initial amortization period for each

base established in a plan year is generally 7 years, however see Code section 412(l)(5) for special rules.

**Note:** An alternative calculation of an unpredictable contingent amount is available for the first year of amortization. Refer to Code section 412(l)(5)(D) for a description. If this alternative calculation is used, include an attachment describing the calculation.

**Line 12m(6).—"RPA '94" Additional Amount.**— Subtract line 12g from line 12e. If the result is zero or less than zero, enter -0-. If the result is a positive number, multiply the result by the percentage used to calculate line 12i. Enter the excess, if any, of this amount over the amount on line 12i.

**Line 12n.—Preliminary charge.**— Adjust with interest using the "RPA '94" current liability interest rate.

**Line 12o.—Contributions needed to increase current liability percentage to 100%.**— This amount is calculated in the same manner as the "target amount" except that 100 percent is substituted for the "target percentage" (see Announcement 96-18, 1996-15 I.R.B. 15). Instructions for computing the target amount are provided at line 14c.

**Lines 12q, 12r, and 12s.**— Complete only the one applicable line.

**Line 12u.**— If the plan had 150 or more participants on each day of the preceding plan year, enter 100%. If the plan had less than 150 participants but more than 100 participants on each day of the preceding plan year, enter the applicable percentage. The same participant aggregation rule described in the instructions for line 12 applies. The applicable percentage is calculated as follows: (1) Determine the greatest number of participants on any day during the preceding plan year in excess of 100. (2) The applicable percentage is 2% times the number of such participants in excess of 100. The percentage should not exceed 100%. The amount on line 12u is also the amount entered on line 9f.

**Line 13.—Additional Funding Charge under Prior Law (for Use with the Optional and/or Transition Rules).**— The line is completed if the plan sponsor elected in 1995 to use the Optional rule under Code section 412(l)(3)(E) or is using the Transition rule under Code section 412(l)(11) in 1996. Do not complete line 13 for plans that are not subject to section 412(l) in 1996 (i.e., plans that entered zero on line 12u immediately after completing the Gateway % in line 12a). All calculations in line 13 must be done using the law pertaining to the additional funding charge as it existed prior to "RPA '94" (see Q&A-9 of Rev. Rul. 96-21).

**Line 13a.**— Enter the "OBRA '87" current liability as of the valuation date.

**Line 13b.**— Enter the actuarial value of assets (line 1b(2)), reduced by the prior year's credit balance (line 9h). If line 9h was determined at a date other than the valuation date, adjust the credit balance for interest at the valuation rate to the current valuation date before subtracting. Do not add a prior year's funding deficiency to the assets.

**Line 13c.**— Enter the adjusted actuarial value of assets expressed as a percentage of current liability. Round off to two decimal places (e.g., 59.41%).

**Line 13e.**— Enter the outstanding balance of the unfunded old liability as of the valuation date. To compute the outstanding balance, lines 13e and 13i from the 1995 Schedule B should be used.

**Line 13f.**— Enter the liability for any unpredictable contingent event benefit that was included on line 13a, whether or not such event has occurred.

**Line 13g.**— This amount is the unfunded new liability. It will be recalculated each year. If the result is negative, enter -0-.

**Line 13h.**— If the unfunded new liability is zero, enter -0- for the unfunded new liability amount. If the unfunded new liability is greater than zero, first calculate the amortization percentage as follows:

1. If the funded current liability percentage (line 13c) is less than or equal to 35%, the amortization percentage is 30%.
2. If the funded current liability percentage exceeds 35%, the amortization percentage is determined by reducing 30% by the product of 25% and the amount of such excess. Enter the resulting amortization percentage to the nearest 0.01 percent.

The unfunded new liability amount is equal to the above-calculated percentage of the unfunded new liability.

**Line 13i.**— Enter the amortization of the outstanding balance of the unfunded old liability as of the valuation date (line 13e). In the case of a collectively bargained plan, the unfunded old liability amount to enter on line 13i must include the amortization of any unfunded existing benefit increase liability calculated in accordance with Code section 412(l)(3)(C)(ii). On a separate attachment, show the breakdown of the various liabilities being amortized, the outstanding balance of each liability, the number of years remaining in the amortization period, and the amortization amount.

Any such amortization amount must be determined based on:

1. The "OBRA '87" current liability interest rate in effect at the beginning of the plan year, and
2. The valuation date as the due date of the amortization payment.

The amortization period must be the remainder of the original 18-year period that applied when the amortization began.

Any such amortization amount must be redetermined each year based on the outstanding balance (line 13e). If the plan becomes fully funded on a current liability basis, the unfunded old liability (including any liability arising from collectively bargained plans) will be considered fully amortized (see Q&A-7 of Rev. Rul. 96-20).

**Line 13j.—Deficit Reduction Contribution.**— Enter the sum of lines 13h and 13i. This amount is the deficit reduction contribution at the valuation date.

**Line 13k.**— When entering the net amortization amounts for certain bases include only charges (included on line 9c) and credits (included on line 9j) attributable to original unfunded liability, amendments, funding waivers, and charges resulting from a "switchback" from the alternative minimum account to the funding standard account.

If a base resulted from combining and/or offsetting pre-existing bases among which were bases not designated in the preceding paragraph, and such base was not uncombined in 1989 in accordance with Announcement 90-87, 1990-30 I.R.B. 23, then such resulting base may not be included in this line 13k.

**Line 13l.**— Line 13l does not apply to the unpredictable contingent event benefits (and the attributable liabilities) for an event that occurred before the first plan year beginning after December 31, 1988.

**Line 13l(1).**— Enter the total of all benefits paid during the plan year that were paid solely because the unpredictable contingent event occurred.

**Line 13(5).**— Amortization should be based on the “OBRA ‘87” current liability interest rate and should assume beginning of the year payments for a 7-year period.

**Note:** *Alternative calculation of an unpredictable contingent event amount is available for the first year of amortization. Refer to Code section 412(l)(5)(D) for a description. If this alternative calculation is used, include an attachment describing the calculation.*

**Line 13p.**— Enter the applicable amount of interest, based on the “OBRA ‘87” current liability interest rate, to bring the additional funding charge (line 13o) to the end of the plan year.

**Line 14.—Transition Rule.**— The transition rule of Code section 412(l)(11) provides an alternative method of computing the additional required funding charge. The rule may be elected by the employer as part of Form 5500 in any year up to the year 2001. The charge for a year is the amount necessary to increase the

funded current liability percentage to the target percentage preset for that year, with adjustments to meet the two following conditions: (1) the charge must not be less than the additional funding charge under the law as it existed prior to “RPA ‘94”, and (2) in any event, the charge under the Transition rule must not be greater than the charge under present law (ignoring the effect of the Transition rule).

The transition rule of Code section 412(l)(11) may only be elected by the employer sponsoring an “eligible plan” (see Q&A-2 of Rev. Rul. 96-21).

**Note:** *In accordance with Q&A-2 of Rev. Rul. 96-21, a plan that was not in existence in 1995 is not eligible to use the Transition rule.*

**Line 14b.—Transition Rule Target Percentage.**— If the initial funded current liability percentage, line 14a, is 72% or less, enter the sum of line 14a and 6%. If line 14a is less than or equal to 75% and greater than

72%, enter the sum of (1) 90% of line 14a, and (2) 13.2%. If line 14a is less than 82.78% and greater than 75%, enter the sum of (1) 81% of line 14a, and (2) 19.95%. If line 14a is less than 85% and greater than or equal to 82.78%, enter the sum of (1) 90% of line 14a, and (2) 12.5%. If line 14a is greater than or equal to 85%, enter the sum of line 14a and 4%.

**Line 14c.—Target Amount.**— The target amount is the additional amount necessary to increase the funded current liability percentage to the “target percentage” of line 14b. The target amount is equal to the excess, if any, of the product of line 14b and the “adjusted current liability”, over the “adjusted assets.” The adjusted current liability is computed in accordance with Q&A-7 of Rev. Rul. 96-21, and is equal to the excess of (1) the sum of lines 1d(2)(a) and 1d(2)(b), over (2) line 1d(2)(d), each adjusted to the end of the plan year using the “RPA ‘94” current liability interest rate. The adjusted assets are computed in accordance with Q&A-8 of Rev. Rul. 96-21.