



TAX EXEMPT AND  
GOVERNMENT ENTITIES  
DIVISION

DEPARTMENT OF THE TREASURY  
INTERNAL REVENUE SERVICE  
WASHINGTON, D.C. 20224

201716053

JAN 26 2017

T. EP. RA. A2

RE: Change in Actuarial Assumptions

Taxpayer =

Plan =

EIN: - / PN:

Dear :

This letter constitutes notice that conditional approval has been granted for the change in assumptions as described below. The approval applies for the plan year beginning January 1, . This approval has been granted in accordance with section 430(h)(5) of the Internal Revenue Code (Code) and section 303(h)(5) of the Employee Retirement Income Security Act of 1974. Approval is conditioned on gains and losses being measured annually, by decrement, to assure the accuracy of each Plan assumption.

In granting this approval, we have considered only the acceptability of the proposed assumptions and, as necessary, the methodology by which they were determined. We are not expressing any opinion as to the accuracy or acceptability of any calculation or other material submitted with your request.

Section 430(h)(5) of the Code provides that, subject to certain limits, no actuarial assumption (other than interest rates and mortality assumptions) used to determine the funding target may be changed without approval from the Secretary. According to information submitted with the request, implementing the proposed changes in assumptions exceed the limits provided in section 430(h)(5)(B)(ii) of the Code. Therefore, the Taxpayer is requesting approval before these proposed changes in assumptions are implemented.

The Taxpayer represents that the proposed changes in assumptions are necessary to better reflect expected future behavior and thus enable the liabilities of the Plan to be more accurately measured. The proposed changes are based on an experience study





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### Proposed Form of Payment and Marriage Assumptions

- % of non-cash balance participants are assumed to elect a single life annuity.
- % of non-cash balance participants are assumed to elect a joint and survivor annuity. Eighty five percent of these will receive a Joint and 50% survivor annuity, and fifteen percent of these will receive a Joint and 100% survivor annuity.
- % of participants with a cash balance benefit will elect a single sum distribution of their cash balance benefit.
- % of participants are assumed to be married.

When filing Form 5500 for the plan year beginning January 1, 2015; indicate on line 24 of the Schedule SB by checking the "Yes" box that a change in non-prescribed assumptions has been made for the current year. You should also include a copy of this letter as an attachment to the Schedule SB labeled: "**Schedule SB, line 24 – Change in Non-Prescribed Actuarial Assumptions.**"

This ruling is directed only to the taxpayer that requested it. Section 6110(k)(3) of the Code provides that it may not be used or cited by others as precedent.

This ruling is intended to solely address the issues specifically described above. For any issue not specifically addressed in this ruling, the Plan must satisfy any and all applicable sections of the Code and/or regulations as in effect for the relevant plan year(s).

A copy of this letter is being sent to the Manger of EP Compliance, Manager of EP Classification. If you have any questions regarding this matter, please contact (ID# ) at ( )

Sincerely yours,

David M. Ziegler, Manager  
Employee Plans Actuarial Group 2

Cc: Manager, EP Compliance  
Manager, EP Classification