



Notice 1389

(October 2009)

Changes for the 2008 Instructions for Schedule MB (Form 5500):

- Lines 4a and 4c instructions are modified
- Line 9o instructions are modified

Changes to the 2008 Instructions for Schedule MB (Form 5500), Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information, filed with the Form 5500, Annual Return/Report of Employee Benefit Plan:

Plan sponsors who timely filed a completed and signed 2008 Schedule MB with respect to a plan year beginning before October 1, 2008, by the date that is 30 days after these supplemental instructions were issued will not have to file a revised 2008 Schedule MB if the entries were completed using the instructions originally published. However, if the accumulated reconciliation account reported on line 9o(3) of the filed 2008 Schedule MB was calculated pursuant to the originally published instructions, an attachment will need to be included with the 2009 Schedule MB, when filed, reflecting the corrected accumulated reconciliation account calculated pursuant to the instructions contained in this notice, with an explanation of the change.

Line 4a. Changes to the instructions for line 4a clarify the reporting requirements of a multiemployer plan's certified status in light of the changes made under section 204 of the Worker, Retiree, and Employer Recovery Act of 2008 (WRERA). Multiemployer plans with plan years beginning on or after October 1, 2008, and before January 1, 2009, should follow the revised instructions in this notice when completing line 4a.

Line 4c. Changes to the instructions for line 4c clarify the reporting requirements for scheduled progress under a funding improvement or rehabilitation plan. Instructions for line 4c contained in this notice apply to all plan years beginning in 2008.

Line 9o. The instructions for line 9o are clarified regarding the calculation of the accumulated reconciliation account. Instructions for line 9o contained in this notice apply to all plan years beginning in 2008.

Line 4a — The instructions for line 4a are now as follows:

Enter the code for the status of the multiemployer plan for the plan year, as certified by the plan actuary, using one of the following codes:

Code	Plan Status
E	Endangered Status
S	Seriously Endangered Status
C	Critical Status
N	Not in Endangered Status or Critical Status

Under section 204 of WRERA, for the first plan year beginning during the period October 1, 2008, to September 30, 2009, the sponsor of a multiemployer plan

may elect to treat the plan as being in the same status (that is, endangered, seriously endangered, critical, or not endangered or critical) as for the preceding plan year, regardless of the plan's status as certified by the plan actuary. If an election under section 204 of WRERA has been made for the plan year beginning during the period October 1, 2008 to December 31, 2008, the code entered on the Schedule MB must be based on the actuarial certification of the plan's status, without regard to the WRERA election. The instructions for the Schedule R (Form 5500), as revised in Notice 1388 (October 2009), describe additional information to be provided with respect to a WRERA election.

If the plan is certified to be in endangered status, seriously endangered status, or critical status, attach a copy of the actuarial certification of such status to this Schedule MB. Also attach an illustration showing the details providing support for the actuarial certification of status and label the illustration "**Schedule MB, line 4a – Illustration Supporting Actuarial Certification of Status.**" For example, if a plan is certified to be in critical status based on Code section 432(b)(2)(B), show the funded percentage (if applicable) and the projection of funding to the year where the accumulated funding deficiency occurs.

Line 4c — The instructions for line 4c are now as follows:

Reporting of scheduled progress under a funding improvement or rehabilitation plan does not apply for 2008. Therefore, enter "N/A" on line 4c, or leave line 4c blank.

Line 9o(1) — The instructions for line 9o(1) are now as follows:

If any waived funding deficiency has been amortized at an interest rate that differs from the valuation rate, a reconciliation amount should be maintained. This amount is equal to the difference between (A) the line 9c(2) outstanding balance, and (B) the prior year's "reconciliation waiver outstanding balance" increased with interest at the valuation rate to the current valuation date and decreased by the prior year's end of year amortization amount.

Line 9o(2)(a) — The instructions for line 9o(2)(a) are now as follows:

If an amortization extension is being amortized at an interest rate that differs from the valuation rate, enter the prior year's "reconciliation amortization extension 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 amortization interest rate.

Line 9o(3) — The instructions for line 9o(3) are now as follows:

Enter the sum of lines 9o(1) and 9o(2)(b) (each adjusted with interest at the valuation rate to the current valuation date, if necessary).

