


How to Prepare and File DB Plans using E-Signature

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AGENDA

We will focus on the coordination between the Actuary and the TPA for filing the Schedule SB/MB with the Form 5500/5500-SF using E-Signature

- What's inside an EFAST2 E-Signature Filing
- What the Actuary must provide to the TPA
- Making the process smoother
- Attachments
- Format Requirements for Attachments
- Technical Requirements for Attachments
- Common Errors

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What's Inside an EFAST2 E-Signature Filing?

The filing that is transmitted electronically to EFAST2 must contain the following:

- Data for Form 5500/5500-SF
- All required schedules
- In the format specified by EFAST2 (.xml)
- Required attachments in .pdf or .txt format including
 - PDF file of signed or initialed Schedule SB/MB
 - PDF file of trustee signed 5500/5500-SF

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Workflow - Generic



Anne Actuary

Schedule SB/MB and Attachments in electronic format




Terry TPA

Complete and Signed EFAST Filing



EFAST


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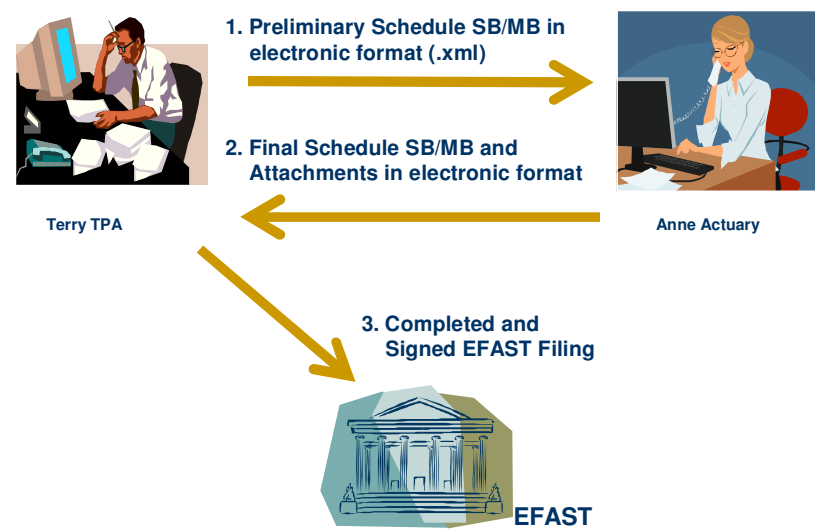
Let the software do the work

- DATAIR's EFAST2 software supports import and export of Schedule SB/MB data
 - TPA and Actuary will need to verify what their forms software supports
 - Vendors are cooperating to make systems interoperable
- Attachments can often be printed directly to PDF rather than printed and scanned
 - Looks more professional to client
 - Smaller file sizes

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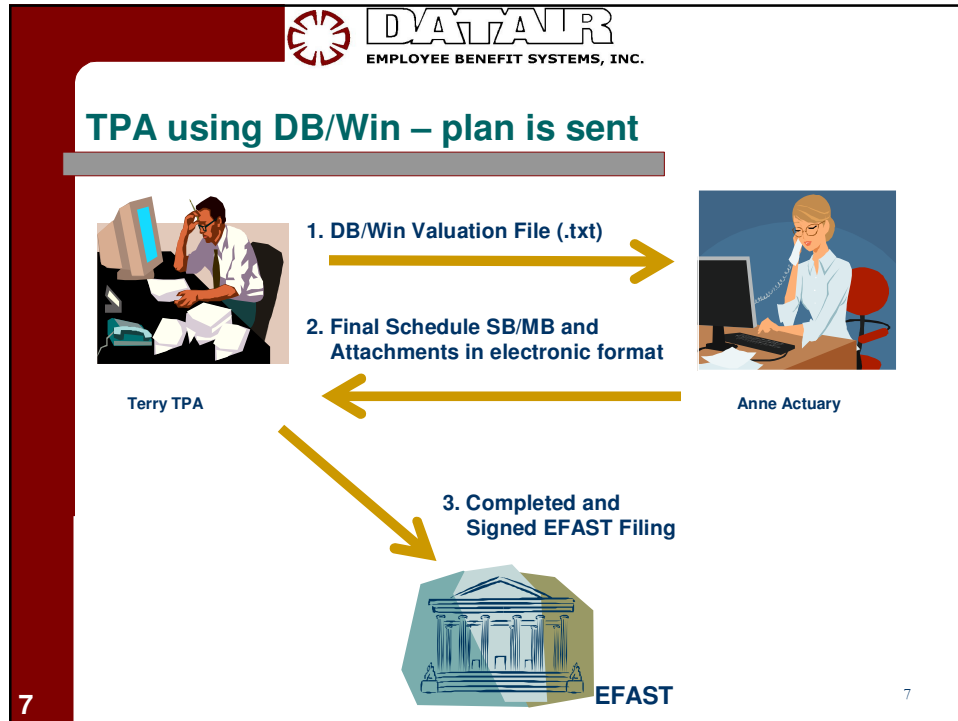
TPA creates the file in PR – SB/MB only sent




The diagram illustrates a three-step process:

1. Preliminary Schedule SB/MB in electronic format (.xml) - Terry TPA sends data to Anne Actuary.
2. Final Schedule SB/MB and Attachments in electronic format - Anne Actuary sends data back to Terry TPA.
3. Completed and Signed EFAST Filing - Terry TPA sends the final data to the EFAST system.

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- Actuary Steps...**
1. Complete the Schedule SB/MB as normal
 - Receives Schedule SB/MB (.xml) and imports it into Pension Reporter, or
 - Receives plan files (.txt) transfers into DB/Win, and then transfers valuation results into Pension Reporter
 2. Print and sign paper Schedule SB/MB
 3. Export .xml of Schedule SB/MB
 4. Scan signed (or initialed) SB/MB to .pdf
 5. Generate .pdf files of SB/MB Attachments
 6. Email the .xml and .pdf attachments to the TPA
- 8



TPA Steps...

1. Import the Schedule SB/MB .xml data file from Actuary into Pension Reporter
2. Verify import against signed Schedule SB/MB
3. Add all required Attachments using the proper attachment types (.pdf or .txt)
4. Create the EFAST2 filing
5. Transmit the filing to EFAST
6. Check Status and if any, correct errors


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TPA creates the SB/MB...

- TPA sends the Actuary the .xml to be imported into the Pension Reporter System
- The Actuary can then review, make necessary changes/corrections, sign and return to the TPA the finalized Form SB/MB as an .xml file and with .pdf attachments

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SB/MB and attachments from Actuary

The Actuary emails the TPA several files

- What are all of these files?
 - One (1) .xml file
 - Remaining files are .pdf or .txt
- What to do with them?
 - Save
 - Import
 - Attach


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SB/MB and attachments from Actuary

- What are all of these files?
 - .xml file that contains the certified information for the SB/MB
 - SB/MB required attachments in .pdf, including the signed SB/MB (see slide Schedule SB/MB Attachments)


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SB/MB and attachments from Actuary

- What to do with them?
 - Save them to a designated location
 - Client folder, 2009 5500 filing folder, etc
 - Import the .xml into Pension Reporter
 - Attach the .pdf files to the 5500 form in Pension Reporter prior to EFAST2 submission

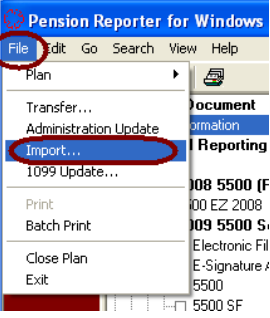
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SB/MB and attachments from Actuary

- Import the .xml into Pension Reporter
 - Open the plan and plan year in Pension Reporter

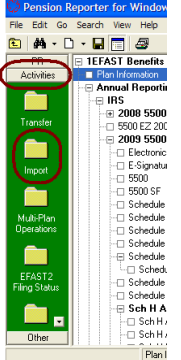
File, Import



Pension Reporter for Windows
File Edit Go Search View Help
Plan
Transfer...
Administration Update
Import...
1099 Update...


or

Activities, Import



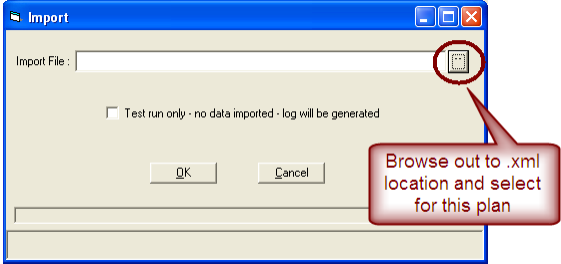
Pension Reporter for Windows
File Edit Go Search View Help
TEFAST Benefits
Plan Information
Annual Reports
IRS
2008 5500
5500 EZ 2008
2009 5500
Electronic
E-Signature
5500
5500 SF
Schedule
Schedule
Schedule
Schedule
Schedule
Schedule
Schedule
Schedule
Schedule
Sch H A
Sch H
Sch H
Other
Plan

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SB/MB and attachments from Actuary

- Import the .xml into Pension Reporter
 - Browse out to location where .xml was saved
 - Select plan and import



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SB/MB and attachments from Actuary

- Open the Schedule SB/MB and verify the numbers against the .pdf that was sent with the .xml
- Make sure the Actuary's Name, Enrollment Number and Date are on the bottom of the form

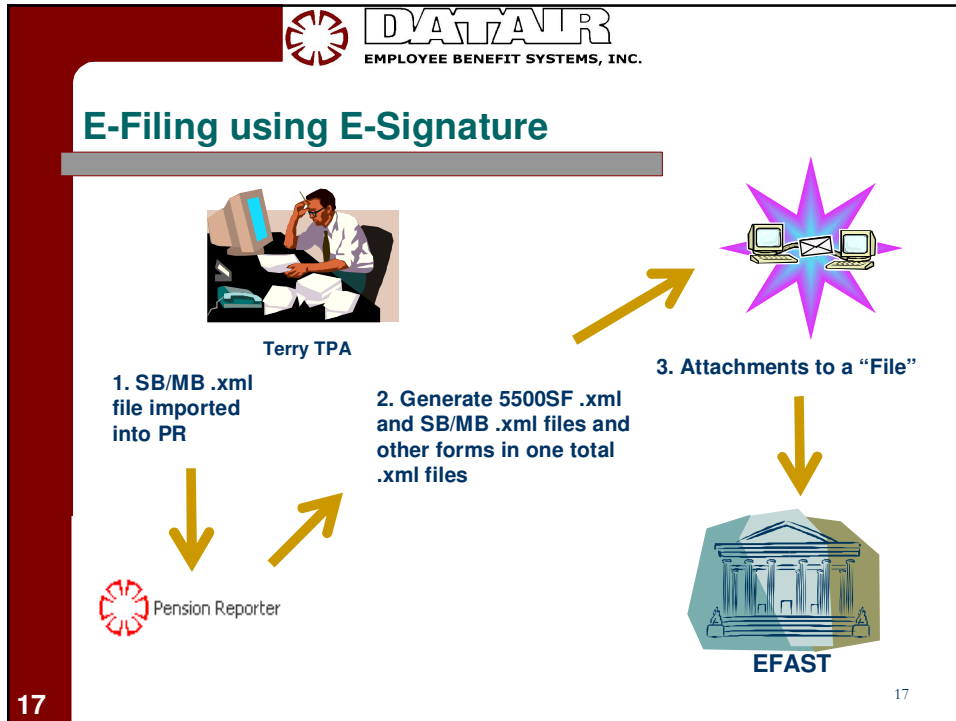
Statement by Enrolled Actuary
To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each presented as if duly applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE		
	Signature of actuary	Date
	Type or print name of actuary	08-00000
Actuaries R Us	Firm name	Most recent enrollment number
		(630) 555-1212
		Telephone number (including area code)
123 Main Street		
US Anywhere	IL 60001	
	Address of the firm	

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions.

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or 5500-SF. Schedule SB (Form 5500) 2009 v.092308.1

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Creating the E-filing using E-Signature

- Open Electronic Filing and make sure that the Transmission Type is E-Signature

Pension Reporter for Windows

1EFAST Benefits Retirement

Annual Reporting Form

2008 5500 (For Sh)

2008 5500 EZ 2008

2008 5500 Genes

Electronic Filing

Transmission Type: E-Signature - TPA Signs and Transmits

Default: Locally Signed and Transmitted


Transmitter Information:

ETIN: []

PIN: []

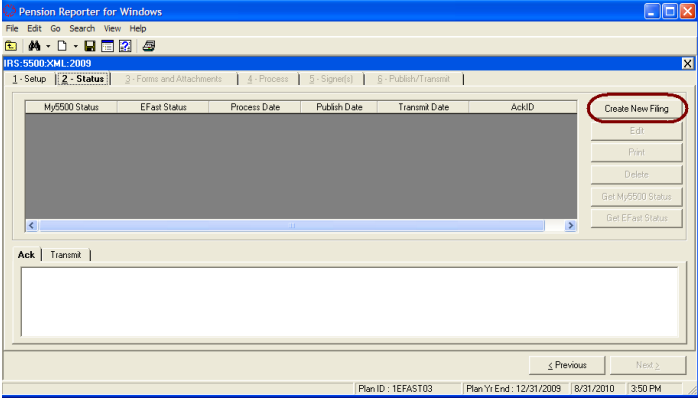
Plan ID: 1EFAST03 | Plan Yr End: 12/31/2009 | 8/31/2010 | 3:38 PM

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Creating the E-filing using E-Signature

- On Status Tab, Create New filing



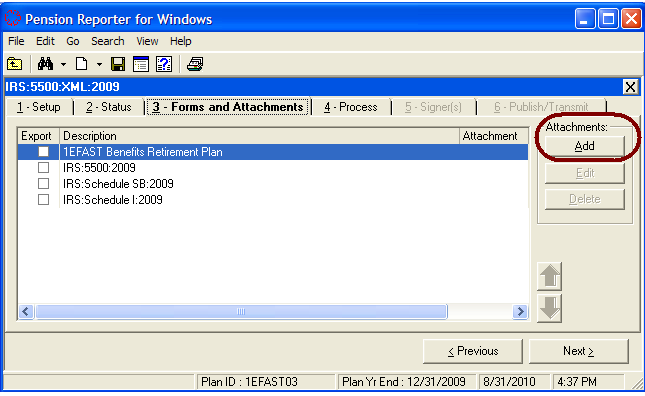
The screenshot shows the 'Pension Reporter for Windows' application. The 'Status' tab is active, displaying a table with columns: My5500 Status, EFAST Status, Process Date, Publish Date, Transmitt Date, and ActID. A 'Create New Filing' button is circled in red on the right side of the window. Below the table are 'Ack' and 'Transmit' buttons. The status bar at the bottom shows Plan ID: 1EFAST03, Plan Yr End: 12/31/2009, 8/31/2010, 3:50 PM.

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Creating the E-filing using E-Signature

- Add required attachments



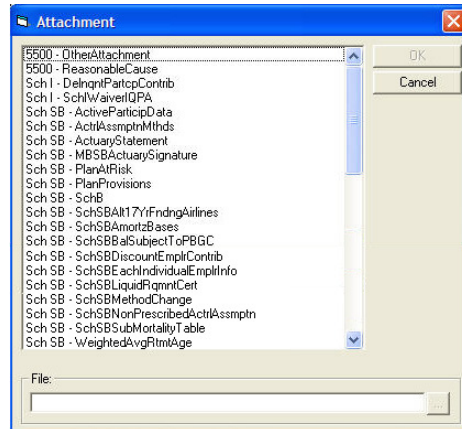
The screenshot shows the 'Pension Reporter for Windows' application. The 'Forms and Attachments' tab is active, displaying a table with columns: Export, Description, and Attachment. The table lists: 1EFAST Benefits Retirement Plan, IRS:5500:2009, IRS:Schedule SB:2009, and IRS:Schedule I:2009. An 'Attachments:' section on the right contains an 'Add' button circled in red, along with 'Edit' and 'Delete' buttons. The status bar at the bottom shows Plan ID: 1EFAST03, Plan Yr End: 12/31/2009, 8/31/2010, 4:37 PM.

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Creating the E-filing using E-Signature

- Attachments

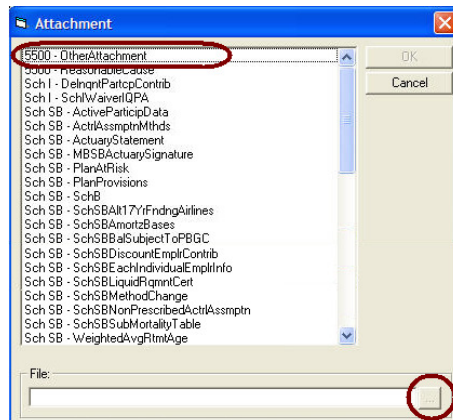


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Creating the E-filing using E-Signature

- Highlight the item, then browse out to where the .pdf file is stored

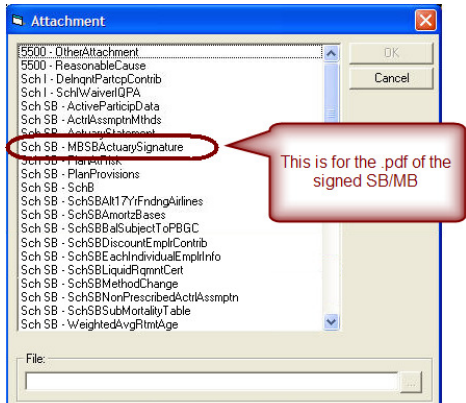


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Creating the E-filing using E-Signature

- The certified and signed .pdf of the Schedule SB/MB from the actuary is called Sch SB – MBSBActuarySignature




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Required Attachments

- Attach the signed .pdf Form 5500/5500 SF
- Attach the Schedule SB/MB .pdf files sent from actuary


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Schedule SB Attachments

- **Schedule SB, Line 4**
 - Additional Information for Plans in At-Risk Status
- **Schedule SB, Line 9**
 - Explanation of 2007 Credit Balance Discrepancy
- **Schedule SB, Line 19**
 - Discounted Employer Contributions
- **Schedule SB, Line 20c**
 - Liquidity Requirement Certification
- **Schedule SB, Line 22**
 - Description of Weighted Average Retirement Age
- **Schedule SB, Line 23**
 - Information on Use of Substitute Mortality Tables
- **Schedule SB, Part V**
 - Statement of Actuarial Assumptions/Methods
 - Summary of Plan Provisions


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Schedule SB Attachments

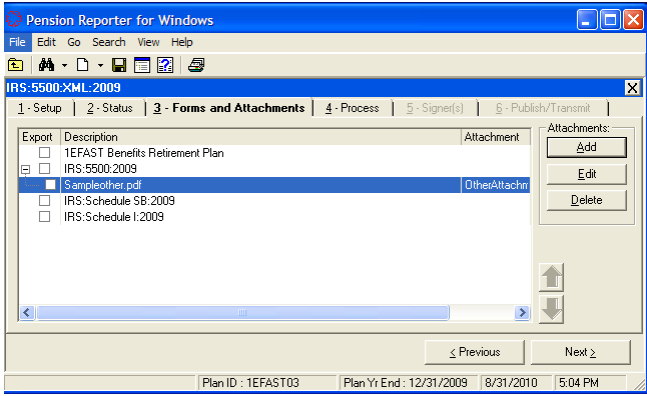
- **Schedule SB, Line 24**
 - Change in Actuarial Assumptions
- **Schedule SB, Line 25**
 - Change in Method
- **Schedule SB, Line 26**
 - Schedule of Active Participant Data
- **Schedule SB, Line 27**
 - Actuarial Information Based on Pre-PPA Funding Rules
- **Schedule SB, Line 27**
 - Balances Subject to Binding Agreement with PBGC
- **Schedule SB, Line 27**
 - Alternative 17-Year Funding Schedule for Airlines
- **Schedule SB, Line 32**
 - Schedule of Amortization Bases

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Creating the E-filing using E-Signature

- Attachment added



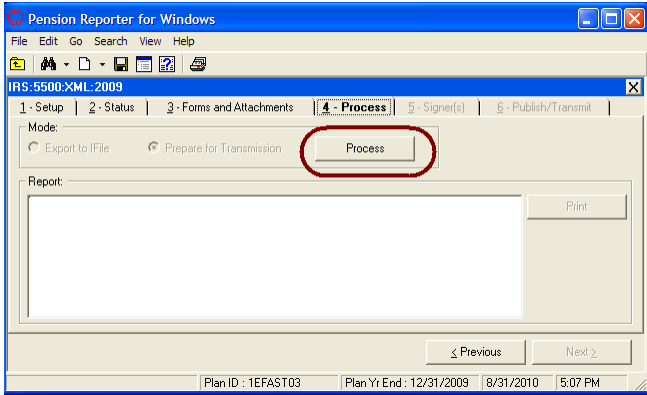
Plan ID : 1EFAST03 Plan Yr End : 12/31/2009 8/31/2010 5:04 PM

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Creating the E-filing using E-Signature

- Process the file



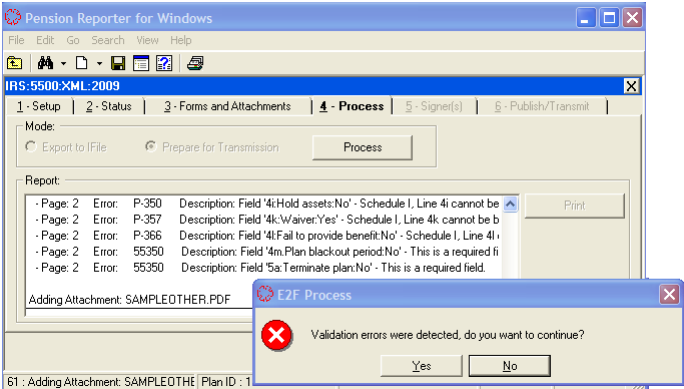
Plan ID : 1EFAST03 Plan Yr End : 12/31/2009 8/31/2010 5:07 PM

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Creating the E-filing using E-Signature

- Check for any validation errors



The screenshot shows the 'Pension Reporter for Windows' application. The 'Process' tab is active, and the 'Report' section displays a list of validation errors:

Page	Error Code	Description
Page: 2	Error: P-350	Description: Field '4i:Hold assets:No' - Schedule I, Line 4i cannot be
Page: 2	Error: P-357	Description: Field '4k:Waiver:Yes' - Schedule I, Line 4k cannot be b
Page: 2	Error: P-366	Description: Field '4i:Fail to provide benefit:No' - Schedule I, Line 4i
Page: 2	Error: 55350	Description: Field '4m:Plan blackout period:No' - This is a required fi
Page: 2	Error: 55350	Description: Field '5a:Terminate plan:No' - This is a required field.

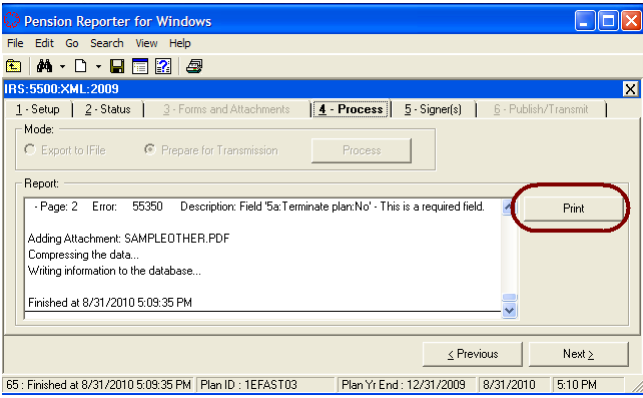
An 'E2F Process' dialog box is overlaid on the application, asking: 'Validation errors were detected, do you want to continue?' with 'Yes' and 'No' buttons.

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Creating the E-filing using E-Signature

- Print Report Log




The screenshot shows the 'Pension Reporter for Windows' application. The 'Process' tab is active, and the 'Report' section displays the following information:

- Page: 2 Error: 55350 Description: Field '5a:Terminate plan:No' - This is a required field.

Adding Attachment: SAMPLEOTHER.PDF
Compressing the data...
Writing information to the database...
Finished at 8/31/2010 5:09:35 PM

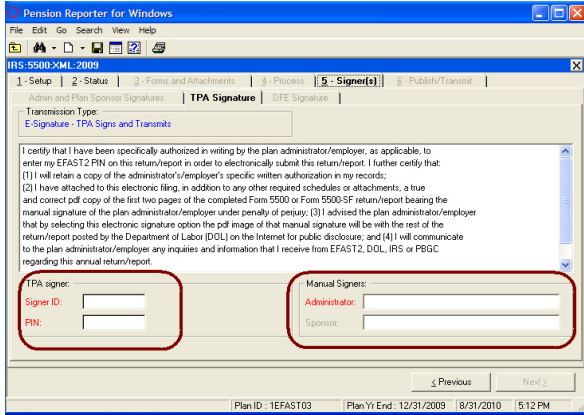
The 'Print' button in the Report section is circled in red.

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Creating the E-filing using E-Signature

- The TPA's Signer ID and PIN must be entered
- The Administrator is the name of the person that signed the Form 5500/5500SF

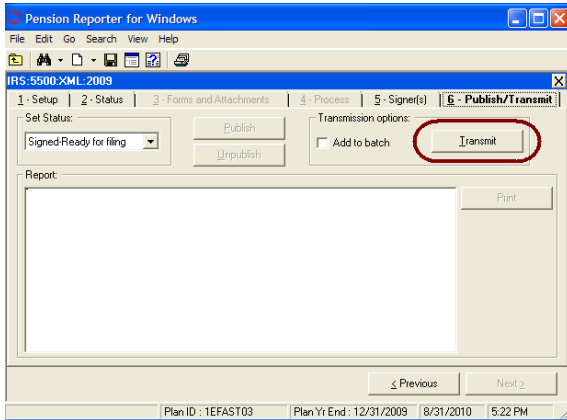


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Creating the E-filing using E-Signature

- Transmit



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TRANSMIT... Now what?

EFast2 Report

- Preparing data to transmit to EFAST
- Transmitting data to EFAST
- EFAST response that transmission has been processed

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TRANSMIT... Now what?

- Preparing data to transmit to EFAST

```
EFast2 Report
Process started at 7/30/2010 2:59:07 PM
Mode: Prepare for transmission
Plan Ident:
Plan Number: 001
Plan year begin date: 01/01/2009
Plan year end date: 12/31/2009
Sponsor EIN:
Adding: IRS:5500-SF:2009
Adding: IRS:Schedule SB:2009
Adding Attachment: SIGNED FORM 5500SF FOR
Adding Attachment: RPT_ _LINE 32 - SCHEDULE OF AMORTIZATION BASES.PDF
Adding Attachment: RPT_ _LINE 26 - SCHEDULE OF ACTIVE PARTICIPANT DATA.PDF
Adding Attachment: RPT_ _LINE 22 - DESCRIPTION OF WEIGHTED AVG RETIREMENT AGE.PDF
Adding Attachment: RPT_ _LINE 19 - DISCOUNTED EMPLOYER CONTRIBUTIONS.PDF
Adding Attachment: RPT_ _PART V - STATEMENT OF ACTUARIAL ASSUMPTIONSMETHODS.PDF
Adding Attachment: RPT_ _PART V - SUMMARY OF PLAN PROVISIONS.PDF
Adding Attachment: 2009 SCHEDULE SB FOR
Compressing the data...
Writing information to the database...
Finished at 7/30/2010 2:59:24 PM
```

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TRANSMIT... Now what?

- Transmitting data to EFAST

```
EFast2 Report
Started at 7/12/2010 2:14:44 PM
Preparing data to transmit to EFast ...
Transmitting data to EFast ...
EFast : Send Completed
AckID =
Getting Ack filing status...
EFast : Send Completed
Ack filing status: FILING_RECEIVED
Unprocessable Count = 0
Stopped Count = 0
Error Count = 0
Received Count = 1
Processing Count = 0
Not Found Count = 0
Total Count = 1
Writing to database ...
Finished at 7/12/2010 2:14:55 PM
```


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TRANSMIT... Now what?

- FILING_RECEIVED
 - Filing went thru and an Ack Identification is assigned
- FILING_STOPPED
 - There is a serious problem with the filing which must be addressed immediately
- FILING_WARNING
 - There are problems that must be addressed which will generate a letter from the IRS or DOL

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TRANSMIT... Now what?

- EFAST response that transmission has been processed

From: efast2@efastsys.dol.gov [mailto:efast2@efastsys.dol.gov]
 Sent: Monday, July 12, 2010 2:15 PM
 To:
 Subject: EFAST2 Submission has been processed

Your submission to EFAST2 has been received. The EFAST2 automated system is currently attempting to process the Form 5500 or Form 5500-SF returns/reports you sent. You now need to check the filing status of the Form 5500 or Form 5500-SF returns/reports for any problems the system has identified in your returns/reports. The filing status should be available in about 20 minutes.

You can check the filing status of your returns/reports by either of the following methods:

1) Opening the software you used to send us the submission, and checking the status of the Acknowledgment ID. Please refer to your software user guide for specific instructions on how to be a at system, it is subject to additional reviews by the DOL, IRS, and/or PBGC and, based upon those further reviews, may be subject to required amendment, correction and the assessment or imposition of penalties.


For reference, the Acknowledgment ID(s) for your submission are listed below.

10000100x000000x000000x0000z1010

Thank you,
 The U.S. Department of Labor

This is a system-generated email. No reply is necessary.

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Attachments – Format Requirements

- Must contain header information:
 - Plan Name
 - EIN/PN
 - Plan Year
 - Attachment Title/Schedule & Line reference


ACEL10 August 3, 2010

**Schedule SB, line 19 -
Discounted Employer Contributions**

A-C Electric Company Retirement Plan
 95-1531419 / 010
 For the plan year 3/1/2009 through 2/28/2010
 Valuation Date: 2/28/2010

Date	Amount	Adjusted Contribution	Adjusted Prior Year Contribution	Adjusted Quarterly	Effective Rate	Penalty Rate


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Attachments – Format Requirements

- Must be individual attachments. Don't print/scan them into one PDF!


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Attachments – Technical Requirements

- File names must be 70 characters or less (including .PDF or .TXT file extension)
- Only A-Z, a-z, 0-9, space, dash, period and comma may be in file names
- Watch out for double spaces in file names
- 300 dpi is sufficient resolution for either printed or scanned PDF files... Higher resolution = larger files
- No password protected files


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Attachments – Technical Requirements

- Maximum attachment size is 15MB
- TXT files may only contain low-ASCII characters.
- Cut/paste from Word will cause issues.
- Better to print to PDF - many free/inexpensive tools to create PDF files
- Use Print to PDF as much as possible instead of scanning - except for Signed Schedule SB/MB, which requires scanned signature or initials

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Common Errors

- Actuary name and signed date missing on Schedule SB/MB


Statement by Enrolled Actuary
To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each printed actuary has been applied in accordance with applicable law and regulations. In my opinion, each other actuary listed is reasonable (taking into account the experience of the plan and reasonable expectations) and such other actuaries, in combination, offer a basis for knowledge or anticipated experience under the plan.

SIGN HERE	Signature of actuary	Date
	<u>Actuaries R Us</u>	<u>08-00000</u>
	Type or print name of actuary	Most recent enrollment number
	<u>123 Main Street</u>	<u>(630) 555-1212</u>
	Firm name	Telephone number (including area code)
	<u>US Anywhere IL 60001</u>	
	Address of the firm	

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions

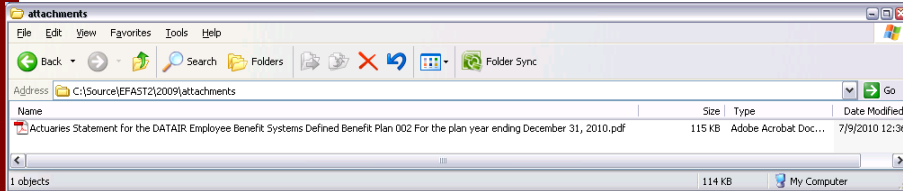
For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or 5500-SF. Schedule SB (Form 5500) 2009 v.092306.1

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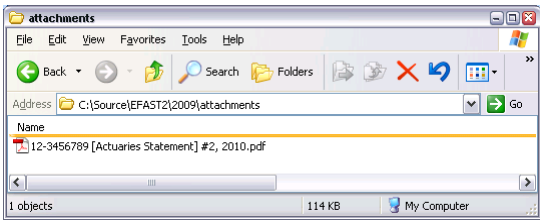
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Common Errors


- Attachment names too long



- or containing invalid characters



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Common Errors

- A Blank is not a Zero
- A Zero is not a Blank

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