

**Corrections and Additions to EA-2L Course Outline and Problems
Spring, 2021
(as of 3/31/2021)**

Page 1: In the third to last bullet point, “age 62” should be changed to “age 59½” as the rule was changed in 2020.

Page 37: In the second to last bullet point, “age 70½” should be changed to “age 72” as the rule was changed in 2020.

Page 340: In the second to last bullet point, “non-substantial” should read “non-majority.”

Page 433: The PBGC has made a change to the reportable event with regard to the reduction in the number of active participants. That change is reflected in a re-write of that section.

- The number of active participants is reduced below an 80% threshold. The notice date for this reportable event is extended until the premium due date for the following plan year only if an attrition event has occurred.
 - A single-cause event occurs if the number of active participants at any time during the year falls below 80% of the number of active participants as of the first day of the year, due to a single cause. Examples of a single cause include a reorganization or restructuring, the discontinuance of an operation of the business, a mass layoff, a natural disaster, or an early retirement incentive program.
 - An attrition event occurs if as of the end of the year the sum of the number of active participants plus the number who ceased to be active during the year due to a single-cause event is less than 80% of the number of active participants as of the beginning of the year.
 - An active participant is a participant who receives

compensation from the employer for work performed, or is on paid or unpaid leave, or has been laid off for less than 30 days, or is absent from work due to a reduction in employment that recurs at least once each year.

- The number of active participants as of the beginning of a plan year may be determined by using the number of active participants as of the end of the prior plan year; similarly, the number of active participants as of the end of a plan year may be determined by using the number of active participants as of the beginning of the next plan year. (See PBGC Technical Update 17-1 for more information.)
- Notice is waived if the plan had 100 or fewer participants for the prior plan year, and a flat-rate premium was required.
- Notice is waived if there is a low-default risk for each contributing employer.
- Notice is waived if no variable premium is required for the prior year.
- Notice is waived if the contributing sponsor is a public company.