§ 4043.23 Active participant reduction.

(a) Reportable event. A reportable event occurs when the number of active participants under a plan is reduced to less than 80 percent of the number of active participants at the beginning of the plan year, or to less than 75 percent of the number of active participants at the beginning of the previous plan year.

(b) Initial information required. In addition to the information in §4043.3(b), the notice shall include—

(1) A statement explaining the cause of the reduction (e.g., facility shutdown or sale); and

(2) The number of active participants at the date the reportable event occurs, at the beginning of the plan year, and at the beginning of the prior plan year.

(c) Waivers—(1) Small plan. Notice is waived if the plan has fewer than 100 participants at the beginning of either the current or the previous plan year.

(ii) No variable rate premium. No variable rate premium is required to be paid for the plan for the event year;

(iii) $1 million unfunded vested benefits. As of the testing date for the event year, the plan has less than $1 million in unfunded vested benefits; or

(iii) No unfunded vested benefits. As of the testing date for the event year, the plan would have no unfunded vested benefits if unfunded vested benefits were determined in accordance with the assumptions and methodology in §4010.4(b)(2) of this chapter.

(2) Plan funding. Notice is waived if—

(i) The active participant reduction would not be reportable if only those active participant reductions resulting from cessation of operations at one or more facilities were taken into account; and

§ 4043.22 Amendment decreasing benefits payable.

(a) Reportable event. A reportable event occurs when an amendment to a plan is adopted under which the retirement benefit payable from employer contributions with respect to any participant may be decreased.

(b) Waivers. Notice is waived for this event.