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| **FIS Receives IRS Approval on its Cycle 3 Defined Contribution Documents** |
| **FIS Business Systems LLC has received approval letters for its Cycle 3 Defined Contribution Plans.**  The following questions and answers outline details about the upcoming Defined Contribution Cycle 3 restatement process and provide an update on other plan document matters.  **When will the approved plans be delivered?** We expect to send the approval letters and approved plans to clients starting at the end of July and into early August 2020. We are currently reconciling the approval letters we received with what was submitted to the IRS.   **When will the Cycle 3 language be available in the Relius Documents ASP system?** Similar to the process for PPA restatements, we will release the new language systems using a phased approach, beginning with the Corbel Defined Contribution language systems, followed by PPD, IDP, Solo, ESOP and Governmental Plan language systems. We plan to release the Corbel Defined Contribution language systems in August 2020.   This initial release will enable clients to create new plan documents or restate terminating plans (see the last question below). We will provide details regarding the PPA to Cycle 3 mapping conversion tools that will make the restatement of plans from PPA to Cycle 3 more efficient. We will notify clients as these become available. Please be sure to check the Relius Documents ASP dashboard for the most current information regarding Cycle 3 language system availability and conversion tool information.  **What is the restatement period?** Defined Contribution plan sponsors (i.e., employers) who are entitled to use the six-year cycle for pre-approved Defined Contribution plans must restate their plans by July 31, 2022 (see IRS Announcement 2020-7).  **Will FIS offer any workshops to cover the Cycle 3 documents?** Yes, there are **Cycle 3 pre-approved plan workshops** available toward the end of August 2020 that clients can register for to earn continuing education credits. These online programs will provide an in-depth review of the Corbel and PPD Defined Contribution plans, and an opportunity to ask document questions to one of the attorneys involved in drafting the documents. These programs will highlight the changes from the PPA version of the plans. Each workshop offers up to (10) ASPPA, (10) ERPA, or (10) NASBA CE credit hours. Dates and times are listed below along with a direct link to register.   * Cycle-Three Corbel Document - <http://www.cvent.com/d/07qnm8>   Aug. 24-25, 2020; 11am - 4pm ET each day   * Cycle-Three PPD Document - <http://www.cvent.com/d/77qnkh>   Aug. 26-27, 2020; 11am - 4pm ET each day  Private training programs are also available for larger groups within the same firm. Please contact our FIS Retirement Education team for more information at retirement.education@fisglobal.com.  **What are some key differences that have been identified with the Cycle 3 Documents?**  For the Corbel and PPD prototype and prototype formatted volume submitter documents, each language type is now one combined adoption agreement and screen entry instead of three separate ones. The IRS restructured the prototype and volume submitter programs into a single Opinion Letter program with two types of plan documents:  Standardized and Nonstandardized.  This change eliminates the distinctions between prototype and volume submitter plans and expands the Nonstandardized plan program to allow for greater flexibility in plan features and options (in effect, Nonstandardized plans will fill the role traditionally filled by volume submitter documents).  As part of these changes, the IRS now permits a single adoption agreement to be used for a 401(k) plan, a profit sharing plan, or a money purchase pension plan – therefore, the adoption agreement for this cycle contains money purchase provisions as well as profit sharing and 401(k) features and can be used for any of these types of plans. However, an employer still cannot use a single adoption agreement to combine a money purchase and a profit sharing plan.  We are offering a new, preapproved ESOP document in the prototype format. The IDP formatted ESOP has been discontinued.  Also, the IRS is also no longer ruling on trust provisions. Therefore, trust provisions that have historically been part of the plan document itself have been removed and are now presented as a separate trust agreement. This document is offered for use to our clients but clients can use a separate agreement as appropriate for their business.  **What about BBA Hardship, CARES Act and SECURE Act amendments?**  Legislative changes related to the BBA hardship changes, the CARES Act, and the SECURE Act cannot be part of the Cycle 3 document set per IRS guidance. As a result, FIS continues to create, update and modify amendments that our partners can use, along with necessary forms and explanatory documents. Please continue to reference our Web site at relius.net to obtain the most updated information specific to recent legislation.  **What type of training will be available for the updated systems?** In addition to the workshops noted above, Quick Start Guides will be available to assist users with the various features of the Relius Documents system. The guides will be posted under the Quick Start Guides section of the [**Support area**](http://www.relius.net/Support/) on our Web site and will also be available in the help section of the Relius Documents ASP system.  **Will the Relius Documents system have an e-signature solution for Cycle 3 documents?** Yes. The Relius Exchange feature will facilitate electronic signatures on the FIS plan documents. Relius Exchange will also allow clients to manage contacts, publish interactive questionnaires and disseminate documents of any type directly to clients through a secure Web portal that is branded with your company logo.  **Does a terminating plan need to be restated onto the Cycle 3 pre-approved document prior to being terminated?** If a plan is not being submitted to the IRS for a determination letter on plan termination, FIS recommends the plan be restated onto the Cycle 3 approved documents. This way the employer can be assured that the plan language satisfies the changes made by Cycle 3 (and the other changes in the law that are included in the Cycle 3 document). If the plan is not restated, then there is no reliance on the interim good-faith amendments that had been adopted and this could result in a deficiency upon IRS audit (if the auditor finds any defects in those good-faith amendments).  If you have additional questions about the restatement process or any of our products, please submit an incident via our support site at <https://www.relius.net//Support/Login.aspx> or contact us at 800-326-7235 option 6.  \*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\* |