



**SUNGARD** RELIUS EDUCATION

August - September 2008  
Seven Cities

## Cross-Tested Plans

*Taking Advantage of New IRS Options*

## Cash Balance Plans

*For Defined Contribution Practitioners*

# CROSS-TESTED PLANS

## *Taking Advantage of New IRS Options*

Cross-tested plans continue to grow in popularity. The cross-tested design is flexible, manageable, and now, with changes to IRS procedures permitting the plan design in a prototype, as easily implemented as a regular profit sharing plan. Maybe the more significant development is the IRS approval of the "every participant in his/her own classification" plan design. This design provides the employer more flexibility and the ability to handle troublesome fact patterns and changing demographics. As you commence the EGTRRA restatement process, you need to learn how to utilize this new plan design, as many employers with cross-tested plans may wish to re-design their plans when they restate.

## TOPICS INCLUDE

"Each Participant in Own Classification"

Troubleshooting

Plan Design Options

Combined Cross-Tested & 401(k) Designs

Minimum Gateway Requirements

Prototype vs. Volume Submitter

## OBJECTIVES

*Determine when a cross-tested plan is appropriate.*

*Prepare a general nondiscrimination (rate group testing) worksheet.*

*Design classifications for a cross-tested plan.*

*Convert a contribution rate to a benefit rate.*

*Allocate and test a contribution under cross-tested and age-based plans.*

*Design a cross-tested, safe harbor 401(k) cross-tested, or age-based plan.*

*Understand the flexibility of "each participant in his/her own classification" plan design.*

*Compare a cross-tested plan with a DB/DC "combo" plan.*

*Review other design alternatives.*



## CROSS-TESTED PLANS WORKSHOP

### AGENDA

8:00 a.m. Registration Check-in/Coffee and Danish

8:30 a.m. **The Structure and Mechanics of Nondiscrimination Testing.**

Overview of qualification requirements; determination of highly compensated employee; coverage testing; ratio/percentage test; average benefits test; design-based safe harbor; compensation definition options; general test for nondiscrimination.

**Cross-Testing – The Process.**

Types of cross-tested plans; age-based plan allocations; conversion calculations; testing calculations; minimum allocation gateways.

**Minimum Allocation Gateways.**

Requirements; broadly available allocation rates; gradual age or service schedule; contributions that satisfy gateway; participants entitled to gateway; otherwise excludible employee rule.

12:00 p.m. Lunch (provided)

1:00 p.m. **Designing and Troubleshooting a Cross-Tested Plan.**

Plan design differences; designing allocation groups; determining contributions; combination safe harbor 401(k) and cross-tested plan; design alternatives; QACA combination; determination letter issues; plan corrections.

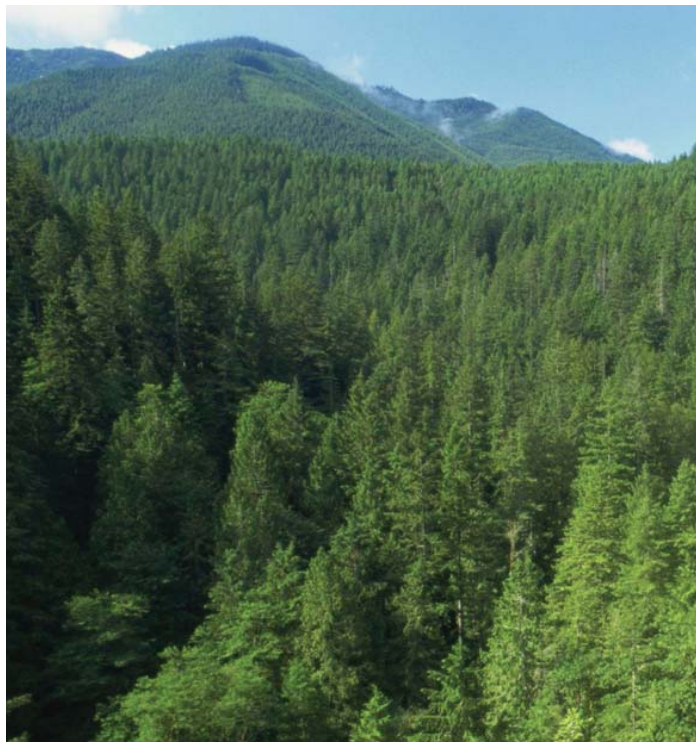
**“Each Participant in Own Classification” Plan Design.**

Flexibility of plan design; examples of how design facilitates corrections and troubleshooting; prototype/volume submitter restrictions and differences; dealing with the deemed 401(k) plan issue.

**DB/DC “Combo” Plans.**

Overview of design; minimum gateway requirements; significant contribution opportunities after PPA; cash balance/cross-tested combo.

4:00 p.m. Adjournment



### SEMINAR INFORMATION DELIVERY GOES GREEN

We are pleased to announce that we are moving from paper to electronic delivery of our seminar and conference announcements. All the information you need – from agendas to registration is now available online.

Register for this program today at [www.relius.net/products/seminarspension.aspx](http://www.relius.net/products/seminarspension.aspx).

#### ARE YOU SUBSCRIBED?

Join us in this effort. Subscribe to our free e-mail newsletters for seminars and conferences. It's fast and easy. Subscribe now by visiting us at [www.relius.net/subscribe](http://www.relius.net/subscribe).

# CASH BALANCE PLANS

*For Defined Contribution Practitioners*

By all accounts, cash balance plans are the wave of the future, especially for the small plan market. These plans can allow substantial deductions of a defined benefit plan while retaining much of the look and feel of a defined contribution plan. Do you want to break into this emerging, fast growing design? Come to our new *Cash Balance Plans Workshop*. Get the fundamental tools needed to work with an actuary in servicing cash balance plans, and capture the growth potential of this exciting market.

## TOPICS INCLUDE

Cash Balance Features and Advantages

PPA Changes

415 Limitations

DB/DC Combo Plans

## OBJECTIVES

*Explain the primary differences between defined benefit and defined contribution plans.*

*Determine when a cash balance plan is appropriate.*

*Determine 415 limits for a cash balance plan.*

*Explain the basic operations of a cash balance plan.*

*Assist an employer in making rational investment decisions for a cash balance plan.*

*Determine if a cash balance plan complies with 401(a)(26).*

*Understand the benefits of DB/DC combo plans and the alternatives that exist.*

*Evaluate alternative methods of satisfying the top heavy rules.*

*Understand the new rules PPA imposed on cash balance plans.*



## CASH BALANCE PLANS WORKSHOP

## AGENDA

|           |  |            |  |
|-----------|--|------------|--|
| 8:00 a.m. | Registration Check-in/Coffee and Danish  | 12:00 Noon | Lunch (provided)   |
| 8:30 a.m. | <p><b>Fundamentals of Cash Balance Plans.</b><br/>Defined benefit concepts; cash balance plan features; cash balance advantages; plan document issues; vesting requirements; hypothetical accounts are not individual accounts.</p> <p><b>Avoiding Age Discrimination.</b><br/>Cash balance in the courts; PPA changes; interest crediting; plan termination; plan conversion.</p> <p><b>Minimum Participation Rules.</b><br/>401(a)(26) basics, required benefit, exclusions, floor offset plans.</p> <p><b>Top Heavy Minimum Benefits.</b><br/>Top heavy status for defined benefit; top heavy minimum benefits; application to cash balance plans; using defined contribution plan to satisfy minimum benefit.</p> <p><b>415 Limits in Cash Balance.</b><br/>Defined benefit 415 limits; effect of retirement age on 415 limit; application to cash balance plan.</p> | 1:00 p.m.  | <p><b>Normal Retirement Age.</b><br/>Competing considerations; effect on funding; effect on testing; recent IRS guidance.</p> <p><b>Deduction Limitations; Funding.</b><br/>Minimum funding; potential for higher funding; PPA limitations; funding whipsaw.</p> <p><b>DB/DC Combinations.</b><br/>Testing principles for plan combination; minimum gateway; deduction limitations; creative plan design.</p> <p><b>Investments.</b><br/>Comparison with interest crediting; short-term consequences of interest choices.</p> <p><b>Other Plan Options.</b><br/>Pension equity plans; floor offset arrangements; indexed variable annuity plans.</p> |
|           |  | 4:00 p.m.  | Adjournment  |

## WATCH FOR THESE 2008 PROGRAMS

Fundamentals of 401(k)  
and Other Qualified Plans

Code Section 409A Plans

**Plus**

Web Seminars – Live and Archived  
Hot Topics!

403(b) Plans

ERISA Workshop

401(k) Plans: Beyond the Basics

Advanced Pension Conference  
Chicago – September 3-5, 2008

EGTRRA Pre-approved Plans

For information about all of SunGard's Relius educational programs, go to [www.relius.net/products/seminarspension.aspx](http://www.relius.net/products/seminarspension.aspx).

## CROSS-TESTED PLANS WORKSHOP

## CASH BALANCE PLANS WORKSHOP

### WHO SHOULD ATTEND

#### CROSS-TESTED PLANS WORKSHOP

Any ERISA practitioner, pension consultant, plan administrator, CPA, attorney, actuary, or trust officer who would like to better understand and utilize cross-tested design and testing.

#### CASH BALANCE PLANS WORKSHOP

Defined contribution plan practitioners who want to understand the fundamentals of cash balance plans. The program will assume familiarity with the basics of 415 limits, top-heavy minimums, and coverage and nondiscrimination testing for cross-tested defined contribution plans, but will not assume that attendees are familiar with defined benefit rules. This course is designed to help a defined contribution practitioner work effectively with an actuary in identifying situations in which a cash balance plan would be beneficial and in administering the resulting plan.

All attendees will find these courses beneficial in increasing their knowledge of these plan types.

### WHAT TO BRING TO CLASS

Attendees may want to bring calculators to participate in the actual completion of the sample worksheets.

### RAVE REVIEWS

*"I finally understand how cross-tested plans work!"*

Third Party Administrator, Spokane, WA

*"Very practical and was able to follow examples. I liked that questions were asked in the materials that you had to answer before answer was given on next slide."*

Trust Officer, Brookings, SD

*"I can now perform a cross-tested calculation!"*

Third Party Administrator, Melbourne, FL

*"Good overview geared to professionals!"*

Accountant, Acworth, GA

*"Very well designed to give information, like hands on and completed graphs."*

Trust Officer, Amarillo, TX

*"Also good review of coverage and compensation definitions."*

Attorney, Springfield, MO

### SPEAKERS

Programs will be conducted by one of our nationally-known and knowledgeable speakers:

Stephen W. Forbes, J.D., LL.M.

S. Derrin Watson, J.D., APM

For detailed information about our speakers, go to [www.relius.net/products/seminarspension.aspx](http://www.relius.net/products/seminarspension.aspx) and select the program title.



## DATES AND LOCATIONS\*\*

### CROSS-TESTED

August 21

#### DALLAS

Crowne Plaza Suites – Dallas\*  
7800 Alpha Road  
Dallas, TX  
972-233-7600

### CASH BALANCE

August 22

August 27

#### KANSAS CITY

DoubleTree Hotel Kansas City  
Corporate Woods  
10100 College Blvd.  
Overland Park, KS  
913-451-6100  
800-222-8733

August 28

September 11

#### SAN FRANCISCO

Embassy Suites  
San Francisco Airport\*  
250 Gateway Boulevard  
Gateway at East Grand Ave.  
South San Francisco, CA  
650-589-3400

September 12

September 17

#### BOSTON

Radisson Hotel Boston  
200 Stuart Street  
Boston, MA  
617-482-1800  
800-333-3333

September 18

September 18

#### MINNEAPOLIS

Marriott Minneapolis Airport  
2020 East American Blvd.  
Bloomington, MN  
952-854-7441 or 800-228-9290

September 19

### CROSS-TESTED

September 24

#### ATLANTA

Cobb Galleria Centre\*  
Two Galleria Parkway  
Atlanta, GA  
770-955-8000

*Accommodations:*

*Sheraton Suites Galleria\**  
2844 Cobb Parkway S.E.  
Atlanta, GA  
770-955-3900  
888-627-7047  
*Ask for the SunGard rate,  
based on availability.*

September 25

#### CHICAGO

European Crystal Banquet  
& Conference Center\*  
519 W. Algonquin Road  
Arlington Heights, IL  
847-437-5590

*Accommodations:*

*DoubleTree Chicago*  
*Arlington Heights\**  
75 West Algonquin Road  
Arlington Heights, IL  
847-364-7600  
*Ask for the SunGard rate,  
based on availability.*

### CASH BALANCE

September 25

September 26

\* Indicates No Room Block

\*\* Dates and locations are subject to change. Please visit our Web site to verify that dates have been finalized before making travel arrangements  
[www.relius.net/products/seminarspension.aspx](http://www.relius.net/products/seminarspension.aspx).

## ACCOMMODATIONS

Hotels reserve a limited number of accommodations for attendees until four weeks before the program. Hotels without room blocks are identified by (\*). Make reservations directly with the hotel. Mention the SunGard Relius Education program

to obtain the group rate, if available. For information about other accommodations in the vicinity, please contact the host hotel guest services desk or your travel agent.

### Cross-Tested Plans

*Taking Advantage of New IRS Options*

### Cash Balance Plans

*For Defined Contribution Practitioners*



## CONTINUING PROFESSIONAL EDUCATION

For each full-day program, attendees may earn up to:

7.0 hours CPE credit based on a 50-minute hour\*\*

6.0 hours CE/CLE credit based on a 60-minute hour\*\*

**\*\*Actual credit hours granted may vary. Final decision rests with the governing body.**

### PREREQUISITES

There are no prerequisites or advanced preparations required for either of these intermediate level courses. However, for the *Cross-Tested Plan Workshop*, attendees should have a basic familiarity with the coverage testing requirements, and allocating contributions in a defined contribution plan. For the *Cash Balance Plans Workshop*, attendees should be familiar with the basics of 415 limits, top-heavy minimums, and coverage and nondiscrimination testing for cross-tested defined contribution plans. It will not be assumed that attendees are familiar with defined benefit rules.

SunGard pension seminars and conferences are accepted by most professional organizations for continuing professional education credit, including the Joint Board for the Enrollment of Actuaries, ASPPA, NIPA, IRS Enrolled Agents Program, CFP, the ICB (for CRSP and CFTA), state bar associations, CPA boards, InFRE, HRCI for SHRM professionals, and PACE. Generally, programs are submitted for CLE credit in the states where they are being conducted. CE must be requested at least six weeks prior to the program and is subject to approval by the appropriate jurisdiction. Attendees will bear CE approval fees in those jurisdictions imposing per attendee fees. Because of the administrative requirements of state insurance accrediting agencies, we will not be able to obtain CE approval for insurance professionals.



SunGard is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors. State boards have final authority on the acceptance of individual courses for CPE credit. Complaints regarding registered sponsors may be addressed to the National Registry of CPE Sponsors, 150 Fourth Avenue North, Suite 700, Nashville, TN 37219-2417. Web site: [www.nasba.org](http://www.nasba.org).



Each program has been approved for 6 recertification credit hours toward PHR or SPHR recertification through the Human Resource Certification Institute (HRCI). For more information about certification or recertification, please visit the HRCI homepage at [www.hrci.org](http://www.hrci.org).

For more information about Continuing Education, call 800-326-7235, Ext. 4031.

## CANCELLATION/TRANSFER POLICY

All requests must be in writing. Full refund of program registration fee, less a \$50 administrative fee per program will be made for cancellations received at least 10 business days prior to the program selected. No refund for cancellations received later than 10 business days prior to the program. **For multi-program registrants:** Cancellation of only one program will result in the loss of the multi-program discount. Transfer requests (within the same program only) must be received at least 10 business days prior to program date, and will result in a \$25 administrative fee. Substitutions may be allowed with at least five business days advance notice. Seminar requests, questions, or concerns may be faxed to SunGard, Attn: Order Processing – Accounting, 904-399-0519, or e-mailed to [webtechsem@relius.net](mailto:webtechsem@relius.net).

## CROSS-TESTED PLANS • CASH BALANCE PLANS REGISTRATION

### Early Fee

(payment and registration received at least 21 days prior to program date)

### Standard Fee

(payment and registration received less than 21 days prior to program date)

#### MULTIPLE PROGRAM REGISTRATION\*

|               |       |       |
|---------------|-------|-------|
| Both Programs | \$765 | \$815 |
|---------------|-------|-------|

#### SINGLE PROGRAM

|                             |       |       |
|-----------------------------|-------|-------|
| Cross-Tested Plans Workshop | \$395 | \$420 |
|-----------------------------|-------|-------|

|                             |       |       |
|-----------------------------|-------|-------|
| Cash Balance Plans Workshop | \$395 | \$420 |
|-----------------------------|-------|-------|

\*Where multiple programs are selected, fees reflect multi-program discount. Multi-program discounts apply only for same person attending multiple programs in the same location.

#### THREE WAYS to REGISTER TODAY!



**Online: [www.relius.net/products/seminarspension.aspx](http://www.relius.net/products/seminarspension.aspx) – Fastest way to register!**



Fax: SunGard, ATTN: Order Processing-Accounting,  
904-399-0519 (24 hours a day)



Mail: SunGard, ATTN: Order Processing-Accounting,  
P.O. Box 47470, Jacksonville, FL 32247

Note: Online registration will not be accessible within three (3) business days of program date.

**Volume Registration Discounts** are available for 6 or more registrants from the same firm attending the same program and city. For more information, send an e-mail to [webtechsem@relius.net](mailto:webtechsem@relius.net) or call 800-326-7235, Ext. 5963.

The registration fee includes all seminar materials and food and beverage as stated in program agenda. The registration fee does not include other meals, lodging, transportation, or parking. Registrations are confirmed by e-mail. Please note: While walk-in registrations are accepted, be sure to call before the program to confirm that space and course materials are available. Recording of the program is NOT permitted. If you have questions or require special assistance, send an e-mail to [webtechsem@relius.net](mailto:webtechsem@relius.net).

**Registration Form** (Please copy as needed to register additional persons.)

☐ **Both Programs** (\$765 early; \$815 standard) **Best Value**

☐ Cross-Tested Plans Workshop only (\$395 early; \$420 standard)

☐ Cash Balance Plans Workshop only (\$395 early; \$420 standard)

City: \_\_\_\_\_ Date: \_\_\_\_\_ \$ \_\_\_\_\_

CT Residents Add Applicable Sales Tax \$ \_\_\_\_\_

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☐ Enclosed is check payable to SunGard Corbel LLC. \$ \_\_\_\_\_

☐ Please charge: ☐ MasterCard ☐ VISA ☐ American Express \$ \_\_\_\_\_

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