

Actuarially Equivalent *Benefit Forms*

BenForms creates PDF-format participant statements illustrating the Qualified Joint and Survivor Annuity (QJSA); the dollar amount of benefit payout options; the value of the payout options relative to the QJSA and the appropriate form for completion by the participant and spouse. **BenForms** calculates retirement benefit payout options on Plan Actuarial Equivalence and Minimum IRC417(e) [with segment rates] bases. **BenForms** supports separate assumptions for the QJSA Relative Value comparison; and fractional ages or specific distribution dates.

1. APPLICATION FEATURES

- + Illustrates any number of benefit payout options at multiple benefit commencement ages
- + Includes the following benefit payout options:
 - Life contingent benefits
 - J&S and J&C (qualified and non-qualified)
 - User-selected period certain
 - Lump sum using AEQ and IRC417(e) assumptions [with segment rates]
- + Prints comprehensive participant statements that illustrate:
 - User-selected assumptions
 - Participant and beneficiary demographic data
 - Participant and beneficiary plan benefit normal form
 - Details of each user-selected alternative benefit form
 - Calculation of the relative value to QJSA for each selected benefit form
 - Automatic Election / Spousal Waiver of QJSA distribution option

2. USER INTERFACE

- + Easy and familiar user interface
- + Enter, edit, open and save data files
- + Automated data validation and entry error trapping
- + Reports created in pdf format with no additional software required
- + Easy emailing and printing of reports
- + Electronic interface with Blaze SSI EBPII valuation system
- + Comprehensive Intro Guide and on-line instruction with explanatory tool-tips

3. CUSTOMER SUPPORT

- + System updates for government regulations included in maintenance service
- + Unlimited phone, fax and email HelpLine support included in maintenance service
- + Basic and customized training seminars; National and regional user seminars
- + Systems consulting and custom programming available

4. OPERATING ENVIRONMENT SUPPORTED

- + MS Windows XP Pro; Vista (Business or Ultimate); Win7 Pro Operating System
- + Fully-managed .NET 3.5 application technology
- + Computer sufficient to support the OS; plus 128MB RAM (or higher) for the application
- + MS Internet Explorer 8 or higher; Internet connection required
- + Free Adobe Reader version 6 or higher

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BenForms PDF Reports:

- Customizable Cover Page
- Plan-level Actuarial Equivalence Assumptions and Optional Forms
- Participant Statement, illustrating:
 - Participant and spouse demographics
 - Plan benefit normal form
 - Plan optional forms and their relative value compared to QJSA
 - Explanation of terms
- Beneficiary Designation and Optional Distribution Selection
 - Selection of automatic QJSA
 - Selection of alternate form
 - Spousal consent form for waiver of QJSA

Why do Benefits Professionals use BenForms?

Many retirement plans are required to distribute benefits to participants in the form of a Qualified Joint and Survivor Annuity (QJSA). A QJSA is an annuity that provides a life annuity to the participant and a survivor annuity for the spouse's life following the participant's death.

If the QJSA rule applies to a participant, a QJSA is mandatory unless the participant elects a different form of payment available under the plan. An election by a married participant to take a different form of payment is not effective unless the participant's spouse also consents to the election. [If the lump sum value of the participant's benefit is \$5,000 or less, a lump sum can be paid instead of a QJSA without obtaining the participant's election or the spouse's consent.]

A prerequisite to a waiver of a QJSA is a written explanation containing a general description of the material features of the optional forms of benefit and sufficient additional information to explain the relative values of the optional forms of benefit available under the plan. In addition, such a written explanation must contain a general explanation of the relative financial effect of these elections on a participant's annuity.

The failure to provide proper spousal consent is an operational qualification mistake that would cause the plan to lose its tax-qualified status.

Benefits Professionals use BenForms to provide participant statements that illustrate the QJSA benefit; the dollar amount of benefit payout options; the value of the payout options relative to the QJSA and the appropriate form for completion by the participant and spouse.