

EQUIVALENT BENEFITS ANALYSIS

Prepared for

John Smith

Prepared by:

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ABC02 ABC Corporation Summary of Plan Provisions and Assumptions

IRC417(e) ASSUMPTIONS

AIR* Years 1 - 5	1.23 %
AIR* Years 6 - 20	4.23 %
AIR* Years 21 plus	5.31 %
Commencement Age Actuarial Adjustment	Interest
Mortality Table	2014 417(e)(3) Applicable Mortality Table

*AIR indicates the IRC417(e) Applicable Interest Rate%

ACTUARIAL EQUIVALENCE ASSUMPTIONS

Interest Rate for Benefit Form Adjustment	5 %
Interest Rate for Commencement Age Adjustment	5 %
Commencement Age Actuarial Adjustment	Interest
Mortality Table	1984 Unisex Pension (UP-84)
Male Setback	0
Female Setback	0
Projection Scale	None
Projection Years	0
Minimum Projection Percent	0 %

RELATIVE VALUE ASSUMPTIONS

Interest Rate for Benefit Form Adjustment	5 %
Interest Rate for Commencement Age Adjustment	5 %
Mortality Table	1984 Unisex Pension (UP-84)
Male Setback	0
Female Setback	0
Commencement Age Actuarial Adjustment	Interest

IRC415 ASSUMPTIONS

Interest Rate	5%
Interest Rate for Non-life Annuity	5.5%
Mortality Table	2014 417(e)(3) Applicable Mortality Table
Maximum Life Annuity	210000
Maximum Percent of Pay	100%

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Summary of Plan Provisions and Assumptions

Alternative Benefit Forms				
Benefit Commencement Age	Form	Certain Period	COLA	COLA Ratio
N/A	Lump Sum	0	0.0000	1.0000
N/A	100 % Joint and Survivor Annuity	0	0.0000	1.0000
N/A	Certain Annuity	20	0.0000	1.0000
N/A	Life Annuity	0	0.0000	1.0000
N/A	50 % Joint and Contingent Annuity	0	0.0000	1.0000

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Alternative Retirement Benefit Forms

	Name	SEX	Date of Birth	Plan Benefit Normal Form						
				BCD	BCA	Amount	Form	Certain Period	COLA %	COLA Ratio
Participant	John Smith	M	01/28/1954	02/01/2019	65	18,000.00	Life Annuity	0	0.00	1.00
Beneficiary	Jane Smith	F	07/01/1958		61					

Alternative Benefit Form	Benefit Amount		BCD	BCA	Certain Period	COLA %	COLA Ratio	Relative Value
	Participant	Survivor						
Qualified Joint and Survivor Form	15,675.65	7,837.83	02/01/2019	65	0	0.0000	1.0000	100%

The monthly joint and contingent annuity continues for the lives of both the participant and the beneficiary, with 50 % of the benefit payable to the beneficiary if the participant dies. The benefit payable to the participant is unreduced if the beneficiary dies.

In the case of a married participant, under IRC401(a)-11(b)(2), the QJSA benefit form must be at least as valuable as any other optional form of benefit payment under the plan at the same time.

Life Annuity	17,609.00	0.00	02/01/2019	65	0	0.0000	1.0000	100%
[AEQ Assumptions]	18,000.00							
[IRC415 Maximum]	17,609.00							

The monthly life annuity commences at the participant's benefit commencement age and continues until the participant's death.

Lump Sum Payment	2,120,735.00	0.00	02/01/2019	65	0	0.0000	1.0000	130%
[AEQ Assumptions]	2,167,855.20							
[IRC417(e)(3) Minimum Value]	2,809,594.48							
[IRC415 Maximum]	2,120,735.00							

The lump sum benefit is a single payment at the indicated benefit commencement age.

Under IRC401(a)-20, the amount payable under another optional form of benefit payment with relative value which exceeds that of the QJSA benefit form because of the minimum present value requirement of IRC417(e) does not fail to satisfy IRC401(a)-11(b)(2).

100 % J&S Annuity	13,882.94	13,882.94	02/01/2019	65	0	0.0000	1.0000	100%
[AEQ Assumptions]	13,882.94							
[IRC415 Maximum]	17,609.00							

The monthly joint and survivor annuity continues for the lives of both the participant and the beneficiary, with 100 % of the benefit payable to the survivor as a monthly life annuity if either dies.

Certain Annuity	13,810.00	0.00	02/01/2019	65	20	0.0000	1.0000	119%
[AEQ Assumptions]	14,116.71							
[IRC417(e)(3) Minimum Value]	16,784.06							
[IRC415 Maximum]	13,810.00							

The monthly annuity commences at the participant's benefit commencement age and continues for 20 years.

Under IRC401(a)-20, the amount payable under another optional form of benefit payment with relative value which exceeds that of the QJSA benefit form because of the minimum present value requirement of IRC417(e) does not fail to satisfy IRC401(a)-11(b)(2).

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Alternative Retirement Benefit Forms

50 % J&C Annuity	15,675.65	7,837.83	02/01/2019	65	0	0.0000	1.0000	100%
[AEQ Assumptions]	15,675.65							
[IRC415 Maximum]	17,609.00							

The monthly joint and contingent annuity continues for the lives of both the participant and the beneficiary, with 50 % of the benefit payable to the beneficiary if the participant dies. The benefit payable to the participant is unreduced if the beneficiary dies.

The **BCD** (Benefit Commencement Date) is the date that the benefit is first payable.

The **BCA** (Benefit Commencement Age) is the age the benefit payments are assumed to begin.

The **Relative Value** is 100 times the ratio of the present value of the illustrated optional benefit form to the present value of the Qualified Joint and Survivor annuity form using the Relative Value Assumptions.

If the benefits illustrated are intended as distributions from an IRC401(a)-qualified retirement or annuity plan, they may be subject to federal, state, or local taxes and additional limitations and disclosure requirements under IRC401, IRC415, IRC417 and other IRS regulations covering retirement age, maximum and minimum benefits which are beyond the scope of this illustration.

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BENEFICARY DESIGNATION AND OPTIONAL DISTRIBUTION SELECTION

Participant Name:	John Smith
Participant Social Security Number:	

As a participant in the above plan I understand that the automatic beneficiary designation and distribution option selection under the above plan is the Qualified Joint and Survivor Form which is a 50% joint and survivor annuity, payable to my surviving spouse, if any, upon my death.

I have selected **one** of the options as indicated below:

<input checked="" type="checkbox"/> I accept the automatic election.
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In the event that I do not have a surviving spouse at the time of benefit entitlement, my beneficiary shall be:

Name:	
Relationship:	
Date of Birth:	
Address:	
Social Security Number:	

<input type="checkbox"/> I do not accept the automatic election.
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I understand that I will receive the automatic election unless my spouse signs the consent below, and does not revoke consent prior to my entitlement to benefits. I reserve the right to revoke this election at any time. My beneficiary shall be:

Name:	Jane Smith
Relationship:	Spouse
Date of Birth:	
Address:	
Social Security Number:	

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BENEFICIARY DESIGNATION AND OPTIONAL DISTRIBUTION SELECTION

I wish benefits to be paid in the form: (mark the Selection box below)

Selection	Alternative Type	Certain Period	Percent to Beneficiary	BCA	COLA	COLA MAX	BCD
	Life Annuity	0	0	65	n/a	1	02/01/2019
	Life Annuity	0	0	65	n/a	1	02/01/2019
	Lump Sum	0	0	65	n/a	1	02/01/2019
	Joint and Survivor Annuity	0	100	65	n/a	1	02/01/2019
	Certain Annuity	20	0	65	n/a	1	02/01/2019
	Joint and Contingent Annuity	0	50	65	n/a	1	02/01/2019

Signature of Participant:	Date:
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Required Spouse's Consent if the Automatic Election is not Accepted

I, Jane Smith, am the spouse of the above named participant, and I consent to the refusal of the automatic qualified joint and survivor annuity. I understand that I would otherwise be entitled to receive the joint and survivor annuity, yet I voluntarily consent not to receive it. I reserve the right to revoke this election at any time.

Signature of Spouse:	Date:
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Subscribed and sworn before me on this _____ day of _____ 20

My Commission expires: / /20

Notary Public

(Seal)