

**APPENDIX E – OTHER PROPOSED CHANGES TO 2022 FORM 5500, FORM 5500-SF,  
FORM 5500-EZ, SCHEDULES and INSTRUCTIONS**

**1. Proposed Changes to Instructions to 2022 Form 5500 and Form 5500-SF for Part I,**

**“Multiple Employer Plan Checkbox.”**

- **Instructions for 2022 Form 5500.** The instructions for Part I, Line A - “Box for Multiple-Employer Plan” would be modified as follows:
  - Second paragraph - Delete the phrase “multiple-employer pension plans” and add the phrase “and not required to file a Form M-1 (Report for Multiple Employer Welfare Arrangements (MEWAs) and Certain Entities Claiming Exception (ECEs)), for example, multiple-employer welfare plans providing life or disability benefits,” after the phrase “multiple-employer welfare plans required to file a Form 5500.”
  - Third paragraph – Delete the phrase “Multiple-Employer Plan Participating Employer Information” and replace with the phrase “Participating Employer Information for Multiple-Employer Welfare Plan Not Providing Medical Benefits.”<sup>1</sup>

Replacing the current graphic in the Form 5500 for Part I, Line A “Box for Multiple-Employer Plan” entitled “Multiple-Employer Plan Participating Employer Information,” with the following:		
<b>Participating Employer Information for Multiple-Employer Welfare Plan Not Providing Medical Benefits (Insert Name of Plan and EIN/PN as shown on the Form 5500)</b>		
<b>1.</b> Name of participating employer	<b>2.</b> EIN	<b>3.</b> Percent of Total Contributions for the Plan Year
<b>1.</b> Name of participating employer	<b>2.</b> EIN	<b>3.</b> Percent of Total Contributions for the Plan Year

<sup>1</sup> For 2022, it would be expected that this information would be entered as structured repeating line items or in a format that would be imported into the system, rather than a nonstandard, read-only attachment.

- Add the following “Note” paragraph after the graphic.

**Note.** Do not report the participating employer information as an attachment for multiple-employer pension plans or multiple-employer welfare plans offering or providing medical benefits. Multiple-employer pension plans report the participating employer information on Schedule MEP. Multiple-employer welfare plans that offer or provide medical benefits report the participating employer information on Form M-1 (Report for Multiple Employer Welfare Arrangements (MEWAs) and Certain Entities Claiming Exception (ECEs)).

- The accompanying instructions for the “Box for Multiple-Employer Plan” on the 2021 Form 5500-SF at Part I, line A, Annual Report Identification Information would be revised to read the same as the instructions for the 2022 Form 5500 described above, except all references to “Form 5500” would be changed to “Form 5500-SF.”

## **2. Proposed Changes to 2022 Schedule H and Instructions to Standardize Data Collection For Schedule H, Line 4i Schedules of Assets**

- **Instructions for Schedule H.** Instructions for Part IV, line 4i of the 2022 Schedule H would be modified to read as follows:

**Line 4i. Schedules of Assets.** Check “Yes” in elements (1) and/or (2) and complete, as appropriate, the “line 4i(1) Schedule of Assets Held for Investment at End of Year” and the “line 4i(2) Schedule of Assets Acquired and Disposed of During the Plan Year.” You may not create your own schedules of assets in the form of an attachment or otherwise. You must complete the schedule through IFile or using EFAST-approved third-party software. If the plan both disposed of assets during the plan year and held assets for investment at end of year, you must complete

both the lines 4i(1) and 4i(2) schedules. Generally, plans that are ongoing must answer “Yes” to line 4i(1) and complete the “line 4i(1) Schedule of Assets Held for Investment at End of Year.”

**Notes:** (1) Participant loans under an individual account plan with investment experience segregated for each account, that are made in accordance with 29 CFR 2550.408b-1 and that are secured solely by a portion of the participant’s vested accrued benefit, may be aggregated for reporting purposes in line 4i. Under identity of borrower enter “Participant loans,” under rate of interest enter the lowest rate and the highest rate charged during the plan year (e.g., 8%–10%), under the cost and proceeds columns enter zero, and under current value enter the total amount of these loans. (2) Column (d) cost information for the line 4i(1) Schedule of Assets Held for Investment at End of Year and the column (c) cost of acquisitions information for the line 4i(2) Schedule of Assets Disposed of During the Plan Year may be omitted when reporting investments of an individual account plan that a participant or beneficiary directed with respect to assets allocated to his or her account (including a negative election authorized under the terms of the plan). Likewise, cost information for investments in Code sections 403(b)(1) annuity contracts and Code section 403(b)(7) custodial accounts may also be omitted. (3) Investments in Code section 403(b)(1) annuity contracts and Code section 403(b)(7) custodial accounts generally may also be treated as one asset held for investment for purposes on the line 4i schedules. For Code section 403(b)(7) accounts, show the corresponding line 1b(5)(A) categories to show the types of investment accounts.

**Line 4i(1). Schedule of Assets Held for Investment at End of Year.** Assets held for investment purposes for purposes of the line 4i(1) Schedule of Assets Held for Investment at End of Year include all investment assets held by the plan on the last day of the plan year other than

cash and cash equivalents reported on Schedule H, line 1a. You must complete the Schedule of Assets Held for Investment at End of Year if you answered “Yes” to line 4(i)(1).

Complete as many entries in each element as needed to identify all assets held for investment at end of year. Although a format is shown in the instructions for informational purposes, you cannot create your own schedules of assets, but must complete the schedules through IFile or using EFAST-approved third-party software.

<b>Schedule H, Line 4i(1) Schedule of Assets Held for Investment</b>				
<b>a</b> Check if issuer, borrower, lessor or similar party is a party-in-interest <input type="checkbox"/>	<b>b</b> Name of issuer, borrower, lessor, or similar party	<b>c</b> Check if asset is hard-to-value asset <input type="checkbox"/>	<b>d</b> CUSIP, CIK, LEI, NAIC Company Code, other registration number:	<b>e</b> Cost
<p><b>f(1)</b> Indicate Sch. H, line 1b asset category.</p> <p><b>(2)</b> <input type="checkbox"/> Check here if entry in <b>f(1)</b> is held through a CCT or PSA that did not file a Form 5500.</p> <p><b>(3)</b> <input type="checkbox"/> Check here if the asset is a designated investment alternative in a defined contribution plan</p> <p><b>(4)</b> <input type="checkbox"/> Check here if the asset is a qualified default investment alternative in a defined contribution plan</p> <p><b>(5)</b> <input type="checkbox"/> Check here if the asset is held in a participant-directed brokerage account that is required to be broken out and separately reported (see instructions for reporting assets held through a participant-directed brokerage account)</p>	<p><b>g</b> Description of investment, including, as applicable share class, maturity date, rate of interest, par or maturity value, including whether asset/investment is subject to surrender charge. See instructions for reporting assets held through a participant-directed brokerage account.</p>	<p><b>h</b> Current value</p>	<p><b>i.</b> If a checkbox for <b>f(3)</b> or <b>f(4)</b> is checked, enter the total annual operating expenses for the designated investment alternative expressed as a percentage of assets that was furnished to participants and beneficiaries in their most recent "404a-5 statement.</p>	

For each asset held directly by the plan or investing filing entity, complete elements (a)-(i).

Participant-directed brokerage account assets reported in the aggregate on line 1c(15) generally may be treated as one asset held for investment for purposes here, except investments in tangible personal property, loans, partnership or joint venture interests, real property, employer securities, and investments that could result in a loss in excess of the account balance of the participant or beneficiary who directed the transaction must be reported as separate

aggregations of assets on line 4i(1), with an indication of which of the line 1c breakouts on which that the asset was reported in the balance sheet.

**Element (a).** Check the box in element a if the issuer of the investment is a person known to be a party-in-interest to the plan. This includes when the seller, issuer, lender, or similar party is the employer, employee organization, a service provider to the plan, or other party interest, including a subcontractor or affiliate.

**Element (b).** Enter the name of the seller, issuer, lender, or similar party. If the person is a plan sponsor, service provider, or DFE also identified on the Form 5500, Schedule C or any other of the Schedule H line 4 schedules, or is a DFE that files its own Form 5500, use the same name in all places.

**Element (c).** Check here if the asset is a “hard-to-value” asset. Assets that are not listed on any national exchanges or over-the-counter markets, or for which quoted market prices are not available from sources such as financial publications, the exchanges, or the National Association of Securities Dealers Automated Quotations System (NASDAQ), are required to be identified as hard-to-value assets on the Schedule of Assets Held for Investment at End of Year. Bank collective investment funds or insurance company pooled separate accounts that are primarily invested in assets that are listed on national exchanges or over-the-counter markets and are valued at least annually need not be identified as hard-to-value assets. CCTs or PSAs invested primarily in hard-to-value assets must also be identified as a hard-to-value asset. A non-exhaustive list of examples of assets that would be required to be identified as hard-to-value on the proposed schedules of assets is: non-publicly traded securities, real estate, private equity

funds; hedge funds; and real estate investment trusts (REITs). Check this box for all assets designated as “level 3” in the accompanying IQPA report.

**Element (d).** If the person is a plan sponsor, service provider, or direct filing entity also identified on the Form 5500, Schedule C, or Schedule D, or any other of the Schedule H line 4 schedules, or is a DFE that files its own Form 5500, use the same identification numbers in all places. If the person identified in element c, has a CUSIP, CIK number, LEI, NAIC Company Code, or other government or market exchange registration or identity number, you must include all that apply here.

**Element (e).** Enter the acquisition cost of the asset.

**Element (f).** Enter in element f(1) which category the asset was part of the total on line 1b and check all applicable boxes.

**Element (g).** Enter a description of the investment, including, as applicable maturity date, rate of interest, par, or maturity value, including whether asset/investment is subject to surrender charge. Include any restriction on transferability of corporate securities. (Include lending of securities permitted under Prohibited Transactions Exemption 81-6.)

**Element (h).** Enter current value. For purposes of the Form 5500, “current value” means fair market value where available. Otherwise, it means the fair value as determined in good faith under the terms of the plan by a trustee or a named fiduciary, assuming an orderly liquidation at time of the determination. See ERISA section 3(26).

**Element i.** If the checkbox for element f(3) or f(4) is checked, enter the total annual operating expenses for the designated investment alternative expressed as a percentage of assets that was furnished to participants and beneficiaries in their most recent 404a-5 statement.

**Line 4i(2) Assets Acquired and Disposed of During Plan Year.** Complete as many entries in each element as needed to identify all acquired and disposed of during the year.

Although the format is shown in the instructions for informational purposes, you cannot create your own schedules of assets, but must complete the schedules through IFile or using EFAST-approved third-party software.

You must identify on the line 4i(2) Schedule each investment asset sold during the plan year except:

1. Debt obligations of the U.S. or any U.S. agency.
2. Interests issued by a company registered under the Investment Company Act of 1940 (e.g., a mutual fund).
3. Bank certificates of deposit with a maturity of one year or less.
4. Commercial paper with a maturity of 9 months or less if it is valued in the highest rating category by at least two nationally recognized statistical rating services and is issued by a company required to file reports with the Securities and Exchange Commission under section 13 of the Securities Exchange Act of 1934.
5. Participations in a bank common or collective trust.



6. Participations in an insurance company pooled separate account.

7. Securities purchased from a broker-dealer registered under the Securities Exchange Act of 1934 and either: (1) listed on a national securities exchange and registered under section 6 of the Securities Exchange Act of 1934 or (2) quoted on NASDAQ.

Assets acquired and disposed of during the plan year shall not include any investment that was not held by the plan on the last day of the plan year if that investment is reported in the annual report for that plan year in any of the following:

1. The schedule of loans or fixed income obligations in default required by Schedule G, Part I;

2. The schedule of leases in default or classified as uncollectible required by Schedule G, Part II;

3. The schedule of nonexempt transactions required by Schedule G, Part III; or

4. The schedule of reportable transactions required by Schedule H, line 4j.

You must complete the “Schedule of Assets Acquired and Disposed of During the Plan Year” if you answered “Yes” to line 4(i)(2).

Schedule H, Line 4i(2) Schedule of Assets Acquired and Disposed of During the Plan Year				
a Check if issuer, borrower, lessor or similar party is party-in-interest []	b Name of issuer, borrower, lessor, or similar party	c Check if asset is hard-to-value asset	d EIN, CUSIP, CIK, LEI, NAIC Company Code, other registration number:	e Indicate Sch. H, line 1c asset category.
f Cost	g Sales price	h Total expenses incurred with disposal of asset, including any termination or surrender charges	i Net gain/loss	j Description of investment, including, as applicable share class, maturity date, rate of interest, par or maturity value, including whether asset/investment is subject to surrender charge. See instructions for reporting assets held through a participant-directed brokerage account

**Element (a).** Indicate in element (a) whether the seller, issuer, lender, or similar party is the employer, employee organization, or other party interest, including a subcontractor or affiliate.

**Element (b).** Enter the name of the seller, issuer, lender, or similar party. If the person is a plan sponsor, service provider, or direct filing entity also identified on the Form 5500, Schedule C, or Schedule D, or any other of the Schedule H line 4 schedules, use the same name in all places. If the asset was held through a master trust, 103-12 IE, CCT, or PSA provide the name, EIN and PN of the entity. For DFEs use the same identifying information used on the entity's own Form 5500.

**Element (c).** Check here if the asset is a “hard-to-value” asset. Check this box for all assets designated as “level 3” in the accompanying IQPA report.

**Element (d).** In element (d) enter the EIN of issuer, borrower, lessor, similar party. If the person is a plan sponsor, service provider, or direct filing entity also identified on the Form 5500, Schedule C, or Schedule D, or any other of the Schedule H, line 4 schedules, use the same name in all places. Also enter, separated by commas, if applicable, the CUSIP, CIK, LEI, NAIC Company Code, or other registration number.

**Element (e).** Enter in element (e) in which category the asset was part of the total on line 1(b).

**Element (f).** Enter the acquisition cost here.

**Element (g).** Enter the sale price.

**Element (h).** Enter the total expenses incurred with disposal of asset, including any termination or surrender charges.

**Element (i).** Enter the net gain (loss) on the asset.

**Element (j).** Enter a description of the investment, including maturity date, rate of interest, collateral, par, or maturity value.

**3. Proposed Changes to Form 5500, Form 5500-SF and Instructions on counting participants for determining small plan filing status for defined contribution plans**

- **Instructions to 2022 Form 5500.** Instructions to Section 4, “What to File” section of the 2022 Form 5500 would be modified to delete the paragraph above the “Exceptions” section and replace with the following paragraph:

To determine whether a plan is a “small plan” or “large plan,” for defined benefit pension plans and welfare plans, use the number reported on Form 5500, line 5. Defined contribution pension plans use the number reported on the Form 5500 line 6g(1), except use the number reported on the Form 5500 line 6g(2) for defined contribution pension plans that check the “first return/report box on Part I, line B.

- **Instructions to 2022 Form 5500.** Instructions to “80-120 Participant Rule” paragraph in Section 4, “What to File,” “Exceptions” section of the 2022 Form 5500 would be modified by deleting the phrase “on line 5” in the first sentence and deleting the phrase “line 5 of the” in the second sentence.

- **Instructions to 2022 Form 5500.** Instructions to “Short Plan Year Rule” paragraph in Section 4, “What to File,” “Exceptions” section of the 2022 Form 5500 would be modified by amending the last sentence to eliminate the reference at the end to Line 5:

**(1) Short Plan Year Rule: \*\*\***

If such an election was made for the prior plan year, the 2022 Form 5500 must be completed following the requirements for a large plan, including the attachment of the Schedule H and the accountant’s reports, regardless of the number of participants entered in Part II.

- **2022 Form 5500.** Line 6 of Part II of 2022 Form 5500 would be modified by amending line 6, renumbering 6g as line 6g(2) and adding line 6g(1), to read as follow:

<b>6. Number of participants (welfare plans complete only Lines 6a(1), 6(a)(2), 6b, 7c, 7d, and 7g(3)).</b>		
* * *		
<b>g(1)</b> Number of participants with account balances as of the beginning of the plan year (only defined contribution plans complete this item).....	<b>6g(1)</b>	
<b>g(2)</b> Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	<b>6g(2)</b>	

- **Instructions to 2022 Form 5500.** Instructions to line 6g of Part II of 2022 Form

5500 would be modified to read as follows:

**Line 6.** Number of participants (welfare plans complete only Lines 6a(1), 6(a)(2), 6b, 7c, 7d, and 7g(3)).

**Line 6g.** Enter in Line 6g(1) the number of participants who have account balances at the beginning of the plan year. Enter in Line 6g(2) the number of participants included on line 6f (total participants at the end of the plan year) who have account balances at the end of the plan year. For example, for a Code section 401(k) plan the number entered on line 6g should be the number of participants counted on line 6f who have made a contribution, or for whom a contribution has been made to the plan for this plan year or any prior plan year. Welfare benefit plans and defined benefit plans should leave line 6g blank.

- **Instructions to 2022 Form 5500-SF.** Instructions to “Who May File” section of the 2022 Form 5500-SF would be modified by amending paragraph (1) to read as follows.

1. The plan (a) covered fewer than 100 participants at the beginning of the plan year 2022, or (b) under 29 CFR 2520.103-1(d) was eligible to and filed as a small plan for plan year 2022 and did not cover more than 120 participants at the beginning of plan year 2020. To determine whether a plan is eligible, for defined benefit pension plans and welfare plans, use the

number reported on Form 5500-SF line 5a. Defined contribution pension plans use the number reported on the Form 5500-SF line 5c(1), except use the number reported on the Form 5500-SF line 5c(2) for defined contribution pension plans that check the “first return/report box on Part I, line B;

- **2022 Form 5500-SF.** Line 5c of Part II of 2022 Form 5500-SF will be renumbered as line 5c(2) and line 5c(1) would be added to read as follow:

c(1) Number of participants with account balances as of the beginning of the plan year (only defined contribution plans complete this item).....	5c(1)	
c(2) Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	5c(2)	

- **Instructions to 2022 Form 5500-SF.** Instruction to second sentence of line 5 of Part II of 2022 Form 5500-SF will be deleted and replaced with the following two sentences as follows.

**Line 5. \*\*\***

Enter in element (c)(1) the number of participants who have account balances with account balances as of the beginning of the plan year. Enter in element (c)(2) the number of participants included on line 5b (total participants at the end of the plan year) who have account balances at the end of the plan year.

- **Instructions to 2022 Form 5500-SF.** Instruction to line 6 of Part II of 2022 Form 5500-SF would be modified by amending paragraph (1) to read as follows:

1. The plan (a) covered fewer than 100 participants at the beginning of the plan year 2022, or (b) under 29 CFR 2520.103-1(d) was eligible to and filed as a small plan for plan year

2019 and did not cover more than 120 participants at the beginning of plan year 2020 (see instructions for Who May File Form 5500-SF on counting the number of participants to determine whether a plan is eligible);