

## 2014

### Data for Question 30 (4 points)

Valuation date: 1/1/2015.

Accrued benefit: 10% of final three-year average compensation multiplied by years of service.

Segment rates: { 1.7%, 4.3%, 5.5% }.

Adjusted segment rates: { 5.0%, 6.0%, 7.0% }.

Actuarial (market) value of plan assets: \$200,000.

Compensation increase assumption: 0% per year.

Data for sole participant Smith:

Date of birth	1/1/1970
Date of hire	1/1/2012
2012 compensation	\$100,000
2013 compensation	150,000
2014 compensation	175,000

Selected annuity factors:

	<u>5.5%</u>	<u>7.0%</u>
$\ddot{a}_{65}^{(12)}$	11.35	10.11

$\$X$  is equal to the deduction limit as of 1/1/2015.

### Question 30

In what range is  $\$X$ ?

- (A) Less than \$75,000
- (B) \$75,000 but less than \$105,000
- (C) \$105,000 but less than \$135,000
- (D) \$135,000 but less than \$165,000
- (E) \$165,000 or more

2014

Data for Question 44 (3 points)

Valuation date: 1/1/2015.

Selected information as of 1/1/2015:

Actuarial (market) value of assets	\$5,000,000
Minimum required contribution	900,000
Effective interest rate	5.0%
Valuation results calculated for IRC 404 purposes	
Funding target	7,000,000
Target normal cost	600,000
Funding target with future compensation increases	10,000,000
At-risk funding target	9,000,000
At-risk target normal cost	800,000
At-risk funding target with future compensation increases	11,000,000

The plan is not at-risk for 2015 and has always had over 500 participants.

Question 44

In what range is the deduction limit for 2015?

- (A) Less than \$9,000,000
- (B) \$9,000,000 but less than \$9,650,000
- (C) \$9,650,000 but less than \$10,300,000
- (D) \$10,300,000 but less than \$10,950,000
- (E) \$10,950,000 or more

2015

Data for Question 8 (3 points)

The plan is not at-risk for 2016 and has always had over 500 participants.

Selected information as of 1/1/2016:

Market value of assets	\$875,000
Actuarial value of assets	800,000
Valuation results calculated for IRC 404 purposes	
Funding target	1,000,000
Target normal cost	80,000
Funding target with expected future compensation increases	1,200,000
At-risk funding target	1,300,000
At-risk target normal cost	90,000
Effective interest rate	4.50%

Question 8

In what range is the deduction limit for 2016?

- (A) Less than \$650,000
- (B) \$650,000 but less than \$750,000
- (C) \$750,000 but less than \$850,000
- (D) \$850,000 but less than \$950,000
- (E) \$950,000 or more

2015

Data for Question 25 (1 point)

A plan has no funding balances as of the first day of the plan year.

$\$X$  is the minimum required contribution determined as of the first day of the plan year.

$\$Y$  is the contributions for the plan year that were actually deposited by the last day of the plan year, discounted at the effective interest rate to the first day of the plan year.

Consider the following statement:

A 10% excise tax is applied to the excess, if any, of  $\$X$  over  $\$Y$ .

Question 25

Is the above statement true or false?

(A) True

(B) False

## 2015

### Data for Question 36 (3 points)

Selected valuation results:

	<u>2014</u>	<u>2015</u>
Minimum required contribution	\$750,000	\$850,000
Effective interest rate	7.0%	4.0%
Required quarterly installments	None	None

A contribution of \$750,000 is made on 12/31/2014.

A contribution of \$750,000 is made on 7/1/2016 and applied to the 2015 plan year to the extent allowable.

No other contributions are made between 1/1/2014 and 9/15/2016.

$\$X$  is the excise tax due attributable to any unpaid minimum required contribution for the 2015 plan year.

### Question 36

In what range is  $\$X$ ?

- (A) Less than \$19,200
- (B) \$19,200 but less than \$19,400
- (C) \$19,400 but less than \$19,600
- (D) \$19,600 but less than \$19,800
- (E) \$19,800 or more

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