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Revised Annual Funding Model Notices and Guidance for Defined Benefit

Section 101(f) of the Employee Retirement Income Security Act of 1974 requires that defined benefit plans furnish participants with an annual funding notice (“AFN”) disclosure that provides participants with information about the plan and its financial health. The contents of these disclosures were expanded by the SECURE 2.0 Act of 2022, with the first expanded disclosures applying for plan years beginning after December 31, 2023. Plans with 100 or more participants must distribute AFNs no later than 120 days after the close of each plan year (April 30, 2025 for calendar year plans); smaller plans may furnish AFNs by their Form 5500 filing deadlines.

On April 3, 2025 the United States Department of Labor’s Employee Benefits Security Administration (“EBSA”) division released [Field Assistance Bulletin No. 2025-02](#) (the “bulletin”), which provides general instructions on how retirement plan administrators can comply with the new disclosure requirements, as well as model notices for both [single employer](#) and [multiemployer plans](#), which reflect the updated guidance. These are the first major updates to the 101(f) regulations since 2015. Key changes to the AFN include:

- Additional disclosures regarding plan funding status and the consequences of underfunding.
- More detailed information concerning returns, participant counts, funded liabilities, and material events affecting plan funding.
- Statement describing guarantees offered by the Pension Benefit Guaranty Corporation.
- Plain language revisions to facilitate understanding by the average plan participant.

The bulletin also contains technical guidance and methodology for plan consultants and actuaries to calculate funding percentages and the average return on assets.

Since this guidance does not address *all* SECURE 2.0-related issues, EBSA is permitting plan administrators to rely on a reasonable and good-faith interpretation of the bulletin (and on [FAB 2023-01](#)) until further guidance is issued. However, administrators may *not* continue to rely on prior model notice versions.

Therefore, we recommend that plan administrators partner with their plan professionals to develop and issue AFNs that comply with the guidance and updated model notices. If the plan has already issued its 2024 AFNs, the AFNs should be evaluated and revised as necessary to comply with the bulletin, particularly if they were distributed before the release of the updated guidance.

For more information about compliance with this revised AFN guidance, please contact a member of the Kutak Rock Employee Benefits Practice Group.

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