

**MEMO# 3802**

May 27, 1992

## **IRS ALLOWS SIMPLIFIED METHOD OF AMENDING PROTOTYPE PLANS**

May 27, 1992 TO: PENSION MEMBERS NO. 11-92 RE: IRS ALLOWS SIMPLIFIED METHOD OF  
AMENDING PROTOTYPE PLANS

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Attached is a copy of Revenue Procedure 92-41, which provides a simplified method by which prototype sponsors that received favorable opinion letters after January 1, 1990, may amend their plans to take advantage of liberalized rules contained in final regulations under sections 401(k) and 401(m) of the Code and the new definition of compensation under section 1.415-2(d)(11)(i) of the regulations. Amendments concerning the definition of compensation may be accomplished without the necessity for application to the IRS through adoption of model language set forth in the revenue procedure. Individually drafted amendments relating to the definition of compensation or the various issues under sections 401(k) and 401(m) that are listed in the revenue procedure must be submitted to the IRS for review, but such applications will be handled on an expedited basis and no user fee will be incurred. We will keep you informed of further developments. Kathy D. Ireland Associate Counsel - Pension Attachment

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