
29 C.F.R. § 2580.412-15

Procedures to be used for estimating the amount of funds to be “handled” during the current reporting year in those cases where there is no preceding reporting year.

If for any reason a plan does not have a complete preceding reporting year, the amount “handled” by persons required to be covered by a bond shall be estimated at the beginning of the calendar, policy or other fiscal year, as the case may be, which would constitute either the operating year or the reporting year of the plan, whichever shall occur first, as follows:

- (a) In the case of a plan having a previous experience year, even though it has no preceding reporting year, the estimate of the amount to be “handled” for any person required to be covered shall be based on the experience in the previous year by applying the same standards and criteria as in a plan which has a preceding reporting year. Similarly, where a plan is recently established, but has had, at the time a bond is obtained, sufficient experience to reasonably estimate a complete year's experience for persons required to be bonded, the amount of funds to be “handled” shall be projected to the complete year on the basis of the period in which the plan has had experience, unless, to the knowledge of the plan administrator, the given period of experience is so seasonal or unrepresentative of the complete year's experience as not to provide a reasonable basis for projecting the estimate for the complete year.

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