



**2000**

**ESTIMATED PREMIUM PAYMENT PACKAGE  
PENSION BENEFIT GUARANTY CORPORATION**

This Package Contains:  
PBGC Form 1-ES  
and Instructions

To All Plan Administrators:

Enclosed are the forms and instructions for your estimated premium payment to the Pension Benefit Guaranty Corporation for the 2000 plan year. I am happy to report that all of PBGC's mission-critical computer systems are Y2K-compliant.

We have changed our rules this year to make it easier for you to stay within the safe harbor from penalties on estimated premium payments. For example, under the new safe harbor rules, you can avoid a penalty even if your estimated premium payment is based on the reported participant count for the prior plan year and that count is later determined to be in error. We hope the new rules will be helpful.

This change is one example of the steps we are taking to provide our customers with the best possible service. We have extended the Form 1 filing due date, added a toll-free number for your inquiries, and established a "One Call Does It All" policy as part of our Service Pledge to all of our customers. With one call from you, we will either answer your question or let you know who will handle the problem and when an answer can be expected. If we discover that your request is going to take longer than we initially thought, we will call you back and keep you informed of our progress. We have also appointed a Problem Resolution Officer for practitioners.

We welcome your suggestions on how we can serve you better. You can e-mail me at [Strauss.David@PBGC.gov](mailto:Strauss.David@PBGC.gov). I look forward to hearing from you.

A handwritten signature in black ink, reading "David M. Strauss", is positioned above the typed name and title.

David M. Strauss  
Executive Director  
Pension Benefit Guaranty Corporation

---

## **Pension Benefit Guaranty Corporation** **Customer Service Plan for Plan Administrators**

### *What is Our Mission?*

The mission of the Pension Benefit Guaranty Corporation (PBGC) is to operate as a service-oriented, professionally managed agency that protects participants' pension benefits and supports a healthy retirement plan system. We encourage the continuation and maintenance of private pension plans, protect pension benefits in ongoing plans, provide timely payments of benefits in the case of terminated plans, make the maximum use of resources, and maintain premiums and operating costs at the lowest levels consistent with statutory responsibilities.

### *Who Are Our Customers and What Services Do We Provide?*

As a plan administrator of a pension plan that pays premiums to PBGC, you are one of PBGC's principal customers. In administering the premium collection program, we:

- Collect premiums from covered plans;
- Issue annual premium forms and instructions packages;
- Answer questions from plan administrators, sponsors, and practitioners about premium payments;
- Process premium-related requests, including requests for refunds and administrative changes;
- Issue past due filing notices and statements of account (premium invoices), as appropriate;
- Make decisions on requests for reconsideration of agency determinations in the premium administration area.

Of course, our dealings with plan administrators, plan sponsors, and pension practitioners go beyond premium collections. Should a defined benefit pension plan terminate, as either a standard or a distress termination, you have dealings with the PBGC to bring the case to closure.

### *Our Service Pledge*

*Our customers deserve our best effort as well as our respect and courtesy.*

- On the first call from you, our customer, we will say —
  - what we can do immediately and what will take longer,
  - when it will be done, and
  - who will handle your request.
- We will call you if anything changes from what we first said, give you a status report and explain what will happen next.
- We will have staff available from 8:00am-5:00pm Eastern Time to answer your calls. If you leave a message, we will return the call within one work-day.
- We will acknowledge your letter within one week of receipt.

### *Survey Results and Service Improvement Efforts*

PBGC conducts an annual survey of pension practitioners (plan administrators and pension professionals) to measure customer expectations and overall satisfaction with the quality of service.

*We listen* carefully to our customers through surveys, focus groups, and day-to-day contacts, and *we change* how we operate as a result. For example, we

- extended the Form 1 filing due date one month to match the extended Form 5500 filing due date;
- established a toll-free telephone number for pension professionals (1-800-736-2444);
- improved our processing of refund and waiver requests; and
- rewrote our letters to premium payers in plain language.

In our most recent survey, overall satisfaction (i.e., ratings of “outstanding” and “above average”) increased four percentage points to 58% from the previous year. Practitioners told us we were doing better at meeting our service pledge. They said we were better at telling them when to expect a response and who the contact person is; acknowledging letters within a week; and answering questions with *only one call required by the customer*.

Premium filers told us that we improved our handling of premium payment and billing questions. They also pointed out a need for further improvement in our timeliness and follow-up for responding to requests for refunds and requests for penalty waivers.

We are moving ahead to make further improvements in these areas.

### *Questions or Complaints*

If you have a premium-related question or request, please contact us at **1-800-736-2444** or **(202) 326-4242**. If you still need assistance after calling one of these numbers or have a complaint about the service you received, please contact: Pension Benefit Guaranty Corporation, Problem Resolution Officer (Practitioners), Suite 670, 1200 K Street, NW, Washington, DC 20005-4026; Phone: (202) 326-4136; Email: [premiums.pro@pbgc.gov](mailto:premiums.pro@pbgc.gov).

When you write to us, include a telephone number where you can be reached and we will respond to you by telephone.

---

## CONTACT POINTS

1. PBGC has established a web site on the Internet at the following address:

<http://www.pbgc.gov>

It contains pension plan information of interest to the plan administrator and practitioner, such as current and prior premium filing booklets, frequently asked questions, interest rates, regulations, etc.

2. Mail Form 1 and Form 1-ES (including amended premium filings) to:

Pension Benefit Guaranty Corporation  
P.O. Box 64880  
Baltimore, MD 21264-4880

or use a delivery service to send Form 1 and Form 1-ES to:

First National Bank of Maryland  
110 South Paca Street  
Mail Code: 109-320/Lockbox #64880  
Baltimore, MD 21201

If you pay by check, write the plan's EIN/PN and the date the premium payment year commenced (PYC) on the check and send the check with your form. If you pay by wire transfer, send the payment to:

First National Bank of Maryland  
Baltimore, Maryland  
ABA: 052000113  
Account: 425-5265-5  
Beneficiary: PBGC  
Reference: (give plan's EIN/PN and the date the premium payment year commenced (PYC))

3. For all premium-related inquiries, including requests for booklets or forms, premium filing questions, address changes, requests for refunds (that are not submitted via premium filing forms), and requests for reconsideration of premium penalty assessments:

Call: 1-800-736-2444  
(202) 326-4242  
Fax: (202) 326-4250

or write to:

Pension Benefit Guaranty Corporation  
P.O. Box 64916  
Baltimore, MD 21264-4916

4. For current interest rate information:

Call: (202) 326-4041  
Internet: <http://www.pbgc.gov>

or write to:

Pension Benefit Guaranty Corporation  
CPAD, Suite 240  
1200 K Street, NW  
Washington, DC 20005-4026

5. To contact the National Technical Information Service, which provides the Required Interest Rates and other PBGC interest rates for a fee through a subscription service:

Call: 1-800-363-2068  
Fax: (703) 605-6880  
Order #: SUB-9244

6. For assistance on coverage determination or plan termination:

Call: 1-800-736-2444  
(202) 326-4242

or write to:

Pension Benefit Guaranty Corporation  
IOD/Technical Assistance Branch, Suite 930  
1200 K Street, NW  
Washington, DC 20005-4026

7. If you have a complaint about the service you have received or still need assistance after calling our practitioner telephone numbers listed in item 3 and 6 (1-800-736-2444 or (202) 326-4242), please contact the Problem Resolution Officer (Practitioners):

Call: (202) 326-4136  
Email: [premiums.pro@pbgc.gov](mailto:premiums.pro@pbgc.gov)

or write to:

Pension Benefit Guaranty Corporation  
Problem Resolution Officer (Practitioners), Suite 670  
1200 K Street, NW  
Washington, DC 20005-4026

8. Any vendor requesting approval of automated forms may send a sample (including 3 original forms) to:

Pension Benefit Guaranty Corporation  
Vendor Forms Review Office, FOD/CCD, Suite 670  
1200 K Street, NW  
Washington, DC 20005-4026

9. For TTY/TDD users, call the Federal relay service toll-free at 1-800-877-8339 and ask to be connected to the appropriate number listed above.

**Note:** Collect calls cannot be accepted.

## INSTRUCTIONS FOR 2000 PBGC FORM 1-ES

### Paperwork Reduction Act Notice

We need this information to identify the plan and plan year for which an estimated premium is paid to the Pension Benefit Guaranty Corporation (PBGC) pursuant to Title IV of the Employee Retirement Income Security Act of 1974 (ERISA) and the PBGC's premium regulations (29 CFR Parts 4006 and 4007). You are required to give us this information. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number. OMB has approved this collection of information under control number 1212-0009. Confidentiality is that supplied by the Privacy Act and the Freedom of Information Act.

The estimated burden associated with completing and filing Form 1-ES is one-half hour (for filings done in-house) or \$75 (for filings contracted out). (The PBGC assumes that 95% of the burden of filing Form 1-ES is contracted out.) These burden estimates are an average for the plans that file this form. The actual burden will vary depending on the circumstances of a given plan.

If you have comments concerning the accuracy of this time estimate or suggestions for making the form simpler, please send your comments to:

Pension Benefit Guaranty Corporation  
Office of the General Counsel  
1200 K Street, NW  
Washington, DC 20005-4026

### Introduction

A plan that was required to report 500 or more participants on its final PBGC Form 1 for the plan year preceding the premium payment year must file Form 1-ES and pay its estimated flat rate premium for the premium payment year. This payment must be made by the First Filing Due Date — generally, the last day of the second full calendar month in the premium payment year. (For the first full plan year following a change in plan year, the First Filing Due Date is the 30th day after the adoption date of a plan amendment changing the plan year, if later.)

If your due date would fall on a weekend or Federal holiday, your premium filing will be considered timely if you file by the next business day. A premium form or payment is considered filed on the U. S. Postal Service postmark date (if legible) or three days before receipt by PBGC (if there is no legible USPS postmark date).

The Form 1-ES filing deadlines for 2000 are shown in the following table.

2000 Form 1-ES

Filing Due Dates

Premium Payment Year	Form 1-ES Filing Due Dates
<u>Begins</u>	<u>Dates</u>
01/01/2000	02/29/2000
01/02 - 02/01/2000	03/31/2000
02/02 - 03/01/2000	05/01/2000*
03/02 - 04/01/2000	05/31/2000
04/02 - 05/01/2000	06/30/2000
05/02 - 06/01/2000	07/31/2000
06/02 - 07/01/2000	08/31/2000
07/02 - 08/01/2000	10/02/2000*
08/02 - 09/01/2000	10/31/2000
09/02 - 10/01/2000	11/30/2000
10/02 - 11/01/2000	01/02/2001*
11/02 - 12/01/2000	01/31/2001
12/02 - 12/31/2000	02/28/2001

\* **NOTE:** If your filing is not made by this date, penalty and interest will be calculated from the last day of the preceding month (the First Filing Due Date) rather than the following business day — e.g., from Sunday 04/30/2000 rather than Monday 05/01/2000.

### Penalty and Interest

If the estimated premium paid by the First Filing Due Date is less than 100 percent of the flat rate amount due for the premium payment year, there will be a charge for interest on the difference between the two amounts, and there may be a late payment penalty as well. No penalty will be imposed (although interest will be charged) if you did not make an estimated premium payment because you erroneously reported fewer than 500 participants for the plan year preceding the premium payment year. In addition, you can avoid the penalty (but not the interest) if the estimated premium payment you make by the First Filing Due Date is at least equal to the lesser of:

- (1) 90 percent of the flat rate amount due for the premium payment year or
- (2) an amount equal to the participant count for the plan year preceding the premium payment year multiplied by the 2000 flat rate (\$19 per participant for single-employer plans or \$2.60 per participant for multiemployer plans). This test will be met if the amount paid is sufficient using either the actual participant count for the plan year preceding the premium payment year or a smaller count that was erroneously reported.

For purposes of determining whether a penalty is due, the participant count “erroneously reported” refers to the premium filing (or last amended filing) for the plan year preceding the premium payment year made to the PBGC by the First Filing Due Date.

### **Change of Address and Request to Stop Receipt of Premium Forms and Instructions**

Be sure to check the address change box in item 1 or 2 if the plan sponsor's or plan administrator's name or address has changed.

If your plan's premium filings are prepared by a consultant, you may not need to receive your own copy of PBGC premium forms and instructions. If you do not want to receive premium forms and instructions next year, check the box in item 1. An election not to receive the forms and instructions does not relieve the plan administrator of the obligation to file.

### **Definitions**

**"Plan sponsor"** means the employer (or, for a plan maintained by an employee organization, the employee organization) that maintains a single-employer plan or the association, committee, joint board of trustees, or other similar group that maintains a multiemployer plan.

**"Plan administrator"** means the plan administrator (person or entity) specifically designated as such by the terms of the plan or, if no plan administrator is so designated, the plan sponsor.

**Plan mergers and plan consolidations** are transactions in which one or more transferor plans transfer all of their assets and liabilities to a transferee plan and disappear (because they become part of the transferee plan). However, there are important differences between the two kinds of transactions. In a merger, the transferee plan is one that existed before the transaction. In a consolidation, the transferee plan is a new plan that is created in the consolidation. Thus, the plan that exists after a consolidation follows the premium filing rules for new plans. In particular, it need not make an early premium payment with Form 1-ES (no matter how many participants any of the transferor plans had for the prior year(s)), it may not use the alternative calculation method, and its filing due date is subject to the special rules for new plans. On the other hand, the transferee plan in a merger follows the normal rules for preexisting, ongoing plans.

**In a spinoff**, the transferor plan transfers only part of its assets and/or liabilities to the transferee plan, so that both the transferor and the transferee plan exist after the transaction. The transferee plan may be a new plan that is created in the spinoff, or it may be a pre-existing plan that simply receives part of the assets and/or liabilities of the transferor plan.

### **Transfers From Disappearing Plans**

If a plan other than yours ceased to exist in connection with any transfer of assets or liabilities from that plan to your plan since the last premium filing, check the "Yes" box in item 3(c). If you check "Yes," enter in the spaces provided the EIN/PN of each plan that ceased to exist in connection with the transfer of any assets or liabilities to your plan. Also enter the effective date and type of each transfer. The types of transfers are explained above. The effective date of a transfer is determined based on the facts and circumstances of the particular situation. (For transfers subject to section 414(l) of the Code, report the date determined under 26 CFR 1.414(l)-1(b)(11).)

Example: The merger agreement between Plans A and B provides that Participants of Plan A will cease accruing benefits under Plan A and begin coverage and benefit accruals under Plan B as of January 1, 2000, and that the obligation to pay benefits to Plan A participants will pass from Plan A to Plan B as of that date. The agreement also provides that Plan A's assets will be transferred to Plan B's account as soon as practicable. The transfer actually occurs on February 17, 2000. The effective date of the transfer is January 1, 2000.

If you need to report transfers from more than 1 plan, attach a separate sheet listing the EIN/PN of each additional plan and the effective date and type of each transfer.

You do not need to report any transfer in this item unless the transferor plan ceased to exist in connection with the transfer — i.e., transferred all of its assets and liabilities to your plan or to two or more plans including your plan. You also do not need to report a transfer in this item if you have no reasonable way of determining whether the transferor plan ceased to exist in connection with the transfer.

### **Credits**

If a premium is overpaid for a plan, and any part of another year's premium or late payment penalty or interest charge is still owing for that plan, the overpayment will be applied toward paying off the outstanding amount(s) due.

You may designate which particular outstanding amount(s) of premium or late payment charge an overpayment is to be applied against (if it has not already been applied). If you do not so designate, we will apply the overpayment first to the outstanding premium, interest, and penalty (in that order) from the earliest plan year, then the next earliest plan year, etc.

An amount of overpayment that is not needed to pay off amounts owed may be refunded upon request made within the period specified in the applicable statute of limitations (generally six years after the overpayment was made) or may be claimed as a credit on a Form 1 or

Form 1-ES filed within the same period. An overpayment on one plan cannot be applied to offset an underpayment on one or more other plans.

You may claim the amount of any available credit from line 18 of your 1999 Form 1 in item 7 of Form 1-ES. You may also include in item 7 the amount of any other credit you are entitled to claim, in which case you should attach an explanation.

(If your credits in item 7 of Form 1-ES are greater than your estimated premium in item 6, enter 0 in item 8.)

### Additional Instructions

Clearly print or type information in the boxes. The plan administrator must sign and date the certification at the bottom of the form. Beneath the signature line, print or type the name of the individual who signs and provide a daytime telephone number.

Indicate on line 8(b) whether you are paying your estimated premium by check or wire transfer. If you pay by check, write the plan's EIN/PN (from item 3(a) and (b) of the form) and the date the premium payment year commenced (PYC) on the check and send the check with Form 1-ES. If you pay by wire transfer, make the transfer to:

First National Bank of Maryland

Baltimore, Maryland

ABA: 052000113

Account: 425-5265-5

Beneficiary: PBGC

Reference: (give plan's EIN/PN and the date the premium payment year commenced (PYC))

Report the EIN/PN from item 3(a) and (b), and the date the premium payment year commenced (PYC), in the payment ID line of the wire transfer in the format "EIN/PN: XX-XXXXXXX/XXX PYC: XX/XX/XX."

To ensure proper credit, you must file a separate Form 1-ES and make a separate estimated premium payment for each plan. Do not combine estimated premiums for different plans in one payment. Mail the completed Form 1-ES to:

Pension Benefit Guaranty Corporation

P.O. Box 64880

Baltimore, MD 21264-4880

If sent by courier, the form should be delivered to:

First National Bank of Maryland

110 South Paca Street

Mail Code: 109-320/Lockbox #64880

Baltimore, MD 21201

For help with questions about filing Form 1-ES or making wire transfers, or with other premium-related questions or requests, contact:

Pension Benefit Guaranty Corporation

P.O. Box 64916

Baltimore, MD 21264-4916

Phone: 1-800-736-2444

(202) 326-4242

TTY/TTD: 1-800-877-8339 — request

connection to (202) 326-4242

The premium forms you file must be the forms issued by the PBGC, which are specially printed for use with electronic optical character recognition, or PBGC-approved forms created with software. You may not use a photocopy of the PBGC form. To obtain additional sets of the 2000 Form 1-ES or copies of the 2000 Estimated Premium Payment Package (or any other PBGC premium forms or instructions), contact:

Pension Benefit Guaranty Corporation

P.O. Box 64916

Baltimore, MD 21264-4916

Phone: 1-800-736-2444

(202) 326-4242

Fax: (202) 326-4250

TTY/TTD: 1-800-877-8339 — request

connection to (202) 326-4242

If you are a pension practitioner serving many covered plans and wish to receive a bulk shipment of the Estimated Premium Payment Package and Form 1-ES, use the order blank on the inside back cover of this Estimated Premium Payment Package. PBGC's 2000 forms and instructions also are available through the offices of the Pension and Welfare Benefits Administration (PWBA) of the U.S. Department of Labor listed on the inside back cover.

---

## DEFINED BENEFIT PENSION PUBLICATION AVAILABLE

PBGC has a new publication, A Predictable, Secure Pension for Life, that provides easy-to-understand information about defined benefit pension plans and the federal insurance guarantee. The free booklet is available electronically on PBGC's Internet site, [www.pbgc.gov/pbgcdbp.htm](http://www.pbgc.gov/pbgcdbp.htm), or upon request from the Consumer Information Center, Dept. 590F, Pueblo, CO 81009.

PBGC also can provide a compact disc (CD) for companies or benefit advisors interested in printing bulk copies of the booklet through commercial sources. The CD contains all the files needed to reproduce the publication through a commercial printer. The CD is available only in Macintosh format, as that is the system used by most commercial printers. The CD is not intended for, nor compatible with, IBM-type personal computers. The free CD is available from PBGC's Communications and Public Affairs Department, 1200 K Street NW, Washington, DC 20005-4026.

---

## PENSION AND WELFARE BENEFITS ADMINISTRATION OFFICES

Forms and instructions may be obtained through the following offices of the Pension and Welfare Benefits Administration (PWBA) of the U.S. Department of Labor:

**CALIFORNIA**

San Francisco 94119-0250  
P. O. Box 190250  
(415) 975-4600

**DISTRICT OF COLUMBIA**

Washington 20006  
1730 K Street, NW  
Suite 556  
(202) 254-7013

**FLORIDA**

Plantation 33324  
8040 Peters Road  
Building H, Suite 104  
(954) 424-4022

**GEORGIA**

Atlanta 30303  
61 Forsyth Street SW  
Suite 7B54  
(404) 562-2156

**ILLINOIS**

Chicago 60606  
200 West Adams  
Suite 1600  
(312) 353-0900

**KENTUCKY**

Fort Wright 41011  
1885 Dixie Highway  
Suite 210  
(606) 578-4680

**MASSACHUSETTS**

Boston 02203  
JFK Federal Bldg  
Room 575  
(617) 565-9600

**MICHIGAN**

Detroit 48226-3211  
211 West Fort Street  
Suite 1310  
(313) 226-7450

**MISSOURI**

Kansas City 64105  
1100 Main Street  
Suite 1200  
(816) 426-5131

**St. Louis 63101**

1815 Olive St., Rm. 338  
(314) 539-2691

**NEW YORK**

New York City 10048  
U.S. Customhouse  
6 World Trade Center  
Room 625  
(212) 637-0620

**PENNSYLVANIA**

Philadelphia 19104  
Gateway Building  
3535 Market Street  
Room 12400  
(215) 596-1134

**TEXAS**

Dallas 75202  
Federal Building-Rm 707  
525 Griffin Street  
(214) 767-6831

**WASHINGTON**

Seattle 98101-3212  
1111 Third Avenue  
Room 860  
(206) 553-4244

---

## PBGC PREMIUM PACKAGES - BULK MAILING ORDER FORM

We will mail a bulk order of forms to those pension practitioners who need many copies. We will also provide forms for filing for previous plan years. Please check one or more of the following and record your name and address:

- Send 2000 Estimated Premium Payment Package (25 copies of Form 1-ES and 1 set of instructions).
- Send 2000 Premium Payment Package (50 copies of Form 1 with Schedule A, and 1 set of instructions).
- Send Estimated Premium Payment Package for filing year \_\_\_\_\_. Number of packages needed \_\_\_\_\_.
- Send Premium Payment Package for filing year \_\_\_\_\_. Number of packages needed \_\_\_\_\_.
- STOP SENDING BULK PACKAGES. THEY ARE NO LONGER NEEDED.

Name: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

Once you have completed this form, mail it to:

Pension Benefit Guaranty Corporation

P.O. Box 64916

Baltimore, MD 21264-4916

or Fax your request to: (202) 326-4250

---

**Pension Benefit Guaranty Corporation**

**P.O. Box 64880**

**Baltimore, MD 21264-4880**

Address Correction Requested

**OFFICIAL BUSINESS**

Penalty for private use \$300

BULK RATE  
POSTAGE & FEES  
PAID PBGC  
Permit No.  
G-92