



Pension Benefit Guaranty Corporation
 1200 K Street, N.W., Washington, D.C. 20005-4026

[Date]

Mr./Ms. [Name of CFO]
 [Title]
 [Company]
 [Address]
 [City, State, Zip]

PBGC Case Number: [case #]
 Plan Name: [Plan Name(s)]
 EIN/PN: [EIN/PN]

Mr./Ms. [Name]:

This letter is in response to the [Source, e.g., “announcement by” or “article stating”] that [Company] [has agreed/plans /intends] [Nature of transaction] (the “Event”).

The Pension Benefit Guaranty Corporation (“PBGC”) is the wholly-owned United States government corporation and agency of the United States created under Title IV of the Employee Retirement Income Security Act of 1974 (“ERISA”) to administer the federal pension insurance programs. PBGC routinely monitors transactions by companies that sponsor defined benefit pension plans to ensure that the ongoing viability of the plans will not be impaired.

To assist us in understanding the impact, if any, of the Event on the defined benefit pension plans sponsored by [Company] or any member of [Company]’s Controlled Group, please provide the following information by [date]. It is always our intention to request pre-existing materials (e.g. projections, financial statements, fairness opinions). If some of the information does not exist or will not be available by the date requested, please let me know.

[Company Name] Pension Plans

| Plan Name | EIN | Plan # |
|------------------|------------|---------------|
| Plan 1 | | |
| Plan 2 | | |

Information on the Event:

[Note: These are sample questions. Not all questions apply to each Event.]

1. Provide a timeline of all steps required to complete the Event.
2. Provide a statement of the “Sources and Uses” of funds for the Event as well as the key terms and conditions of the acquisition financing. Also provide a fairness opinion, if applicable.
3. Provide copies of all sale memoranda prepared in connection with the Event. To the extent the following information is not included in these materials, provide the following: pro-forma financial projections of income statements, balance sheets, and cash flow statements along with the key assumptions underlying those projections.
4. Will there be a change in the Plan’s controlled group as a result of the Event? If so, please describe the change(s).
5. Is the pension plan expected to be impacted by the Event? If so, how? E.g. plan benefits merged, increased, decreased, or frozen.

What is [Company]’s pension funding policy [e.g. a routine proportion of AFTAP or following the minimum requirement]? Are extra contributions being considered?

6. Provide contact information for a person at [the buyer] who can answer questions related to the Event.
7. Describe the expected use of cash proceeds from the Event.
8. What factors led to the default?
9. Provide copies of the credit agreements affected by this default.
10. Provide a summary of the actions [Company] is taking to evaluate its strategic alternatives. If a financial advisor is supporting the consideration of strategic alternatives, provide a point of contact for this advisor.

Plan Information Requested (provide for each Plan):

1. The most recent market value of Plan assets and any contributions, listed by date, made after the date of the asset value. Please include a breakdown of Plan assets by equity and fixed income, including the percentage of Plan assets invested in company stock.
2. Quarterly minimum funding contributions due for the 201X plan year along with status (ex. paid, not paid, to be paid, etc).

3. The most recent Adjusted Funding Target Attainment Percentage (“AFTAP”) and Actuarial Valuation Report (“AVR”).
4. For the period since the most recent AVR or AFTAP certification, a summary of plan amendments, significant changes in plan population, changes in plan assumptions, and total lump sums by month.
5. If the Plan contains a cash balance formula for some or all participants, please provide the following information:
 - A current age and service distribution chart that includes counts, average compensation, and average cash balance account (for each cell in the chart) for all of the participants eligible for the cash balance plan. This is the same information that is required for the Schedule SB attachment of the Form 5500. We request that you also provide this information for those cells that have fewer than 20 employees.
 - Vested active and non-vested active funding targets separately for cash balance participants and non-cash balance participants.
 - Target normal costs (excluding expenses) separately for cash balance participants and non-cash balance participants.
 - Terminated Vested funding targets separately for cash balance participants and non-cash balance participants.
6. Minimum Funding projections for each plan for the next 5 plan years if available. For each of these years, please detail all actuarial assumptions, target normal cost, funding target, benefit payout, market value of assets, actuarial value of assets, funding shortfall, shortfall amortization, amounts of prefunding and carryover balances applied to reduce the required contribution, amounts of prefunding and carryover balances released, whether the plan is at risk, and at-risk calculations if the plan is at risk.
7. Permission to contact the Plan’s actuary if there are any questions about the information provided. If permission is granted, please provide contact information.

If you have any questions, please contact me at the telephone number indicated below.

Sincerely,

[Name]

[Title]

Corporate Finance and Restructuring Department

[Telephone number]