

NONPARTICIPATING NET SINGLE PREMIUM  
GROUP ANNUITY RATE ILLUSTRATION FOR  
PLAN TERMINATION TRANSACTIONS

Illustration Date: \_\_\_\_\_  
Company Identification Code: \_\_\_\_\_

**Paperwork Reduction Act Notice**

The Pension Benefit Guaranty Corporation (PBGC) has asked the American Council of Life Insurers (ACLI) to conduct this survey so that it can ensure that its actuarial assumptions are consistent with those underlying private sector group annuity premium rates. PBGC uses its assumptions to determine the actuarial present value of benefits under single-employer plans that terminate and under multiemployer plans that undergo a mass withdrawal of contributing employers. Your response is voluntary. The ACLI will not disclose to the PBGC the identity of the insurance company responding to this survey. The PBGC regards the information gathered through the survey as confidential under 5 U.S.C. § 552(b) and 29 CFR Part 4901.

Under the Paperwork Reduction Act, 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. This collection of information has been approved by the Office of Management and Budget (OMB) under control number XXXX-XXXX. The PBGC estimates that the average burden of responding to this survey is 30 minutes. Comments concerning the accuracy of this estimate or suggestions for reducing this burden may be sent to the Pension Benefit Guaranty Corporation, Office of the General Counsel, 1200 K Street, NW, Washington, DC 20005-4026.

**PBGC Group Annuity Premium Rate Survey Instructions**

***Please read the instructions below and on the next page before answering any survey questions.***

Since PBGC applies these assumptions to full plan populations, it is interested in pricing for full plan terminations which covers active participants, terminated vested participants and participants in pay status. Only include premium rates for other transactions, such as retiree buyouts, to the extent that those premium rates are consistent with the premium rates that would be used to bid on a full plan termination.

- If you are temporarily withdrawn from the immediate group annuity market at the Date of Illustration, please check this box. ***If you checked the above box, skip Part I below.***
- If you are temporarily withdrawn from the deferred group annuity market or otherwise do not bid on cases that include deferred lives at the Date of Illustration, please check this box. ***If you checked the above box, skip Part II below.***

***If you checked both boxes above, go directly to Part III, Question 1.***

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### **PBGC Group Annuity Premium Rate Survey Instructions (*continued*)**

1. In Parts I & II, please enter the nonparticipating premium amounts to purchase a \$10 per month immediate single life annuity (Part I) and deferred single life annuity (Part II) for each sample annuitant age shown as of the Illustration Date specified above.
2. The interest rate or rates assumed should be the net rates after reduction for investment expenses (including but not limited to investment department direct and indirect costs, charges for default and call risk, duration mismatch, profit charges, etc.). If you normally account for any items of administrative expense by a reduction in the interest rate assumption, please do not do so when reporting rates in the survey.
3. Display the nonparticipating net single life premiums rates that reflect or are consistent with mortality and interest rate assumptions that underlie your company's quotation basis on actual bids on the Illustration Date specified above. In addition, please provide information about the underlying interest rates as requested. When providing the underlying interest rates, please make sure they are not adjusted to reflect any specific expense loading or provisions for disabled lives.
4. Assume an annuity contract for a full plan termination, as defined above, (or other transaction with pricing that is consistent with full plan termination pricing) as of the Illustration Date specified above. Please assume that plan provisions are straightforward and do not contain any significant levels of anti-selection or potentially expensive options or subsidies.
5. Pricing should be for a \$25 million transaction and assume cash payment (no assets in kind). PBGC expects that responses will represent initial quotes on group annuity bids, since it may be impractical to represent final bid premium rates in responding to this survey.

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**PART I IMMEDIATE SINGLE LIFE ANNUITY PREMIUM RATES**

Annuitant Age	\$10 Monthly Single Life Annuity Due ( $120 \ddot{a}_x^{(12)}$ )	
	Male	Female
50	\$	\$
55	\$	\$
60	\$	\$
65	\$	\$
70	\$	\$
75	\$	\$
80	\$	\$

**Interest rate assumption:** Check one box and write in additional information in the space provided.

- Yield curve: Year 7 interest rate on yield curve: \_\_\_\_\_ %  
Year 15 interest rate on yield curve: \_\_\_\_\_ %
- Other (please describe the rate structure or provide the interest rates): \_\_\_\_\_

**PART II DEFERRED SINGLE LIFE ANNUITY PREMIUM RATES**

Annuitant Age	\$10 Monthly Deferred Single Life Annuity ( $120_{n } \ddot{a}_x^{(12)}$ ) Deferred to Age 65 (without death benefit or surrender value)	
	Male	Female
30	\$	\$
35	\$	\$
40	\$	\$
45	\$	\$
50	\$	\$
55	\$	\$
60	\$	\$

**Interest rate assumption:** Check one box and write in additional information in the space provided.

- Yield curve: Year 7 interest rate on yield curve: \_\_\_\_\_ %  
Year 15 interest rate on yield curve: \_\_\_\_\_ %
- Other (please describe the rate structure or provide the interest rates): \_\_\_\_\_

**Please confirm that the premium rates provided in Parts I and II above exclude administrative expenses or comment on any exceptions.**

- Premium rate information above excludes all administrative expenses

Comments on exceptions: \_\_\_\_\_

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### PART III

1. Please indicate the TOTAL CURRENT VALUE of your company's reserves against group annuity liabilities. **Check one box only.**
  - a.  Over \$10 billion
  - b.  Over \$5 billion but not more than \$10 billion
  - c.  Not more than \$5 billion
  
2. Please indicate the TOTAL VOLUME of plan termination and other similar business that your company wrote during the prior four quarters ending on the Date of Illustration **OR** during the prior calendar year. **Check one box only.**
  - a.  Over \$1 billion
  - b.  Over \$250 million but not more than \$1 billion
  - c.  Over \$50 million but not more than \$250 million
  - d.  Not more than \$50 million
  - e.  None
  
3. Assuming no changes to the investment climate, please indicate the MAXIMUM TOTAL AMOUNT of new plan termination or other similar business (not necessarily in one transaction) that your company would be willing to accept during the next quarter on the basis illustrated. **Check one box only.**
  - a.  Over \$500 million
  - b.  Over \$250 million but not more than \$500 million
  - c.  Over \$50 million but not more than \$250 million
  - d.  Not more than \$50 million
  
4. Have you participated in this PBGC survey for any quarter in the previous year (the last four quarters prior to this one)? **Check Yes or No.**
  - Yes
  - No

Please share any comments on your answers above or ideas about how to improve this survey and make it easier to complete.

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