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## 29 C.F.R. § 4022.63

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### Estimated asset-funded benefit.

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- (a) *General.* If the conditions specified in paragraph (b) exist, the plan administrator shall determine each participant's estimated asset-funded benefit. The estimated asset-funded benefit payable with respect to each participant who is not a majority owner is computed under paragraph (c) of this section. The estimated asset-funded benefit payable with respect to each participant who is a majority owner is computed under paragraph (d) of this section.
- (b) *Conditions for use of this section.* The conditions set forth in this paragraph must be satisfied in order to make use of the procedures set forth in this section. If the specified conditions exist, estimated asset-funded benefits must be determined in accordance with these procedures (or in accordance with alternative procedures authorized by the PBGC under § 4022.61(f)) for each participant and beneficiary whose benefit under the plan exceeds the limitations contained in § 4022.61(b) or (c) or who is a majority owner or the beneficiary of a majority owner. If the specified conditions do not exist, title IV benefits may be estimated by the plan administrator in accordance with procedures authorized by the PBGC, but no such estimate is required. The conditions are as follows:
- (1) An actuarial valuation of the plan has been performed for a plan year beginning not more than eighteen months before the proposed termination date. If the interest rate used to value plan liabilities in this valuation exceeded the applicable valuation interest rates and factors under appendix B to part 4044 of this chapter in effect on the proposed termination date, the value of benefits in pay status and the value of vested benefits not in pay status on the valuation date must be converted to the PBGC's valuation rates and factors.
- (2) The plan has been in effect for at least five full years before the proposed termination date, and the most recent actuarial valuation demonstrates that the value of plan assets, reduced by employee contributions remaining in the plan and interest credited thereon under the terms of the plan, exceeds the present value, adjusted as required under paragraph (b)(1), of all plan benefits in pay status on the valuation date.
- (3) *PPA 2006 bankruptcy termination.* In a PPA 2006 bankruptcy termination, “bankruptcy filing date” is substituted for “proposed termination date” in the first sentence of paragraph (b)(2) of this section.

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