§ 4050.5 Unloaded designated benefit

The amount of the designated benefit is the designated benefit reduced by $300; except that the reduction does not apply in the case of a designated benefit determined using the missing participant annuity assumptions without adding the $300 load described in paragraph (5) of the definition of “missing participant annuity assumptions.”


§ 4050.3 Method of distribution for missing participants.

The plan administrator of a terminating plan must distribute benefits for each missing participant by—

(a) Purchasing from an insurer an irrevocable commitment that satisfies the requirements of §4041.28(c) or §4041.50 of this chapter (whichever is applicable); or

(b) Paying the PBGC a designated benefit in accordance with §§4050.4 through 4050.6 (subject to the special rules in §4050.12).

§ 4050.4 Diligent search.

(a) Search required. A diligent search must be made for each missing participant before information about the missing participant or payment is submitted to the PBGC pursuant to §4050.6.

(b) Diligence. A search is a diligent search only if the search—

(1) Begins not more than 6 months before notices of intent to terminate are issued and is carried on in such a manner that if the individual is found, distribution to the individual can reasonably be expected to be made on or before the deemed distribution date;

(2) Includes inquiry of any plan beneficiaries (including alternate payees) of the missing participant whose names and addresses are known to the plan administrator; and

(3) Includes use of a commercial locator service to search for the missing participant (without charge to the missing participant or reduction of the missing participant’s plan benefit).

§ 4050.5 Designated benefit.

(a) Amount of designated benefit. The amount of the designated benefit is the

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