

## PENSION BENEFIT GUARANTY CORPORATION

1200 K Street NW., Washington, DC 20005

Phone, 202-326-4000; 800-400-4272 (toll-free). Internet, <http://www.pbgc.gov/>.

### Board of Directors:

Chairman (Secretary of Labor) ALEXIS M. HERMAN

### Members:

(Secretary of the Treasury) ROBERT E. RUBIN  
(Secretary of Commerce) WILLIAM M. DALEY

### Officials:

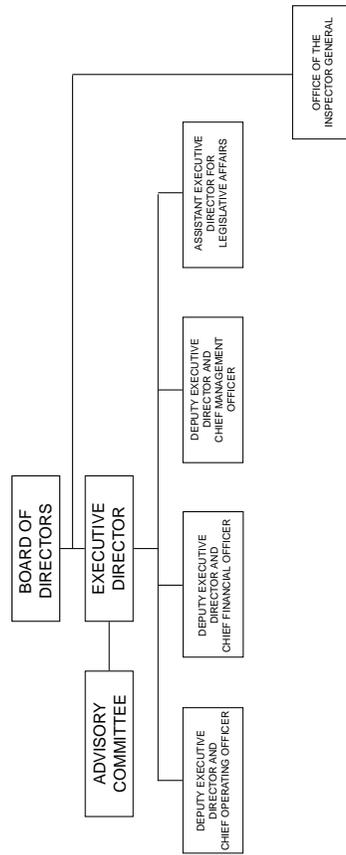
Executive Director	DAVID M. STRAUSS
Director, Corporate Finance and Negotiations Department	ANDREA E. SCHNEIDER
Deputy Executive Director and Chief Operating Officer	JOSEPH H. GRANT
General Counsel	JAMES J. KEIGHTLEY
Director, Corporate Policy and Research Department	STUART A. SIRKIN
Director, Insurance Operations Department	BENNIE L. HAGANS
Deputy Executive Director and Chief Financial Officer	N. ANTHONY CALHOUN
Director, Contracts and Controls Review Department	(VACANCY)
Director, Financial Operations Department	EDWARD KNAPP
Director, Information Resources Management Department	CRIS BIRCH
Deputy Executive Director and Chief Management Officer	JOHN SEAL
Director of Strategic Planning	KATHLEEN BLUNT
Director, Budget Department	HENRY R. THOMPSON
Director, Facilities and Services Department	JANET A. SMITH
Director, Human Resources Department	SHARON BARBEE-FLETCHER
Director, Procurement Department	ROBERT W. HERTING
Director, Participant and Employer Appeals Department	HARRIET D. VERBURG
Assistant Executive Director for Legislative and Congressional Affairs	JUDY SCHUB
Senior Adviser	MONICA HEALY
Director, Communications and Public Affairs Department	JUDITH WELLES
Inspector General	WAYNE ROBERT POLL

*The Pension Benefit Guaranty Corporation guarantees payment of nonforfeitable pension benefits in covered private-sector defined benefit pension plans.*

The Pension Benefit Guaranty Corporation is a self-financing, wholly owned Government corporation subject to the Government Corporation Control Act (31 U.S.C. 9101-9109). The

Corporation, established by Title IV of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1301-1461), is governed by a Board of Directors consisting of the Secretaries of

PENSION BENEFIT GUARANTY CORPORATION



Labor, Commerce, and the Treasury. The Secretary of Labor is Chairman of the Board. A seven-member Advisory Committee, composed of two labor, two business, and three public members appointed by the President, advises the agency on various matters.

### Activities

**Coverage** The Corporation insures most private-sector defined benefit pension plans that provide a pension benefit based on factors such as age, years of service, and salary.

The Corporation administers two insurance programs separately covering single-employer and multiemployer plans. More than 42 million workers participate in approximately 45,000 covered plans.

**Single-Employer Insurance** Under the single-employer program, the Corporation guarantees payment of certain pension benefits if an insured plan terminates without sufficient assets to pay those benefits. However, the law limits the total monthly benefit that the agency may guarantee for one individual to \$3,051.14 per month, at age 65, for a plan terminating during 1998, and sets other restrictions on PBGC's guarantee. The Corporation may also pay some benefits above the guaranteed amount depending on amounts recovered from employers.

A plan administrator may terminate a single-employer plan in a "standard" or "distress" termination if certain procedural and legal requirements are met. In either termination, the plan administrator must inform participants in writing at least 60 days prior to the date the administrator proposes to terminate the plan. Only a plan that has sufficient

assets to pay all benefit liabilities may terminate in a standard termination. The Corporation also may institute termination proceedings in certain specified circumstances.

**Multiemployer Insurance** Under title IV, as originally enacted, the Corporation guaranteed nonforfeitable benefits for multiemployer plans in a similar fashion as for single-employer plans. However, the multiemployer program was revised in 1980 by the Multiemployer Pension Plan Amendments Act (29 U.S.C. 1001 note) which changed the insurable event from plan termination to plan insolvency. The Corporation now provides financial assistance to plans that are unable to pay nonforfeitable benefits. The plans are obligated to repay such assistance. The act also made employers withdrawing from a plan liable to the plan for a portion of its unfunded vested benefits.

**Premium Collections** All defined benefit pension plans insured by PBGC are required to pay premiums to the Corporation according to rates set by Congress. The annual premium per plan participant for multiemployer pension plans is \$2.60 for plan years beginning after September 26, 1988. The basic premium for all single-employer plans is \$19 per participant per year. Underfunded single-employer plans must also pay an additional premium equal to \$9 per \$1,000 of unfunded vested benefits.

### Sources of Information

The Pension Benefit Guaranty Corporation provides information electronically through the Internet, at <http://www.pbgc.gov/>.

For further information, contact the Pension Benefit Guaranty Corporation, 1200 K Street NW., Washington, DC 20005-4026. Phone, 202-326-4000; or 800-400-4272 (toll-free). TTY/TDD users, call the Federal Relay Service toll-free at 800-877-8339 and ask to be connected to 202-326-4000. Internet, <http://www.pbgc.gov/>.