Data for Question 22

Plan termination date: 10/31/94.

Normal retirement benefit:

Effective 1/1/80:	$100 per month for each year of service, payable as a life annuity.
Effective 1/1/90:	$125 per month for each year of service, payable as a life annuity.
Effective 1/1/93:	$135 per month for each year of service, payable as a life annuity with 10 years certain.

Data for active participant Smith (nonsubstantial owner):

Date of birth	1/1/40
Date of hire	11/1/74

Maximum monthly benefit guaranteed by PBGC for 1994 (payable at age 65 as a life annuity): $2,556.82.

PBGC actuarial equivalence factor for converting a life annuity into a life annuity with 10 years certain at age 65: 92.5%.

Question 22

In what range is Smith's monthly normal retirement benefit (payable as a life annuity with 10 years certain) guaranteed by the PBGC?

(A) Less than $2,250

(B) $2,250 but less than $2,300

(C) $2,300 but less than $2,350

(D) $2,350 but less than $2,400

(E) $2,400 or more

Data for Question 18 (3 points)

Plan effective date: 1/1/1970

Plan termination date: 12/31/2000

Normal retirement benefit: 4% of 3-year final average compensation times service.

Normal form of benefit: Joint & 100% survivor annuity

Early retirement benefit: None

Data for participant Smith (not a substantial owner):

Date of birth:	1/1/1955
Date of hire:	1/1/1976
Spouse's date of birth:	1/1/1955

	Compensation
1996	$32,000
1997	34,000
1998	36,000
1999	38,000
2000	40,000

Maximum monthly benefit guaranteed by PBGC at age 65 in life only form of payment: $3,221.59.

Question 18

In what range is Smith's PBGC guaranteed benefit payable monthly?

(A) Less than $2,200

(B) $2,200 but less than $2,500

(C) $2,500 but less than $2,800

(D) $2,800 but less than $3,100

(E) $3,100 or more

Data for Question 27 (4 points)

Plan effective date: 1/1/1990.

Benefit formula:
Prior to 2008 $50 per month times all years of service
After 2007 $100 per month times all years of service

Early retirement eligibility: Age 55 with 20 years of service.
Early retirement reduction: 5% per year prior to age 65.

Vesting: 100% with 5 years of service.

The plan is amended to freeze benefit accruals on 1/1/2009.

Plan termination date: 1/1/2011.

Data for active participants, neither of whom is a majority owner:

	Smith	Jones
Date of birth	1/1/1955	1/1/1980
Date of hire	1/1/1990	1/1/2005

Question 27

In what range is the sum of the monthly PBGC guaranteed benefits at earliest retirement age for Smith and Jones?

(A) Less than $1,100

(B) $1,100 but less than $1,300

(C) $1,300 but less than $1,500

(D) $1,500 but less than $1,700

(E) $1,700 or more

Data for Question 38 (4 points)

Plan effective date:	1/1/1990.
Plan termination date:	12/31/2010.

Normal retirement benefit:

Effective 1/1/1990	$100 per month per each year of service
Effective 7/1/2007	$140 per month per each year of service

Early retirement age:	Age 62 with 30 years of service.
Plan early retirement factors:	No reduction.

Data for participant Smith, who is not a majority owner:

Date of birth	1/1/1948
Date of hire	1/1/1978
Date of benefit commencement	1/1/2010

Annual compensation history:

Year	Compensation
2005	$50,000
2006	52,000
2007	53,000
2008	53,000
2009	56,000

Question 38

In what range is Smith's monthly PBGC guaranteed benefit?

(A) Less than $3,400

(B) $3,400 but less than $3,500

(C) $3,500 but less than $3,600

(D) $3,600 but less than $3,700

(E) $3,700 or more

Data for Question 43 (4 points)

Plan effective date:	1/1/1990.
Plan termination date:	1/1/2011.

Benefit formula before 10/1/2009:	1% of final average salary times years of service.
Benefit formula after 9/30/2009:	2% of final average salary times years of service.

Early retirement provisions:

Eligibility	Age 55 with 10 years of service
Early retirement reductions before 7/1/2007	5% per year prior to age 65
Early retirement reductions after 6/30/2007	0% per year prior to age 65

Data for active participant Smith who is not a majority owner:

Date of birth	1/1/1955
Date of hire	1/1/1985
Final average annual salary	$100,000

Expected retirement age pursuant to regulations: 56.

Question 43

In what range is Smith's monthly PBGC guaranteed benefit at expected retirement age?

(A) Less than $1,400

(B) $1,400 but less than $1,600

(C) $1,600 but less than $1,800

(D) $1,800 but less than $2,000

(E) $2,000 or more

Data for Question 8 (4 points)

Selected plan information:

Early retirement eligibility	Age 55 and 10 years of service
Early retirement reduction	5% per year before age 65
Benefit formula	Benefit rate times years of service
Date of plan termination	1/1/2013

The sponsor continues to operate after the date of plan termination.

Schedule of monthly benefit rates for all years of service:

Effective	Benefit rate
1/1/2008	$10.00
1/1/2009	15.00
1/1/2011	18.00
1/1/2013	20.00

Data for active participant Smith:

Age at plan termination	55
Years of service at plan termination	20

X = the PBGC guaranteed monthly benefit for Smith if he retires at age 58.

Question 8

In what range is ***X***?

(A) Less than $208

(B) $208 but less than $238

(C) $238 but less than $268

(D) $268 but less than $298

(E) $298 or more

Data for Question 24 (3 points)

A plan terminates while the plan sponsor is in bankruptcy.

Date of bankruptcy filing	12/31/2012
Date of plan termination	12/31/2014

Normal retirement benefit: 3.5% of highest 3-year average compensation for each year of service.

Selected data for Smith:

Date of birth	1/1/1952
Date of hire	1/1/1995
Compensation for each year before 2011	$110,000
2011 compensation	115,000
2012 compensation	115,000
2013 compensation	150,000
2014 compensation	165,000

Question 24

In what range is the PBGC guaranteed monthly benefit payable at normal retirement date for Smith?

(A) Less than $4,200

(B) $4,200 but less than $4,500

(C) $4,500 but less than $4,800

(D) $4,800 but less than $5,100

(E) $5,100 or more

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