

**From:** [BCG Terminal Funding Company](#)  
**To:** [Terry McCauley](#)  
**Subject:** The Pension Insider-February 2013 Issue  
**Date:** Wednesday, February 27, 2013 2:44:13 PM

---



## The Pension Insider

February, 2013 - Volume 34, Edition 1

*The Pension Insider is a monthly newsletter developed for Actuaries, Third Party Administrators, Attorneys, and Consultants who work in the pension arena. The Pension Insider was created to share ideas, success stories, coming events, and industry specific articles.*

BCG Terminal Funding Company specializes in settling pension liability for terminating and ongoing pension plans. Today's Solutions for Tomorrow's Needs.

Contents

**IRS Announces New Rates for DB Funding Calculations**

[click here](#)

**Top 4 Reasons Plan Sponsors Choose BCG Terminal Funding Company.**

[click here](#)

**Hear Directly from BCG's Client, Hickory Springs Manufacturing Company on Completing the U.S.' First Pension Buy-In Transaction with Prudential**

[click here](#)

**Rate Update  
[Request A Quote](#)**

**[Contact Us](#)**

### **IRS Announces New Rates for DB Funding Calculations**

The IRS has published the interest rates to be used in 2013 under Moving Ahead for Progress in the 21st Century (MAP-21). While these rates have limited application for plan sponsors, they are used to determine the minimum funding requirement and the adjusted funding target attainment percentage (AFTAP). Contributing a lower minimum may not be in the plan sponsors best interest if they are attempting to derisk and/or terminate their pension plan.

The AFTAP is a critical factor in determining whether and how much a plan may derisk. Plan sponsors seeking to derisk their pension plan with targeted lump sums and/or annuity placements will benefit from the use of the MAP-21 interest rates.

Please contact one of our representatives if you would like to learn more.

You can read more in the article in [Planadviser.com](#)

**The Internal Revenue Service (IRS) issued guidance reflecting changes to pension funding calculations in the Moving Ahead for Progress in the 21st Century Act (MAP-21). ---**

Notice 2013-11 provides guidance on the 25-year average segment rates that are applied to adjust the otherwise applicable 24-month average segment rates that are used to compute the minimum contribution requirements for single-employer defined benefit (DB) plans.

Interest rates that are used for purposes of calculating the minimum required contribution are a set of three segment

[click here](#)

**Top 4 Reasons Plan Sponsors Choose BCG Terminal Funding Company**

When a plan sponsor is considering plan termination and an annuity placement for a defined benefit plan they need to choose a Terminal Funding Consultant/Advisor. It is common for plan sponsors to review at least 3-4 terminal funding

**Austin Operations Office**

**Patrick McLean**  
800-832-7742  
[pmclean@bcgtermfund.com](mailto:pmclean@bcgtermfund.com)

**Boston Office**

**Michael E. Devlin**  
800-566-0046 ext.403  
[mdevlin@bcgtermfund.com](mailto:mdevlin@bcgtermfund.com)

**Kristen Charron**  
800-566-0046 ext. 401  
[kristen@bcgtermfund.com](mailto:kristen@bcgtermfund.com)

**Chicago Office**

**Dave Rumas, FCA, EA,**  
MAAA  
219-513-9186  
[drumas@bcgtermfund.com](mailto:drumas@bcgtermfund.com)

**Cincinnati Office**

**Debbie M. Sharp, CEBS**  
800-566-0046, ext. 405  
[dsharp@bcgtermfund.com](mailto:dsharp@bcgtermfund.com)

**Crystal Simpson**  
800-566-0046, ext 404  
[csimpson@bcgtermfund.com](mailto:csimpson@bcgtermfund.com)

**Chevona Ashcraft**  
800-566-0046, ext 407  
[cashcraft@bcgtermfund.com](mailto:cashcraft@bcgtermfund.com)

**Boise/Los Angeles Offices**

**Sean O'Flaherty**  
800-566-0046 ext.402  
[sean@bcgtermfund.com](mailto:sean@bcgtermfund.com)

consultants/advisors in their search. Many plan sponsors actively seek advisors through recommendations or referrals from colleagues or peer organizations. There are many reasons why BCG Terminal Funding Company is most often the chosen firm.

Some of the criteria that a plan sponsor might review is personal fit, experience, previous relationships, pricing, and number of referrals.

[click here](#)

Annuity Rates

**Standard Pension Closeout/Terminal Funding Case Rates**

*No lump sums, no disability or unusual provisions*

**Immediates - 2.75%**

**Deferreds - 3.25%**

**50/50 Split of Immediates and Deferreds - 3.00%**



[service@bcgtermfund.com](mailto:service@bcgtermfund.com) • BCG Terminal Funding Company



This CoolerEmail was delivered to you by BCG Terminal Funding Company. Leave this mailing list, or modify your preferences. If you request to be taken off this email list, BCG Terminal Funding Company will honor your request pursuant to CoolerEmail's permission-based email terms and conditions. Postal address: 100 Grandview Road Suite 303, Braintree, MA 02184 US

Powered by CoolerEmail