



August 1, 2015

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What Should a Fiduciary Do?

This question should be asked by every plan sponsor purchasing an annuity for plan termination or Pension Risk Transfer (PRT).

Why Is It Relevant?

History teaches lessons. Ignoring them could pose problems. The fact that few sponsors have experience with terminating a DB plan or implementing a PRT strategy should raise some concern. For example:

What's the difference between DOL IB 95-1 and ERISA "procedural prudence"?

While IB 95-1 is an "interpretation", a 5th Circuit Court held that ERISA's standard for "procedural prudence" applies when selecting an annuity. The same 5th circuit that ruled against RJR has now held for Verizon. Case law is affirming the importance of *Bussian*.

What's the Point?

IB 95-1 cites 6 factors to follow when selecting an annuity provider. *Bussian* cites adhering to a process that meets the interests of participants. So, it begs the question:

What Should a Fiduciary Do?

Learn More About Custom PRT Modeling and Glide Path Capabilities.

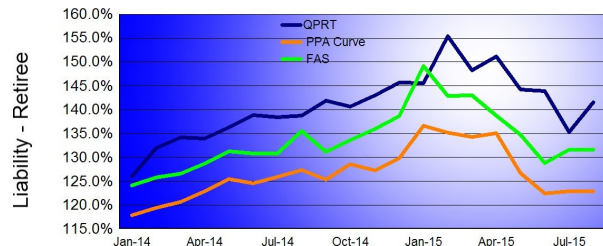
Get Informed. Think Strategic. Act Tactical.

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Date	Immediate	Deferred
July 1, 2015	2.93%	3.73%
August 1, 2015	2.77%	3.48%

QAS Pension Risk Transfer 1000 Index©

Aug 2015 - Relative Price PRT v. PPA Curve - FAS



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Understanding the applicability of ERISA to maintaining the interests of participants in a PRT or plan termination requires knowledge of intricate insurance laws and ERISA regulations. Lessons have roots in the past, whether it is an insurer failure, the stress causing extraordinary TARP support, or a constricted marketplace.

As ERISA Fiduciary, QAS was required to act during periods of significant turmoil. We did so by following the principles of *Bussian*. Our position is clear:

procedural prudence is the appropriate standard for selecting an annuity provider.

We understand it. We believe it. We live by it.

As the rules of risk change, QAS adds value for its clients.

Request more about QAS click here:

<http://qualifiedannuity.com/contact.html>