



February 1, 2016

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Opening Opportunities

As the year begins plan sponsors will continue to focus on financial risks and assessments of future embedded DB plan risks. Costs continue to rise as the PBGC premiums and fees increase. The burden of remaining plans to fill PBGC deficits only worsens as the low interest rates plague fixed income returns.

Equity alpha anyone?

Considering the options, investing allocations may find more opportunity in growth dividend plays. Return seeking assets can improve asset levels although equity volatility continues unabated.

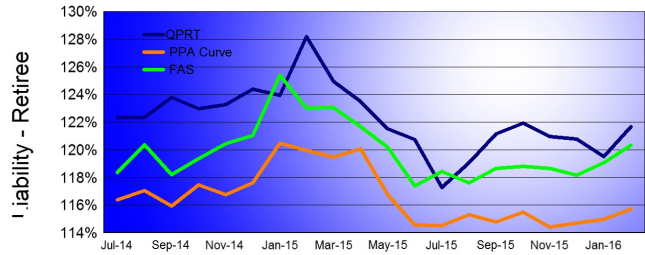
Is PRT viable?

Market dynamics have ushered a new need for strategy as budgets are set by many plan sponsors only to find that the funding levels may be short of goal.

Market activity has increased causing stricter underwriting of DB plans. Plans with unique features and designs are facing increased limitations in an arena where viable competitor compete for less risky retiree only risk transfers.

QAS Pension Risk Transfer 1000 Index©

Feb 2016 - Relative Price PRT v. PPA Curve - FAS



Index Base = 100.0 - Sept 2007
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De-Risking Opportunities

Assessing de-risking requires careful analysis of price movement versus assets and liabilities. This can't be done in vacuum. Embedded plan design features impact pricing and availability - even for retiree only programs.

What Should Plan Sponsors Do?

Expertise is needed to transact de-risking. PRT advisors can execute a transaction. However, skilled advice with experience is not always available. QAS provides active monitoring and strategic execution in a dynamic market where price may be unavailable.

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

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Learn More About Custom PRT Modeling and Glide Path Capabilities.

Get Informed. Think Strategic. Act Tactical.

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Date	Immediate	Deferred
January 1, 2016	2.99%	3.70%
February 1, 2016	2.71%	3.57%