



TAX EXEMPT AND
GOVERNMENT ENTITIES
DIVISION

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

200823024

MAR 13 2008

T. EP. RA. T. AZ

In re: Request to use substitute mortality tables

Plans for which substitute mortality tables are requested ("Permissive Group") =

Plans for which substitute mortality tables are not requested ("Excluded Group") =

Dear

This letter is to inform you that your request to use substitute mortality tables for making computations under section 430 of the Code for the plans in the above Permissive Group has been granted, effective for a period of up to 10 years beginning with the 2008 plan year. Your request has been granted in accordance with section 430(h)(3) of the Internal Revenue Code and section 303(h)(3) of the Employee Retirement Income Security Act of 1974 ("ERISA").

In granting this approval, we have considered only the development of the substitute mortality rates and whether they sufficiently reflect the mortality experience of the applicable plan populations. Accordingly, we are not expressing any opinion as to the accuracy or acceptability of any calculations or other material submitted with your request.

Permission is hereby granted to use the male and female substitute mortality rates shown in the tables below:

Male Mortality Rates

| Age | Male | Age | Male | Age | Male |
|-----|----------|-----|----------|-----|----------|
| 1 | 0.000600 | 41 | 0.001941 | 81 | 0.086387 |
| 2 | 0.000405 | 42 | 0.002042 | 82 | 0.097665 |
| 3 | 0.000336 | 43 | 0.002162 | 83 | 0.108917 |
| 4 | 0.000262 | 44 | 0.002290 | 84 | 0.119569 |
| 5 | 0.000240 | 45 | 0.002417 | 85 | 0.129962 |
| 6 | 0.000230 | 46 | 0.002557 | 86 | 0.140952 |
| 7 | 0.000220 | 47 | 0.002727 | 87 | 0.153395 |
| 8 | 0.000203 | 48 | 0.002942 | 88 | 0.168148 |
| 9 | 0.000197 | 49 | 0.003213 | 89 | 0.184970 |
| 10 | 0.000200 | 50 | 0.003532 | 90 | 0.203289 |
| 11 | 0.000206 | 51 | 0.003878 | 91 | 0.223468 |
| 12 | 0.000215 | 52 | 0.004232 | 92 | 0.245869 |
| 13 | 0.000226 | 53 | 0.004574 | 93 | 0.270852 |
| 14 | 0.000240 | 54 | 0.004812 | 94 | 0.298417 |
| 15 | 0.000254 | 55 | 0.004958 | 95 | 0.321752 |
| 16 | 0.000268 | 56 | 0.005152 | 96 | 0.341208 |
| 17 | 0.000284 | 57 | 0.005534 | 97 | 0.357137 |
| 18 | 0.000298 | 58 | 0.006242 | 98 | 0.369894 |

| | | | | | |
|----|----------|----|----------|-----|----------|
| 19 | 0.000312 | 59 | 0.007386 | 99 | 0.379829 |
| 20 | 0.000326 | 60 | 0.008875 | 100 | 0.387296 |
| 21 | 0.000338 | 61 | 0.010543 | 101 | 0.392647 |
| 22 | 0.000348 | 62 | 0.012223 | 102 | 0.396234 |
| 23 | 0.000356 | 63 | 0.013752 | 103 | 0.398411 |
| 24 | 0.000362 | 64 | 0.014979 | 104 | 0.399529 |
| 25 | 0.000365 | 65 | 0.016015 | 105 | 0.399941 |
| 26 | 0.000371 | 66 | 0.017083 | 106 | 0.400000 |
| 27 | 0.000376 | 67 | 0.018409 | 107 | 0.400000 |
| 28 | 0.000387 | 68 | 0.020216 | 108 | 0.400000 |
| 29 | 0.000404 | 69 | 0.022514 | 109 | 0.400000 |
| 30 | 0.000434 | 70 | 0.025153 | 110 | 0.400000 |
| 31 | 0.000485 | 71 | 0.028120 | 111 | 0.400000 |
| 32 | 0.000570 | 72 | 0.031400 | 112 | 0.400000 |
| 33 | 0.000696 | 73 | 0.034980 | 113 | 0.400000 |
| 34 | 0.000870 | 74 | 0.038519 | 114 | 0.400000 |
| 35 | 0.001072 | 75 | 0.042028 | 115 | 0.400000 |
| 36 | 0.001278 | 76 | 0.046016 | 116 | 0.400000 |
| 37 | 0.001465 | 77 | 0.050993 | 117 | 0.400000 |
| 38 | 0.001608 | 78 | 0.057467 | 118 | 0.400000 |
| 39 | 0.001738 | 79 | 0.065779 | 119 | 0.400000 |
| 40 | 0.001844 | 80 | 0.075588 | 120 | 1.000000 |

Female Mortality Rates

| Age | Female | Age | Female | Age | Female |
|------------|---------------|------------|---------------|------------|---------------|
| 1 | 0.000537 | 41 | 0.000740 | 81 | 0.065033 |
| 2 | 0.000350 | 42 | 0.000814 | 82 | 0.070280 |
| 3 | 0.000262 | 43 | 0.000895 | 83 | 0.077642 |
| 4 | 0.000196 | 44 | 0.001514 | 84 | 0.087071 |
| 5 | 0.000177 | 45 | 0.002573 | 85 | 0.097972 |
| 6 | 0.000166 | 46 | 0.003856 | 86 | 0.110413 |
| 7 | 0.000155 | 47 | 0.005148 | 87 | 0.124462 |
| 8 | 0.000138 | 48 | 0.006232 | 88 | 0.140186 |
| 9 | 0.000132 | 49 | 0.006950 | 89 | 0.159192 |
| 10 | 0.000133 | 50 | 0.007367 | 90 | 0.181436 |
| 11 | 0.000135 | 51 | 0.007609 | 91 | 0.204506 |
| 12 | 0.000139 | 52 | 0.007798 | 92 | 0.225992 |
| 13 | 0.000146 | 53 | 0.008057 | 93 | 0.243482 |
| 14 | 0.000153 | 54 | 0.008686 | 94 | 0.255618 |
| 15 | 0.000162 | 55 | 0.009420 | 95 | 0.264008 |
| 16 | 0.000169 | 56 | 0.010220 | 96 | 0.270688 |
| 17 | 0.000176 | 57 | 0.01 1048 | 97 | 0.277696 |
| 18 | 0.000180 | 58 | 0.011864 | 98 | 0.287068 |
| 19 | 0.000182 | 59 | 0.012629 | 99 | 0.298804 |
| 20 | 0.000182 | 60 | 0.013368 | 100 | 0.311546 |
| 21 | 0.000182 | 61 | 0.014142 | 101 | 0.325295 |
| 22 | 0.000184 | 62 | 0.015012 | 102 | 0.340049 |

| | | | | | |
|----|----------|----|----------|-----|----------|
| 23 | 0.000188 | 63 | 0.016039 | 103 | 0.355810 |
| 24 | 0.000192 | 64 | 0.017288 | 104 | 0.369212 |
| 25 | 0.000198 | 65 | 0.018717 | 105 | 0.380232 |
| 26 | 0.000206 | 66 | 0.020231 | 106 | 0.388844 |
| 27 | 0.000215 | 67 | 0.021732 | 107 | 0.395026 |
| 28 | 0.000227 | 68 | 0.023122 | 108 | 0.398752 |
| 29 | 0.000239 | 69 | 0.024096 | 109 | 0.400000 |
| 30 | 0.000256 | 70 | 0.024718 | 110 | 0.400000 |
| 31 | 0.000300 | 71 | 0.025449 | 111 | 0.400000 |
| 32 | 0.000342 | 72 | 0.026746 | 112 | 0.400000 |
| 33 | 0.000383 | 73 | 0.029070 | 113 | 0.400000 |
| 34 | 0.000422 | 74 | 0.032698 | 114 | 0.400000 |
| 35 | 0.000459 | 75 | 0.037324 | 115 | 0.400000 |
| 36 | 0.000496 | 76 | 0.042532 | 116 | 0.400000 |
| 37 | 0.000533 | 77 | 0.047904 | 117 | 0.400000 |
| 38 | 0.000573 | 78 | 0.053026 | 118 | 0.400000 |
| 39 | 0.000619 | 79 | 0.057300 | 119 | 0.400000 |
| 40 | 0.000675 | 80 | 0.061004 | 120 | 1.000000 |

These tables will be used for all male and female participants in the Permissive Group, respectively, including annuitants, nonannuitants and disabled participants. The rates were developed based on an experience study period from January 1, 2002, through December 31, 2005, and were graduated using the Karup-King graduation method. The Service has reviewed the substitute mortality rates and supporting information, and has determined that based on the information submitted, the rates sufficiently reflect the mortality experience of the applicable plan populations.

Your attention is called to section 430(h)(3)(C)(ii) of the Code, section 303(h)(3)(C)(ii) of ERISA, and section 1.430(h)(3)-2(d)(4) of the proposed regulations, which describe the circumstances in which the use of the substitute mortality table will terminate before the

end of the 10-year period described above. In general, the substitute mortality tables can no longer be used as of the earliest of:

- (1) The plan year in which the plan fails to satisfy the requirements of paragraph 1.430(h)(3)-2(c)(1) of the proposed regulations, requiring that the groups for which substitute mortality tables is used must have credible mortality experience,
- (2) The plan year in which the plan fails to satisfy the requirements of paragraph 1.430(h)(3)-2(d)(1) of the proposed regulations, regarding the requirement that other plans and populations in the controlled group must use substitute mortality tables unless it can be demonstrated that they do not have credible mortality experience,
- (3) The second plan year following the plan year in which there is a significant change in individuals covered by the plan as described in paragraph 1.430(h)(3)-2(d)(4)(ii) of the proposed regulations (generally applicable when there is a change of 20% or more in the number of individuals in the population for which the substitute mortality table is used),
- (4) The plan year following the plan year in which a substitute mortality table used for a plan population is no longer accurately predictive of future mortality of that population, as determined by the Service or as certified by the enrolled actuary to the satisfaction of the Service, and
- (5) The date specified in guidance published in the Internal Revenue Bulletin regarding any replacement mortality tables specified under section 430(h)(3)(A) and 1.430(h)(3)-1, other than annual updates to the static mortality tables issued pursuant to 1.430(h)(3)-1(a)(3) of the proposed regulations.

This ruling is directed only to the taxpayer that requested it. Section 6110(k)(3) of the Code provides that it may not be used or cited by others as precedent.

When filing Form 5500 for the plan years for which the substitute mortality tables are used, please note the information that is required to be attached to Schedule B (Actuarial Information) in accordance with the instructions to that form.

We have sent a copy of this letter to the
to the
authorized representative pursuant to a power of attorney on file in this office.

and to your

If you require further assistance in this matter, please contact

Sincerely,

A handwritten signature in black ink, appearing to read "David M. Ziegler". The signature is fluid and cursive, with a large initial "D" and "Z".

David M. Ziegler, Acting Manager
Employee Plans Actuarial Group 2