

restrictions imposed by (e)(5) would limit the ability of those agencies' trained investigators and intelligence analysts to exercise their judgment in conducting investigations and impede the development of intelligence necessary for effective law enforcement and counterterrorism efforts. The TSC has, however, implemented internal quality assurance procedures to ensure that TSC terrorist screening data is as thorough, accurate, and current as possible. The FBI also is exempting the TSRS from the requirements of subsection (e)(5) in order to prevent the use of a challenge under subsection (e)(5) as a collateral means to obtain access to records in the TSRS. The FBI has exempted TSRS records from the access and amendment requirements of subsection (d) of the Privacy Act in order to protect the integrity of counterterrorism investigations. Exempting the TSRS from subsection (e)(5) serves to prevent the assertion of challenges to a record's accuracy, timeliness, completeness, and/or relevance under subsection (e)(5) to circumvent the exemption claimed from subsection (d).

(8) From subsection (e)(8) because to require individual notice of disclosure of information due to compulsory legal process would pose an impossible administrative burden on the FBI and the TSC and could alert the subjects of counterterrorism, law enforcement, or intelligence investigations to the fact of those investigations when not previously known.

(9) From subsection (g) to the extent that the system is exempt from other specific subsections of the Privacy Act.

Dated: November 22, 2005.

**Paul R. Corts,**

*Assistant Attorney General for Administration.*

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## PENSION BENEFIT GUARANTY CORPORATION

### 29 CFR Part 4044

RIN 1212-AA55

#### Valuation of Benefits; Mortality Assumptions

**AGENCY:** Pension Benefit Guaranty Corporation.

**ACTION:** Final rule.

**SUMMARY:** The Pension Benefit Guaranty Corporation is amending its benefit valuation regulation by adopting more current mortality assumptions. The

mortality assumptions prescribed under PBGC's regulations to be used to value benefits for non-disabled ("healthy") participants are taken from the 1983 Group Annuity Mortality (GAM-83) Tables. The PBGC published a final rule adopting these tables in 1993, noting that many private-sector insurers used the GAM-83 Tables when setting group annuity prices. At that time, the PBGC also said that it intended to keep each of its individual valuation assumptions in line with those of private-sector insurers, and to modify its mortality assumptions whenever it is necessary to do so to achieve consistency with the private insurer assumptions. This rule updates those assumptions by replacing a version of the GAM-83 Tables with a version of the GAM-94 Tables. The updated mortality assumptions will better conform to those used by private-sector insurers in pricing group annuities.

**DATES:** Effective January 1, 2006. For a discussion of applicability of the amendments, see the Applicability section in **SUPPLEMENTARY INFORMATION**.

#### FOR FURTHER INFORMATION CONTACT:

James J. Armbruster, Acting Director, Legislative and Regulatory Department, or James L. Beller, Jr., Attorney, Legislative and Regulatory Department, PBGC, 1200 K Street, N.W., Washington, DC 20005-4026; 202-326-4024. (TTY/TDD users may call the Federal relay service toll-free at 1-800-877-8339 and ask to be connected to 202-326-4024.)

**SUPPLEMENTARY INFORMATION:** On March 14, 2005 (at 70 FR 12429), the Pension Benefit Guaranty Corporation (PBGC) published a proposed rule modifying 29 CFR part 4044 (Allocation of Assets in Single-employer Plans). The PBGC received one comment letter on the proposed rule (which is addressed below) and is issuing the final regulation as proposed.

The PBGC's regulations provide rules for valuing benefits in a single-employer plan that terminates in a distress or involuntary termination. (The rules are codified at 29 CFR part 4044, subpart B.) The PBGC uses these rules to determine: (1) The extent to which participants' benefits are funded under the allocation rules of ERISA section 4044, (2) whether a plan is sufficient for guaranteed benefits, and (3) how much an employer owes the PBGC as a result of a plan termination under ERISA section 4062. Employers must use these rules to determine the value of plan benefit liabilities in annual reports required to be submitted under ERISA section 4010, and may use these rules to ensure that plan spinoffs, mergers, and transfers

comply with Internal Revenue Code section 414(l).

#### General Valuation Approach

The valuation rules prescribe a number of assumptions intended to produce reasonable valuation results on average for the range of plans terminating in distress or involuntary terminations, rather than for any particular plan or plan type. The assumptions prescribed by this rule for valuing benefits in terminating plans match the private-sector annuity market to the extent possible.

The market cost of providing annuity benefits is based upon data from periodic surveys conducted for the PBGC by the American Council of Life Insurers (the ACLI surveys). These ACLI surveys ask insurers for pricing information on group annuities. Each respondent to the surveys provides its prices (net of administrative expenses) for a range of ages for immediate annuities (annuities where payments start immediately) and for deferred annuities (annuities where payments are deferred to age 65). Prices of each of the two types of annuities are averaged at each age to get an average market price. Interest factors are derived so that, when combined with the PBGC's healthy-life mortality assumptions, they provide the best fit for the average market prices (as obtained from the ACLI surveys) over the entire range of ages. The interest factors are recalibrated to the annuity survey prices each year. Each month between recalibrations, the interest factors are adjusted based on changes in the yield on long-term corporate investment-grade bonds. The interest factors are then used in conjunction with the PBGC's mortality assumptions (and other PBGC assumptions) to value annuity benefits.

These derived interest factors are not market interest rates. The factors stand in for all the many components used in annuity pricing that are not reflected in the given mortality table—e.g., assumed yield on investment, margins for profit and contingencies, premium and income taxes, and marketing and sales expenses. Because of the relationship among annuity prices, a mortality table, and the derived interest factors, it is never meaningful to compare PBGC's interest factors to market interest rates. The PBGC's interest factors are meaningful only in combination with the PBGC's mortality assumptions.

#### Mortality Assumptions

One set of assumptions prescribed by the valuation regulation relates to the probabilities that a participant (or beneficiary) will survive to each

expected benefit payment date, *i.e.*, mortality assumptions. The mortality assumptions now used to value benefits for non-disabled ("healthy") participants are taken from the 1983 Group Annuity Mortality (GAM-83) Tables. The PBGC published a final rule adopting these tables in 1993, noting in the preamble to the proposed rule, 58 FR 5128, 5129 (January 19, 1993), that many private-sector insurers used the GAM-83 Tables when setting group annuity prices. The PBGC also said (at 58 FR 5129) that it intended "to keep each of its individual valuation assumptions in line with those of private-sector insurers, and to modify its mortality assumptions whenever it is necessary to do so to achieve consistency with the private insurer assumptions." These mortality assumptions have not been updated since 1993.

As noted, the ACLI periodically conducts surveys, on behalf of the PBGC, of insurers who provide group annuity contracts for information on how they price group annuities. In addition to other pricing questions, the ACLI from time to time has asked for information on which mortality tables the insurers use when pricing group annuities in pension plans. A majority of respondents indicated that, as of March 31, 2002, they use a version of the 1994 Group Annuity Mortality Basic (GAM-94 Basic) Table and project future improvements in mortality with projection scale AA. Similarly, the Society of Actuaries sponsored a survey of pricing actuaries for insurers who provide group annuity contracts and found that five of the ten respondents used a version of the GAM-94 Table and six of the ten used an unloaded (*i.e.*, basic) table. 30-Year Treasury Rates and Defined Benefit Plans, August 22, 2001, p.5. That survey also found that most of the surveyed companies projected future improvements and that the most common projection scale was AA.

Based on these surveys, this regulation adopts the GAM-94 Basic Table as the basis for the healthy-life mortality assumptions to be used for PBGC valuations of plan benefits. Specifically, for a particular valuation, the regulation prescribes the use of the GAM-94 Basic Table projected to the year of that valuation plus 10 years using Scale AA. The updated mortality assumptions will result in interest factors that, when combined with those updated mortality assumptions, will provide prices that match the ACLI survey prices more closely across the entire range of ages than had GAM-83 been used.

The regulation prescribes a projected mortality table to take into account expected improvements in mortality. While it would be ideal to reflect mortality improvement through the use of a fully generational mortality table (*i.e.*, a table that provides for full generational mortality improvement), this would be unduly complex.<sup>1</sup> A fully generational table is constructed from a group of static tables. For example, the value of an annuity payable to a participant beginning at age 65 in 2007 would be calculated from a 2007 static table for the probability of death at age 65, a 2008 static table for the probability of death at age 66, a 2009 static table for the probability of death at age 67, etc.

One method of approximating the effect of full generational mortality improvement is to project the current table for a specified number of years and use the resulting table without further projection. The number of years of projection would be equal to the years to the valuation date plus the duration of liabilities. This rule adopts this approach. A mortality table that includes projection for the liability duration takes into account expected mortality improvements and achieves results very close to those of a fully generational table but in a much less complex manner.

The regulation calls for the use of mortality tables projected to the year of valuation plus 10 years as a rough approximation for the duration of liabilities in plans that terminate in distress or involuntary terminations. Thus, for a valuation in 2006, mortality is projected to the year 2016 for each age. For a valuation in 2007, mortality is projected to the year 2017. For example, the probability of death for a 65-year-old healthy male to be used in a valuation in 2006 would be calculated as follows:  $.015629 \times (1 - .014)^{(2006 - 1994 + 10)} = .011461$ . The PBGC will publish the projected mortality tables on its Web site ([www.pb.gc.gov](http://www.pb.gc.gov)).

There is no reason to expect that the mortality tables under this regulation will match the tables that are prescribed for certain funding purposes under Treasury Regulations at any point in time. The PBGC's mortality tables are based on the mortality experience of group annuitants. In contrast, the tables to be used for certain minimum funding purposes are based on the mortality experience of individuals covered by pension plans.

<sup>1</sup> In response to the 1997 Notice of Intent to Propose Rulemaking, one commenter asked for the adoption of a static table rather than a generational table to avoid unnecessary complexity.

Because of the way the PBGC's interest factors are determined, the choice of mortality assumptions generally is expected to have no significant effect on benefit valuations. The effect that a change in mortality assumptions will have on valuations generally will be offset by the effect of the corresponding change in the interest factors. For example, the use of GAM-94 mortality assumptions will result in higher interest factors than would the use of GAM-83 mortality assumptions (because GAM-94 has lower mortality rates than GAM-83). When those higher interest factors are combined with GAM-94, the resulting value for a given benefit will generally be about the same as it would be using GAM-83 along with the lower interest factors derived from the ACLI survey prices using GAM-83. (For a more detailed explanation, see the preambles to the PBGC's proposed rule published on January 19, 1993, at 58 FR 5128, and final rule published on September 28, 1993, at 58 FR 50812.)

In addition to the mortality assumptions for healthy individuals, the current regulation provides two other sets of mortality assumptions: (1) Those for participants who are disabled under a plan provision requiring eligibility for Social Security disability benefits (Social Security disabled participants), and (2) those for participants who are disabled under a plan provision that does *not* require eligibility for Social Security disability benefits (non-Social Security disabled participants).

As with the mortality assumptions for healthy individuals, this rule updates the mortality assumptions used for disabled participants. For Social Security disabled participants, the regulation calls for the use of the Mortality Tables for Disabilities Occurring in Plan Years Beginning After December 31, 1994, from Rev. Rul. 96-7 (1996-1 C.B. 59). These tables were developed by the Internal Revenue Service as required by the Retirement Protection Act of 1994 amendments relating to the determination of current liability. For non-Social Security disabled participants, the regulation calls for the use of the healthy life tables projected from 1994 to the calendar year in which the valuation date occurs plus 10 years using Scale AA and setting the resulting table forward three years. In addition, in order to prevent the rates at the older ages from exceeding the corresponding rates in the proposed table for Social Security disabled participants, the mortality rate for non-Social Security disabled participants is capped at the corresponding rate for Social Security disabled participants.

For convenience, the PBGC will make all of these mortality tables (like the healthy-life mortality tables) available on its Web site ([www.pbgc.gov](http://www.pbgc.gov)).

The rule also makes a clarifying change to this regulation to reflect the PBGC's practice of treating a participant as a disabled participant (Social Security disabled and non-Social Security disabled, whichever is applicable) if on the valuation date the participant is under age 65 and has a benefit that was converted under the plan's terms from a disability benefit to an early or normal retirement benefit for any reason other than a change in the participant's health status.

In addition, for clarity, paragraph 4044.52(d) is expressed more simply and moved to paragraph 4044.53(g). That paragraph, which deals with mortality when valuing deferred joint annuities, is being moved from the subsection that deals generally with valuation to the subsection that deals specifically with mortality.

#### *Comments on Notice of Intent To Propose Rulemaking*

In developing the proposed rule, the PBGC considered the comments relating to its mortality assumptions that it received in response to its notice of intent to propose rulemaking issued on March 19, 1997 (62 FR 12982). The proposed rule adopted a number of the suggestions made by commenters. For instance, one commenter suggested that the regulation should not call for the use of a reserving table (*i.e.*, a table that includes a built-in margin to provide a cushion for reserving purposes). Another commenter asked for the adoption of a static table rather than a generational table. This final rule adopts basic (nonreserve) tables that approximate the effect of full generational mortality improvements without the complexity of a fully generational table.

Several commenters asked that the rule provide mortality assumptions that vary depending on industry or workforce type or that vary on a plan-specific basis. The proposed rule did not adopt either of these approaches. As discussed above and in the proposed rule, the mortality assumptions are selected with the goal of achieving consistency with the mortality assumptions used by private-sector insurers for pricing group annuity contracts. To this end, ACLI respondents were asked to identify the mortality tables they used and any variations to those tables. Neither the proposed GAM-94 Basic Table, the most commonly identified table, nor any of the other tables identified by the

survey respondents provided mortality assumptions that vary depending on industry or workforce type. Moreover, none of the survey respondents reported that they make modifications or adjustments based on industry or workforce type. As for the use of plan-specific mortality assumptions, the general valuation approach is to apply a common set of assumptions (*e.g.*, mortality, expected retirement age) to all plans with the goal of producing reasonable results *on average*. Shifting to a plan-specific approach for mortality would be a fundamental change that could require burdensome verification procedures. Therefore, the PBGC proposed to continue to use more general mortality assumptions that, like its other assumptions, produce reasonable results on average. (No comments were received on the proposed rule with respect to this issue.)

#### *Comments on Proposed Rule*

One comment letter on the proposed rule was received. The commenter, an actuary in private practice, asserted that the GAM-94 Basic Table is not widely available and asked the PBGC to explain this table more clearly and to publish the exact Qs (mortality rates). The commenter also suggested that the PBGC should clarify why the proposed rates tables for Social Security disabled lives, which differ from other popular rates tables for disabled lives (for example, the RP-2000 disabled life mortality table), are appropriate.

The GAM-94 Basic Table is also known as the 1994 Uninsured Pensioner Mortality Table (UP-94), which is widely available; for example, it is included in the Society of Actuaries' mortality table software, "Table Manager." The GAM-94 Basic Table, with specific Qs and the projection scale, was part of the proposed rule (and is included in this final rule). In addition, as stated above and in the proposed rule, the PBGC will publish the projected mortality tables on its Web site ([www.pbgc.gov](http://www.pbgc.gov)).

The rule calls for the use of rates from the Mortality Tables for Disabilities Occurring in Plan Years Beginning After December 31, 1994, from Rev. Rul. 96-7 (1996-1 C.B. 59) for Social Security disabled participants, because those rates were developed based on the Social Security Administration's experience for individuals who are receiving benefits under its program. These tables differ from certain other popular tables (in particular, the RP-2000 table), which are based on a population of all disabled lives, rather

than the narrower population of Social Security disabled lives.

#### **Applicability**

These amendments apply to any plan with a termination date on or after January 1, 2006.

#### **Other Changes to Valuation Regulation**

The PBGC will continue to explore other ways to improve its benefit valuation regulations and may make other changes through separate rulemaking actions.

#### **Compliance With Rulemaking Guidelines**

The PBGC has determined, in consultation with the Office of Management and Budget, that this rule is a "significant regulatory action" under Executive Order 12866. The Office of Management and Budget, therefore, has reviewed this rule under Executive Order 12866.

The PBGC certifies under section 605(b) of the Regulatory Flexibility Act that this rule will not have a significant economic impact on a substantial number of small entities. As explained earlier in this preamble, the effect on a plan valuation of the change in the PBGC's mortality assumptions will be offset by the effect on that plan's valuation of the PBGC's use of higher interest factors. Because of this offsetting effect, the PBGC does not expect this rule to have a significant economic impact on a substantial number of entities of any size. Accordingly, sections 603 and 604 of the Regulatory Flexibility Act do not apply.

This final rule contains no collection of information requirements within the meaning of the Paperwork Reduction Act of 1995.

#### **List of Subjects in 29 CFR Part 4044**

Employee benefits plans, Pension insurance, Pensions.

■ For the reasons set forth above, the PBGC amends part 4044 of 29 CFR chapter XL as follows:

#### **PART 4044—ALLOCATION OF ASSETS IN SINGLE-EMPLOYER PLANS**

■ 1. The authority citation for part 4044 continues to read as follows:

**Authority:** 29 U.S.C. 1301(a), 1302(b)(3), 1341, 1344, and 1362.

■ 2. Amend § 4044.52 by adding the word "and" to the end of paragraph (c), removing paragraph (d), and redesignating paragraph (e) as paragraph (d).

■ 3. Revise § 4044.53 to read as follows:

**4044.53 Mortality assumptions.**

(a) *General rule.* Subject to paragraph (b) of this section (regarding certain death benefits), the plan administrator shall use the mortality factors prescribed in paragraphs (c), (d), (e), (f), and (g) of this section to value benefits under § 4044.52.

(b) *Certain death benefits.* If an annuity for one person is in pay status on the valuation date, and if the payment of a death benefit after the valuation date to another person, who need not be identifiable on the valuation date, depends in whole or in part on the death of the pay status annuitant, then the plan administrator shall value the death benefit using—

(1) The mortality rates that are applicable to the annuity in pay status under this section to represent the mortality of the pay status annuitant; and

(2) The mortality rates under paragraph (c) of this section to represent the mortality of the death beneficiary.

(c) *Healthy lives.* If the individual is not disabled under paragraph (f) of this section, the plan administrator will value the benefit using—

(1) For male participants, the rates in Table 1 of Appendix A to this part projected from 1994 to the calendar year in which the valuation date occurs plus 10 years using Scale AA from Table 2 of Appendix A to this part; and

(2) For female participants, the rates in Table 3 of Appendix A to this part projected from 1994 to the calendar year in which the valuation date occurs plus 10 years using Scale AA from Table 4 of Appendix A to this part.

(d) *Social Security disabled lives.* If the individual is Social Security disabled under paragraph (f)(1) of this section, the plan administrator will value the benefit using—

(1) For male participants, the rates in Table 5 of Appendix A to this part; and

(2) For female participants, the rates in Table 6 of Appendix A to this part.

(e) *Non-Social Security disabled lives.* If the individual is non-Social Security disabled under paragraph (f)(2) of this section, the plan administrator will value the benefit at each age using—

(1) For male participants, the lesser of—

(i) The rate determined from Table 1 of Appendix A to this part projected from 1994 to the calendar year in which the valuation date occurs plus 10 years using Scale AA from Table 2 of Appendix A to this part and setting the resulting table forward three years, or

(ii) The rate in Table 5 of Appendix A to this part.

(2) For female participants, the lesser of—

(i) The rate determined from Table 3 of Appendix A to this part projected from 1994 to the calendar year in which the valuation date occurs plus 10 years using Scale AA from Table 4 of Appendix A to this part and setting the resulting table forward three years, or

(ii) The rate in Table 6 of Appendix A to this part.

(f) *Definitions of disability.*

(1) *Social Security disabled.* A participant is Social Security disabled if, on the valuation date, the participant is less than age 65 and has a benefit in pay status that—

(i) Is being received as a disability benefit under a plan provision requiring either receipt of or eligibility for Social Security disability benefits, or

(ii) Was converted under the plan's terms from a disability benefit under a plan provision requiring either receipt of or eligibility for Social Security disability benefits to an early or normal retirement benefit for any reason other than a change in the participant's health status.

(2) *Non-Social Security disabled.* A participant is non-Social Security disabled if, on the valuation date, the participant is less than age 65, is not Social Security disabled, and has a benefit in pay status that—

(i) Is being received as a disability benefit under the plan, or

(ii) Was converted under the plan's terms from a disability benefit to an early or normal retirement benefit for any reason other than a change in the participant's health status.

(g) *Contingent annuitant mortality during deferral period.* If a participant's joint and survivor benefit is valued as a deferred annuity, the mortality of the contingent annuitant during the deferral period will be disregarded.

■ 4. Revise Appendix A to part 4044 to read as follows:

**Appendix A to Part 4044—Mortality Rate Tables**

The mortality tables in this appendix set forth that for each age  $x$  the probability  $q_x$  that an individual aged  $x$  (in 1994, when using Table 1 or Table 3) will not survive to attain age  $x + 1$ . The projection scales in this appendix set forth for each age  $x$  the annual reduction  $AA_x$  in the mortality rate at age  $x$ .

**TABLE 1.—MORTALITY TABLE FOR HEALTHY MALE PARTICIPANTS**  
[94 GAM basic]

| Age $x$  | $q_x$    |
|----------|----------|
| 15 ..... | 0.000371 |
| 16 ..... | 0.000421 |

**TABLE 1.—MORTALITY TABLE FOR HEALTHY MALE PARTICIPANTS—Continued**

[94 GAM basic]

| Age $x$  | $q_x$    |
|----------|----------|
| 17 ..... | 0.000463 |
| 18 ..... | 0.000495 |
| 19 ..... | 0.000521 |
| 20 ..... | 0.000545 |
| 21 ..... | 0.000570 |
| 22 ..... | 0.000598 |
| 23 ..... | 0.000633 |
| 24 ..... | 0.000671 |
| 25 ..... | 0.000711 |
| 26 ..... | 0.000749 |
| 27 ..... | 0.000782 |
| 28 ..... | 0.000811 |
| 29 ..... | 0.000838 |
| 30 ..... | 0.000862 |
| 31 ..... | 0.000883 |
| 32 ..... | 0.000902 |
| 33 ..... | 0.000912 |
| 34 ..... | 0.000913 |
| 35 ..... | 0.000915 |
| 36 ..... | 0.000927 |
| 37 ..... | 0.000958 |
| 38 ..... | 0.001010 |
| 39 ..... | 0.001075 |
| 40 ..... | 0.001153 |
| 41 ..... | 0.001243 |
| 42 ..... | 0.001346 |
| 43 ..... | 0.001454 |
| 44 ..... | 0.001568 |
| 45 ..... | 0.001697 |
| 46 ..... | 0.001852 |
| 47 ..... | 0.002042 |
| 48 ..... | 0.002260 |
| 49 ..... | 0.002501 |
| 50 ..... | 0.002773 |
| 51 ..... | 0.003088 |
| 52 ..... | 0.003455 |
| 53 ..... | 0.003854 |
| 54 ..... | 0.004278 |
| 55 ..... | 0.004758 |
| 56 ..... | 0.005322 |
| 57 ..... | 0.006001 |
| 58 ..... | 0.006774 |
| 59 ..... | 0.007623 |
| 60 ..... | 0.008576 |
| 61 ..... | 0.009663 |
| 62 ..... | 0.010911 |
| 63 ..... | 0.012335 |
| 64 ..... | 0.013914 |
| 65 ..... | 0.015629 |
| 66 ..... | 0.017462 |
| 67 ..... | 0.019391 |
| 68 ..... | 0.021354 |
| 69 ..... | 0.023364 |
| 70 ..... | 0.025516 |
| 71 ..... | 0.027905 |
| 72 ..... | 0.030625 |
| 73 ..... | 0.033549 |
| 74 ..... | 0.036614 |
| 75 ..... | 0.040012 |
| 76 ..... | 0.043933 |
| 77 ..... | 0.048570 |
| 78 ..... | 0.053991 |
| 79 ..... | 0.060066 |
| 80 ..... | 0.066696 |
| 81 ..... | 0.073780 |
| 82 ..... | 0.081217 |
| 83 ..... | 0.088721 |
| 84 ..... | 0.096358 |

TABLE 1.—MORTALITY TABLE FOR  
HEALTHY MALE PARTICIPANTS—  
Continued

[94 GAM basic]

| Age x     | q <sub>x</sub> |
|-----------|----------------|
| 85 .....  | 0.104559       |
| 86 .....  | 0.113755       |
| 87 .....  | 0.124377       |
| 88 .....  | 0.136537       |
| 89 .....  | 0.149949       |
| 90 .....  | 0.164442       |
| 91 .....  | 0.179849       |
| 92 .....  | 0.196001       |
| 93 .....  | 0.213325       |
| 94 .....  | 0.231936       |
| 95 .....  | 0.251189       |
| 96 .....  | 0.270441       |
| 97 .....  | 0.289048       |
| 98 .....  | 0.306750       |
| 99 .....  | 0.323976       |
| 100 ..... | 0.341116       |
| 101 ..... | 0.358560       |
| 102 ..... | 0.376699       |
| 103 ..... | 0.396884       |
| 104 ..... | 0.418855       |
| 105 ..... | 0.440585       |
| 106 ..... | 0.460043       |
| 107 ..... | 0.475200       |
| 108 ..... | 0.485670       |
| 109 ..... | 0.492807       |
| 110 ..... | 0.497189       |
| 111 ..... | 0.499394       |
| 112 ..... | 0.500000       |
| 113 ..... | 0.500000       |
| 114 ..... | 0.500000       |
| 115 ..... | 0.500000       |
| 116 ..... | 0.500000       |
| 117 ..... | 0.500000       |
| 118 ..... | 0.500000       |
| 119 ..... | 0.500000       |
| 120 ..... | 1.000000       |

TABLE 2.—PROJECTION SCALE AA  
FOR HEALTHY MALE PARTICIPANTS

| Age x    | AA <sub>x</sub> |
|----------|-----------------|
| 15 ..... | 0.019           |
| 16 ..... | 0.019           |
| 17 ..... | 0.019           |
| 18 ..... | 0.019           |
| 19 ..... | 0.019           |
| 20 ..... | 0.019           |
| 21 ..... | 0.018           |
| 22 ..... | 0.017           |
| 23 ..... | 0.015           |
| 24 ..... | 0.013           |
| 25 ..... | 0.010           |
| 26 ..... | 0.006           |
| 27 ..... | 0.005           |
| 28 ..... | 0.005           |
| 29 ..... | 0.005           |
| 30 ..... | 0.005           |
| 31 ..... | 0.005           |
| 32 ..... | 0.005           |
| 33 ..... | 0.005           |
| 34 ..... | 0.005           |
| 35 ..... | 0.005           |
| 36 ..... | 0.005           |
| 37 ..... | 0.005           |
| 38 ..... | 0.006           |
| 39 ..... | 0.007           |

TABLE 2.—PROJECTION SCALE AA  
FOR HEALTHY MALE PARTICI-  
PANTS—Continued

| Age x     | AA <sub>x</sub> |
|-----------|-----------------|
| 40 .....  | 0.008           |
| 41 .....  | 0.009           |
| 42 .....  | 0.010           |
| 43 .....  | 0.011           |
| 44 .....  | 0.012           |
| 45 .....  | 0.013           |
| 46 .....  | 0.014           |
| 47 .....  | 0.015           |
| 48 .....  | 0.016           |
| 49 .....  | 0.017           |
| 50 .....  | 0.018           |
| 51 .....  | 0.019           |
| 52 .....  | 0.020           |
| 53 .....  | 0.020           |
| 54 .....  | 0.020           |
| 55 .....  | 0.019           |
| 56 .....  | 0.018           |
| 57 .....  | 0.017           |
| 58 .....  | 0.016           |
| 59 .....  | 0.016           |
| 60 .....  | 0.016           |
| 61 .....  | 0.015           |
| 62 .....  | 0.015           |
| 63 .....  | 0.014           |
| 64 .....  | 0.014           |
| 65 .....  | 0.014           |
| 66 .....  | 0.013           |
| 67 .....  | 0.013           |
| 68 .....  | 0.014           |
| 69 .....  | 0.014           |
| 70 .....  | 0.015           |
| 71 .....  | 0.015           |
| 72 .....  | 0.015           |
| 73 .....  | 0.015           |
| 74 .....  | 0.015           |
| 75 .....  | 0.014           |
| 76 .....  | 0.014           |
| 77 .....  | 0.013           |
| 78 .....  | 0.012           |
| 79 .....  | 0.011           |
| 80 .....  | 0.010           |
| 81 .....  | 0.009           |
| 82 .....  | 0.008           |
| 83 .....  | 0.008           |
| 84 .....  | 0.007           |
| 85 .....  | 0.007           |
| 86 .....  | 0.007           |
| 87 .....  | 0.006           |
| 88 .....  | 0.005           |
| 89 .....  | 0.005           |
| 90 .....  | 0.004           |
| 91 .....  | 0.004           |
| 92 .....  | 0.003           |
| 93 .....  | 0.003           |
| 94 .....  | 0.003           |
| 95 .....  | 0.002           |
| 96 .....  | 0.002           |
| 97 .....  | 0.002           |
| 98 .....  | 0.001           |
| 99 .....  | 0.001           |
| 100 ..... | 0.001           |
| 101 ..... | 0.000           |
| 102 ..... | 0.000           |
| 103 ..... | 0.000           |
| 104 ..... | 0.000           |
| 105 ..... | 0.000           |
| 106 ..... | 0.000           |
| 107 ..... | 0.000           |
| 108 ..... | 0.000           |
| 109 ..... | 0.000           |

TABLE 2.—PROJECTION SCALE AA  
FOR HEALTHY MALE PARTICI-  
PANTS—Continued

| Age x     | AA <sub>x</sub> |
|-----------|-----------------|
| 110 ..... | 0.000           |
| 111 ..... | 0.000           |
| 112 ..... | 0.000           |
| 113 ..... | 0.000           |
| 114 ..... | 0.000           |
| 115 ..... | 0.000           |
| 116 ..... | 0.000           |
| 117 ..... | 0.000           |
| 118 ..... | 0.000           |
| 119 ..... | 0.000           |
| 120 ..... | 0.000           |

TABLE 3.—MORTALITY TABLE FOR  
HEALTHY FEMALE PARTICIPANTS  
[94 GAM Basic]

| Age x    | q <sub>x</sub> |
|----------|----------------|
| 15 ..... | 0.000233       |
| 16 ..... | 0.000261       |
| 17 ..... | 0.000281       |
| 18 ..... | 0.000293       |
| 19 ..... | 0.000301       |
| 20 ..... | 0.000305       |
| 21 ..... | 0.000308       |
| 22 ..... | 0.000311       |
| 23 ..... | 0.000313       |
| 24 ..... | 0.000313       |
| 25 ..... | 0.000313       |
| 26 ..... | 0.000316       |
| 27 ..... | 0.000324       |
| 28 ..... | 0.000338       |
| 29 ..... | 0.000356       |
| 30 ..... | 0.000377       |
| 31 ..... | 0.000401       |
| 32 ..... | 0.000427       |
| 33 ..... | 0.000454       |
| 34 ..... | 0.000482       |
| 35 ..... | 0.000514       |
| 36 ..... | 0.000550       |
| 37 ..... | 0.000593       |
| 38 ..... | 0.000643       |
| 39 ..... | 0.000701       |
| 40 ..... | 0.000763       |
| 41 ..... | 0.000826       |
| 42 ..... | 0.000888       |
| 43 ..... | 0.000943       |
| 44 ..... | 0.000992       |
| 45 ..... | 0.001046       |
| 46 ..... | 0.001111       |
| 47 ..... | 0.001196       |
| 48 ..... | 0.001297       |
| 49 ..... | 0.001408       |
| 50 ..... | 0.001536       |
| 51 ..... | 0.001686       |
| 52 ..... | 0.001864       |
| 53 ..... | 0.002051       |
| 54 ..... | 0.002241       |
| 55 ..... | 0.002466       |
| 56 ..... | 0.002755       |
| 57 ..... | 0.003139       |
| 58 ..... | 0.003612       |
| 59 ..... | 0.004154       |
| 60 ..... | 0.004773       |
| 61 ..... | 0.005476       |
| 62 ..... | 0.006271       |
| 63 ..... | 0.007179       |
| 64 ..... | 0.008194       |

TABLE 3.—MORTALITY TABLE FOR  
HEALTHY FEMALE PARTICIPANTS—  
Continued

| [94 GAM Basic] |                |
|----------------|----------------|
| Age x          | q <sub>x</sub> |
| 65 .....       | 0.009286       |
| 66 .....       | 0.010423       |
| 67 .....       | 0.011574       |
| 68 .....       | 0.012648       |
| 69 .....       | 0.013665       |
| 70 .....       | 0.014763       |
| 71 .....       | 0.016079       |
| 72 .....       | 0.017748       |
| 73 .....       | 0.019724       |
| 74 .....       | 0.021915       |
| 75 .....       | 0.024393       |
| 76 .....       | 0.027231       |
| 77 .....       | 0.030501       |
| 78 .....       | 0.034115       |
| 79 .....       | 0.038024       |
| 80 .....       | 0.042361       |
| 81 .....       | 0.047260       |
| 82 .....       | 0.052853       |
| 83 .....       | 0.058986       |
| 84 .....       | 0.065569       |
| 85 .....       | 0.072836       |
| 86 .....       | 0.081018       |
| 87 .....       | 0.090348       |
| 88 .....       | 0.100882       |
| 89 .....       | 0.112467       |
| 90 .....       | 0.125016       |
| 91 .....       | 0.138442       |
| 92 .....       | 0.152660       |
| 93 .....       | 0.167668       |
| 94 .....       | 0.183524       |
| 95 .....       | 0.200229       |
| 96 .....       | 0.217783       |
| 97 .....       | 0.236188       |
| 98 .....       | 0.255605       |
| 99 .....       | 0.276035       |
| 100 .....      | 0.297233       |
| 101 .....      | 0.318956       |
| 102 .....      | 0.340960       |
| 103 .....      | 0.364586       |
| 104 .....      | 0.389996       |
| 105 .....      | 0.415180       |
| 106 .....      | 0.438126       |
| 107 .....      | 0.456824       |
| 108 .....      | 0.471493       |
| 109 .....      | 0.483473       |
| 110 .....      | 0.492436       |
| 111 .....      | 0.498054       |
| 112 .....      | 0.500000       |
| 113 .....      | 0.500000       |
| 114 .....      | 0.500000       |
| 115 .....      | 0.500000       |
| 116 .....      | 0.500000       |
| 117 .....      | 0.500000       |
| 118 .....      | 0.500000       |
| 119 .....      | 0.500000       |
| 120 .....      | 1.000000       |

TABLE 4.—PROJECTION SCALE AA  
FOR HEALTHY FEMALE PARTICIPANTS

| Age x    | AA <sub>x</sub> |
|----------|-----------------|
| 15 ..... | 0.016           |
| 16 ..... | 0.015           |
| 17 ..... | 0.014           |
| 18 ..... | 0.014           |
| 19 ..... | 0.015           |

TABLE 4.—PROJECTION SCALE AA  
FOR HEALTHY FEMALE PARTICI-  
PANTS—Continued

| Age x    | AA <sub>x</sub> |
|----------|-----------------|
| 20 ..... | 0.016           |
| 21 ..... | 0.017           |
| 22 ..... | 0.017           |
| 23 ..... | 0.016           |
| 24 ..... | 0.015           |
| 25 ..... | 0.014           |
| 26 ..... | 0.012           |
| 27 ..... | 0.012           |
| 28 ..... | 0.012           |
| 29 ..... | 0.012           |
| 30 ..... | 0.010           |
| 31 ..... | 0.008           |
| 32 ..... | 0.008           |
| 33 ..... | 0.009           |
| 34 ..... | 0.010           |
| 35 ..... | 0.011           |
| 36 ..... | 0.012           |
| 37 ..... | 0.013           |
| 38 ..... | 0.014           |
| 39 ..... | 0.015           |
| 40 ..... | 0.015           |
| 41 ..... | 0.015           |
| 42 ..... | 0.015           |
| 43 ..... | 0.015           |
| 44 ..... | 0.015           |
| 45 ..... | 0.016           |
| 46 ..... | 0.017           |
| 47 ..... | 0.018           |
| 48 ..... | 0.018           |
| 49 ..... | 0.018           |
| 50 ..... | 0.017           |
| 51 ..... | 0.016           |
| 52 ..... | 0.014           |
| 53 ..... | 0.012           |
| 54 ..... | 0.010           |
| 55 ..... | 0.008           |
| 56 ..... | 0.006           |
| 57 ..... | 0.005           |
| 58 ..... | 0.005           |
| 59 ..... | 0.005           |
| 60 ..... | 0.005           |
| 61 ..... | 0.005           |
| 62 ..... | 0.005           |
| 63 ..... | 0.005           |
| 64 ..... | 0.005           |
| 65 ..... | 0.005           |
| 66 ..... | 0.005           |
| 67 ..... | 0.005           |
| 68 ..... | 0.005           |
| 69 ..... | 0.005           |
| 70 ..... | 0.005           |
| 71 ..... | 0.006           |
| 72 ..... | 0.006           |
| 73 ..... | 0.007           |
| 74 ..... | 0.007           |
| 75 ..... | 0.008           |
| 76 ..... | 0.008           |
| 77 ..... | 0.007           |
| 78 ..... | 0.007           |
| 79 ..... | 0.007           |
| 80 ..... | 0.007           |
| 81 ..... | 0.007           |
| 82 ..... | 0.007           |
| 83 ..... | 0.007           |
| 84 ..... | 0.007           |
| 85 ..... | 0.006           |
| 86 ..... | 0.005           |
| 87 ..... | 0.004           |
| 88 ..... | 0.004           |
| 89 ..... | 0.003           |

TABLE 4.—PROJECTION SCALE AA  
FOR HEALTHY FEMALE PARTICI-  
PANTS—Continued

| Age x     | AA <sub>x</sub> |
|-----------|-----------------|
| 90 .....  | 0.003           |
| 91 .....  | 0.003           |
| 92 .....  | 0.003           |
| 93 .....  | 0.002           |
| 94 .....  | 0.002           |
| 95 .....  | 0.002           |
| 96 .....  | 0.002           |
| 97 .....  | 0.001           |
| 98 .....  | 0.001           |
| 99 .....  | 0.001           |
| 100 ..... | 0.001           |
| 101 ..... | 0.000           |
| 102 ..... | 0.000           |
| 103 ..... | 0.000           |
| 104 ..... | 0.000           |
| 105 ..... | 0.000           |
| 106 ..... | 0.000           |
| 107 ..... | 0.000           |
| 108 ..... | 0.000           |
| 109 ..... | 0.000           |
| 110 ..... | 0.000           |
| 111 ..... | 0.000           |
| 112 ..... | 0.000           |
| 113 ..... | 0.000           |
| 114 ..... | 0.000           |
| 115 ..... | 0.000           |
| 116 ..... | 0.000           |
| 117 ..... | 0.000           |
| 118 ..... | 0.000           |
| 119 ..... | 0.000           |
| 120 ..... | 0.000           |

TABLE 5.—MORTALITY TABLE FOR SO-  
CIAL SECURITY DISABLED MALE  
PARTICIPANTS

| Age x    | q <sub>x</sub> |
|----------|----------------|
| 15 ..... | 0.022010       |
| 16 ..... | 0.022502       |
| 17 ..... | 0.023001       |
| 18 ..... | 0.023519       |
| 19 ..... | 0.024045       |
| 20 ..... | 0.024583       |
| 21 ..... | 0.025133       |
| 22 ..... | 0.025697       |
| 23 ..... | 0.026269       |
| 24 ..... | 0.026857       |
| 25 ..... | 0.027457       |
| 26 ..... | 0.028071       |
| 27 ..... | 0.028704       |
| 28 ..... | 0.029345       |
| 29 ..... | 0.029999       |
| 30 ..... | 0.030661       |
| 31 ..... | 0.031331       |
| 32 ..... | 0.032006       |
| 33 ..... | 0.032689       |
| 34 ..... | 0.033405       |
| 35 ..... | 0.034184       |
| 36 ..... | 0.034981       |
| 37 ..... | 0.035796       |
| 38 ..... | 0.036634       |
| 39 ..... | 0.037493       |
| 40 ..... | 0.038373       |
| 41 ..... | 0.039272       |
| 42 ..... | 0.040189       |
| 43 ..... | 0.041122       |
| 44 ..... | 0.042071       |

TABLE 5.—MORTALITY TABLE FOR SOCIAL SECURITY DISABLED MALE PARTICIPANTS—Continued

| Age x     | q <sub>x</sub> |
|-----------|----------------|
| 45 .....  | 0.043033       |
| 46 .....  | 0.044007       |
| 47 .....  | 0.044993       |
| 48 .....  | 0.045989       |
| 49 .....  | 0.046993       |
| 50 .....  | 0.048004       |
| 51 .....  | 0.049021       |
| 52 .....  | 0.050042       |
| 53 .....  | 0.051067       |
| 54 .....  | 0.052093       |
| 55 .....  | 0.053120       |
| 56 .....  | 0.054144       |
| 57 .....  | 0.055089       |
| 58 .....  | 0.056068       |
| 59 .....  | 0.057080       |
| 60 .....  | 0.058118       |
| 61 .....  | 0.059172       |
| 62 .....  | 0.060232       |
| 63 .....  | 0.061303       |
| 64 .....  | 0.062429       |
| 65 .....  | 0.063669       |
| 66 .....  | 0.065082       |
| 67 .....  | 0.066724       |
| 68 .....  | 0.068642       |
| 69 .....  | 0.070834       |
| 70 .....  | 0.073284       |
| 71 .....  | 0.075979       |
| 72 .....  | 0.078903       |
| 73 .....  | 0.082070       |
| 74 .....  | 0.085606       |
| 75 .....  | 0.088918       |
| 76 .....  | 0.092208       |
| 77 .....  | 0.095625       |
| 78 .....  | 0.099216       |
| 79 .....  | 0.103030       |
| 80 .....  | 0.107113       |
| 81 .....  | 0.111515       |
| 82 .....  | 0.116283       |
| 83 .....  | 0.121464       |
| 84 .....  | 0.127108       |
| 85 .....  | 0.133262       |
| 86 .....  | 0.139974       |
| 87 .....  | 0.147292       |
| 88 .....  | 0.155265       |
| 89 .....  | 0.163939       |
| 90 .....  | 0.173363       |
| 91 .....  | 0.183585       |
| 92 .....  | 0.194653       |
| 93 .....  | 0.206615       |
| 94 .....  | 0.219519       |
| 95 .....  | 0.234086       |
| 96 .....  | 0.248436       |
| 97 .....  | 0.263954       |
| 98 .....  | 0.280803       |
| 99 .....  | 0.299154       |
| 100 ..... | 0.319185       |
| 101 ..... | 0.341086       |
| 102 ..... | 0.365052       |
| 103 ..... | 0.393102       |
| 104 ..... | 0.427255       |
| 105 ..... | 0.469531       |
| 106 ..... | 0.521945       |
| 107 ..... | 0.586518       |
| 108 ..... | 0.665268       |
| 109 ..... | 0.760215       |
| 110 ..... | 1.000000       |

TABLE 6.—MORTALITY TABLE FOR SOCIAL SECURITY DISABLED FEMALE PARTICIPANTS

| Age x    | q <sub>x</sub> |
|----------|----------------|
| 15 ..... | 0.007777       |
| 16 ..... | 0.008120       |
| 17 ..... | 0.008476       |
| 18 ..... | 0.008852       |
| 19 ..... | 0.009243       |
| 20 ..... | 0.009650       |
| 21 ..... | 0.010076       |
| 22 ..... | 0.010521       |
| 23 ..... | 0.010984       |
| 24 ..... | 0.011468       |
| 25 ..... | 0.011974       |
| 26 ..... | 0.012502       |
| 27 ..... | 0.013057       |
| 28 ..... | 0.013632       |
| 29 ..... | 0.014229       |
| 30 ..... | 0.014843       |
| 31 ..... | 0.015473       |
| 32 ..... | 0.016103       |
| 33 ..... | 0.016604       |
| 34 ..... | 0.017121       |
| 35 ..... | 0.017654       |
| 36 ..... | 0.018204       |
| 37 ..... | 0.018770       |
| 38 ..... | 0.019355       |
| 39 ..... | 0.019957       |
| 40 ..... | 0.020579       |
| 41 ..... | 0.021219       |
| 42 ..... | 0.021880       |
| 43 ..... | 0.022561       |
| 44 ..... | 0.023263       |
| 45 ..... | 0.023988       |
| 46 ..... | 0.024734       |
| 47 ..... | 0.025504       |
| 48 ..... | 0.026298       |
| 49 ..... | 0.027117       |
| 50 ..... | 0.027961       |
| 51 ..... | 0.028832       |
| 52 ..... | 0.029730       |
| 53 ..... | 0.030655       |
| 54 ..... | 0.031609       |
| 55 ..... | 0.032594       |
| 56 ..... | 0.033608       |
| 57 ..... | 0.034655       |
| 58 ..... | 0.035733       |
| 59 ..... | 0.036846       |
| 60 ..... | 0.037993       |
| 61 ..... | 0.039176       |
| 62 ..... | 0.040395       |
| 63 ..... | 0.041653       |
| 64 ..... | 0.042950       |
| 65 ..... | 0.044287       |
| 66 ..... | 0.045666       |
| 67 ..... | 0.046828       |
| 68 ..... | 0.048070       |
| 69 ..... | 0.049584       |
| 70 ..... | 0.051331       |
| 71 ..... | 0.053268       |
| 72 ..... | 0.055356       |
| 73 ..... | 0.057573       |
| 74 ..... | 0.059979       |
| 75 ..... | 0.062574       |
| 76 ..... | 0.065480       |
| 77 ..... | 0.068690       |
| 78 ..... | 0.072237       |
| 79 ..... | 0.076156       |
| 80 ..... | 0.080480       |
| 81 ..... | 0.085243       |
| 82 ..... | 0.090480       |
| 83 ..... | 0.096224       |
| 84 ..... | 0.102508       |

TABLE 6.—MORTALITY TABLE FOR SOCIAL SECURITY DISABLED FEMALE PARTICIPANTS—Continued

| Age x     | q <sub>x</sub> |
|-----------|----------------|
| 85 .....  | 0.109368       |
| 86 .....  | 0.116837       |
| 87 .....  | 0.124948       |
| 88 .....  | 0.133736       |
| 89 .....  | 0.143234       |
| 90 .....  | 0.153477       |
| 91 .....  | 0.164498       |
| 92 .....  | 0.176332       |
| 93 .....  | 0.189011       |
| 94 .....  | 0.202571       |
| 95 .....  | 0.217045       |
| 96 .....  | 0.232467       |
| 97 .....  | 0.248870       |
| 98 .....  | 0.266289       |
| 99 .....  | 0.284758       |
| 100 ..... | 0.303433       |
| 101 ..... | 0.327385       |
| 102 ..... | 0.359020       |
| 103 ..... | 0.395842       |
| 104 ..... | 0.438360       |
| 105 ..... | 0.487816       |
| 106 ..... | 0.545886       |
| 107 ..... | 0.614309       |
| 108 ..... | 0.694884       |
| 109 ..... | 0.789474       |
| 110 ..... | 1.000000       |

Issued in Washington, DC, this 29 day of November, 2005.

**Elaine L. Chao,**

*Chairman, Board of Directors, Pension Benefit Guaranty Corporation.*

Issued on the date set forth above pursuant to a resolution of the Board of Directors authorizing its Chairman to issue this final rule.

**Judith R. Starr,**

*Secretary, Board of Directors, Pension Benefit Guaranty Corporation.*

[FR Doc. 05–23554 Filed 12–1–05; 8:45 am]

**BILLING CODE 7708–01–P**

## DEPARTMENT OF VETERANS AFFAIRS

### 38 CFR Parts 3 and 20

**RIN 2900–AL86**

**Dependency and Indemnity Compensation: Surviving Spouse's Rate; Payments Based on Veteran's Entitlement to Compensation for Service-Connected Disability Rated Totally Disabling for Specified Periods Prior to Death**

**AGENCY:** Department of Veterans Affairs.  
**ACTION:** Final rule.

**SUMMARY:** The Department of Veterans Affairs (VA) is amending its adjudication regulations concerning payment of dependency and indemnity compensation (DIC) for certain non-