§ 4050.5

Pension Benefit Guaranty Corporation

(1) Mandatory lump sum. The designated benefit of a missing participant required under a plan to receive a mandatory lump sum as of the deemed distribution date is the lump sum payment that the plan administrator would have distributed to the missing participant as of the deemed distribution date.

(2) De minimis lump sum. The designated benefit of a missing participant not described in paragraph (a)(1) of this section whose benefit is not in

§ 4050.3 Method of distribution for missing participants.

The plan administrator of a terminating plan must distribute benefits for each missing participant by—

(a) Purchasing from an insurer an irrevocable commitment that satisfies the requirements of §4041.38(c) or §4041.50 of this chapter (whichever is applicable); or

(b) Paying the PBGC a designated benefit in accordance with §§4050.4 through 4050.6 (subject to the special rules in §4050.12).