the PBGC would pay a guaranteed benefit to a participant or beneficiary in the PBGC’s program for trusteed plans under subparts A and B of part 4022 of this chapter (treating the deemed distribution date as the termination date for this purpose).

**Missing participant** means a participant or beneficiary entitled to a distribution under a terminating plan whom the plan administrator has not located as of the date when the plan administrator pays the individual’s designated benefit to the PBGC or distributes the individual’s benefit by purchasing an irrevocable commitment from an insurer. In the absence of proof of death, individuals not located are presumed living.

**Missing participant annuity assumptions** means the interest rate assumptions and actuarial methods for valuing benefits under §4044.52 of this chapter applied—

1. As if the deemed distribution date were the termination date;
2. Using mortality rates that are a fixed blend of 50 percent of the healthy male mortality rates in §4044.53(c)(1) of this chapter and 50 percent of the healthy female mortality rates in §4044.53(c)(2) of this chapter;
3. Without using the expected retirement age assumptions in §§4044.55 through 4044.57 of this chapter;
4. Without making the adjustment for expenses provided for in §4044.52(d) of this chapter; and
5. By adding $300, as an adjustment (loading) for expenses, for each missing participant whose designated benefit without such adjustment would be greater than $5,000.

**Missing participant forms and instructions** means PBGC Forms 501 and 602, Schedule MP thereto, and related forms, and their instructions.

**Missing participant lump sum assumptions** means the interest rate and mortality assumptions and actuarial methods for determining the lump sum value of a benefit under §4022.7(d) of this chapter applied—

1. As if the deemed distribution date were the termination date; and
2. Without using the expected retirement age assumptions in §§4044.55 through 4044.57 of this chapter.

**Pay status** means, with respect to a benefit under a plan, that the plan administrator has made or (except for administrative delay or a waiting period) would have made one or more benefit payments.

**Post-distribution certification** means the post-distribution certification required by §4041.29 or §4041.50 of this chapter.

**Unloaded designated benefit** means the designated benefit reduced by $300; except that the reduction does not apply in the case of a designated benefit determined using the missing participant annuity assumptions without adding the $300 load described in paragraph (5) of the definition of “missing participant annuity assumptions.”

§ 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 §4041.28(c) or §4041.50 of this chapter; or
(b) Paying the PBGC a designated benefit in accordance with §§4050.4 through 4050.6 (subject to the special rules in §4050.12).

§ 4050.4 Diligent search.

(a) **Search required.** A diligent search must be made for each missing participant before information about the missing participant or payment is submitted to the PBGC pursuant to §4050.6.

(b) **Diligence.** A search is a diligent search only if the search—

1. Begins not more than 6 months before notices of intent to terminate are issued and is carried on in such a manner that if the individual is found, distribution to the individual can reasonably be expected to be made on or before the deemed distribution date;
2. Includes inquiry of any plan beneficiaries (including alternate payees) of the missing participant whose names