

ERRATA and CLARIFICATIONS
Fundamentals of Retiree Group Benefits
March 4, 2008

Page 180

The discount rate mentioned in the example should be 6 percent instead of 9 percent.

Page 184

The Accrued postretirement benefit cost should be (\$1,755,000) rather than (\$1,775,000).

Page 185, Example 7

The actual amortization of transition obligation calculation is \$737.50 ($\$14,750/20$). \$740 is used due to rounding, which is common practice.

Page 187, Example 8

Add the following sentence to the lead-in paragraph:
The prior year's discount rate was 9%.

Page 208

APBO for Ee C should be 20/25 instead of 10/25.

Pg 262

There should be an equal sign after the 1.026

Page 276

In the last paragraph before the table, the factor for the older ages should be 0.5% rather than 1.5%.

Page 277

The reference to 1.5% and 3.0% along with the 0.5% on the next page should be taken out and just reference the relative age factors in the table.

Pages 283 and 284, formula 17

There is a formatting error that resulted in the formula number 17 being used twice. Thus the numbered formulas from 284 on up should start with 18, and all later formulas should be incremented by 1, all the way through page 294, where the last formula (42) should be (43).