

Pension Benefit Guaranty Corporation

76-54

April 19, 1976

REFERENCE:

[*1] 4041 Termination by Plan Administrator
4048 Date of Termination

OPINION:

This is in reference to your letter of February 11, 1976. You have asked for our opinion regarding the coverage under Title IV of the Employee Retirement Income Security Act of 1974 (the "Act") of three plans, which you refer to as Plans X, Y and Z.

* * * notes of his conversation with you indicate that you advised him that the required corporate action to effect a termination of each of the Plans effective November 30, 1973 was taken and that benefit accruals ceased on that date. However, as a result of deficiency in funding of Plan X for the Plan year ended December 31, 1972, of Plan Y for the Plan year ended April 30, 1973 and of Plan Z for the Plan year ended June 30, 1973, Corporations X, Y and Z each made four payments in 1974 "in full discharge of the deficit of such Plan years." One such payment on behalf of each plan was made in November, 1974. Based on these representations, * * * stated his personal view that the plans had terminated prior to the date of enactment of the Act and, therefore, that they were not covered by Title IV.

The facts presented in your letter appear to confirm the information underlying [*2] * * * opinion. On that basis we confirm that opinion.

We hope this is of assistance.

George B. Driesen
Deputy General Counsel