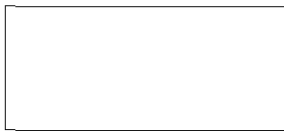


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Pension Benefit Guaranty Corporation  
1200 K Street, N.W., Washington, D.C. 20005-4026

FEB 20 2004



Re:  Case 192233, Nashville Textile Corp.  
Hourly Employees' Pension Plan (Plan or NTHP)

Dear

The Appeals Board has reviewed your appeal of PBGC's July 22, 2003 determination that you are not entitled to a PBGC benefit from the NTHP Plan. For the reasons stated below, we are denying your appeal.

Benefit Determination and Your Appeal

PBGC's determination letter said that you were not eligible to participate in the NTHP and, therefore, "... not entitled to a PBGC benefit because your classification was covered by a collective bargaining agreement under the Union of Needletrades Industrial and Textile Employees" (UNITE).

Your August 13, 2003 appeal (via fax) said that you deserve a benefit because: (1) you worked for Bristol Lingerie (Bristol) for 18½ years, (2) you were *not* a union member, and (3) others who received their pay checks from the same payroll as you are currently receiving benefits.

Law and Regulations

PBGC files contain documents showing that the NTHP terminated April 30, 1999 without sufficient assets to satisfy all benefits PBGC guarantees under Title IV of the Employee Retirement Income Security Act of 1974, as amended (ERISA). Therefore, the provisions of NTHP, ERISA and PBGC regulations determine NTHP participants' benefit entitlement.

ERISA § 4022(a) provides that, subject to certain limits, PBGC shall guarantee the payment of all nonforfeitable benefits under a covered plan that terminates. ERISA defines a "nonforfeitable benefit" as "... a benefit for which a participant has satisfied the conditions for entitlement under the plan or the requirements of [ERISA]." ERISA § 4001(a)(8); see also 29 Code of Federal Regulations (C.F.R.) § 4001.2 (definition of "nonforfeitable benefit"). PBGC rules provide that a guaranteed benefit, among other conditions, must be nonforfeitable on the plan's termination date. 29 C.F.R. § 4022.3.

#### NTHP Provisions

Documents in PBGC files reveal that the NTHP was first effective April 1, 1968 and was restated or amended from time to time until the last restatement as of April 1, 1989, which is the effective date of the "Adoption Agreement to the Hallman & Lorber Associates, Inc. Defined Benefit Regional Prototype Pension Plan and Trust Agreement" (H&L Prototype). Prior to the adoption of the H&L Prototype, Article II of the NTHP provided that after meeting certain age and service requirements an "Employee" was eligible to participate in the Plan. The Plan includes the following definitions:

Section 1.08 of the Plan defines "Employee" as "... any person who appears on the Employer's books as a hourly Employee at all times when his eligibility to participate or to continue to participate shall be ascertained, . . . excluding any person who is a member of a collective bargaining unit on whose behalf the Employee representative and the Employer have engaged in good faith bargaining for retirement benefits." (Emphasis added.)

Per Section 1.09 of the Plan, "'Employer' means Nashville Textile Corporation, Denise Textile Corporation and Bristol Textile Corporation . . ."

The Adoption Agreement and the H&L Prototype continued the exclusion of hourly employees in the collective bargaining unit whose representative negotiated in good faith regarding pensions. The Appeals Board obtained a copy of the Collective Bargaining Agreement (CBA) for 1995 - 1998 between Bristol Lingerie and Local #406, Southern and Western District Council of the Upper South Dept., International Ladies' Garment Workers Union (ILGWU). The CBA covered Bristol non-supervisory production, packing and shipping workers at its Bristol, Virginia plant. Article XVI, Section 1: Health, Welfare, Retirement and Health Services Fund provides that the Employer shall pay a percentage of "... its total gross weekly payroll . . . of all employees covered under this Agreement (whether Union or non-Union workers, and whether regular or trial period workers) employed by the Employers . . ." Paragraph (2) of that section specifies the percentage the Employer is to pay "towards the Upper South Department Retirement Fund, ILGWU, a trust fund established by a collective bargaining agreement for the purpose of providing pension or annuities for employees covered by this Agreement on retirement."

Discussion

The Appeals Board has been advised that, after the NTHP ended, PBGC's auditor for the Plan obtained and accepted as accurate a listing of NTHP participants prepared in 1998 by the NTHP's former actuarial consultant, Hallman & Lorber Associates, Inc. Because the list did not include you as a Plan member, you were asked to complete a PBGC "Plan Participation Information" (PPI) form and an "Authorization [for PBGC] to Obtain Earnings Data from the Social Security Administration."

On the PPI you reported you were born [redacted] and worked for Bristol as a machine operator at the Bristol, Virginia location from April 16, 1980 until July 6, 1998 when the "plant shut down." Your appeal stated that you were not a union member. However, on the PPI you checked boxes indicating you had always been an hourly-paid employee and were an NTHP "... participant covered by a collective bargaining agreement (union contract) with the employer . . . ." You also noted that you were a union-covered employee from April of 1980 to July of 1998, and that your union was ILGWU Local 406. (In 1995, the ILGWU and the Amalgamated Clothing and Textile Workers Union merged to form the Union of Needletrades Industrial and Textile Employees (UNITE).)

Based on the preponderance of evidence, the Appeals Board concluded you were covered by the CBA.

Decision

Having applied the provisions of the NTHP and the CBA to the facts of this case, the Appeals Board found that you were not a participant in the NTHP while working for Bristol in a position covered by the CBA, whether or not you were a union member. Further, there is no evidence you ever held a non-bargained position at Bristol. Therefore, you are not entitled to a pension payment from PBGC. This is the agency's final action on this case and you may, if you wish, seek court review of this decision.

Other Matters

You may be entitled to receive a pension on the basis of your employment with Bristol from the multiemployer pension fund to which your employer contributed. For further information on this benefit, you should contact:

ILGWU National Retirement Fund  
Attention: Loraine Balcom  
730 Broadway, 9<sup>th</sup> Floor  
New York, NY 10003

You stated that other employees are receiving benefits under the Plan. Please know that a Company document for the period ending March 31, 1996 shows that Bristol had 259 hourly employees -- 237 are identified as ineligible for the NTHP and 22 as participants in NTHP. On the basis of another document in PBGC files, it appears that the latter may have been hourly paid supervisors or office staff and apparently not eligible for pensions from the ILGWU retirement fund. If you need further information from PBGC, you may call PBGC's Customer Contact Center at 1-800-400-7242.

Sincerely,

A handwritten signature in cursive script that reads "Sherline M. Brickus". The signature is written in black ink and is positioned above the typed name and title.

Sherline M. Brickus  
Member, Appeals Board