

Pension Benefit Guaranty Corporation

76-79

June 11, 1976

REFERENCE:

[*1] 4021(a)(1) Plans Covered. Tax Qualification in Practice

OPINION:

This is in reference to the reportable event which you have filed on behalf of * * *. * * * (the Plan). The reportable * * * event involves a reduction in the number of active participants covered by the Plan.

As you are aware, the Plan is not in receipt of a determination letter from the Internal Revenue Service (the IRS) regarding its qualification under the Internal Revenue Code of 1954 (the Code). The Pension Benefit Guaranty Corporation (the PBGC) is presently reviewing the Plan's operation to determine if it in fact satisfies the tax-qualification requirements of the Code required for coverage under Title IV of the Employee Retirement Income Security Act of 1974 (the Act).

We would appreciate your forwarding to us the following information as soon as possible. Please provide the data specified below for (1) the plan year in progress on the date of enactment of the Act, September 2, 1974, (2) the plan year immediately preceding such plan year, and (3) each of the plan years following the plan year in progress on the date of enactment through the date of the reportable event.

(a) Total number of * * * employees; [*2]

(b) Total number of participants in the Plan;

(c) Total number of employees excluded from Plan participation for failure to satisfy the plan eligibility requirements and the reasons for their exclusion;

(d) Total nondeferred compensation paid or accrued for all the employees.

Also provide the information requested in the following four items:

(a) The date the Plan was communicated to the employees; How communicated?

(b) Does the employer contribute to any other qualified plan? If yes, furnish the following information:

(i) Name of Plan * * *

(ii) Type of Plan * * *

(iii) Rate of employer contribution, if fixed

(iv) Monthly benefit, if a pension plan

(v) Vested benefit upon termination of employment prior to retirement;

(c) Is any question relating to the qualification of the plan currently pending before the IRS or any court?

(d) Census data for the 25 highest paid participating employees for the first year of the Plan; please comply by completing the attached schedule (Schedule 'A').

If you have any questions regarding this request, please call Mr. * * * (of this office at (202) 254-4873. Our processing of the reportable event necessarily must await the determination [*3] of the tax-qualification status of the Plan, as such is a requisite of coverage under Title IV of the Act (See Act, § 4021).

John H. Falsey
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Office of the General Counsel