

Pension Benefit Guaranty Corporation

74-29

December 20, 1974

REFERENCE:

[*1] 4022(a) Benefits Guaranteed. Type of Benefits Guaranteed

OPINION:

Secretary Brennan has asked me to respond to your letter dated November 14, 1974. You asked whether, if you terminate your present employment prior to January, 1978 your vested interest in a multi-employer pension plan would be protected by the insurance provisions of the Employee Retirement Income Act of 1974 in the event the plan terminated after January 1, 1978.

The answer is that by statute this Corporation is obligated to guarantee "the payment of nonforfeitable benefits" to participants in plans terminating after they become subject to the Act. For purposes of your inquiry, "vested" and "nonforfeitable" have the same meaning. Since you would remain a participant in the plan for statutory purposes after you terminate your employment, your nonforfeitable benefits would be insured.

I trust this answers your inquiry.

Steven E. Schanes
Acting Executive Director