



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



AUG 31 2005

Re: [REDACTED] Keokuk Steel Castings Inc. - National Castings Inc. Merged  
Pension Plan for Hourly Employees, Case # 196483

Dear [REDACTED]:

The Appeals Board has reviewed your appeal of PBGC's June 15, 2005 determination that [REDACTED] benefit was paid in the form of a Straight Life Annuity with no survivor benefits. As explained below, the Board changed PBGC's determination by finding that (1) [REDACTED] benefit was payable as a Qualified Joint and Survivor Annuity instead of a Straight Life Annuity and (2) you are entitled to the survivor portion of that benefit.

PBGC's Determination and Your Appeal

According to the records available to the Appeals Board, you called PBGC's Insurance Operations Department (since renamed the Benefits Administration and Payment Department) on January 13, 2003 to report [REDACTED] death on January 12, 2003, and to inquire about a survivor benefit. On January 28, 2003, you sent PBGC's Disclosure Officer documents you believe support your entitlement to a survivor benefit. The documents include:

- A Marriage Certificate showing that [REDACTED] were married in Aiken County, South Carolina, on July 6, 1957;
- An Order of Dismissal stamped August 8, 2002 and signed by Judge Marya Nega of the Circuit Court of Cook County, Illinois, Domestic Relations Division, ordering that the cause of [REDACTED] "be and is hereby dismissed for want of prosecution;" and
- A January 23, 2003 statement signed by Dorothy Brown, Clerk of the Circuit Court, Cook County, Illinois, certifying that, "after a careful search of the records, it has been determined that [REDACTED] was dismissed for want of prosecution on Aug 08, 2002. No decree has been entered."

After completing its audits of Plan and participant data, PBGC sent a formal determination of [redacted] PBGC benefit to his Estate on June 15, 2005. That letter said [redacted] received the correct amount of \$172.51 per month from the Keokuk Plan as a Straight Life Annuity with no survivor benefits. You said in your July 30, 2005 appeal that you believe you are entitled to his full pension because you were married to him for 45 years.

Discussion

The Keokuk Plan terminated, effective January 12, 2002, without sufficient assets to provide all benefits PBGC guarantees under the Employee Retirement Income Security Act, and PBGC subsequently became trustee. The files PBGC's auditors obtained from the former Plan Administrator show that [redacted] retired from National Castings' Melrose Park facility March 1, 2000. The files include a copy of his *Retirement Plan Participant Data* form signed March 3, 2000, on which he checked "unmarried" as his marital status. He also signed his *Application for Monthly Pension Benefits* on that date and declined the Plan's survivor option. [redacted] began receiving a pension of \$172.51 per month in the form of a Straight Life Annuity with no survivor benefit on March 1, 2000, and continued receiving that amount until his death.

Under Plan section 6.2, the automatic form of benefit for a participant who is not married on his or her annuity starting date is a Straight Life Annuity, which provides a lifetime benefit to the participant with no survivor benefit. The automatic form for a married participant is a Qualified Joint and Survivor Annuity ("QJSA"), which provides a reduced benefit for the participant's lifetime and 50% of that reduced benefit to an eligible spouse for the rest of the spouse's life. A married participant can receive a benefit in another form offered by the Plan only if the participant's eligible spouse signs a form agreeing to a benefit form other than the QJSA within 90 days of the annuity starting date.

While researching your appeal, the Appeals Board found that the August 8, 2002 Order of Dismissal you sent PBGC refers to a divorce petition filed in the Circuit Court of Cook County, Illinois, on March 26, 1999 [redacted]

[redacted] Based on this information, the information you submitted, and the information in PBGC's files, the Board concluded that you and [redacted] [redacted] annuity starting date). Therefore, without a signed waiver from you, [redacted] [redacted]'s benefit was payable only as a QJSA. You are entitled to the survivor portion of the QJSA beginning with the first of the month following his death.

Please note that [redacted] monthly benefit as a QJSA is *lower* than his benefit as a Straight Life Annuity and, as a result, he was overpaid.

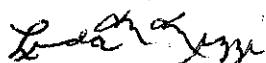
Decision

Having applied the law and Plan provisions to the facts in this case, the Appeals Board changed PBGC's June 15, 2005 determination by finding that (1) [redacted] benefit was payable as a Qualified Joint and Survivor Annuity instead of a Straight Life Annuity and (2) you are entitled to the survivor portion of that benefit.

We will forward a copy of this letter to PBGC's Benefits Administration and Payment Department, who will send you a new determination of your monthly benefit amount with a new 45-day right of appeal for matters not decided in this letter. They will also determine whether you are entitled to backpayments and pay any net underpayment in a single lump sum with interest.

Meanwhile, if you have questions, please call PBGC's Customer Contact Center at 1-800-400-7242.

Sincerely,



Linda M. Mizzi  
Member, Appeals Board