

Pension Benefit Guaranty Corporation

76-121

Withdrawn on February 12, 2026

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76-121

December 22, 1976

REFERENCE:

[*1] 4043(b)(3) Reportable Events. Decrease in Participants

OPINION:

This is in response to your letter of * * * referred to this Corporation by * * *

* * * You ask whether the above-referenced plan has experienced a reportable event under Section 4043(b)(3) of the Employee Retirement Income Security Act of 1974 (the Act) due to reductions in participation during the previous two plan years.

We understand that greater than 20% of the Plan's participants during the current plan year have been separated from employment and that the number of employed plan participants is more than 25% lower than the total plan participants employed at the beginning of the immediate preceding plan year. For purposes of Section 4043(b)(3) of the Act, active participants are those employed by an employer maintaining the Plan. Where such a participant is separated from employment or laid-off, he is no longer an active participant.

Assuming that the Plan is covered by Section 4021 of the Act, Section 4043(b)(3) prescribes that a reportable event has occurred under these circumstances. The plan administrator must notify the Pension Benefit Guaranty Corporation, Division of Plan Review, of the occurrence of such [*2] event as soon as possible.

If you have any questions please contact * * * of my staff at * * *

Henry Rose
General Counsel

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