

Pension Benefit Guaranty Corporation

76-93

July 23, 1976

REFERENCE:

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

OPINION:

This is a confirmation of our telephone conversation last week wherein you asked whether disability benefits arising under a plan after the date of plan termination would be benefits guaranteed under Title IV of the Employee Retirement Income Security Act of 1974 (the "Act"). Regulations promulgated by the Pension Benefit Guaranty Corporation (the "PBGC") governing guaranteed benefits provide that the PBGC may guarantee only those disability benefits which become payable ". . . under the terms of a plan on account of the total and permanent disability of a participant which is expected to last for the life of the participant and which began before the date of plan termination . . ." (emphasis supplied.) 29 CFR § 2605.7 Accordingly, disability benefits becoming payable after the date of termination are not benefits guaranteed under Title IV of the Act.

We hope this is of assistance. As discussed, enclosed for your convenience please find a copy of Part 2604, Title 29, Code of Federal Regulations.

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Office of the General Counsel