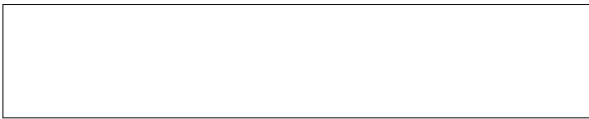


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Pension Benefit Guaranty Corporation  
1200 K Street, N.W., Washington, D.C. 20005-4026



MAY 3 1 2004

Re:  Case 194506, Globe Manufacturing  
Company (Globe) Hourly Employees Pension Plan (the Plan)

Dear

The Appeals Board reviewed your appeal of PBGC's April 15, 2004 determination that you are not entitled to a PBGC benefit from the Plan. For the reasons stated below, the Board decided that we must deny your appeal.

Determination and Appeal

PBGC determined that you are not entitled to a PBGC benefit because "at the time of your spouse's death, the pension plan provisions required that your spouse had to reach age 55 to have a survivor's benefit."

Your April 20, 2004 appeal letter stated as follows:

"I was told and advised by PBGC that, as a widow of  (who was employed by Globe Mfg. Co. for over 20 years) that I was entitled to his pension plan. After many conversations with Robin, the determination was made and I am submitting final correspondence saying I was entitled to same. I don't feel this should be taken from me after being advised that I was entitled to same. . . .

No mention was ever made during any conversations or correspondences that if death occurred before age 55 that pension couldn't be collected. Everyone was aware how old he was when he died, and the determination was made by your company that it was approved."

Discussion

PBGC provides pension insurance according to the Employee Retirement Income Security Act of 1974, as amended (ERISA). If a plan sponsor is unable to support its pension plan, PBGC becomes trustee of the plan and pays pension benefits as defined in the plan subject to limitations set by Congress under ERISA.

Records available to the Appeals Board reveal that the Plan

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terminated on March 29, 2001 and that PBGC became trustee of the Plan on July 26, 2001. The records also show that your husband died on February 7, 1983, shortly before his 47<sup>th</sup> birthday while he was receiving benefits under Globe's Long-Term Disability (LTD) insurance program.

When Congress passed ERISA in 1974, it required qualified pension plans to provide for benefits payable in the form of a Qualified Joint and Survivor Annuity (QJSA) for married participants. It was not until August 23, 1984, however, that Congress passed the Retirement Equity Act, which required qualified pension plans to provide a Qualified Pre-Retirement Survivor Annuity (QPSA). A QPSA provides survivor benefits for participants who die before they retire or are eligible to retire. Because your husband died before 1984, you are not entitled to a QPSA

As suggested by PBGC's determination letter, PBGC guarantees the payment of a survivor benefit to the survivor of a non-retired participant who died before 1984 if the plan provided a pre-retirement survivor benefit and the participant met the plan's eligibility conditions for a pre-retirement benefit when he died. While the Plan's governing document did provide a pre-retirement survivor annuity, a participant had to attain age 55 to be eligible for the pre-retirement survivor benefit. So, because your husband died before attaining age 55, you are not entitled to a survivor benefit.

We regret that the outcome of your appeal is not favorable, but the Appeals Board must follow the terms of the Plan, ERISA and applicable PBGC policy.

Decision

Having applied Plan provisions, the law and PBGC's rules to the facts in this case, the Appeals Board decided that we must deny your appeal. This decision is the agency's final action regarding the issues raised in your appeal. You may, if you wish, ask a federal district court to review this decision.

If you need more information from PBGC, please call the Customer Contact Center at 1-800-400-7242.

Sincerely,



Michel Louis  
Appeals Board Member