

Pension Benefit Guaranty Corporation

75-15

January 24, 1975

REFERENCE:

[*1] 4021(a) Plans Covered. Requirements of Coverage
4041(a) Termination by Plan Administrator. Filing of Notice of Intent to Terminate

OPINION:

This letter is in response to your inquiry of January 3, 1975. In your letter you asked whether Section 4041 of the Employee Retirement Income Security Act of 1974 (hereinafter the "Act") which requires notification to this Corporation in the event a plan proposes to terminate, applies to plans excluded under Section 4021(b) of the Act.

Section 4041(a) makes no reference to plans specifically covered under Section 4021. In addition, Section 4021 does not state that plans covered under that section are subject to Section 4041 of the Act. Read literally, Section 4041 grants this Corporation the authority to require termination notices from plans whether or not they are covered under Section 4021. The Corporation, however, does not read the statute literally. In its view only plans covered under Section 4021 must comply with the notice of termination procedure in Section 4041.

In the situation mentioned in your letter, where a plan clearly falls within Section 4021(b)(1) and is therefore not a plan covered under Section 4021(a), the plan would [*2] not be subject to the notice of termination requirement of Section 4041 of the Act.

I hope this answers your question.

Steven E. Schanes
Acting Executive Director