

Pension Benefit Guaranty Corporation

75-89

August 7, 1975

REFERENCE:

[*1] 4021(b)(1). Plans covered. Individual Account Plans
4041(f). Termination by Plan Administrator. Application of Termination Procedures Upon Amendment to Individual Account Plan

OPINION:

This is in response to your request for our determination that the * * * Fund, In * * *

* * * will not be subject to coverage under Title IV of the Employee Retirement Income Security Act of 1974 (the "Act") upon the adoption of proposed amendments (exhibits "A" and "B" of your submission) to the respective plans.

The effect of the amendments which you have described is to convert the plans into individual account plans which are excluded from Title IV coverage. See Act, Sections 4021(b)(1). However, such a change in a plan is treated as a plan termination. See Act, Section 4041(f). Accordingly, the statutory provisions relating to a plan termination pursuant to Section 4041 apply.

We hope this is of assistance.

Henry Rose
General Counsel