

Pension Benefit Guaranty Corporation

77-139

April 13, 1977

REFERENCE:

[*1] 4021(b)(9) Plans Covered. Substantial Owner Plans

OPINION:

This is in response to your letter setting forth the facts needed for the Pension Benefit Guaranty Corporation ("PBGC") to determine whether the * * * is excluded from coverage of Title IV of the Employee Retirement Income Security Act of 1974 ("Act") by virtue of § 4021(b)(9) of the Act.

According to your letter, you are the sole stockholder of * * * and currently the sole participant in that company's pension plan. However, there was another non-stockholder participant during 1975 who terminated employment with no vested benefits in the plan.

Based on this information, it appears that the * * * is exempt from Title IV coverage by virtue of § 4021(b)(9) of the Act. However, if at any time in the future, a non-substantial owner should become a plan participant, the * * * would no longer be exempt from Title IV coverage.

Henry Rose
General Counsel