

3 (32) ✓  
4 (b) (1)

December 31, 1975

Dear :

This is in reply to your letter of July 23, 1975, requesting a determination regarding the applicability of the Employee Retirement Income Security Act of 1974 (ERISA) to the pension plan for employees of Inc.

According to the information furnished by you, is a wholly-owned instrumentality of the (state) and, as such, has been ruled by the Internal Revenue Service to be exempt from Federal income tax. The pension plan was established unilaterally by for its employees. Under the provisions of Article VIII of the plan indenture, the plan is funded entirely by the employer (no contributions are required from the employees) and under the provisions of Article IX the plan is administered solely by the employer.

Section 4(b)(1) of the ERISA exempts governmental plans from coverage thereunder. Section 3(32) defines the term "governmental plan", in part, to mean a plan established or maintained for its employees by the Government of the United States, by the government of any State or political subdivision thereof, or by any agency or instrumentality of any of the foregoing.

Based on the foregoing, it is concluded that the pension plan is established and maintained for its employees by a wholly-owned instrumentality of the (state) as defined in section 3(32) of the ERISA, and is exempt from coverage thereunder pursuant to the provisions of section 4(b)(1).

Sincerely,