

4 (b) ✓
301
302

March 10, 1975

Dear :

This is in response to your letter of February 28, 1975, requesting a ruling on behalf of your client,

Company , of , as to whether the non-qualified pension plan ("Plan") created pursuant to an agreement between [city] and Local No.

dated August 1, 1972 ("Agreement") is subject to the funding requirements of Part 3 of Title I of the Employee Retirement Income Security Act of 1974 ("the Act").

Under section 301(a) of the Act, an uninsured defined benefit pension plan which is established or maintained by an employer engaged in commerce or in an industry or activity affecting commerce and which does not fall under any of the coverage exceptions set forth in section 4(b) and 301(a)(1) through (9) is subject to the funding provisions of Title I, Part 3, of the Act.

Under the facts set forth in your letter and the accompanying materials, the Plan is an uninsured defined benefit pension plan and does not fall under any of the exceptions to coverage set forth in sections 4(b) and 301(a). If is engaged in commerce or in an industry or activity affecting commerce, the Plan is covered by the funding provisions of Title I, Part 3, of the Act.

Since the provisions in the Agreement relating to the Plan were in effect on January 1, 1974, by virtue of section 302(b)(2)(B)(i) of the Act the unfunded past service liability under the Plan on the first day of the first plan year to which Part 3 of Title I may apply may be amortized over a period of 40 plan years.

I hope this information will be helpful to you.

Sincerely,