

October 30, 1976

Dear :

Thank you for your letter concerning the Employee Retirement Income Security Act of 1974 (ERISA). We regret that we were unable to respond to your inquiry earlier.

You state that your organization maintains an insured benefit program providing accident, medical and life protection for its employees who number not over ten. You ask what, if any, are your responsibilities under title I of the ERISA.

For the purposes of title I of the Act, section 3(1) thereof defines an "employee welfare benefit plan" as any plan, fund or program which has been established by an employer or employee organization for the purpose of providing for its participants or their beneficiaries, through the purchase of insurance or otherwise, among other things, medical, surgical and hospital care as well as benefits in the event of accident or death.

We have concluded that your benefit program is an "employee welfare benefit plan" covered by title I of the ERISA, and it is subject to the provisions of parts 1, 4 and 5 thereof.

However, section 2520.104-20 of the enclosed regulation that was published in the Federal Register on August 15, 1975, provides a limited exemption from the reporting and disclosure requirements for certain small welfare plans such as yours. We suggest that you give this section careful reading so that you will know the responsibilities of which you are relieved and those with which you must comply.

Sincerely,

Enclosure