

## Pension Benefit Guaranty Corporation

## § 4001.3

plan. If no normal retirement age is specified in the plan, it is age 65.

*Notice of intent to terminate* means the notice of a proposed termination of a single-employer plan, as required by section 4041(a)(2) of ERISA and § 4041.21 (in a standard termination) or § 4041.41 (in a distress termination) of this chapter.

*PBGC* means the Pension Benefit Guaranty Corporation.

*Person* means a person defined in section 3(9) of ERISA.

*Plan* means a defined benefit plan within the meaning of section 3(35) of ERISA that is covered by title IV of ERISA.

*Plan administrator* means an administrator, as defined in section 3(16)(A) of ERISA.

*Plan sponsor* means, with respect to a multiemployer plan, the person described in section 4001(a)(10) of ERISA.

*Plan year* means the calendar, policy, or fiscal year on which the records of the plan are kept.

*PN* means the three-digit plan number assigned to a plan.

*Proposed termination date* means the date specified as such by the plan administrator of a single-employer plan in a notice of intent to terminate or, if later, in the standard or distress termination notice, in accordance with section 4041 of ERISA and part 4041 of this chapter.

*Single-employer plan* means any defined benefit plan (as defined in section 3(35) of ERISA) that is not a multiemployer plan (as defined in section 4001(a)(3) of ERISA) and that is covered by title IV of ERISA.

*Standard termination* means the voluntary termination, in accordance with section 4041(b) of ERISA and part 4041, subpart B, of this chapter, of a single-employer plan that is able to provide for all of its benefit liabilities when plan assets are distributed.

*Substantial owner* means a substantial owner as defined in section 4022(b)(5)(A) of ERISA.

*Sufficient for benefit liabilities* means that there is no amount of unfunded benefit liabilities, as defined in section 4001(a)(18) of ERISA.

*Sufficient for guaranteed benefits* means that there is no amount of un-

funded guaranteed benefits, as defined in section 4001(a)(17) of ERISA.

*Termination date* means the date established pursuant to section 4048(a) of ERISA.

*Title IV benefit* means the guaranteed benefit plus any additional benefits to which plan assets are allocated pursuant to section 4044 of ERISA and part 4044 of this chapter.

*Voluntary employee contributions* means amounts contributed by an employee to a plan, pursuant to the provisions of the plan, that are not mandatory employee contributions.

[61 FR 34010, July 1, 1996, as amended at 61 FR 63989, Dec. 2, 1996; 62 FR 35342, July 1, 1997; 62 FR 60428, Nov. 7, 1997; 62 FR 67728, Dec. 30, 1997]

### § 4001.3 Trades or businesses under common control; controlled groups.

For purposes of title IV of ERISA:

(a)(1) The PBGC will determine that trades and businesses (whether or not incorporated) are under common control if they are “two or more trades or businesses under common control”, as defined in regulations prescribed under section 414(c) of the Code.

(2) The PBGC will determine that all employees of trades or businesses (whether or not incorporated) which are under common control shall be treated as employed by a single employer, and all such trades and businesses shall be treated as a single employer.

(3) An individual who owns the entire interest in an unincorporated trade or business is treated as his own employer, and a partnership is treated as the employer of each partner who is an employee within the meaning of section 401(c)(1) of the Code.

(b) In the case of a single-employer plan:

(1) In connection with any person, a controlled group consists of that person and all other persons under common control with such person.

(2) Persons are under common control if they are members of a “controlled group of corporations”, as defined in regulations prescribed under section 414(b) of the Code, or if they are “two or more trades or businesses under common control”, as defined in

regulations prescribed under section 414(c) of the Code.

**PART 4002—BYLAWS OF THE PENSION BENEFIT GUARANTY CORPORATION**

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AUTHORITY: 29 U.S.C. 1302(f).

SOURCE: 61 FR 34011, July 1, 1996, unless otherwise noted.

**§ 4002.1 Name.**

The name of the Corporation is the Pension Benefit Guaranty Corporation.

**§ 4002.2 Offices.**

The principal office of the Corporation shall be in the Metropolitan area of the City of Washington, District of Columbia. The Corporation may have additional offices at such other places as the Board of Directors may deem necessary or desirable to the conduct of its business.

**§ 4002.3 Board of Directors.**

(a) The Board of Directors shall establish the policies of the Corporation and shall perform the other functions assigned to the Board of Directors in title IV of the Employee Retirement Income Security Act of 1974. The Board of Directors of the Corporation shall be composed of the Secretary of Labor, the Secretary of the Treasury, and the Secretary of Commerce. Members of the Board shall serve without compensation, but shall be reimbursed by the Corporation for travel, subsistence, and other necessary expenses incurred in the performance of their duties as members of the Board. A person at the time of a meeting of the Board of Directors who is serving as Secretary of Labor, Secretary of the Treasury or Secretary of Commerce in an acting capacity, shall serve as a member of the Board of Directors with the same

authority and effect as the designated Secretary.

(b) The following powers are expressly reserved to the Board of Directors and shall not be delegated:

(1) Approval of all final substantive regulations prior to publication in the FEDERAL REGISTER, except for amendments to the regulations on Allocation of Assets in Single-employer Plans and Duties of Plan Sponsor Following Mass Withdrawal (parts 4044 and 4281 of this chapter) establishing new interest rates and factors, which may be approved by the Executive Director of the PBGC.

(2) Approval of all reports or recommendations to the Congress that are required by statute;

(3) Establishment from time to time of the Corporation's budget and debt ceiling up to the statutory limit;

(4) Determination from time to time of limits on advances to the revolving funds administered by the Corporation pursuant to section 4005(a) of ERISA;

(5) Final decision on any policy matter that would materially affect the rights of a substantial number of employers or covered participants and beneficiaries.

(c) Final non-substantive regulations and all proposed regulations shall be approved by the Executive Director prior to publication in the FEDERAL REGISTER; provided that all proposed substantive regulations shall first be circulated for review to the Board of Directors or their designees, and may thereafter be issued by the Executive Director after responding to any comments made within 21 days after circulation of the proposed regulation, or, if no comments are received, after expiration of the 21-day period.

**§ 4002.4 Chairman.**

The Secretary of Labor shall be the Chairman of the Board of Directors and he shall be the administrator of the Corporation with responsibility for its management, including overall supervision of the Corporation's personnel, organization, and budget practices, and shall exercise such incidental powers as may be necessary to carry out his administrative responsibilities. The Chairman may delegate his administrative responsibilities.