

#2598650



Pension Benefit Guaranty Corporation  
1200 K Street, N.W., Washington, D.C. 20005-4026

DEC - 8 2005



Re: Appeal [redacted]; (Case No: 147176)  
Hanlin Group, Inc. Retirement Plan (the "Plan")

Dear Mr. [redacted]:

The Appeals Board has reviewed your appeal of PBGC's May 14, 2004 determination that your client, [redacted], is not entitled to receive a PBGC benefit. As explained below, the Board changed PBGC's determination by finding that any benefit Mr. [redacted] is entitled to under the Hanlin Plan should not be offset by any amounts attributable to the LCP Chemicals and Plastics Corporation Employee Stock Ownership Plan (the "ESOP").

Benefit Determination and Appeal

PBGC's letter advised Mr. [redacted] that records supplied to PBGC by LCP Chemicals and Plastics Corporation, the former Plan sponsor, stated that his date of retirement was February 1, 1988. The letter also advised him that he was not due a benefit from the Hanlin Plan because he is eligible for benefits from the ESOP. The letter noted that the Plan requires a participant's pension benefit to be offset by benefits payable from the ESOP. You stated in your appeal that Mr. [redacted] never received any benefits from the ESOP, and that the Company went bankrupt. You supplemented your appeal with a sworn affidavit from Mr. [redacted] stating that he never received benefits from the ESOP.

Discussion

The Plan defines a floor pension based on the greatest of three formulas. This floor pension is then reduced by benefits payable from the ESOP, the Allied Chemical Corporation Salaried Employees Pension Plan and any other covered plan. A payment listing from the former Plan Administrator shows that Mr. [redacted] retired as of February 1, 1988, and received quarterly payments from the ESOP from 1988 to 1989. The listing also shows that no additional benefits are payable from the Hanlin Plan because of the ESOP offset.

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With Mr. [ ]'s permission, the Appeals Board contacted Prudential Financial, the company responsible for making the ESOP payments. Prudential Financial was unable to provide any evidence to support the entries from the Plan listing that showed Mr. [ ] retired February 1, 1988 (the first of the month following his 50th birthday) and received ESOP payments in 1988 and 1989, or to provide any other information concerning Mr. [ ]

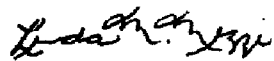
After reviewing the evidence available to the Appeals Board, we accepted Mr. [ ]'s claim that he did not receive benefits from the ESOP. We note further that Mr. [ ] could not have retired from the Hanlin Plan on February 1, 1988 because he had not met the Plan's requirements for retiring as of that date.

Decision

Based on the facts and circumstances of this case, the Appeals Board changed PBGC's determination by finding that any benefit Mr. [ ] is entitled to under the Hanlin Plan should not be offset by any amounts attributable to the LCP Chemicals and Plastics Corporation Employee Stock Ownership Plan.

PBGC's Benefits Administration and Payment Department will send Mr. [ ] a new determination of the amount, form and starting date of any Hanlin Plan benefit to which he may be entitled. The new determination will include a 45-day right of appeal for matters not decided in this letter. In the meantime, if you or Mr. [ ] require other information from PBGC, please call PBGC's Customer Contact Center at 1-800-400-7242.

Sincerely,



Linda M. Mizzi  
Member, Appeals Board

cc: [ ]