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

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Re: Appeal [redacted]; Peter J. Schmitt Employees
Retirement Plan (the "Plan")
Deceased Participant [redacted]

Dear [redacted]

The Appeals Board has reviewed your appeal, on behalf of your late husband, [redacted] of PBGC's July 30, 2001 determination that he was not entitled to a benefit under the Plan. As explained below, the Appeals Board changed PBGC's determination by finding that [redacted] was employed with Peter J. Schmitt Company, Inc. ("PJS") or a related company for six full years, and therefore, he was entitled to a vested benefit under the Plan.

PBGC's Determination and Your Appeal

PBGC determined that because [redacted] did not have at least five years of service when he stopped working for PJS, he was not entitled to a vested pension benefit. The letter explained that the Plan provisions in effect when [redacted] ended his employment required five years of service in order to qualify for a vested pension benefit.

Your September 1, 2001 appeal challenged your late husband's determination, and said that he was employed by PJS from 1982 to the later part of 1988. You mentioned that PJS employed him at more than one location.

Discussion

The Appeals Board reviewed [redacted] earnings record from the Social Security Administration ("SSA") for the years 1982 through 1988. The SSA earnings data shows that he was employed by PJS or an affiliated company from 1982 through 1988. This is the same time frame you referenced in your appeal. Based on this data and the Plan's vesting requirements in effect when [redacted]

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ended his employment, the Appeals Board determined that [redacted] had at least six full years of vesting service when he ended his employment with companies related to PJS. Therefore, [redacted] was entitled to a vested pension benefit under the Plan.

Because your husband died before he started receiving his benefit, as his surviving spouse, you are entitled to receive a qualified pre-retirement survivor annuity, which is equal to the survivor portion of a Joint and 50% Survivor Annuity ("J&50%SA"). This means you are entitled to receive 50% of the amount your husband would have received if he started receiving his benefit payable as a J&50%SA before he died.

Decision

Having applied the provisions of the Plan to the facts in this case, the Appeals Board found that the late [redacted] was entitled to a vested pension benefit under the Plan.

PBGC's Insurance Operations Department will send you a new benefit determination regarding the amount of your vested survivor benefit and when you may start receiving it. Your new determination will have a 45-day appeal right. Meanwhile, if you have any additional questions, please contact PBGC's Customer Service Center at 1-800-400-7242.

Sincerely,



Michel Louis
Appeals Board Member

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