

Abandoned Sufficient Plans

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This internal guidance addresses when PBGC will seek appointment as trustee after it decides to initiate involuntary termination proceedings regarding an abandoned plan that is sufficient for guaranteed benefits. An "abandoned plan" is one for which (i) the contributing sponsor no longer exists or is liquidating and (ii) the administrator of the plan no longer exists, cannot be located, or is not performing its administrative duties.

This internal guidance applies to any single-employer, abandoned plan that PBGC estimates to have sufficient assets to pay guaranteed benefits, valued using PBGC factors as of the termination date.

When PBGC determines that an abandoned sufficient plan should be terminated, PBGC generally will seek appointment as trustee of the plan. PBGC may, in its discretion, seek the appointment of a third party as trustee if that party is qualified and willing to perform the trustee's duties at a reasonable cost and if PBGC concludes that, as of the date of distribution, the plan is likely to have assets sufficient, after allowance for reasonable administrative costs, to pay guaranteed benefits.