

The PBGC Not Entitled to Administrative Deference for Involuntary Plan Termination

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As we previously noted (<http://www.erisapracticecenter.com/2013/04/28/pbgc-seeks-involuntary-plan-termination-before-plan-sponsors-proposed-share-sale/>), the PBGC filed a complaint (E.D. Pa. Case No. 13-02069) to involuntarily terminate a defined benefit plan prior to a corporate transaction that would change the plan sponsor's controlled group. The PBGC claimed that the plan sponsor, Saint-Gobain Containers, Inc., would join a financially weaker controlled group after it is acquired by the Ardagh Group, S.A. through a share purchase. On October 4, 2013, the Court ruled that it will determine de novo whether to involuntarily terminate the plan, without any administrative deference for the PBGC's determination. As a result, the Court will consider evidence outside of the PBGC's administrative record...[Continue Reading](#)

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