

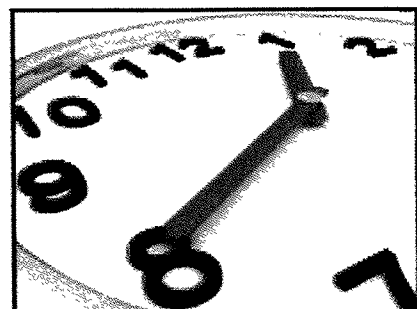


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Source: Pension & Benefits Daily: News Archive > 2014 > November > 11/13/2014 > Legal News > Statute of Limitations: 3d Cir.: Widow's Challenge to Benefit Waiver Time-Barred Under Pennsylvania Law

Statute of Limitations

3d Cir.: Widow's Challenge to Benefit Waiver Time-Barred Under Pennsylvania Law



Nov. 12 — A widow who waited more than eight years to challenge her late husband's election of a pension form that provided her no survivor benefits is time-barred from bringing suit against the plan, the U.S. Court of Appeals for the Third Circuit held (*Christian v. Honeywell Ret. Benefit Plan*, 3d Cir., No. 14-1084, 11/12/14).

The court found that the widow's 2013 lawsuit against the Honeywell Retirement Plan was untimely under Pennsylvania's four-year statute of limitations, because she learned when her husband died in 2004 that the plan didn't intend to pay her surviving spousal benefits.

This constituted a "clear repudiation" of her right to benefits that started the statute of limitations clock running, the court said.

Annuity Waiver

The widow's husband retired from Honeywell in 1987 and chose to receive his pension benefits in a single life annuity, which provided a higher benefit during his lifetime and no benefits for his widow after his death. In order to select this type of benefit, the plan required his wife to execute a benefit waiver form, which the plan claimed to be in possession of.

Following her husband's death in 2004, the widow contacted the plan to inquire about survivor benefits, but she didn't file a lawsuit contesting the validity of the waiver form until 2013, when she allegedly discovered a copy of the waiver that didn't bear her valid signature.

The U.S. District Court for the Eastern District of Pennsylvania ruled in favor of the plan, finding her claim time-barred (246 PBD, 12/26/13; 57 EBC 2042).

It also awarded the plan attorneys' fees of \$10,000 (81 PBD, 4/28/14; 58 EBC 1559).

Third Circuit Affirms

On appeal, the Third Circuit agreed with the district court that the plan clearly repudiated the widow's entitlement to benefits in 2004, when it ceased paying benefits following her husband's death.

The widow argued that she didn't become aware of her legal claim until she found a copy of the waiver form, but the Third Circuit said that this argument "cannot save her claim."

The Third Circuit explained that she should have exercised "reasonable diligence" to learn whether she had a right to survivor benefits at the time benefits were terminated in 2004.

The court announced its decision in an unpublished Nov. 12 decision authored by Judge Joseph A. Greenaway Jr. and joined by Judge Marjorie O. Rendell and Senior Judge Dolores Korman Sloviter.

The widow was represented by Julie A. Uebler. Honeywell was represented by Proskauer Rose and Marks & Sokolov.

For More Information

Text of the opinion is at

http://www.bloomberglaw.com/public/document/Lynn_Christian_v_Honeywell_Retirement_Benefit_P_Docket_No_1401084.

Contact us at <http://www.bna.com/contact/index.html> or call 1-800-372-1033

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