



TAX EXEMPT AND
GOVERNMENT ENTITIES
DIVISION

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

OCT 14 2005

SE: T. EP. RA: T. A1

In re:

Company = :

This letter constitutes notice that a waiver of the minimum funding standard for the above-named plan for the plan year ending [REDACTED] has been granted subject to the following conditions:

- (1) the Company makes the required quarterly contributions to the Plan that are due on October 15, [REDACTED] and January 15, [REDACTED] for the plan year ending December 31, [REDACTED] in a timely manner;
- (2) the Company makes the required quarterly contributions to the Plan that are due on April 15, [REDACTED] July 15, [REDACTED] October 15, [REDACTED] and January 15, [REDACTED] for the plan year ending December 31, [REDACTED] in a timely manner; and
- (3) the Company make contributions to the Plan in amounts sufficient to meet the minimum funding requirements for the Plan for the plan years ending December 31, [REDACTED] and December 31, [REDACTED] by September 15, [REDACTED] and September 15, [REDACTED] respectively (without applying for a waiver of the minimum funding standard).

You agreed to these conditions in letter sent via facsimile dated September 20, 2005. If these conditions are not satisfied, the waiver is retroactively null and void.

This conditional waiver has been granted in accordance with section 412(d) of the Internal Revenue Code and section 303 of the Employee Retirement Income Security Act of 1974 ("ERISA"). The amount for which this conditional waiver has been granted is the contribution that would otherwise be required to reduce the balance in the funding standard account to zero as of December 31, [REDACTED]

The Company is a [REDACTED] specializing in larger parts that require [REDACTED] on [REDACTED]. The current financial hardship was brought on by economic pressures experienced by the manufacturing industry. Sales declined in the fiscal years ending in [REDACTED] to [REDACTED]. The Company also experienced losses in those years as well.

The Company's sales have increased in the fiscal years ending in [REDACTED] and [REDACTED]. The Company has shown a small profit in those years as well. While the Company is still experiencing cash flow difficulties, its financial position has improved. Hence, the waiver for the plan year ending December 31, [REDACTED] has been granted, subject to the conditions set forth above.

Your attention is called to section 412(f) of the Code and section 304(b) of ERISA which describe the consequences that would result in the event the plan is amended to increase benefits, change the rate in the accrual of benefits or to change the rate of vesting, while any portion of the waived funding deficiency remains unamortized. Please note that any amendment to a profit sharing plan or any other retirement plans (covering employees covered by this plan) maintained by the Company, to increase the liabilities of those plans would be considered an amendment for purposes of section 412(f) of the Code and section 304(b) of ERISA. Similarly, the establishment of a new profit sharing plan or any other retirement plan by the Company (covering employees covered by this plan) would be considered an amendment for purposes of section 412(f) of the Code and section 304(b) of ERISA.

This ruling is directed only to the taxpayer that requested it. Section 6110(k)(3) of the Code provides that it may not be used or cited by others as precedent.

When filing Form 5500 for the plan year ending December 31, [REDACTED] the date of this letter should be entered on Schedule B (Actuarial Information). For this reason, we suggest that you furnish a copy of this letter to the enrolled actuary who is responsible for the completion of the Schedule B.

We have sent a copy of this letter to the Manager, EP Classification in [REDACTED]
to the Manager, EP Compliance Unit in [REDACTED]

If you require further assistance in this matter, please contact

Sincerely yours,

A handwritten signature in cursive script, appearing to read "Donna M. Prestia".

Donna M. Prestia, Manager
Employee Plans Actuarial Group 2