Internal Revenue Service
Significant Index No. 0412.06.00

Department of the Treasury
Washington, DC 20224

200135048

Contact Person:

Telephone Number:

In Reference to:

Date: T:EP:RA:T:A1

JUN 07 2001

In re:

This letter constitutes notice that, with respect to the above-named defined benefit pension plan, your request for a waiver of the minimum funding standard for the plan year ending October 31,1998, (the "1997 plan year") (along with unspecified waivers/abatements of applicable excise taxes and penalties for the accumulated funding deficiencies for the 1993 through 1996 plan years) has been denied.

Thus, the minimum funding standard under section 412 of the Internal Revenue Code ("the Code") and section 302 of the Employee Retirement Income Security Act of 1974 (ERISA) applied to the plan for the 1997 plan year. Because the company did not meet the minimum funding requirement for the 1997 plan year, the plan had an accumulated funding deficiency for the 1997 plan year to which the excise taxes under Code section 4971 will apply.

According to the information submitted, the company has had a negative net worth since the fiscal year ending December 31, 1997, and commenced chapter 11 bankruptcy proceedings in the United States Bankruptcy Court for the District of on November 2, 2000. The information furnished failed to demonstrate that the hardship was temporary, and a denial of the request was proposed. A telephone conference call was held on December 6, 2000, at which time financial schedules relating to the chapter 11 bankruptcy proceedings were requested. On March 19, 2001, these financial schedules were received. Since the conference, the company has offered no other addition information regarding the request. Based upon the information received to date our tentative denial is now final.

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This ruling is directed only to the taxpayer that requested it. Code section 6110(k)(3) provides that others may not use it as precedent.

We have sent a copy of this letter to the enrolled actuary for the plan pursuant to Form 2848 (Power of Attorney) on file with our office. We have also sent a copy to the Employee Plans Classification Manager in

Sincerely,

James E. Holland, Jr., Manager
Employee Plans Actuarial Group 1
Tax Exempt and Government Entities
Division

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