



TAX EXEMPT AND
GOVERNMENT ENTITIES
DIVISION

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

JUN 28 2007

T:EP:RA:T:A2

Dear :

This letter constitutes notice that a waiver of the minimum funding standard has been granted for the Plan for the plan year ending

This waiver of the minimum funding standard has been granted in accordance with section 412(d) of the Internal Revenue Code ("Code") and section 303 of the Employee Retirement Income Security Act of 1974 ("ERISA"). The amount for which this 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

The Plan is a collectively-bargained, multiemployer defined benefit plan benefiting employees who are covered by various collective bargaining agreements between the Union and boat-owners that use members of the union to unload ("lump") fish.

The funding problems that the Plan is experiencing are the result of the poor condition of the fishing industry in New England. Traditionally, contributions to the Plan were based on poundage. In June 2000, the contributions were changed to a flat fee for unloading. In 1992, poundage was almost to by 1999, the poundage had dropped by almost to During the same timeframe, the number of boat trips declined from In 1990, there were vessels actively fishing; by 2004, this number had dropped by to

Government regulation of the fishing industry through the Council is the reason for the decline. The Federal Government is an active purchaser of fishing vessels that are unable to fish as a result of government restrictions. There is a direct correlation between the increasing unfunded liability of the Plan and the quotas, closed areas, loss of fishing days, and buy-back programs.

The trustees of the Plan are unable to make up the unfunded liability in the Plan by increasing contribution rates because the boat owners who contribute to the Plan are in dire financial condition themselves. Many of the boats are heavily-mortgaged, and many are on the verge of going out of business altogether.

It is clear that the New England fishing industry has experienced a substantial business hardship. Many of the fishing boat owners are operating at a loss, there is substantial underemployment in the industry, and the sales and profits of the industry are declining. Congress has recognized this and granted some relief for this Plan under section 4971(a) of the Code. Section 214 of Pension Protection Act of 2006 ("PPA '06") provides that the excise tax under either sections 4971(a) and (b) of the Code does not apply with respect to any accumulated funding deficiency of a multiemployer plan (1) with less than 100 participants; (2) with respect to which the contributing employers participated in a Federal fishery capacity reduction program; (3) with respect to which employers under the plan participated in the Northeast Fisheries Assistance Program; and (4) with respect to which the annual normal cost is less than \$100,000 and the plan is experiencing a funding deficiency on the date of enactment. The tax does not apply to any taxable year beginning before the earlier of (1) the taxable year in which the plan sponsor adopts a rehabilitation plan, or (2) the taxable year that contains January 1, 2009. Furthermore, there is proposed legislation that would provide direct government financial assistance to the Plan. Accordingly, the waiver of the minimum funding standard for the Plan for the plan year ending _____ has been granted.

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 trustees of this Plan, 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 trustees of this Plan (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.

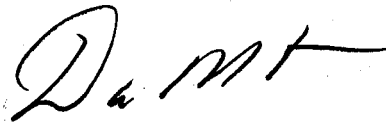
This ruling is directed only to the taxpayer that requested it. Section 6110(k)(3) of the Code provides that it may not be used or cited by others as precedent.

When filing Form 5500 for the plan year ending _____ 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 Baltimore, Maryland, to the Manager, EP Compliance Unit in Chicago, Illinois, and to your authorized representative pursuant to a power of attorney on file in this office.

If you require further assistance in this matter, please contact _____

Sincerely yours,

A handwritten signature in black ink, appearing to read "D. M. Prestia", with a stylized flourish at the end.

Donna M. Prestia, Manager
Employee Plans Actuarial Group 2