

Internal Revenue Service

Department of the Treasury

199945065

Washington, DC 20224

Contact Person:

Telephone Number:

In Reference to:

OP:E:EP:A:2

Date:

AUG 20 1998

Re:

This letter constitutes notice that a conditional waiver of the minimum funding standard has been granted for the above-named defined benefit pension plan for the plan year ended December 31, 1998. The waiver request was submitted by letter dated March 12, 1999. The conditional waiver has been granted in accordance with section 412(d) of the Internal Revenue Code (the "Code") and section 303 of the Employee Retirement Income Security Act of 1976 ("ERISA"). The amount for which the waiver has been granted is the contribution which would otherwise be required to reduce the balance in the funding standard account of the plan to zero as of the end of the plan year for which the waiver has been granted.

The Company is in the collection agency business. The Company suffered substantial financial hardship, evidenced by negative net income in 1997 and a sharp decline in total assets from 1996 to 1998, as a result of the sale of the Company and subsequent lack of key administrative support when top management personnel left the Company. Recovery is evidenced by a rise in total current assets and accounts receivable combined with a leveling in accounts payable, an increase in payments collected from recent prior years, and a net fee revenue increase over prior levels. During the period of financial hardship, the Company maintained level positive retained earnings. The Company resumed contributions to the plan in 1999.

According to the information received, the Company has paid the excise tax under section 4971(a) of the Code with respect to a funding deficiency for the plan year ended December 31, 1997.

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The waiver has been granted subject to the following condition, which you have agreed to:

- (1) The minimum funding requirement, including the initial amortization payment of the waiver hereby granted, will be satisfied for the plan year ending December 31, 1999.

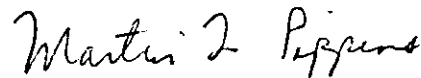
If the Company fails to meet the condition above, the waiver is retroactively null and void.

Your attention is called to section 412(f) of the Code and section 304 of ERISA which describes the consequences which result in the event the plan is amended to increase benefits, to 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.

This ruling is directed only to the organization that requested it. Section 6110(k)(3) of the Internal Revenue 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, 1998, the date of this letter should be entered on the Schedule B (Actuarial Information). We have sent a copy to the Key District Director for the _____ in _____.

Sincerely yours,



Martin L. Pippins
Acting Chief, Actuarial Branch 2