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

TAX EXEMPT AND
GOVERNMENT ENTITIES
DIVISION

NOV 0 8 2002

T:EP:RA:T:A1

In re:

Company A =
Company B =
Court =
Date1 =

Dear

This letter constitutes notice that with respect to the above-named defined benefit pension plans (collectively, the "Plans") we have granted conditional waivers of the minimum funding standards for the respective plan years ended December 31, 2000. This letter corrects and supercedes our previous letter dated September 20, 2002.

These conditional waivers for the plan years ended December 31, 2000, have 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 1974 (ERISA). The waived amounts are the contributions which would otherwise be required to reduce the balance in the funding standard account to zero as of the end of the plan years for which these conditional waivers have been granted.

Company B is in the sponsor of the Plans. Company B is in a bankruptcy proceedings and is unable to satisfy the minimum funding standards for the Plans for the plan years ended December 31, 2000. Company A has agreed to assume sponsorship of the Plans.

Company A itself recently emerged from bankruptcy and reported a de minimus net profit in 2001. In addition, Company A experienced a twenty percent decrease in net sales in 2001 from the net sales levels attained in 1999 and 2000. To increase earnings, Company A has initiated cost-cutting programs and is developing new products to increase net sales levels, thereby providing greater fixed cost coverage.

As of January 1, 2000, the value of the assets of Plan X and Plan Y were equal to 65% and 66% of their respective current liabilities. Because the prospects for recovery are uncertain and because the Plans are under-funded, we are granting these waivers subject to the following conditions:

(1) Company A shall assume sponsorship of the Plans by the later of (a) the 90th day following the date of this letter or (b) the 10th business day following the entry of a final and non-appealable order of the Court, authorizing and approving the assumption of sponsorship of the Plans by Company A from Company B, pursuant to the terms of the Assignments and Assumption Agreement submitted to the Court pursuant to a motion dated Date1.

(2) The contributions required to satisfy the minimum funding standard for the Plans for the plan years ending December 31, 2001, and December 31, 2002, shall be timely made within the meaning of section 412(c)(10) of the Code, without a waiver being granted for either of those plan years.

(3) The waivers of the minimum funding standards for the Plans for the plan years ended December 31, 2000, shall be secured, in favor of the Plans, in a manner acceptable to the Pension Benefit Guaranty Corporation, within twelve months of the date of this letter.

If these conditions are not satisfied, the waiver is retroactively null and void. You agreed to these conditions in a letter dated August 23, 2002.

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 Plans are 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 deficiencies remains unamortized. Please note that any amendment to other retirement plans maintained by the company or to the company's profit sharing 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.

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 Forms 5500 for the plan years ended December 31, 2000, the date of this letter should be entered on the Schedules B (Actuarial Information). A copy of this letter is being sent to your authorized representative in accordance with a power of attorney (Form 2848) on file. A copy of this letter is also being sent to the Manager, Employee Plans Classification in A Copy of this letter should be furnished to the enrolled actuary for the Plan.

If you have any questions on this ruling letter, please contact

Sincerely,

Carol D. Gold
Director, Employee Plans