Significant Index No. 0412.06-00

200323043

TAX EXEMPT AND
GOVERNMENT ENTITIES
DIVISION

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

MAR 1 3 2003

T:EP:RA:T:A2

In re:

Dear

This letter constitutes notice that a conditional waiver of the minimum funding standard has been granted for the above-named pension plan for the plan year beginning July 23, 2001.

This 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 1974 (ERISA). The amount for which the conditional waiver has been granted is the contribution that 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 (after the payment of the amount required under section 412(b)(2)(C) of the Code to amortize any waivers for prior plan years and the payment required in condition (2) below).

(the "Company"), founded in 1947, is a manufacturer of products used in the building industry. The majority of the production is custom commercial work manufactured under signed contracts. The Company is located in and its primary sales region includes The Company adopted the Defined Benefit Retirement Plan for Hourly Employees of on July 23, 1975. The Plan covers a total of 87 participants, 35 active and 52 inactive.

The Company has experienced significant losses due to declining sales resulting from the current recession. The Company has also been severely affected by the lack of orders following September 11th. Losses for 2001 and 2000 were $1.19 million and $1.2 million respectively. For the eight months ended August 31, 2002, the year-to-date loss was approximately $239,000. This represents a significant improvement over recent years.

The Company has focused on cutting expenses, which includes all benefit accruals under the Plan being frozen as of May 31, 1998. Due to the cyclical nature of the commercial construction industry, the Company's prospects for recovery from this temporary business hardship are significantly affected by the overall condition of the economy. As the economy recovers from the current recession, the Company's expectation is that their financial situation would also improve. The Company is currently projecting a profit for 2003.

This waiver has been granted subject to the following conditions, which you have agreed to:

(1) The Company will make contributions necessary to satisfy the minimum funding requirement (including the waiver amortization payments for the plan years beginning July 23, 2000 and 2001) of the Plan for the plan year beginning July 23, 2002, by April 7, 2004.

(2) In addition to the waiver amortization payment for the plan year beginning July 23, 2000, the Company will make a $15,000 contribution to the Plan by April 7, 2003, to be credited to the plan year beginning July 23, 2001.

If the Company fails to meet the above conditions, this 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 amount remains unamortized.

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

When filing Form 5500 for the plan year beginning July 23, 2001, the date of this letter should be entered on Schedule B (Actuarial Information). We have sent a copy of this letter to the Area Manager in

If you have any questions concerning this matter, please contact

Sincerely,

Martin L. Pippins

Martin L. Pippins, Manager
Employee Plans Actuarial Group 2