Significant Index No. 0412.06-00

TAX EXEMPT AND
GOVERNMENT ENTITIES
DIVISION

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

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JUL 0 9 2003

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In re:

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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 ending

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 1974 (ERISA). The amount for which the 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.

. and its subsidiaries (collectively the "Company"), has experienced temporary substantial business hardship as evidenced by net losses in income for the fiscal years ending through excluding a one-time expense reduction in Because of the Company's variety of tool production facilities, the Company's financial situation is significantly affected by the overall health of the economy.

The Company has made significant reductions in costs. These reductions include reductions in personnel related expenses with over employees being laid off, the elimination of approximately of all salaried employees, and a reduction of at least of salaries for all remaining salaried employees. As of , all retiree healthcare benefits were eliminated. The Company has

Additionally, the Company has negotiated lower costs from key suppliers.

The Company applied for a minimum funding waiver for the 2001 and 2002 plan years. The application for the 2001 plan year was submitted late and excise taxes, totaling approximately are owed for the 2001 funding deficiency. As of January 1, 2001, the actuarial value of assets was approximately million, and the current liability was approximately with a funded current liability ratio of

It has been determined that an application of the minimum funding standard would be adverse to the interests of plan participants in the aggregate. Accordingly, this waiver has been granted subject to the following conditions, which you have agreed to:

1. Within 90 days from the date of this letter, all necessary documents to provide an arrangement to secure the repayment of all waived amounts satisfactory to the PBGC will be executed.

2. The ten percent excise taxes imposed, under section 4971(a) of the Code, on the accumulated funding deficiency for the 2001 plan year shall be paid in full within 150 days from the date of this letter

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 ending December 31, 2002, the date of this letter should be entered on Schedule B (Actuarial Information). We have sent a copy of this letter to the and to the authorized representative listed on the power of attorney (Form 2848) on file with this office.

If you have any questions concerning this matter, please contact

Sincerely,

Carol D. Gold
Director, Employee Plans