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TAX EXEMPT AND GOVERNMENT ENTITIES DIVISION

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

SEP 0 9 2003

T:EP:RA:T:A2

In re:

(the "Plan").
)

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 December 28, 2002.

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.

The (the "Company" or "Firm") was established in 1921 with architecture as its primary business. The Company incorporated in 1955 and added engineering and planning to its business description. The Company has experienced temporary substantial business hardship as evidenced by losses in income in four of the last five fiscal years. Approximately 90% of the work of the Firm has historically been for clients in the public sector in the state of The Firm's financial hardship was was further impacted by large budget deficits experienced by the state of in recent years. The Governor's office proposed making significant changes in school funding and in shared revenue to municipal governments, the Company's two primary markets for new projects.

In an effort to recover from this hardship, the Firm has taken several steps to reduce costs. As of December 31, 2000, benefit accruals under the Plan were frozen. The staff has been reduced by approximately 25% with the salaries of the remaining staff being reduced 12.5%. The Firm has relocated its to a less costly location. The automobile leasing program was re-evaluated resulting in further reductions in costs. The Firm has also made cutbacks in marketing and education costs. In addition, the Firm has been awarded projects but has not yet been authorized to proceed on them.

The Firm has also submitted additional proposals for new projects that could result in significant additional revenue.

Plan assets as of December 29, 2001, were $1,273,906, and current liabilities were $2,333,180, with a funding ratio of 54.6%. The Plan had accumulated funding deficiencies for the plan years ended December 28, 2000 and 2001. The excise taxes associated with these deficiencies have been paid.

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 condition, which you have agreed to:

> The Company will make contributions necessary to satisfy the minimum funding requirement (including the waiver amortization payment for the plan year ending December 28, 2002) of the Plan for the plan year ending December 28, 2003 by September 10, 2004.

If the Company fails to meet the above condition, 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 28, 2002, the date of this letter should be entered on Schedule B (Actuarial Information). We have sent a copy of this letter to the EP Classification Manager in . A copy of this letter should be sent to the enrolled actuary servicing the Plan.

If you have any questions concerning this matter, please contact

Sincerely,

Martin L Pippins

Martin L. Pippins, Manager
Employee Plans Actuarial Group 2