



TAX EXEMPT AND
GOVERNMENT ENTITIES
DIVISION

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

200512032

DEC 28 2004

SE: T: EP: RA: T: AZ

Company =

This letter constitutes notice that your request for a waiver of the minimum funding standard for the above-named plan for the plan year ending [REDACTED] has been denied.

The Company is involved in the [REDACTED]. The current financial hardship was brought on by a decline in demand for the Company's products, which reflect the general downturn in the [REDACTED] industry as a whole. As a result, the Company has suffered substantial losses during the last several years. The Company is also due a substantial receivable from a major [REDACTED] port for the sale of its lease rights to the port. The port has disputed the amount of the receivable due to the Company, and the matter is currently being litigated.

You were notified in a letter dated August 5, 2003, that your request had been tentatively denied. A conference of right was held on September 22, 2003. At the time, a decision was made to await the outcome of the pending litigation mentioned above.

During a telephone conference with the Pension Benefit Guaranty Corporation ("PBGC") on December 10, 2004, you stated that the Company has not made contributions to the plan, including the amortization payments that would be due if a waiver of the minimum funding standard were granted for the plan year ending [REDACTED] for the plan years ending [REDACTED] and [REDACTED]. The funding deficiency has grown rapidly, and the Company's current plan is to resolve the above-mentioned litigation, begin selling off the Company, and eventually terminate the Plan. Because it is unreasonable to assume that the Plan will continue only if a funding waiver is granted, your request for a waiver of the minimum funding standard for the plan year ending [REDACTED] has been denied.

You should note that excise taxes under section 4971(a) of the Internal Revenue Code are currently due on the accumulated funding deficiencies in the Plan for the Plan years ending [REDACTED] and [REDACTED]. You should file a Form 5330 as soon as possible to report and pay the taxes.

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.

We have sent a copy of this letter to the Manager, EP Classification in [REDACTED] to the Manager, EP Compliance Unit in [REDACTED] and to your authorized representative pursuant to a power of attorney on file in this office.

If you require further assistance in this matter, please contact [REDACTED] at [REDACTED]

Sincerely yours,



Donna M. Prestia, Manager
Employee Plans Actuarial Group 2