



TAX EXEMPT AND
GOVERNMENT ENTITIES
DIVISION

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

SEP 01 2005

SE:ET:EP:RA:T:A2

In re:

Council =

This letter constitutes notice that with respect to the above-named multiple employer pension plan, your request for an extension for amortizing the unfunded liabilities described in section 412(b)(2)(B) of the Internal Revenue Code ("Code") and section 302(b)(2)(B) of the Employee Retirement Income Security Act of 1974 ("ERISA") has been approved subject to the condition that the contributions required to satisfy the minimum funding standard (taking into account the extension) are to be timely made as defined in section 412(c)(10) of the Code (without a waiver being granted for such years) for the plan years beginning July 1, [REDACTED] and July 1, [REDACTED]. This approval applies to the plan year beginning July 1, [REDACTED].

Your authorized representative agreed to this condition in a fax dated August 31, 2005. If this condition is not satisfied, the approval to extend the amortization periods for amortizing the unfunded liabilities would be retroactively null and void.

The particular unfunded liabilities for which the extension of the amortization period is granted are the actuarial loss bases of the Plan created on July 1, [REDACTED] through [REDACTED]. The remaining amortization periods of these bases (before extension) were 2, 3, 4, and 5 years, respectively. The extension granted to these amortization bases is 7 years. Accordingly, the remaining amortization periods of these amortization bases (after extension) are 9, 10, 11, and 12 years, respectively.

The extension of the amortization periods of the unfunded liabilities of the Plan has been granted in accordance with section 412(e) of the Code and section 304(a) of ERISA. Section 412(e) of the Code and section 304(a) of ERISA authorize the Secretary to extend the period of time required to amortize any unfunded liability (described in section 412(b)(2)(B) of the Code and section 302(b)(2)(B) of ERISA) of a plan for a period of time (not in excess of 10 years) if the Secretary determines that such extension would carry out the purposes of ERISA and would provide adequate protection for participants under the plan and their beneficiaries and if the Secretary determines that the failure to permit such extension would (1) result in (A) a substantial risk to the voluntary continuation of the plan, or (B) a substantial curtailment of pension benefit levels or employee compensation, and (2) be adverse to the interests of plan participants in the aggregate.

Section 101 of Reorganization Plan No. 4 of 1978, 1979-1 C.B. 480, transferred the authority for issuing rulings under section 304(a) of ERISA from the Secretary of Labor to the Secretary of the Treasury. Accordingly, the amortization periods for the unfunded liabilities of the Plan are extended as described above under section 412(e) of the Code and section 304(a) of ERISA.

The Plan is a multiple employer defined benefit plan as described in section 413(c) of the Code. The Plan was established in [REDACTED] and has not made an election under section 413(c)(4)(B) to treat each contributing employer as maintaining a separate plan for purposes of section 412. Hence, in accordance with section 413(c)(4)(B), the requirements of section 412 of the Code are determined under the Plan as if all participants in the Plan were employed by a single employer (only one Schedule B of Form 5500 is filed for the Plan). As of July 1, [REDACTED] the value of the assets of the Plan was approximately equal to [REDACTED]% of the present value of accrued benefits under the Plan.

To deal with the funding problems, the Council has reduced the rate of future benefit accruals and increased the rate of contributions from contributing employers to the Plan. However, based on projections provided by the Plan's enrolled actuary, the Plan will still incur funding deficiencies in the near future if the request for an extension of the amortization periods, and a request for a change in funding method that has been separately requested, are not approved.

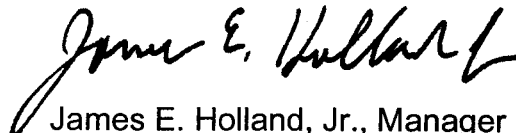
Your attention is called to section 412(f) of the Code and section 304(b) of ERISA which describe the consequences that would result in the event the plan is amended to increase benefits, change the rate in the accrual of benefits or to change the rate of vesting, while any portion of the waived funding deficiency remains unamortized. Please note that any amendment to a profit sharing plan or any other retirement plans (covering employees covered by this plan) maintained by the trustees of this 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. Similarly, the establishment

of a new profit sharing plan or any other retirement plan by the trustees of this Plan (covering employees covered by this plan) would be considered an amendment for purposes of section 412(f) of the Code and section 304(b) of ERISA.

When filing the amended Form 5500 for the plan year beginning July 1, [REDACTED] the date of this letter should be entered on the amended Schedule B (Actuarial Information). 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

Sincerely yours,

A handwritten signature in black ink, appearing to read "James E. Holland, Jr.", with a stylized flourish at the end.

James E. Holland, Jr., Manager
Employee Plans Technical