



TAX EXEMPT AND
GOVERNMENT ENTITIES
DIVISION

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

MAY 26 2004

In re:

Company

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

The conditional waiver has been granted in accordance with section 412(d) of the Internal Revenue Code (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 conditional waiver has been granted.

The Company is a not-for-profit corporation that is exempt from federal and state income tax. The Company was organized to collect, process and distribute blood and blood products to the public, and to plan the development of this service and other related activities.

The Company has experienced substantial, temporary hardship as evidenced by large financial losses from through . In addition, the Company experienced a negative working capital in and , and negative net worth in and . The Company's losses were attributed to a weak collection period. The financial losses have put the Company in a weakened financial position, creating large vendor debt, resulting in adverse audit opinions, and making the prospects of obtaining a bank loan difficult.

The Company has taken steps to effect recovery, including implementing new methods to _____, and has experienced turnaround results. The Company experienced a de minimis surplus in _____, and a small surplus in _____. The Company has stated that its projections anticipate surpluses for each of the next three years.

The Plan was amended to cease benefit accruals as of _____. The ratio of current liability to the actuarial value of assets is _____.

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

1. The Company will timely satisfy the minimum funding standard for the plan for the plan years beginning _____, and _____, including the amortization payments for the conditional waiver granted by this letter, by the period described in § 412(c)(10) of the Code.
2. Any taxes owed for the plan under section 4971(a) of the Code for the plan years beginning _____, and _____, will be paid by the Company by 180 days from the date of this letter.

If the Company fails to meet the above conditions, this waiver is retroactively null and void.

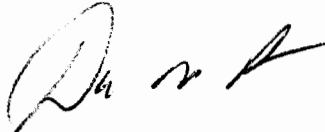
Your attention is called to section 412(f) of the Code and section 304(b) of ERISA which describe the consequences that would result in the event the plan is amended to increase benefits, change the rate in the accrual of benefits or to change the rate of vesting, while any portion of the waived funding deficiency remains unamortized. Please note that any amendment to its profit sharing plan to increase the liabilities of that plan, or the establishment of new plans, would be considered an amendment for purposes of section 412(f) of the Code and section 304(b) of ERISA.

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 by others as precedent.

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

If you have any questions concerning this letter, please contact
In any correspondence relating
to this letter, please refer to SE:T:EP:RA:T:A2 as well.

Sincerely,

A handwritten signature in black ink, appearing to read 'D. M. Prestia', written in a cursive style.

Donna M. Prestia, Acting Manager
Employee Plans Actuarial Group 2

cc: Manager, EP Classification