



TAX EXEMPT AND
GOVERNMENT ENTITIES
DIVISION

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

SEP 01 2005

SE: T: EP: RA: T: A2

Re:

Company =

P&C =

This letter constitutes notice that waivers of the 10 percent excise tax due under section 4971(f)(1) of the Internal Revenue Code ("Code") have been granted with respect to the liquidity shortfall for the Plan for the first and second quarters of the plan year ending June 30, [REDACTED]

The waivers of the 10 percent tax have been granted in accordance with section 4971(f)(4) of the Code. For any quarter for which a waiver has been granted, the amount of the waiver is equal to 10 percent of the amount of the excess of (1) the liquidity shortfall of the Plan (as determined under section 412(m)(5)(E) of the Code) for the quarter, over (2) the aggregate amount of any contributions paid in the form of liquid assets which served to reduce the liquidity shortfall for the quarter and which were paid to the Plan between the last day of the quarter and the due date of the required installment under section 412(m) for such quarter.

The liquidity shortfall for the Plan arose as a result of the inability of the Company to satisfy the liquidity requirement of section 412(m)(5) of the Code for the quarters ending September 30, [REDACTED] and December 31, [REDACTED].

The Plan is a multiple employer plan, with a plan year ending June 30. The Company, along with P&C, funds the Plan. No quarterly payments were required for the plan year ending June 30, [REDACTED]. For the plan year ending June 30, [REDACTED], quarterly payments to the Plan were required, with the first payment due October 15, [REDACTED]. The Plan's enrolled actuary calculated the quarterly payment amounts and relayed the information to the Company. The Company made required quarterly payments to the Plan in the

amounts of [REDACTED] and [REDACTED] on October 15, [REDACTED] and January 15, [REDACTED] respectively.

During the process of reminding the Company of the required quarterly contribution due on April 15, [REDACTED] the Plan's enrolled actuary determined that the liquidity shortfall rules might be applicable for this quarterly contribution, depending on the value of assets as of March 31, [REDACTED]. Upon further research of asset and distribution information, the enrolled actuary informed the Company on April 9, [REDACTED], that quarterly liquidity shortfall payments had been required on October 15, [REDACTED] and January 15, [REDACTED]. This oversight on the part of the enrolled actuary was due to a turnover in staff at the actuarial firm. On April 11, [REDACTED] the enrolled actuary informed the Company of the amounts of the liquidity shortfall payments required to be made to the Plan (\$ [REDACTED] and \$ [REDACTED] due on October 15, [REDACTED] and January 15, [REDACTED] respectively). The Company contributed the missed amounts on April 15, [REDACTED] (the amounts actually contributed were \$ [REDACTED] and \$ [REDACTED] which included the interest penalty for late payment). The Company also made the required regularly quarterly and liquidity shortfall payments of \$ [REDACTED] and \$ [REDACTED] due on April 15, [REDACTED].

There was no other information available to the Company that was sufficient for it to determine that there was a liquidity shortfall.

Based on the information above we conclude that the liquidity shortfall experienced by the Plan was due to reasonable cause and not willful neglect and that reasonable steps were taken to remedy such liquidity shortfall.

Because the liquidity requirement of section 412(m)(5) of the Code was satisfied for the Plan for the quarters ending September 30, [REDACTED] and December 31, [REDACTED] the [REDACTED] percent excise tax of section 4971(f)(2) does not apply with respect to the liquidity shortfall that existed for the Plan for the first and second quarters of the plan year ending June 30, [REDACTED].

This ruling is made with the understanding that all the representations made pursuant to this request are accurate. If such representations made pursuant to this request are not accurate, the Company may not rely upon this ruling letter.

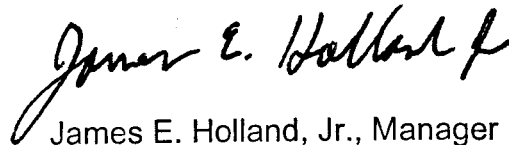
This ruling is directed only to the taxpayer that requested it. Section 6110(k)(3) of the Code provides that it may not be used or cited by others as precedent.

We have sent a copy of this letter to the Manager, EP Classification in [REDACTED], to the Manager, EP Compliance Unit in [REDACTED].

If you require further assistance in this matter, please contact

at

Sincerely yours,

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

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