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TAX EXEMPT AND
GOVERNMENT ENTITIES
DIVISION

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

T.E.P.: R.A.: T.: A2

APR 12 2006

In re:

Company =

This letter constitutes notice that waivers of the 100 percent excise tax under section 4971(b) of the Internal Revenue Code ("Code") have been granted for the Plan for the plan years ending December 31, , , and , subject to the conditions set forth below:

- (1) the Company reaches an agreement with the PBGC and successfully completes the involuntary termination of the Plan, including signing the final PBGC settlement agreement, and
- (2) the Company reaches an agreement with the Service concerning the 10% excise taxes due under section 4971(a) of the Code on the funding deficiencies in the Plan for the plan years ending December 31, , and , and makes any payment required under that agreement within 90 days after the date of this letter.

Your authorized representative agreed to these conditions in an e-mail dated March 22, . If either one of the above conditions is not met, the waiver is retroactively null and void.

The waiver of the 100 percent excise tax has been granted in accordance with section 3002(b) of the Employee Retirement Income Security Act of 1974 ("ERISA"). The amount for which this excise tax waiver has been granted is equal to 100 percent of the contribution which would otherwise be required to reduce the balance of the funding standard account to zero as of the end of each applicable plan year for which the waiver is granted, to the extent such deficiency has not been corrected.

The Company is a contract manufacturer of commercial and :

for high-profile companies in the
are found in the engines of most major

Their products
, including the

, and they are involved with production and spare parts manufacture for a
full range of large engines.

According to the information submitted by the Company's authorized representative, the Company is facing severe financial challenges and has been unable to meet its funding obligations to the Plan. As a result, the PBGC has assumed responsibility for the Plan through an involuntary termination. The proposed termination date is June 30, Terms of the termination are still being negotiated with the PBGC, but the final termination agreement will require the Company to make a substantial initial payment with additional amounts payable in future years depending on the Company's future profitability.

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 your authorized representative pursuant to a power of attorney on file in this office; to Internal Revenue Agent; to the Manager, EP Classification in and to the Manager, EP Compliance Unit in

If you have any questions on this ruling letter, please contact

Sincerely,



Donna M. Prestia, Manager
Employee Plans Actuarial Group 2