Significant Index No. 412.00-00

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

TAX EXEMPT AND
GOVERNMENT ENTITIES
DIVISION

OCT 05 2010

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T:EP:RA:A2

Re:

Dear

This letter constitutes notice that the Service has approved your request for a modification of its prior approval of a 10–year extension for amortizing the Plan's unfunded liabilities for the plan year beginning April 1, 2005. The unfunded liabilities are described in Code Section 412(b) and Section 302(b)(2)(B) of the Employee Retirement Security Act of 1974 ("ERISA"), prior to amendment by the Pension Protection Act of 2006 ("PPA '06"). The conditions of this tentative approval are outlined in this letter.

The prior amortization extension was granted on June 15, 2006, subject to certain conditions. One of the conditions stated that:

(1) the Plan's funded ratio, calculated by dividing the Plan's market value of assets by its actuarial accrued liability (computed by using the unit credit method and the Plan assumptions as of April 1, 2003) is:

(a) no less than 75% for each valuation date from April 1, 2005, through April 1, 2010, inclusive;

(b) no less than 82% as of April 1, 2011;

(c) for each valuation date subsequent to April 1, 2011, no less than 1% greater than the floor funded ratio as of the previous valuation date. (For example, because the floor funded ratio as of April 1, 2011, is 82%, the funded ratio must be at least 83% as of April 1, 2012, and 84% as of April 1, 2013).

The approval would be retroactively null and void if the conditions were not met. However, the ruling indicated that the Service would consider modifications of these conditions especially in the event that unforeseen circumstances beyond the control of the Plan might cause the actual experience of the Plan to fail the funded ratio condition. An example of such unforeseen circumstance would be market fluctuations which affect the value of the Plan's assets. This unforeseen circumstance happened for the plan year ended March 31, 2009, with a general decline in asset values worldwide.

The Plan had met the funded ratio condition above for the plan years April 1, 2007 and April 1, 2008. For the plan year ended March 31, 2009, the Plan's asset return was negative 28.4%. This resulted in a funded ratio as of April 1, 2009 of 53.2%. Had the fund earned the assumed 7.5%, the funded ratio would have been 87%.

This approval modifies condition 1 outlined above, effective April 1, 2009, as follows. No other condition is modified.

(1) The Plan's funded ratio, calculated by dividing the Plan's market value of assets by its actuarial accrued liability (computed using the unit credit method and the Plan assumptions as of April 1, 2009) is:

a. no less than 53% as of April 1, 2009;

b. no less than 58% for each valuation date from April 1, 2010, through April 1, 2012, inclusive;

c. for each valuation date subsequent to April 1, 2012, no less than 2% greater than the floor funded ratio as of the previous valuation date, until a funded ratio of 100% is achieved as of April 1, 2033. (For example, because the floor funded ratio as of April 1, 2012 is 58%, the funded ratio must be at least 60% as of April 1, 2013, and 62% as of April 1, 2014).

Please note that the address has changed for filing copies of the actuarial valuation report and Schedule MB (Form 5500). The new address is:

IRS - EP Classification
10 Metro Tech Center
625 Fulton Street
Brooklyn NY 11201

If any one of the prior and amended conditions is not satisfied, the approval to extend the amortization periods of the unfunded liabilities will be null and void, retroactive to April 1, 2005. However, the Service will consider modifications of these conditions, especially in the event that unforeseen circumstances beyond the control of the Plan may cause the actual experience of the Plan to fail the funded ratio condition. An example of such an unforeseen circumstance would be market fluctuations which affect the value of the Plan's assets. Of course, any request for a modification would be considered another ruling request and would be subject to an additional user fee.

Your attention is called to section 412(c)(7) of the Code and section 302(c)(7) 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 the amortization extension remains in place. Please note that any amendment that increases liabilities for a profit sharing plan or any other retirement plans (whether qualified or unqualified) maintained by the Trustees for the Plan and covering participants of the Plan to which this ruling applies, would be considered an amendment for purposes of section 412(c)(7) of the Code and section 302(c)(7) of ERISA. Similarly, the establishment of a new profit sharing plan or any other retirement plan (whether qualified or unqualified) maintained by the Trustees for the Plan and covering participants of the Plan to which this ruling applies, would be considered an amendment for purposes of section 412(c)(7) of the Code and section 302(c)(7) of ERISA.

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
to the ; 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,

David M. Ziegler, Manager
Employee Plans Actuarial Group 2