Significant Index No. 0412.06-00

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

201210048

TAX EXEMPT AND
GOVERNMENT ENTITIES
DIVISION

JUN 14 2011

T:EP:RA:A2

Re:

Trustees =

Company A =

Dear

This letter constitutes notice that the Trustees' request for a waiver of the minimum funding standard for the Plan for the plan year ending September 30, 2010, has been granted.

This waiver has been granted in accordance with section 412(c) of the Internal Revenue Code ("Code") and section 302(c) of Employee Retirement Income Security Act of 1974 ("ERISA"). The amount for which this waiver has been granted is equal to the contributions that would otherwise be required to reduce the balance in the funding standard account of the Plan to zero as of September 30, 2010.

The Plan, established in 1961, covers employees of employers in the baking industry. For the plan year ending , seven employers had employees covered by the Plan. The bankruptcy of Company A, which prior to its partition from the Plan by the Pension Benefit Guaranty Corporation ("PBGC") was the largest employer in the Plan, is the major reason for the underfunding issues in the Plan. As a result of its bankruptcy filing, Company A ceased making contributions and withdrew from the Plan effective November 2008. However, the Plan retained the liability for Company A's pensioners throughout the plan year ending .

The Plan was recently the subject of federal litigation concerning the characterization of employer contributions to the Plan. Specifically, Company A sought action against the PBGC to reverse the PBGC's determination dated August 8, 2006, that the Plan was a multiple-employer plan. This determination superseded the PBGC's previous determination dated June 21, 1979, that the Plan constituted an aggregate of separate [single-employer] pension plans. While the federal court granted summary judgment to the PBGC, an amended court order dated February 18, 2010, stated that the PBGC's

August 8, 2006, determination that the Plan was a multiple-employer plan had prospective effect only. After the conclusion of the federal litigation, the PBGC partitioned the portion of the Plan related to Company A effective October 20, 2010.

The transfer of Company A's liabilities to the PBGC resulted in the Plan being more than 100% funded for the plan year ending . In fact, the Plan is expected to show a surplus of approximately $11 million. Consequently, the financial hardship that resulted in the Plan's underfunding for the plan year ending September 30, 2010, is temporary. Consequently, the Trustees' request for a waiver of the minimum funding standard for the Plan for the plan year ending , has been granted.

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. We suggest that you furnish a copy of this letter to the enrolled actuary who is responsible for the completion of the Schedule B.

If you require further assistance in this matter, please contact

Sincerely yours,

William B. Hulteng

for Andrew E. Zuckerman, Director
Employee Plans Rulings & Agreements