Significant Index No. 412.00-00

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

201437021

TAX EXEMPT AND
GOVERNMENT ENTITIES
DIVISION

JUN 12 2014

Re:

Dear :

This letter is to inform you that, effective for the plan year beginning October 1, 2011, conditional approval has been granted for your request for a modification of our ruling letter dated September 6, 2006, as modified by our ruling letter dated March 2, 2011 (the letters dated September 6, 2006, and March 2, 2011, shall be collectively referred to as "Letter Ruling"). The conditions of this approval are specifically described below. Your authorized representative agreed to these conditions in a letter dated May 30, 2014. It should be noted that the mailing address has changed for filing copies of the actuarial valuation report to this office.

Pursuant to the Letter Ruling, the Plan was conditionally granted a 7-year extension for amortizing the Plan's unfunded liabilities described in section 412(b)(2)(B) of the Internal Revenue Code ("Code") and section 302(b)(2)(B) of the Employee Retirement Income Security Act of 1974 ("ERISA"), prior to amendment by the Pension Protection Act of 2006 ("PPA '06"), for the plan year beginning October 1, 2002.

Pursuant to Letter Ruling, the amortization extension under section 412(e) of the Code had been granted subject to the following conditions:

(1) A credit balance is maintained such that the credit balance is at least as large as the accumulation (at the Plan's valuation rate) of the amortized (at the Plan's valuation rate over a period of 15 years) differences between the amortization payments of the extended bases (amortized at the section 6621(b) rate) and the amortization payments of such bases had such bases been extended and amortized at the Plan's valuation rate;

(2) 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's assumptions as of October 1, 2002 for plan years beginning before October 1, 2009, and computed using the unit credit method and the Plan's

assumptions as of October 1, 2009 for plan years beginning on and after October 1, 2009) remain:

a. no less than 67% for each valuation date from October 1, 2002 through October 1, 2005, inclusive;
b. no less than 70% for each valuation date from October 1, 2006 through October 1, 2008, inclusive;
c. no less than 64% for each valuation date from October 1, 2009 through October 1, 2010, inclusive;
d. no less than 67% for each valuation date from October 1, 2011 through October 1, 2013, inclusive;
e. no less than 68% for each valuation date from October 1, 2014 through October 1, 2016, inclusive;
f. no less than 70% for each valuation date from October 1, 2017 through October 1, 2019, inclusive;
g. for each valuation date subsequent to October 1, 2019, no less than 3% greater than the required funded ratio as of the previous valuation date, until a funded ratio of 100% is achieved October 1, 2029. (For example, because the floor funded ratio as of October 1, 2019, is 70%, the funded ratio must be at least 73% as of October 1, 2020, and 76% as of October 1, 2021).

(3) For each plan year that the extension remains in effect, starting with the plan year beginning October 1, 2005, a copy of the actuarial valuation report for each plan year will be provided to this office by eight and one half months (8 ½) after the end of the plan year at the address below:

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

(4) Within 30-days after any amendment is made that is subject to section 412(c)(7) of the Code and section 302(c)(7) of ERISA as discussed below, or after any action is taken that has the effect of such an amendment, the Plan sponsor must request a ruling approving the Plan's prospective amortization of unfunded liabilities and pay the applicable user fee.

The Letter Ruling stated that if any one of these conditions was not satisfied, the approval to extend the amortization periods for amortizing the unfunded liabilities would be retroactively null and void. However, the Service would consider modifications of these conditions especially in the event that unforeseen circumstances beyond the control of the Fund caused the actual experience of the Plan to fail the funded ratio condition. An example of such an unforeseen circumstance would include a market fluctuation affecting the value of the Plan's assets. Such an unforeseen circumstance occurred during the plan years ending September 30, 2008, and September 30, 2009, with a general decline in assets worldwide which was followed by a severe protracted recession.

Granting the modification of the Letter Ruling carries out the purposes of ERISA and provides adequate protection for participants under the plan and their beneficiaries. Further, failure to permit the modification will (1) result in (A) a substantial risk to the voluntary continuation of the plan, or (B) a substantial curtailment of pension benefit levels or employee compensation, and (2) be adverse to the interests of plan participants in the aggregate. Accordingly, your request for a modification of the Letter Ruling has been granted.

This approval modifies condition (2) and condition (3) contained in the Letter Ruling to read as follows. No other conditions are modified.

(2) 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's assumptions as of October 1, 2002 for plan years beginning before October 1, 2009, and computed using the unit credit method and the Plan's assumptions as of October 1, 2009 for plan years beginning on and after October 1, 2009) remain:

a. no less than 67% for each valuation date from October 1, 2002 through October 1, 2005, inclusive;
b. no less than 70% for each valuation date from October 1, 2006 through October 1, 2008, inclusive;
c. no less than 64% for each valuation date from October 1, 2009 through October 1, 2010, inclusive;
d. no less than 65% for the October 1, 2011, valuation date;
e. no less than 67% for both the October 1, 2012 and October 1, 2013, valuation dates;
f. no less than 68% for each valuation date from October 1, 2014 through October 1, 2016, inclusive;
g. no less than 70% for each valuation date from October 1, 2017 through October 1, 2019, inclusive;
a. for each valuation date subsequent to October 1, 2019, no less than 3% greater than the required funded ratio as of the previous valuation date, until a funded ratio of 100% is achieved October 1, 2029. (For example, because the floor funded ratio as of October 1, 2019, is 70%, the funded ratio must be at least 73% as of October 1, 2020, and 76% as of October 1, 2021).

(3) For each plan year that the extension remains in effect, starting with the plan year beginning October 1, 2005, a copy of the actuarial valuation report for each plan year will be provided to this office by eight and one half months (8 ½) after the end of the plan year at the address below:

Internal Revenue Service

Manager, Actuarial Group 2
1111 Constitution Avenue, N.W. (NCA-629)
Washington, DC 20224

If any one of the conditions written in Letter Ruling, as modified by this letter, is not satisfied, the approval to extend the amortization periods for amortizing the unfunded liabilities would be retroactively null and void to October 1, 2002. However, the Service will consider modifications of these conditions, especially in the event that unforeseen circumstances beyond the control of the Fund 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 is 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.

It should be noted that, should your amortization extension become prospectively null and void on a future date, the following steps must be taken in determining the funding standard account as of the beginning of the plan year in which it becomes prospectively null and void (Revocation Date).

1. Effective at the Revocation Date, the balance of each extended amortization base would be redetermined as an amount equal to the balance that each extended base would have had if the extension had not been granted

(hereinafter, the "Redetermined Prospective Revocation Balance"). For this purpose, if as of the Revocation Date, the base would have been fully amortized had the extension not been granted, the Redetermined Prospective Revocation Balance on account of such base as of the Revocation Date shall equal $0.

2. There is a one-time charge to the funding standard account at the Revocation Date on account of each extended amortization base equal to the excess of (A) over (B), where:

   A. Is the actual balance of the extended amortization bases determined as if the amortization extension was not null and void on the Revocation Date. [Note that the balance of each extended amortization base is determined as the prior year's balance brought forward with interest at the prior year's valuation interest rate less the prior year's extended amortization payment brought forward with interest at the prior year's IRC 6621(b) rate.]

   B. Is the Redetermined Prospective Revocation Balance.

3. The annual amortization charge at the Revocation Date for each amortization base that was previously extended shall be redetermined by amortizing each Redetermined Prospective Revocation Balance over the remaining amortization period, determined without regard to the extension previously granted under section 412(e) of the Code. The resulting amortization charges would be determined using the applicable valuation interest rate at the Revocation Date. [Note that if the Redetermined Prospective Revocation Balance of an extended base is $0, there is no amortization charge with respect to such base at the Revocation Date.]

4. At the Revocation Date, the reconciliation account shall be redetermined as if the amortization extension had never been approved.

Your attention is called to section 431(b)(7)(B) of the Code which provides for an adjustment to the funding standard account when a multiemployer plan leaves reorganization. If a multiemployer plan is not in reorganization in the current plan year but was in reorganization in the immediately preceding plan year, any balance in the funding standard account at the close of such immediately preceding plan year shall be eliminated by an offsetting credit or charge (as the case may be) and shall be taken into account in subsequent plan years by being amortized in equal installments (until fully amortized) over a period of 30 plan years.

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 Baltimore, Maryland, to the Manager, EP Compliance Unit in Chicago, Illinois, and to your authorized representatives pursuant to a power of attorney on file in this office.

If you have any questions regarding this matter, please contact
at .

Sincerely,

David M. Ziegler, Manager
Employee Plans Actuarial Group 2

cc: