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Internal Revenue Service

Department of the Treasury

Significant Index No. 0412.06-00

Washington. DC 20224

Person to Contact:

Telephone Number:

Refer Reply to: T:EP:RA:T:A1

Date: JUN 0 4 2001

In re:

This letter constitutes notice that with respect to the above-named defined benefit pension plan we have granted a waiver of the minimum funding standard for the plan year ending September 30, 2000.

This waiver for the plan year ended September 30, 2000, has been granted in accordance with § 412(d) of the Internal Revenue Code and § 303 of the Employee Retirement Income Security Act of 1974 (ERISA). The waived amount is the contribution which would otherwise be required to reduce the balance in the funding standard account to zero as of the end of the plan year for which this waiver has been granted (after taking into account contributions that have already been made for the plan year).

The Company has a calendar fiscal year. For the year 2000, the Company had a net operating loss. In addition, although working capital remained positive, it was equal to only 15.5% of the 1999 level. Also, the sponsor has insufficient cash-on-hand to meet both routine operating expenses and to contribute the minimum funding requirement.

For 1998 and 1999, the Company had net operating profits. Then, in the fourth quarter of 1999, the Company lost its major customer. This customer accounted for approximately 25% of the Company's revenues.

The Company regained this major customer in 2000 with sales nearly equal to prior levels. As a result of this resumption of business with its most customer, the Company expects that its gross operating margins and its cash flow will improve.

Your attention is called to Code § 412(f) and ERISA § 304(b) 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 any portion of the waived funding deficiency remains unamortized. Please note that any amendment to other retirement plans maintained by the Company or to the Company's profit sharing plans, to increase the liabilities of those plans would be considered an amendment for purposes of Code § 412(f) and ERISA § 304(b).

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

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when filing Form 5500 for the plan year ended September 30, 2000, the date of this letter should be entered on schedule B (Actuarial Information). A copy of this letter is being sent to your authorized representative in accordance with a Form 2848 (Power of Attorney) on file. We have sent a copy of this letter to the Employee Plans Classification Manager in

Sincerely,

James E. Holland, Jr.

James E. Holland, Jr., Manager
Employee Plans Actuarial Group 1
Tax Exempt and Government Entities
Division

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