Significant Index No. 0412.06-00

200345047

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

TAX EXEMPT AND
GOVERNMENT ENTITIES
DIVISION

AUG 13 2003

T:EP:RA:T:A1

In re: Request for a minimum funding waiver for the (the "Plan").

Dear

This letter constitutes notice that a conditional waiver of the minimum funding standard has been granted for the above-named pension plan for the plan year ending December 31, 2000.

This conditional waiver has been granted in accordance with section 412(d) of the Internal Revenue Code (the "Code") and section 303 of the Employee Retirement Income Security Act of 1974 (ERISA). The amount for which the conditional waiver has been granted is the contribution that would otherwise be required to reduce the balance in the funding standard account of the plan to zero as of the end of the plan year for which the waiver has been granted.

. (the "Company") is a manufacturer of servicing the direct The Company has experienced temporary substantial business hardship as evidenced by losses in income for each of the last four fiscal years. Sales declined approximately 22% over the same time period. The financial hardship was exacerbated by factors outside the direct control of the Company including the weakness of the overall economy, several of the Company's largest customers that produced substantial "sweepstakes" mailings were forced into bankruptcy resulting from government investigations that lead to large class action settlements against them and the in 2001.

In an effort to recover from this hardship, the Company has focused on and generating sales. In June 2002, the Company reached an agreement with its union which includes a company wide 7% wage decrease, pension plan accruals being frozen for at least one year, and the elimination of retiree health care benefits. In addition, the Company has retained an investment banker to locate a merger partner, venture capital or a buyer to obtain additional capital.

Plan assets as of December 31, 2001, were $2,445,536, and current liabilities were $3,898,147, with a funding ratio of 62.74%.

It has been determined that an application of the minimum funding standard would be adverse to the interests of plan participants in the aggregate. Accordingly, this waiver has been granted subject to the following conditions, which you have agreed to:

1. Within 90 days from the date of this ruling letter, all necessary documents to provide an arrangement to secure the repayment of all waived amounts satisfactory to the PBGC will be executed.

2. The Company will make contributions necessary to satisfy the minimum funding requirement (including the waiver amortization payment for the plan years ending December 31, 2000 and 2001) of the Plan for the plan year ending 2002 is made by September 15, 2003.

If the Company fails to meet the above conditions, this waiver is retroactively null and void.

The Company also requested a waiver for the Plan for the plan year ending December 31, 2001. A letter granting a conditional waiver of the minimum funding standard for the 2001 plan year was issued as of the date of this ruling letter.

Your attention is called to section 412(f) of the Code and section 304 of ERISA which describes the consequences which result in the event the plan is amended to increase benefits, to change the rate in the accrual of benefits, or to change the rate of vesting while any portion of the waived amount remains unamortized.

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

When filing Form 5500 for the plan year ending December 31, 2000, the date of this letter should be entered on Schedule B (Actuarial Information). We have sent a copy of this letter to the EP Classification Manager in and to the authorized representative listed on the power of attorney (Form 2848) on file with this office.

If you have any questions concerning this matter, please contact

Sincerely,

Martin L Pippins

Martin L. Pippins, Manager
Employee Plans Actuarial Group 2