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

TAX EXEMPT AND
GOVERNMENT ENTITIES
DIVISION

SEP 24 2003

T:EP:RA:T:A2

In re:

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 January 31, 2002.

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 the parent of a single subsidiary. The Company engages primarily in the business of purchasing, processing and reselling and also conducts operations at including reclamation of . The Company has experienced temporary substantial business hardship as evidenced by losses in income in four of the last five fiscal years. According to the information received, the and has been in a severe downturn in recent years, and many U.S. companies have filed for bankruptcy. are the primary purchaser of and , which is the primary product of the Company, and the reduction in the number of potential customers has had a further impact on the Company's financial hardship.

The Company has taken several steps to recover from this hardship. They have reduced costs by making significant reductions in its workforce and closing losing operations. The Company has successfully negotiated additional servicing agreements. Additionally, they have entered into an agreement for the sale of real estate that would net approximately $12.75 million for the Company. The Company has received significant non-refundable deposits towards this sale, and the closing is scheduled to occur no later that July 18, 2004. Proceeds from the sale would allow them to significantly reduce their debt load and free up cash flow for use in its operations in the future. Further, the tariffs recently imposed by the administration on imported should strengthen the remaining and add to their demand for and services that are supplied by the Company.

Plan assets as of January 31, 2002, were $4,816,457, and current liabilities were $5,361,921, with a funding ratio of 89.8%. The Plan had an accumulated funding deficiency for the plan year ended January 31, 2001. According to the information received, the excise taxes associated with this deficiency have been paid.

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 condition, which you have agreed to:

> The Company will make contributions necessary to satisfy the minimum funding requirement (including the waiver amortization payment for the plan year ending January 31, 2002) of the Plan for the plan year ending January 31, 2003 by October 15, 2003.

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

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 re-filing Form 5500 for the plan year ending January 31, 2002, 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 representatives 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