



TAX EXEMPT AND
GOVERNMENT ENTITIES
DIVISION

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

SEP 28 2007

T.E.P. R.A.T. A2

Re:

Dear

This letter is to inform you that your request for an extension of the period of years for amortizing the 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") effective with the plan year beginning September 1, has been denied.

Section 412(e) of the Code and section 302(b)(2) of ERISA provide that the period of years required to amortize any unfunded liability (described in any clause of section 412(b)(2)(B) of the Code and section 302(b)(2) of ERISA) of any plan may be extended by the Secretary of Labor for a period of time (not in excess of 10 years) if it is determined that such an extension would carry out the purposes of ERISA, and would provide adequate protection for participants under the plan and their beneficiaries and if it is determined that: (1) the failure to permit such extension would 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 interest of plan participants in the aggregate.

Reorganization Plan No. 4 (1979-1 C.B. 480), effective December 31, 1978, transferred the authority of the Secretary of Labor under section 412(e) of the Code and section 304(a) of ERISA to the Secretary of Treasury.

The Plan is a multiemployer defined benefit plan. The Plan is maintained as a result of collective bargaining agreements between local bargaining units of the union and related employers, primarily in the movie theater industry. The Plan is a mature plan with a large number of retirements in recent years and an even larger number expected in the near future. The industry has been in decline for a number of years and technology has reduced the number of employees in the industry and reduced wages. These factors increased the gap between the Plan's costs and employer contributions.

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The information provided with your request included projections that reflected the changes made to the minimum funding requirements under the Pension Protection Act of 2006 ("PPA 2006"). These projections indicated that the Plan will not experience a funding deficiency until 2017. Given that there is no projected funding deficiency until 2017, an extension will not carry out the purposes of ERISA. Furthermore, failure to grant an extension will not 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) will not be adverse to the interest of plan participants in the aggregate.

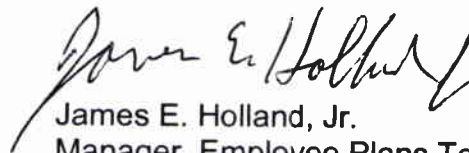
This ruling is directed only to the taxpayer that requested it. Section 6110(k)(3) of the Code provides that it may not be used or cited by others as precedent.

We have sent a copy of this letter to the

and to your
authorized representative pursuant to a power of attorney on file in this office.

If you require further assistance in this matter, please contact

Sincerely yours,



James E. Holland, Jr.
Manager, Employee Plans Technical