

Internal Revenue Service

Department of the Treasury
Washington, DC 20224

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Person To Contact:

, ID No.

Telephone Number:

Refer Reply To:

CC:CORP:B03 – PLR-112423-04

Date:

March 11, 2004

Taxpayer =

Date 4 =

Dear

We respond to your February 18, 2004, request that we supplement our letter ruling dated November 12, 2003 (PLR-153043-03) (the Original Letter Ruling). The legend, abbreviations, facts, proposed transaction, representations, and caveats appearing in the Original Letter Ruling are hereby incorporated by reference, except as modified below, for purposes of this ruling.

The Original Letter Ruling addresses certain federal income tax consequences of the restructuring of Taxpayer's operations under §382 of the Internal Revenue Code and related provisions of the Code and the Income Tax Regulations. We ruled that the replacement of each existing class of Taxpayer common and preferred stock with the newly issued classes of stock having the same priority and the same entitlement to distribution and the issuance of each class of Exchanged Taxpayer Common Stock and Exchanged Taxpayer Preferred Stock to the Common Equity Trust and the Preferred Equity Trust, respectively, does not result in an owner shift for purposes of §382(g). In addition, we ruled that any interests received by the creditors of Taxpayer in satisfaction of their claims are not "stock" for purposes of determining whether there has occurred an ownership change under §382 on any testing date.

These rulings were based, in part, on the Bankruptcy Plan and related Disclosure Statement for the Bankruptcy Plan filed with the Bankruptcy Court on Date 2. An Amended Bankruptcy Plan and an Amended Disclosure Statement were filed with the court on Date 3, with further amendments having been filed prior to the issuance of the Original Letter Ruling.

In your request, you state that you wish to inform us that another amendment of the Bankruptcy Plan was filed on Date 4, subsequent to the issuance of the Original Letter Ruling (the Fifth Amended Bankruptcy Plan). You ask whether this development has an adverse effect on the Original Letter Ruling.

Based upon the information and representations submitted with the original and supplemental ruling requests, we rule as follows:

The modifications to the facts and the proposed transaction from the Original Letter Ruling as described in the Fifth Amended Bankruptcy Plan will not adversely affect the qualification of the transaction under §382 and will have no adverse effect on any of the rulings set forth in the Original Letter Ruling, which will remain in full force and effect.

The rulings contained in this letter and the Original Letter Ruling are based upon information and representations submitted by the Taxpayer and accompanied by a penalty of perjury statement executed by an appropriate party. While this office has not verified any of the material submitted in support of the request for rulings, it is subject to verification on examination.

We express no opinion on the tax treatment of the transaction under any other provisions of the Code or regulations, or the tax treatment of any conditions existing at the time of, or effects resulting from, the transaction that are not specifically covered by the Original Letter Ruling or this supplemental letter ruling.

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

A copy of this letter together with the Original Letter Ruling must be attached to any income tax return to which it is relevant.

In accordance with the Power of Attorney on file with this office, copies of this letter are being sent to Taxpayer and a second authorized representative.

Sincerely,

Ken Cohen
Senior Technician Reviewer, Branch 3
Office of Associate Chief Counsel

(Corporate)