

**INTERNAL REVENUE SERVICE
VOLUNTARY CORRECTION PROGRAM
COMPLIANCE STATEMENT**

Date: _____
(to be completed by IRS)

Re: **Massachusetts Public Employee Retirement Administration Commission
SE:T:EP:RA Control Number: 911678903
Employer Identification Number: 04-6002284
Plan No.: 002**

Massachusetts Public Employee Retirement Administration Commission ("Applicant") is responsible for regulations for the Massachusetts Public Employee Retirement Administration Commission ("Plan"), and has submitted a request to the Internal Revenue Service ("the Service") under the Voluntary Correction Program for a Group Submission compliance statement relating to qualification failures under section 401(a) of the Internal Revenue Code ("Code") identified and described in a letter dated September 10, 2008 (the "Group Submission"). The Group Submission is attached to and made a part of this compliance statement. The Plan uses the twelve-month period that ends on December 31 as its plan year.

The failures addressed in the Group Submission are summarized as follows:

1. The Plan was not amended to comply with the applicable provisions of the pre Employee Retirement Income Security Act of 1974 legislative and regulatory requirements by the applicable deadlines in accordance with section 401(b) of the Code and the regulations thereunder:
 - Code Section 401(a)(2)
 - Code Section 401(a)(7) and 411(e)
 - Code Section 401(a)(8)
2. The Plan was not amended to comply with the applicable provisions of the following legislative and regulatory requirements by the applicable deadlines in accordance with section 401(b) of the Code and the regulations thereunder:
 - Employee Retirement Income Security Act of 1974 (Code Section 415))
 - Retirement Equity Act of 1984 (Code Section 401(a)(25))
 - Tax Reform Act of 1986 (Code Section 401(a)(9))
 - The Unemployment Compensation Amendments of 1992 (Code Section 401(a)(31))

- The Uruguay Round Agreements Act, the Uniformed Services Employment and Reemployment Rights Act of 1994, the Small Business Job Protection Act of 1996, the Taxpayer Relief Act of 1997, the Internal Revenue Service Restructuring and Reform Act of 1998, and the Community Renewal Tax Relief Act of 2000 (collectively referred to as "GUST")
3. The Plan was not amended to comply with the applicable provisions of the following legislative and regulatory requirements by the applicable deadlines in accordance with section 401(b) of the Code and the regulations thereunder:
- Interim amendments required for compliance with the Economic Growth and Tax Relief Reconciliation Act of 2001
 - The final and temporary regulations under section 401(a)(9) of the Code
 - The change in the prescribed mortality table under Code Sections 415(b)(2)(E)(v) and 417(e)(3)(A)(ii)(I)

The Applicant's proposed method(s) of correction and revision(s) of administrative procedures set forth in the Group Submission are appropriate for the failures identified.

The Service will not pursue the sanction of plan disqualification on account of the qualification failure(s) described in the Group Submission.

The Service will treat the amendment(s) to correct the failure(s) described in item 3 above, as if they had been timely adopted for the purpose of making available the extended remedial amendment period currently set forth in Revenue Procedure 2007-44, 2007-28 I.R.B. 54. However, this compliance statement does not constitute a determination as to whether any such plan amendment, as drafted, complies with the applicable change in qualification requirements.

The Applicant will neither attempt to nor otherwise amortize, deduct, or recover from the Service any portion of the compliance fee nor receive any Federal tax benefit on account of payment of such compliance fee. This paragraph is only applicable to half of the compliance fee, as the applicants are entitled to a 50% reduction of current compliance fee previously paid pursuant to the Internal Revenue Service Special Edition newsletter issued November 5, 2008 for governmental plans filing in Cycle C.

This compliance statement considers only the acceptability of the correction method(s) and the revision(s) of administrative procedures described in the Group Submission and does not express an opinion as to the accuracy or acceptability of any calculations or other material submitted with the application. In no event may this compliance statement be relied on for the purpose of concluding that the Plan or Plan Sponsor (as defined in the applicable revenue procedure setting forth the Employee Plans Compliance Resolution System) was not a party to an abusive tax avoidance transaction. The compliance statement should not be construed as affecting the rights of any party under any other law, including Title I of the Employee Retirement Income Security Act of 1974.

Massachusetts Public Employee Retirement Administration Commission

This compliance statement is conditioned on (1) there being no misstatement or omission of material facts in connection with the Group Submission, and (2) the completion of all corrections described in the Group Submission within one hundred fifty (150) days of the date of the compliance statement.

By signing this compliance statement, the Applicant hereby agrees to its terms.

Massachusetts Public Employee Retirement Administration Commission

By:

Robert Pulley

Title:

General Counsel

Date:

7-9-09

Approved: _____

Joyce Kahn, Manager

- Employee Plans Voluntary Compliance
- Tax Exempt and Government Entities Division

For questions regarding this compliance statement:

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