operate for the exclusive benefit of the employees of the employer maintaining the plan and their beneficiaries;

(2) These exemptions are supplemental to and not in derogation of, any other provisions of the Act and/or the Code, including statutory or administrative exemptions and transactional rules. Furthermore, the fact that a transaction is subject to an administrative or statutory exemption is not dispositive of whether the transaction is in fact a prohibited transaction; and

(3) The availability of these exemptions is subject to the express condition that the material facts and representations contained in each application accurately describes all material terms of the transaction which is the subject of the exemption.

Signed at Washington, DC, this 29th day of December, 1994.

Ivan Strasfeld,

Director of Exemption Determinations, Pension and Welfare Benefits Administration, U.S. Department of Labor.

[FR Doc. 95–110 Filed 1–3–95; 8:45 am]

BILLING CODE 4510–29–M

[Application No. D–9727, et al.]

Proposed Exemptions; Hospital Supplies, Inc. Pension Plan, et al.

AGENCY: Pension and Welfare Benefits Administration, Labor.

ACTION: Notice of proposed exemptions.

SUMMARY: This document contains notices of pendency before the Department of Labor (the Department) of proposed exemptions from certain of the prohibited transaction restriction of the Employee Retirement income Security Act of 1974 (the Act) and/or the Internal Revenue Code of 1986 (the Code).

Written Comments and Hearing Requests

All interested persons are invited to submit written comments or request for a hearing on the pending exemptions, unless otherwise stated in the Notice of Proposed Exemption, within 45 days from the date of publication of this **Federal Register** Notice. Comments and request for a hearing should state: (1) the name, address, and telephone number of the person making the comment or request, and (2) the nature of the person's interest in the exemption and the manner in which the person would be adversely affected by the exemption. A request for a hearing must also state the issues to be addressed and include a general description of the evidence to be presented at the hearing. A request for a hearing must also state the issues to be addressed and include a general description of the evidence to be presented at the hearing.

ADDRESSES: All written comments and request for a hearing (at least three copies) should be sent to the Pension and Welfare Benefits Administration, Office of Exemption Determinations, Room N–5649, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210. Attention: Application No. stated in each Notice of Proposed Exemption. The applications for exemption and the comments received will be available for public inspection in the Public Documents Room of Pension and Welfare Benefits Administration, U.S. Department of Labor, Room N–5507, 200 Constitution Avenue, N.W., Washington, D.C. 20210.

Notice to Interested Persons

Notice of the proposed exemptions will be provided to all interested persons in the manner agreed upon by the applicant and the Department within 15 days of the date of publication in the **Federal Register**. Such notice shall include a copy of the notice of proposed exemption as published in the **Federal Register** and shall inform interested persons of their right to comment and to request a hearing (where appropriate).

SUPPLEMENTARY INFORMATION: The proposed exemptions were requested in applications filed pursuant to section 408(a) of the Act and/or section 4975(c)(2) of the Code, and in accordance with procedures set forth in 29 CFR Part 2570, Subpart B (55 FR 32836, 32847, August 10, 1990). Effective December 31, 1978, section 102 of Reorganization Plan No. 4 of 1978 (43 FR 47713, October 17, 1978) transferred the authority of the Secretary of the Treasury to issue exemptions of the type requested to the Secretary of Labor. Therefore, these notices of proposed exemption are issued solely by the Department.

The applications contain representations with regard to the proposed exemptions which are summarized below. Interested persons are referred to the applications on file with the Department for a complete statement of the facts and representations.

Hospital Supplies, Inc. Pension Plan (the Plan) Located in Radnor, Pennsylvania; Proposed Exemption

[Application No. D–9727]

The Department is considering granting an exemption under the authority of section 4975(c)(2) of the Code and in accordance with the procedures set forth in 29 C.F.R. Part 2570, Subpart B (55 FR 32836, 32847, August 10, 1990.) If the exemption is granted, the sanctions resulting from the application of section 4975 of the Code, by reason of section 4975(c)(1)(A) through (E) of the Code, shall not apply to the proposed cash sale of two adjacent parcels of real property (the Properties) by the Plan to Armond J. Civera, Jr. (Mr. Civera) [1], a disqualified person with respect to the Plan, provided that the following conditions are satisfied:

(a) the proposed sale will be a one-time cash transaction;

(b) the Plan will receive for each Property the current fair market value established at the time of the sale by an independent qualified appraiser;

(c) the Plan will pay no expenses associated with the sale.

Summary of Facts and Representations

1. The Plan is a defined benefit pension plan with one participant, Mr. Civera, who is also the trustee of the Plan and the owner of the Plan sponsor. Mr. Civera is a sole participant of the Plan. As of December 31, 1993, the Plan's assets were $594,061.63.[2] The Plan sponsor is a Pennsylvania corporation which provides consulting services to the medical industry and to the print technology industry (the Employer).

2. In October 1989, the Plan acquired a 100 percent interest in a single family residence built on a 1.17 acres of land, which is located at 1128 King of Prussia Road, Tredyffrin Township, Pennsylvania (Property 1). The total purchase price of Property 1, including related closing costs, was $170,000. In March 1993, the Plan also allocated approximately $60,000 for certain structural improvements for Property 1. This construction work was done by companies that have no relationship to the Plan and the Employer. It is represented that Property 1 was purchased from Roseanne Koczicki, who has no relationship to the Plan and the Employer. In March 1993, the Plan acquired a 100 percent interest in a 1.026 acre parcel of vacant land (Property 2), which is adjacent to Property 1. The total purchase price of Property 2, including related closing

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[1] Because Mr. Civera is the only participant in the Plan and the Employer is wholly owned by Mr. Civera there is no jurisdiction with respect to the Plan under Title I of the Act pursuant to CFR 2510.3–3(b) and (c). However, there is jurisdiction under Title II of the Act pursuant to section 4975 of the Code.

[2] In this regard, the Plan's financial statement lists the aggregate value of the Properties as $485,000.

costs, was $77,500. Subsequently, the Plan expended approximately $47,500 for improvements associated with the subdivision of Property 2. These improvements were done by entities that have no relationship to the Plan and the Employer. It is represented that Property 2 was purchased from Tom and Beth Nojunas, who also have no relationship to the Plan and the Employer. It is represented that neither Property is adjacent to any other properties owned by disqualified persons, and that neither Property has ever been used by a disqualified person. Furthermore, neither of the Properties are encumbered by any debt.

3. It is represented that Mr. Civera, in his trustee capacity, made the original decision to acquire the Properties. The Properties were originally acquired as long-term Plan investments and were to be developed and sold. However, the real estate market did not perform well and the Properties did not generate any income for the Plan. In this regard, it is represented that Property 1 has been vacant since it was originally acquired by the Plan.

4. The Properties were appraised on May 23, 1994 (collectively; the Appraisals) by Thomas M. Descano, ASA, an independent real estate appraiser certified in the State of Pennsylvania (Mr. Descano). In appraising Property 1, Mr. Descano relied primarily on the market comparison approach as well as the cost approach, and determined that the fair market value of Property 1 was $200,000. In appraising Property 2, Mr. Descano determined that the fair market value was $205,200. In the Appraisal of Property 2, Mr. Descano stated that the local market did not provide any comparable sales of vacant land, and as such he had to abstract land value from recent improved property sales. Mr. Descano represented that this is done by estimating the depreciated value of the improvements and then deducting that value from the sale price, thereby arriving at the approximate value of the land. On June 22, 1994, in a supplemental statement to the Appraisals, Mr. Descano stated that the adjacency of Property 1 and Property 2 does not merit a premium above the fair market value to Mr. Civera, the purchaser of both Properties.

5. Mr. Civera proposes to purchase the Properties from the Plan in a one-time cash transaction. The applicant states that the proposed exemption would be in the best interest and protective of the Plan because the transaction will divest the Plan of non-income producing assets, provide the Plan with liquidity, and enable the Plan to diversify its assets.[3] The applicant also notes that the transaction is protective of the Plan because as a result of the sale the Plan will receive the current fair market value for each Property established at the time of the sale by an independent qualified appraiser.

6. In summary, the applicant represents that the transaction satisfies the statutory criteria of section 4975(c)(2) of the Code because:

(a) the proposed sale will be a one-time cash transaction;

(b) the Plan will receive the current fair market value for each Property established at the time of the sale by an independent qualified appraiser;

(c) the Plan will pay no expenses associated with the sale;

(d) the sale will provide the Plan with liquidity; and

(e) Mr. Civera as the sole participant of the Plan will be the only individual affected by the transaction.

Notice to Interested Persons

Because Mr. Civera is the sole participant of the Plan, it has been determined that there is no need to distribute the notice of proposed exemption to interested persons. Comments and requests for a hearing are due 30 days from the date of publication of this notice in the **Federal Register**.

FOR FURTHER INFORMATION CONTACT: Ekaterina A. Uzlyan of the Department at (202) 219–8883. (This is not a toll-free number.)

Jerome Companies Profit Sharing Plan and Trust (the Plan) Located in Barron, Wisconsin; Proposed Exemption

[Application No. D–09829]

The Department is considering granting an exemption under the authority of section 408(a) of the Act and section 4975(c)(2) of the Code and in accordance with the procedures set forth in 29 CFR Part 2570, Subpart B (55 FR 32836, 32847, August 10, 1990). If the exemption is granted the restrictions of sections 406(a) and 406(b)(1) and (b)(2) of the Act and the sanctions resulting from the application of section 4975 of the Code, by reason of section 4975(c)(1) (A) through (E) of the Code shall not apply to the proposed cash sale (the Sale) of the Guaranteed Investment Contract #62043 (the GIC) issued by Confederation Life Insurance Company (Confederation), a Canadian insurance corporation, by the Plan to Jerome Food, Inc. (the Employer), a Wisconsin corporation, the sponsoring employer and a party in interest with respect to the Plan; provided that (1) the Sale is a one-time transaction for cash; (2) the Plan experiences no loss nor incurs any expense from the Sale; and (3) the Plan receives as consideration from the Sale the greater of either the fair market value of the GIC as determined on the date of the Sale, or the principal amount of $500,000 plus simple interest accrued at the rate of 9.03 percent per annum on the principal amount of the GIC for the period from January 25, 1994, to the date of the Sale.

Summary of Facts and Representations

1. The Employer, located in Barron, Wisconsin, is an integrated turkey distributor, which raises and slaughters turkeys, packages and distributes whole turkeys, and processes and distributes specialty turkey products, such as ground turkey and GobbleStix (a registered trademark of the Employer). It is a closely held company which employs approximately 2,400 employees.

2. The Plan is a defined contribution plan with individual accounts for its participants that is intended to meet the qualification requirements of sections 401(a) and 401(k) of the Code. The Plan intends also to comply with the provisions of section 404(c) of the Act whereby participants self-direct the investments of assets in their respective individual accounts. As of December 31, 1993, the Plan had approximately 1,466 participants and total assets of $17,822,946.

In 1990 when the Plan invested in the GIC, the Vice President of Finance for the Employer selected various investment vehicles for the participants of the Plan, subject to the approval of the trustee for the Plan, Marquette Bank Minneapolis, N.A. (subsequently acquired by First Trust, N.A.)[4] All such investment decisions are now made by a subcommittee composed of officers/employees of the Employer and are subject to review and approval by the Corporate Executive Committee, which consists of the President and 6 Vice Presidents of the Employer.

The independent trustee for the Plan is First Trust, N.A. (the Trustee), a national banking association chartered by the Comptroller of the Currency. The

[3] This exemption,if granted, extends relief from section 4975(c)(1)(D) and (E) of the Code, for the sale of the Properties by the Plan to a disqualified person. However, no relief is provided herein for any prohibited transaction which may have arisen as a result of the Plan's acquisition and holding of the Properties.

[4] The Department notes that decisions to acquire and hold the GIC are governed by the fiduciary responsibility provisions of Part 4 of Title I of the Act. In this regard the Department is not proposing relief for any violations of Part 4 which may have arisen as a result of the acquisition and holding of the GIC.

Trustee is a wholly-owned subsidiary of First Bank System, Inc., a Delaware corporation headquartered in Minneapolis, Minnesota.

3. Approximately 2.8 percent of the total assets in the Plan are invested in the GIC which was acquired by the Plan on January 25, 1990, for the principal amount of $500,000. Currently there are 327 participants who have their respective individual accounts holding various proportional interests in the GIC.

The terms of the GIC guarantees the Plan a non-compounded 9.03 percent annual rate of return on its $500,000 investment until January 24, 1995, when the GIC expires and the principal amount is returned to the Plan. Interest earned by the GIC is payable to the Plan each year in January. All annual interest payments through January 24, 1994, have been paid by Confederation, leaving only the interest that has accrued since January 25, 1994, to be paid to the Plan. Under the terms of the GIC, the Plan may not deposit additional amounts nor withdraw amounts from its initial $500,000 investment.

4. Confederation, which is owned by its policyholders, has operations in Canada, United States and Britain, and has been in operation 123 years. In the United States, Confederation operates as the Confederation Life Insurance and Annuity Company of Atlanta.

At the time the Plan acquired the GIC, Standard & Poor's ranked Confederation as an ''AAA'' insurance company. Beginning in January 1992, Confederation ratings began to decrease as it suffered losses in its commercial mortgage and real estate investments in the United States and Canada. In April 1994, Confederation disclosed its net losses for 1993 were $29 million in Canadian dollars. On August 11, 1994, the board of directors of Confederation voted to turn over control of the Confederation to the Superintendent of Financial Institutions for Canada. On August 12, 1994, the Michigan Insurance Commissioner, through the Ingham County Circuit Court, Lansing, Michigan, had Confederation's United States subsidiary placed in conservatorship and rehabilitation to prevent the transfer of assets of Confederation located in the United States. The action by the Michigan Circuit Court suspended all payments on contracts of Confederation, including the GIC. It is not known whether, when, or under what circumstances Confederation will resume payments of interest pursuant to the terms of the GIC or whether it will be permitted to make payment of the principal upon maturity of the GIC.

5. In order to avoid the continued risk to the participants and beneficiaries of the Plan from the investment in the GIC, the Employer proposes to purchase the GIC from the Plan for cash in a one-time transaction with no loss nor expense to the Plan.[5] The Employer intends to pay the Plan the greater of either the fair market value of the GIC as determined on the date of the Sale, or the GIC's principal amount of $500,000 plus simple interest accrued at the rate of 9.03 percent per annum on the principal amount for the period from January 25, 1994, to the date of the Sale. (January 25, 1994, was the last date on which the Plan received its annual interest payment from Confederation.)

In addition the applicant represents that considering the unstable circumstances of Confederation and the uncertainty of reimbursing the holders of the GIC, the proposed Sale will enable the Plan to recoup its initial investment plus the accrued interest, and then invest the proceeds of the Sale in more stable investments that will generate a return to the Plan.

In a written statement the Trustee represented that in its capacity of independent fiduciary of the Plan and based upon all the surrounding facts and circumstances, including the status of Confederation, that the proposed Sale is in the best interests of the Plan and its participants and beneficiaries.

6. In summary, the applicant represents that the proposed transaction will satisfy the criteria for an exemption under section 408(a) of the Act because (a) the Plan will receive from the Employer in a one-time transaction cash in an amount that is not less than the fair market value of the GIC, or an amount that is equal to the total amount paid by the Plan for the GIC, plus earnings the GIC would have received to the date of the Sale if Confederation had not been placed under conservatorship and rehabilitation by the Circuit Court of Michigan; (b) the transaction will enable the Plan and its participants and beneficiaries to avoid any risk associated with the continued holding of the GIC; (c) the Plan will not incur any loss or expense from the proposed transaction; and (d) the Trustee of the Plan has determined that the proposed transaction is in the best interests of the Plan and its participants and beneficiaries.

[5] Section 3.04 of the GIC provides that the GIC may not be assigned. The applicant is negotiating with Confederation to obtain a waiver of this assignment restriction.

FOR FURTHER INFORMATION CONTACT: Mr. C. E. Beaver of the Department, telephone (202) 219–8881. (This is not a toll-free number.)

Iron Workers Pension Trust of Colorado (The Pension Plan); and Colorado Iron Workers (Erection) Statewide Joint Apprenticeship and Trust Fund (the Apprenticeship Plan; together, the Plans) Located in Denver, Colorado; Proposed Exemption

[Application Nos. D–9690 and L–9691]

The Department is considering granting an exemption under the authority of section 408(a) of the Act and section 4975(c)(2) of the Code and in accordance with the procedures set forth in 29 CFR Part 2570, Subpart B (55 FR 32836, 32847, August 10, 1990). If the exemption is granted, the restrictions of section 406(a) of the Act and the sanctions resulting from the application of section 4975 of the Code, by reason of section 4975(c)(1)(A) through (D) of the Code, shall not apply to the loan (the Loan) of $141,601.36 by the Pension Plan to the Apprenticeship Plan, under the terms described in this notice of proposed exemption, provided the following conditions are satisfied: (a) the Loan represents less than 25% of the assets of the Pension Plan; (b) the terms of the Loan are not less favorable to either Plan than those obtainable in arm's-length transactions with unrelated parties; (c) the trustees of each Plan approved the Loan as being appropriate for, and in the best interest of each Plan; (d) no trustee of either Plan made such determination on behalf of the other Plan; and (e) the property securing the Loan (the Property) has been appraised by a qualified, independent appraiser as having a fair market value in excess of 150% of the principal amount of the Loan.

EFFECTIVE DATE: If the proposed exemption is granted, the exemption will be effective August 11, 1992.

Summary of Facts and Representations

1. The Pension Plan is a defined benefit plan which provides retirement benefits under a unit benefit formula. The Pension Plan is a Taft-Hartley plan which is maintained pursuant to a collective bargaining agreement between Local 24 of the International Association of Bridge, Structural and Ornamental Iron Workers, AFL-CIO (the Union) and the participating employers. The Pension Plan had 983 participants as of March 31, 1991 and total assets of approximately $36 million as of July 31, 1992.

2. The Apprenticeship Plan is an employee welfare benefit plan which is

also maintained pursuant to the collective bargaining agreement between the Union and the participating employers. The Apprenticeship Plan is designed to provide funding for programs to recruit and train workers as iron workers and to provide continued and advanced training for existing iron workers. The Apprenticeship Plan had 554 participants and assets of $324,262 as of July 31, 1992. The applicants represent that one employee of the Apprenticeship Plan is a participant in the Pension Plan. Therefore, the Apprenticeship Plan is a party in interest with respect to the Pension Plan.

3. On August 11, 1992, the Pension Plan made the Loan of $141,601.36 to the Apprenticeship Plan. The Loan bears interest at a rate of 9.25%, and calls for equal monthly payments of $1,457.35, consisting of both principal and interest, amortized over a 15 year period. A balloon payment is scheduled to be made by the Apprenticeship Plan at the end of the fifth year, at which time the Loan will be repaid in full. Spelman Baird & Warner, an independent mortgage banking firm located in Denver, Colorado, has reviewed the terms of the Loan and has represented that the terms of the Loan are reasonable and comparable to loans between unrelated parties being made at the time the Loan was entered into.

4. The Loan is secured by a first mortgage on the Property, which is real estate located at 3385 Walnut Street, Denver, Colorado. The Property is used by the Apprenticeship Plan to conduct the training and apprenticeship programs offered by the Apprenticeship Plan. The Property has been appraised by Curtis W. Wells, MAI, an independent appraiser in Denver, Colorado, as having a fair market value of $233,000 as of June 25, 1992. Thus, the collateral-to-loan ratio for the Loan is approximately 165%.

5. The applicants represent that the Board of Trustees of each Plan determined that the Loan was in the best interest of its respective Plan. The applicants represent that there is one trustee who is common to both Plans, but that trustee has and will continue to abstain from all decisions involving the Loan. The applicants represent that none of the other members of either Board of Trustees will be representing any interests adverse to those of their respective Plans and will be acting for the exclusive benefit of their respective Plans.

6. RMI Capital Management Co. (RMI) is a registered investment adviser which is serving as an independent fiduciary for the Pension Plan with respect to this transaction. RMI represents that at the request of the Pension Plan, RMI investigated the possibility of the Pension Plan making the Loan to the Apprenticeship Plan. RMI determined that the Loan was a good investment opportunity for the following reasons: (a) the Loan was adequately collateralized by the Property; (b) RMI negotiated the terms of the Loan with the Apprenticeship Plan and closed the transaction; (c) the rate of interest on the Loan is a market rate of interest which is consistent with current market rates being charged by other mortgage lenders; (d) RMI selected the appraiser independently and verified the appraisal as reasonable; and (e) RMI did an in-depth investigation of the Apprenticeship Plan's credit history and determined that the Apprenticeship Plan was a good credit risk and would have no difficulty meeting its obligations under the Loan.[6]

7. RMI represents that it is a partnership owned by JBGP Corporation and Strategic Property Advisors, Inc. RMI is not owned or controlled by either Plan, nor are any of RMI's employees participants or employees of the Plans. RMI represents that with respect to this transaction, it determined the facts surrounding the Loan, the valuation of the Property and the structure of the Loan. RMI has also monitored, and will continue to monitor the Loan on behalf of the Pension Plan and take whatever action is necessary to enforce the Pension Plan's rights under the Loan.

8. In summary, the applicants represent that the subject transaction meets the criteria of section 408(a) of the Act because: (a) the Loan represents approximately 0.39% of the assets of the Pension Plan; (b) the Loan is at fair market rate terms not less favorable to either Plan than those obtainable in an arm's-length transaction with unrelated parties; (c) the Property securing the Loan has been appraised by a qualified, independent appraiser as having a fair market value approximately 1.65 times the principal amount of the Loan; (d) the trustees of both Plans have determined that the Loan is in the best interest of their respective Plans; (e) RMI, the Pension Plan's independent fiduciary, determined that the transaction is appropriate for, and in the best interest of, the Pension Plan, and (f) RMI has monitored, and will continue to monitor the Loan and take whatever action is necessary to enforce the Pension Plan's rights under the Loan.

NOTICE TO INTERESTED PERSONS: Notice of the proposed exemption will be provided by first class mail to all interested persons within 30 days of the date of publication of the notice of pendency in the **Federal Register**. The notice will include a copy of the notice of proposed exemption and will inform interested persons of their right to comment with respect to the proposed exemption. Comments to the Department are due within 60 days of the date of publication of this notice of proposed exemption in the **Federal Register**.

FOR FURTHER INFORMATION CONTACT: Gary H. Lefkowitz of the Department, telephone (202) 219–8881. (This is not a toll-free number.)

Employees' Savings Plan of Bassett-Walker, Inc. (the Plan) Located in Martinsville, Virginia; Proposed Exemption

[Application No. D–09894]

The Department is considering granting an exemption under the authority of section 408(a) of the Act and section 4975(c)(2) of the Code and in accordance with the procedures set forth in 29 CFR Part 2570, Subpart B (55 FR 32836, 32847, August 10, 1990). If the exemption is granted the restrictions of sections 406(a) and 406 (b)(1) and (b)(2) of the Act and the sanctions resulting from the application of section 4975 of the Code, by reason of section 4975(c)(1) (A) through (E) of the Code shall not apply to the proposed cash sale (the Sale) of the Guaranteed Investment Contract No. 62012 (the GIC) issued by Confederation Life Insurance Company of Atlanta, Georgia (Confederation) by the Plan to VF Corporation, a Pennsylvania corporation headquartered in Wyomissing, Pennsylvania, a party in interest with respect to the Plan; provided that (1) the Sale is a one-time transaction for cash; (2) the Plan experiences no loss nor incurs any expense from the Sale; and (3) the Plan receives as consideration from the Sale the greater of either the fair market value of the GIC as determined on the date of the Sale, or $1.5 million, the principal amount of the GIC, plus simple interest accrued at

[6] On November 1, 1991, Rocky Mountain Investors, Inc. (now known as RMI) entered into a Consent Order and Final Judgment (the CO) with the Department and the United States District for the District of Colorado in *Martin* v. *Rocky Mountain Investors, Inc., et.al.*, Civil Action No. 91–S–1951 (D. Colo.). Pursuant to that CO, RMI agreed to comply with all terms of an attached ''Rocky Mountain Investors, Inc. Investment Policy and Underwriting Criteria'' (the Guidelines) in carrying out its fiduciary responsibilities with respect to employee benefit plans under the Act. The Guidelines were incorporated by reference into the CO. RMI represents that it acted in compliance with the Guidelines in approving the Loan on behalf of the Pension Plan, and further that the Loan itself is in compliance with the Guidelines.

the rate of 8.70 percent per annum on the principal amount of the GIC for the period from April 4, 1994, to the date of the Sale.

Summary of Facts and Representations

1. The sponsoring employer of the Plan is Bassett-Walker, Inc., a Virginia corporation headquartered in Martinsville, Virginia. It is engaged primarily in the manufacturing and marketing of high-quality fleece and printwear. Bassett-Walker, Inc. was incorporated on September 24, 1984, and is wholly-owned by VF Corporation, the proposed purchaser of the GIC.

VF Corporation, a Pennsylvania corporation headquartered in Wyomissing, Pennsylvania, was incorporated on December 4, 1899, and has its securities publicly traded on the New York and Pacific stock exchanges. It is engaged primarily in the domestic and international manufacturing and marketing of jeanswear, casual/sportswear, and intimate and other types of apparel.

2. The Plan is a profit sharing plan that maintains individual accounts for its participants and is intended to satisfy the qualification requirements of sections 401(a) and 401(k) of the Code. The net assets of the Plan were $27,158,367, as of December 31, 1993. There are currently approximately 5,547 participants and beneficiaries of the Plan.

The applicant represents that the Plan is administered by a committee (the Committee) which is appointed by the sponsoring employer pursuant to the terms of the Plan. The Committee has the discretionary responsibility for the overall administration of the Plan, including the appointment of legal counsel, accountants, and the trustee for the Plan. The current members of the Committee are Carl Reynolds (Chairman), Steven Fritz and Margaret Bouldin (Secretary), who are employees of the sponsoring employer of the Plan, and Louis J. Fecile, an officer of VF Corporation, the proposed purchaser of the GIC.

The applicant also represents that UMB Bank, N.A. (formerly known as United Missouri Bank, N.A.) was appointed trustee (the Trustee), for the Plan, effective February 2, 1993. The Trustee is located in Kansas City, Missouri. It acts as custodian of the assets of the Plan, ensures that the assets of the Plan are held in trust as required by the Act, and oversees the establishment and maintenance of investment and disbursement accounts of the Plan.

3. The GIC was acquired by the Plan, effective April 4, 1990, pursuant to $1.5 million tendered by the Plan to Confederation on April 3, 1990.[7] Under the terms of the GIC, simple interest was to be paid by Confederation to the Plan at a guaranteed rate of interest in the amount of 8.70 percent per annum through April 3, 1995. All annual interest payments through April 3, 1994, have been paid by Confederation, leaving only the interest yield that accrued since April 4, 1994, remaining to be paid to the Plan. Under the terms of the GIC, the Plan may not deposit additional amounts to nor withdraw amounts from its initial $1.5 million investment. As of August 31, 1994, the GIC was valued at $1,514,315 and represented approximately 5.04 percent of the total value of Plan assets.

On August 12, 1994, the Ingham County Circuit Court, Lansing, Michigan placed Confederation in conservatorship and rehabilitation, causing Confederation to suspend all payments on its contracts, including the GIC. The applicant represents that it is not known whether, when, or under what circumstances Confederation will resume interest payments under the terms of the GIC or whether it will be permitted to pay the principal amount of the GIC to the Plan upon the maturity of the GIC.

4. In order to eliminate the risk associated with continued investment in the GIC and to allow the Plan to distribute or otherwise invest the assets of the Plan currently invested in the GIC in more stable investments that produce a return to the Plan, VF Corporation proposes to purchase the GIC from the Plan.[8] The applicant represents that the Sale would eliminate the risks inherent in the continued investment in the GIC by the Plan and would be in the best interests of the Plan and its participants and beneficiaries.

The Trustee in a letter dated November 10, 1994 also has represented that the Sale as proposed is in the best interests of the Plan and its participants and beneficiaries and that the proposed transaction is protective of the rights of the Plan participants and beneficiaries.

The applicant states that the Sale would be a one-time transaction for cash and the Plan would not incur any expenses from the Sale nor experience any loss. The applicant also states that the Plan would receive as consideration for the Sale the greater of either the fair market value of the GIC as determined by the Trustee on the date of the Sale, or the amount of funds expended by the Plan in acquiring the principal amount of the GIC plus any interest accrued and not paid on the GIC until the date of the Sale.

5. In summary, the applicant represents that the proposed transaction will satisfy the criteria for an exemption under section 408(a) of the Act because (a) the Plan will receive from the Sale in a one-time transaction cash in amount that is not less than the fair market value of the GIC as determined by the Trustee, or an amount that is equal to the total amount paid by the Plan for the GIC plus earnings the GIC would have paid to the date of the Sale if Confederation had not been placed under conservatorship and rehabilitation by the Circuit Court of Michigan; (b) the transaction will enable the Plan and its participants and beneficiaries to eliminate any risk from continued holding of the GIC and invest the funds from the transaction in more stable and paying investments; (c) the Plan will not incur any loss nor expense from the proposed transaction; and (d) the Trustee of the Plan has determined that the proposed transaction is in the best interests of the Plan and its participants and beneficiaries as well as protective of the rights of the participants and beneficiaries.

FOR FURTHER INFORMATION CONTACT: Mr. C. E. Beaver of the Department, telephone (202) 219–8881. (This is not a toll-free number.)

Employee Profit Sharing-Savings Plan and Trust Agreement of Modern Globe, Inc. (the Plan) Located in Wyomissing, Pennsylvania; Proposed Exemption

[Application No. D–09893]

The Department is considering granting an exemption under the authority of section 408(a) of the Act and section 4975(c)(2) of the Code and in accordance with the procedures set forth in 29 CFR Part 2570, Subpart B (55 FR 32836, 32847, August 10, 1990). If the exemption is granted the restrictions of sections 406(a) and 406 (b)(1) and (b)(2) of the Act and the sanctions resulting from the application of section 4975 of the Code, by reason of section 4975(c)(1) (A) through (E) of the Code shall not apply to the proposed cash sale (the Sale) of the Guaranteed Investment Company Contract No. 62580 (the GIC), issued by Confederation Life Insurance of Atlanta,

[7] The Department notes that decisions to acquire and hold the GIC are governed by the fiduciary responsibility provisions of Part 4 of Title I of the Act. In this regard the Department is not proposing relief for any violations of Part 4 which may have arisen as a result of the acquisition and holding of the GIC.

[8] Section 3.04 of the GIC provides that the GIC may not be assigned. The applicant represents that it is negotiating with Confederation to obtain a waiver of the assignment restriction.

Georgia (Confederation), by the Plan to VF Corporation, a Pennsylvania corporation (the Employer), the sponsoring employer and a party in interest with respect to the Plan; provided that (1) the Sale is a one-time transaction for cash; (2) the Plan experiences no loss nor incurs any expense from the Sale; and (3) the Plan receives as consideration from the Sale the greater of either the fair market value of the GIC as determined on the date of the Sale, or an amount that is equal to the total amount expended by the Plan when acquiring the GIC, plus all interest accruing under the terms of the GIC until date of Sale.

Summary of Facts and Representations

1. The Employer, a Pennsylvania corporation which was incorporated on December 4, 1899, is headquartered in Wyomissing, Pennsylvania, and its securities are publicly traded on the New York and Pacific stock exchanges. It is primarily engaged in the domestic and international manufacturing and marketing of jeanswear, casual/sportswear, and intimate and other types of apparel.

2. The Plan is a profit sharing plan that maintains individual accounts for its 838 participants and beneficiaries and is intended to satisfy the qualification requirements of sections 401(a) and 401(k) of the Code.[9] The net assets of the Plan were $12,468,562, as of December 31, 1993. The Plan was ''frozen'' effective December 31, 1992, resulting in no further contributions nor participants being added to the Plan; and all active participants became fully vested in their respective account balances. Under the amendments adopted December 1, 1992, the Employer was designated sponsor of the Plan and UMB Bank, N.A. of Kansas City, Missouri (the Trustee) became trustee of the Plan. The Trustee is custodian of Plan assets and oversees the establishment and maintenance of the investment and disbursement accounts for the Plan.

The Plan is administered by VF Pension Plan Committee (the Committee) which is appointed by the Board of Directors of the Employer. The Committee is responsible for the administration of the Plan, and appoints legal counsel, accountants, and the Trustee for the Plan. The members of the Committee are Harold E. Addis, Frank C. Pickard III, and Lori M. Tarnoski, each of whom is an officer of the Employer.

3. Confederation issued the GIC to the Plan effective November 20, 1991, for the consideration of $2 million.[10] The terms of the GIC provide that compounded interest is to accrue at the guaranteed rate of 6.50 percent per annum on the principal amount of the GIC through November 19, 1994, at which time the accrued interest and principal amount of the GIC is to be paid to the Plan. As of August 31, 1994, the applicant represents that the GIC was valued at $2,381,958 and equaled approximately 21.09 percent of the total value of the Plan assets.

On August 12, 1994, the Ingham County Circuit Court, Lansing, Michigan, placed Confederation in conservatorship and rehabilitation, causing Confederation to suspend all payments on its contracts, including the GIC. The applicant represents that it is not known whether, when, or under what circumstances Confederation will resume payments on its contracts, including payment of the interest and the principal amount of the GIC.

4. In order to eliminate the risk associated with continued investment in the GIC by the Plan and to allow the Plan to distribute or otherwise invest the assets currently invested in the GIC, the Employer proposes to purchase the GIC from the Plan.[11] The applicant represents that the elimination of the risks inherent in the continued investment in the GIC by the Plan would be in the best interests of the Plan and its participants and beneficiaries and would serve to protect their rights under the Plan.

The applicant represents that the Employer will pay the Plan for the GIC in a one-time transaction for cash, and any expenses in connection with the transaction will be absorbed by the Employer with the Plan experiencing no loss nor incurring any expense from the transaction. Also, the applicant represents that the GIC would be either purchased from the Plan at the higher of (1) its fair market value, as determined by the Trustee at the time of the Sale, or (2) at the amount expended by the Plan when acquiring the GIC plus all the interest accruing under the terms of the GIC until the date of the Sale.

In addition, the Trustee has represented in a letter dated November 10, 1994, that in its opinion the proposed purchase of the GIC by the Employer is in the best interests of the Plan and its participants and beneficiaries. Furthermore, the Trustee expressed the opinion that the proposed transaction is protective of the rights of the Plan's participants and beneficiaries.

5. In summary, the applicant represents that the proposed transaction will satisfy the criteria for an exemption under section 408(a) of the Act because (a) the Plan will receive from the Employer in a one-time transaction cash the greater of the fair market value of the GIC as determined by the Trustee, or an amount that is equal to the total amount expended by the Plan in acquiring the GIC plus all interest accruing under the terms of the GIC until the date of Sale; (b) the transaction will enable the Plan and its participants and beneficiaries to avoid any risk associated with the continued holding of the GIC; (c) the Plan will not incur any loss or expense from the proposed transaction; and (d) the Trustee of the Plan has determined that the proposed transaction is in the best interests of the Plan and its participants and beneficiaries and would serve to protect their rights under the Plan.

FOR FURTHER INFORMATION CONTACT: Mr. C. E. Beaver of the Department, telephone (202) 219–8881. (This is not a toll-free number.)

General Information

The attention of interested persons is directed to the following:

(1) The fact that a transaction is the subject of an exemption under section 408(a) of the Act and/or section 4975(c)(2) of the Code does not relieve a fiduciary or other party in interest of disqualified person from certain other provisions of the Act and/or the Code, including any prohibited transaction provisions to which the exemption does not apply and the general fiduciary responsibility provisions of section 404 of the Act, which among other things require a fiduciary to discharge his duties respecting the plan solely in the interest of the participants and beneficiaries of the plan and in a prudent fashion in accordance with section 404(a)(1)(b) of the act; nor does it affect the requirement of section 401(a) of the Code that the plan must operate for the exclusive benefit of the employees of the employer maintaining the plan and their beneficiaries;

(2) Before an exemption may be granted under section 408(a) of the Act and/or section 4975(c)(2) of the Code, the Department must find that the

[9] The Plan was originally sponsored by Modern Globe, Inc., a Delaware corporation, which was wholly-owned by the Employer. As of December 1, 1992, Modern Globe, Inc. ceased to exist when it was merged into another wholly-owned subsidiary of the Employer.

[10] The Department notes that decisions to acquire and hold the GIC are governed by fiduciary responsibility provisions of Part 4 of Title I of the Act. In this regard the Department is not proposing relief for any violations of Part 4 which may have arisen as a result of the acquisition and holding of the GIC.

[11] Although section 3.04 of the GIC provides that it may not be assigned, the applicant represents that it is negotiating with Confederation to obtain a waiver of the assignment restriction.

exemption is administratively feasible, in the interests of the plan and of its participants and beneficiaries and protective of the rights of participants and beneficiaries of the plan;

(3) The proposed exemptions, if granted, will be supplemental to, and not in derogation of, any other provisions of the Act and/or the Code, including statutory or administrative exemptions and transitional rules. Furthermore, the fact that a transaction is subject to an administrative or statutory exemption is not dispositive of whether the transaction is in fact a prohibited transaction; and

(4) The proposed exemptions, if granted, will be subject to the express condition that the material facts and representations contained in each application are true and complete, and that each application accurately describes all material terms of the transaction which is the subject of the exemption.

Signed at Washington, DC, this 29th day of December, 1994.

Ivan Strasfeld,

Director of Exemption Determinations, Pension and Welfare Benefits, Administration, U.S. Department of Labor.

[FR Doc. 95–109 Filed 1–3–95; 8:45 am]

BILLING CODE 4510–29–P

[Prohibited Transaction Exemption 94–82]

Marshall & Ilsley Trust Company

AGENCY: Department of Labor.

ACTION: Notice of technical correction.

On December 5, 1994, the Department of Labor (the Department) published in the **Federal Register** (59 FR 62422) and individual exemption which permits: (1) the in-kind transfer of assets of plans for which Marshall & Ilsley Trust Company or an affiliate (collectively, M&I) serves as a fiduciary (the Client Plans), other than plans established and maintained by M&I, that are held in certain collective investment funds maintained by M&I (the CIFs), in exchange for shares of the Marshall Funds, Inc. (the Funds), an open-end investment company registered under the Investment Company Act of 1940, for which M&I acts as investment adviser, custodian, and/or shareholder servicing agent, in connection with the termination of such CIFs; (2) the receipt of fees by M&I from the Funds for acting as an investment adviser to the Funds in connection with the investment by the Client Plans in shares of the Funds; and (3) the receipt and proposed retention of fees by M&I from the Funds for acting as custodian and shareholder servicing agent to the Funds as well as for any other services to the Funds which are not investment advisory services (i.e. ''secondary services'') in connection with the investment by the Client Plans in shares of the Funds.

Section I(f) in the first column on 59 FR 62423 should read as follows:

(f) The conditions set forth in paragraphs (e), (f) and (n) of Section II below are satisfied.

For Further Information Contact: Mr. E.F. Williams, of the Department, at (202) 219–8194.

Signed at Washington, DC, this 29th day of December, 1994.

Ivan L. Strasfeld,

Director, Office of Exemption Determinations, Pension and Welfare Benefits Administration.

[FR Doc. 95–111 Filed 1–3–95; 8:45 am]

BILLING CODE 4510–29–M

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

[Notice 94–105]

NASA Advisory Council, NASA Federal Laboratory Review Task Force; Meeting

AGENCY: National Aeronautics and Space Administration.

ACTION: Notice of Meeting.

SUMMARY: In accordance with the Federal Advisory Committee Act, Pub. L. 92–463, as amended, the National Aeronautics and Space Administration announces a meeting of the NASA Federal Laboratory Review Task Force of the NASA Advisory Council.

DATES: January 26, 1995, 12:30 p.m. to 4:15 p.m.

ADDRESSES: National Aeronautics and Space Administration, Program Review Center, Ninth Floor, Room 9H40, 300 E Street, SW., Washington, DC 20546.

FOR FURTHER INFORMATION CONTACT: Richard L. Kline, Code AE, National Aeronautics and Space Administration, Washington, DC 20546, 202/358–4697.

SUPPLEMENTARY INFORMATION: The meeting will be open to the public up to the seating capacity of the room. The agenda for the meeting is as follows:

—General Findings and Recommendations
—Aeronautics Enterprise Recommendations
—Scientific Research Enterprise Recommendations
—Mission to Planet Earth Enterprise Recommendations
—Space Technology Enterprise Recommendations
—Human Exploration and Development of Space Enterprise Recommendations
—Discussion

It is imperative that the meeting be held on this date to accommodate the scheduling priorities of the key participants. Visitors will be requested to sign a visitors' register.

Dated: December 22, 1994.

Timothy M. Sullivan,

Advisory Committee Management Officer.

[FR Doc. 95–135 Filed 1–3–95; 8:45 am]

BILLING CODE 7510–01–M

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

Meetings of Humanities Panel

AGENCY: National Endowment for the Humanities.

ACTION: Notice of meetings.

SUMMARY: Pursuant to the provisions of the Federal Advisory Committee Act (Public Law 92–463, as amended), notice is hereby given that the following meetings of the Humanities Panel will be held at the Old Post Office, 1100 Pennsylvania Avenue, N.W., Washington, DC 20506.

FOR FURTHER INFORMATION CONTACT: David C. Fisher, Advisory Committee Management Officer, National Endowment for the Humanities, Washington, DC 20506; telephone (202) 606–8322. Hearing-impaired individuals are advised that information on this matter may be obtained by contacting the Endowment's TDD terminal on (202) 606–8282.

SUPPLEMENTARY INFORMATION: The proposed meetings are for the purpose of panel review, discussion, evaluation and recommendation on applications for financial assistance under the National Foundation on the Arts and the Humanities Act of 1965, as amended, including discussion of information given in confidence to the agency by the grant applicants. Because the proposed meetings will consider information that is likely to disclose: (1) trade secrets and commercial or financial information obtained from a person and privileged or confidential; or (2) information of a personal nature the disclosure of which would constitute a clearly unwarranted invasion of personal privacy, pursuant to authority granted me by the Chairman's Delegation of Authority to Close Advisory Committee meetings, dated July 19, 1993, I have determined that these meetings will be closed to the public pursuant to subsections (c)(4), and (6) of section 552b of Title 5, United States Code.

1. Date: January 23, 1995
Time: 8:30 a.m. to 5:00 p.m.