Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210.

Signed at Washington, D.C. this 6th day of November, 1995.

Russell Kile,

Acting Program Manager, Policy & Reemployment Services, Office of Trade Adjustment Assistance.

APPENDIX

[Petitions Instituted On 11/06/95]

TA–W	Subject firm (petitioners)	Location	Date of petition	Product(s)
31,601	Continental Emsco (Wkrs)	Garland, TX	10/17/95	Barrel Tubes, Plungers, Polish Rods.
31,602	Crown Textile Co. (UNITE)	Talladega, AL	10/23/95	Apparel Interlinings.
31,603	Diesel ReCon Company (Comp)	Santa Fe Sprgs, CA	10/25/95	Industrial Engines.
31,604	Fernbrook Company #3 (UNITE)	Neffs, PA	10/23/95	Ladies' Apparel.
31,605	General Dynamics Land (UAW)	Eynon, PA	10/23/95	Machined Parts for Military Tanks.
31,606	Kerr McGee Refining (Wkrs)	Houston, TX	10/12/95	Marketing, Accounting Operations.
31,607	Signal Apparel Company (Comp)	Bean Station, TN	10/18/95	Cotton Tee Shirts.
31,608	Paxar Woven Label (UTWA)	Paterson, NJ	10/20/95	Woven Labels for Suits, Coats.
31,609	Empire Stamp and Seal Co. (Comp)	New York, NY	10/24/95	Rubber Stamps.
31,610	Toll Gate Garment Co. (Comp)	Hamilton, AL	10/26/95	Men's Sport Shirts.
31,611	Plains Blouse Co. (UNITE)	Plains, PA	10/26/95	Men's & Ladies' Tee Shirts.
31,612	Rita's Sportswear Co. (UNITE)	Moscow, PA	10/26/95	Ladies' Sportwear.
31,613	American White Cross, Inc (UNITE)	Dayville, CT	10/26/95	Cosmetic Machinery.
31,614	Christian Fashions (Co.)	El Paso, TX	10/25/95	Ladies' Sportswear.
31,615	Dalen Resources Oil & Gas (Co.)	Dallas, TX	10/24/95	Crude Oil, Natural Gas.
31,616	Ozone Industries, Inc. (Wkrs)	Ozone Park, NY	10/26/95	Landing Gears for Jets.

[TA–W–31,548]

General Electric Company, GE Transportation Systems Erie, Pennsylvania; Notice of Termination of Investigation

Pursuant to Section 221 of the Trade Act of 1974, an investigation was initiated on October 23, 1995 in response to a worker petition which was filed on October 23, 1995 on behalf of workers at General Electric, GE Transportation Systems, Erie, Pennsylvania.

The petitioning group of workers is subject to an ongoing investigation for which a determination has not yet been issued (TA–W–31,536). Consequently, further investigation in this case would serve no purpose, and the investigation has been terminated.

Signed in Washington, DC this 13th day of November, 1995.

Russell T. Kile,

Acting Program Manager, Policy and Reemployment Services, Office of Trade Adjustment Assistance.

[FR Doc. 95–28970 Filed 11–27–95; 8:45 am]

BILLING CODE 4510–30–M

Employment and Training Administration

Portac Incorporated of Washington; Notice of Revised Determination on Reconsideration

In the matter of TA–W–31,295, Beaver, Washington; TA–W–31,296, Forks, Washington.

On October 6, 1995, the Department issued an Affirmative Determination Regarding Application for Reconsideration for the workers and former workers of the subject firm. The notice was published in the Federal Register on October 20, 1995 (60 FR 54259).

Investigation findings show that the workers produced softwood lumber products. The workers were denied TAA because the ''contributed importantly'' test of the Group Eligibility Requirements of the Trade Act was not met. The test is generally determined through a survey of the workers' firm's major declining customers.

Findings on reconsideration show that the quantity of U.S. imports of softwood lumber increased from 1993 through June 1995. New investigation findings show that a major customer of Portac changed its earlier statement to the Department and reported that, during the base period in question, it purchased imports of softwood lumber.

Conclusion

After careful consideration of the new facts obtained on reconsideration, it is concluded that the workers of Portac Incorporated of Tacoma, in Beaver and Forks, Washington were adversely affected by increased imports of articles like or directly competitive with softwood lumber produced at the subject firm.

''All workers of Portac Incorporated of Tacoma, Beaver, Washington (TA–W–31,295) and Forks, Washington (TA–W–31,296) who became totally or partially separated from employment on or after July 17, 1994 are eligible to apply for adjustment assistance under Section 223 of the Trade Act of 1974.''

Signed at Washington, D.C. this 9th day of November 1995.

Russell T. Kile,

Acting Program Manager, Policy and Reemployment Services, Office of Trade Adjustment Assistance.

[FR Doc. 95–28974 Filed 11–27–95; 8:45 am]

BILLING CODE 4510–30–M

Pension and Welfare Benefits Administration

[Prohibited Transaction Exemption 95–103; Exemption Application No. D–09611, et al.]

Grant of Individual Exemptions; General Motors, et al.

AGENCY: Pension and Welfare Benefits Administration, Labor.

ACTION: Grant of Individual Exemptions.

SUMMARY: This document contains exemptions issued by the Department of Labor (the Department) from certain of the prohibited transaction restrictions of the Employee Retirement Income Security Act of 1974 (the Act) and/or the Internal Revenue Code of 1986 (the Code).

Notices were published in the Federal Register of the pendency before the Department of proposals to grant such exemptions. The notices set forth a summary of facts and representations contained in each application for exemption and referred interested persons to the respective applications for a complete statement of the facts and representations. The applications have been available for public inspection at the Department in Washington, D.C. The notices also invited interested persons to submit comments on the requested exemptions to the Department. In addition the notices stated that any interested person might submit a written request that a public hearing be held (where appropriate). The applicants have represented that they have complied with the requirements of the notification to interested persons. No public comments and no requests for a hearing, unless otherwise stated, were received by the Department.

The notices of proposed exemption were issued and the exemptions are being granted solely by the Department because, 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 proposed to the Secretary of Labor.

Statutory Findings

In accordance with section 408(a) of the Act and/or section 4975(c)(2) of the Code and the procedures set forth in 29 CFR Part 2570, Subpart B (55 FR 32836, 32847, August 10, 1990) and based upon the entire record, the Department makes the following findings:

(a) The exemptions are administratively feasible;

(b) They are in the interests of the plans and their participants and beneficiaries; and

(c) They are protective of the rights of the participants and beneficiaries of the plans.

General Motors Retirement Program for Salaried Employes; General Motors Hourly Rate Employes Pension Plan; the Saturn Individual Retirement Plan for Represented Team Members; Saturn Personal Choices Retirement Plan for Non-Represented Team Members; and Employees' Retirement Plan for GMAC Mortgage Corporation (collectively, the Plans) Located in New York, New York

[Prohibited Transaction Exemption No. 95–103; Application Nos. D–09611, D–09612, and D–09809]

Exemption

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 [1] shall not apply, effective May 21, 1993, to the purchase by a partnership (the Partnership) of a parcel of improved real property (the Property) located in Washington, DC, from Collin Equities, Inc. (the Seller), a party in interest with respect to the Plans, pursuant to an agreement which provided that the Plans would invest in the Partnership upon purchase of the Property, provided the following conditions are met:

(a) the terms of the purchase of the Property were no less favorable to the Plans than those negotiated at arm's length in similar circumstances with unrelated third parties;

(b) the fair market value of the Property was determined by an independent, qualified appraiser;

(c) the Plans paid no commissions or fees in regard to the transaction; and

(d) prior to investing in the Partnership an independent, qualified fiduciary acting on behalf of the Plans, reviewed and recommended approval of the transaction and determined that the transaction was in the best interest of the Plans and the participants and beneficiaries of such Plans.

EFFECTIVE DATE: The exemption is effective retroactively, as of May 21, 1993.

Written Comments

In the Notice of Proposed Exemption (the Notice), the Department invited all interested persons to submit written comments and requests for a hearing on the proposed exemption. All comments and requests for hearing were due by September 29, 1995.

During the comment period, the Department received no requests for a hearing but did receive one letter from an interested person commenting on the exemption. With respect to this comment letter, the Department forwarded a copy to the applicant and requested that the applicant address in writing the concerns raised by the commentator. In this regard, the commentator raised four points which the applicant responded to in turn. A description of the comments and the applicant's responses are summarized below.

The commentator first alleges that General Motors Investment Management Corporation (GMIMCO) would ''make sure they take care of themselves and their fiduciary agents before they look after the interests of the participants.'' The applicant notes that the commentator cites no specific factual basis for his concerns other than an unsupported assertion that ''the Corporation provides a profitable interest to those fiduciary agents who do business with them, so that such agents will act in kind for GM, regardless of the potential harm to the Plan participants.'' In response, the applicant reiterates the fact that it was completely coincidental that the Seller happened to be a party in interest with respect to the Plans in this transaction and that it was not known that the Seller was a party in interest at the time the initial offering price was formulated. The applicant further states that at no time after the Seller was identified as a subsidiary of a service provider with respect to the Plans until the offer was first submitted to the Seller, did GMIMCO argue or urge in any way to have the price increased. Further, the applicant asserts that GMIMCO did not profit from the transaction. Accordingly, the applicant maintains that there is nothing in the record to indicate an intent on the part of GMIMCO to favor either itself or the Seller.

In his second comment, the commentator cites the bailout of the Savings and Loan industry, arising from bad real estate investments, as a precedent for his uncertainty that the transaction is in the best interest of the participants. In addition, the commentator expresses concern that the desire and intention of GMIMCO to make money ultimately may result in a loss to the Plans and the participants and beneficiaries of such Plans. In response, the applicant submits that the experience of the Savings and Loan industry in the late 1980's is not relevant to this application for exemption, except perhaps to the extent that it may have helped lay the backdrop for a depressed real estate market in the early 1990's that appears to have enabled the Plans to make a

[1] For purposes of this exemption reference to specific provisions of title I of the Act, unless otherwise specified, refer also to the corresponding provisions of the Code.

favorable investment for their real estate portfolio in entering this transaction. Further, the applicant maintains that it has provided ample information on the value of the Property as part of its submissions in support of the exemption. While the applicant agrees that while intentions to make a profit can result in losses, it does not follow that the transaction which is the subject of this exemption was imprudent or was undertaken in a way that was not protective of the interest of the Plans.

In his third comment, the commentator objected to the fact that the Property was only 55.2% leased, as of March 1, 1993. In this regard, the applicant notes that the fact that the Property was newly constructed and was not fully leased at the time of the purchase was taken into account in its pricing strategy and resulted in a substantially discounted price for the Property in relation to similar fully-leased Class A office buildings in the same market. Further, the applicant points out that the Property is now essentially 100 percent (100%) leased, and has met or exceeded all expectations for its value.

Finally, the commentator notes that the transaction is ''not entirely free from doubt, in part because of the dearth of authority on what constitutes an indirect prohibited transaction, regardless of its ''arm's length negotiation.'' In response, the applicant requests that the dearth of legal authority in this area and the admitted uncertainty of a legal conclusion of applicant's counsel, should not penalize the applicant for its decision to seek the Department's guidance or an exemption to cover the transaction.

After giving full consideration to the entire record, including the written comments by the commentator and the responses of the applicant, the Department has determined to grant the exemption, as described herein. In this regard, the comment submitted to the Department and the responses of the applicant have been included as part of the public record of the exemption application. The complete application file, including all supplemental submissions received by the Department, is made available for public inspection in the Public Documents Room of the Pension Welfare Benefits Administration, Room N–5638, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210.

For a more complete statement of the facts and representations supporting the Department's decision to grant this exemption refer to the Notice published on Friday, July 21, 1995, 60 FR 37677.

FOR FURTHER INFORMATION CONTACT: Angelena C. Le Blanc of the Department, telephone (202) 219–8883 (This is not a toll-free number.)

Prudential Property Investment Separate Account (PRISA) and Prudential Property Investment Separate Account II (PRISA II), Located in Newark, NJ

[Prohibited Transaction Exemption No. 95–104; Application Nos. D–09845 and D–09846]

Exemption

The restrictions of section 406(a), 406(b)(1), and 406(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,[2] shall not apply, effective December 31, 1995, to the advanced commitment to provide an enhanced return and the payment of such return by the Prudential Insurance Company of America (Prudential) to various employee benefit plans (the Plan or Plans) on the assets of such Plans which are invested either in PRISA and/or PRISA II (the Account or Accounts), as of April 1, 1994, and which remain invested for all or any portion of a twenty-one (21) month period, beginning April 1, 1994, and ending December 31, 1995, (the Investment Period), provided that the following conditions are met:

(1) the decision to invest funds in either or both of the Accounts for all or a portion of the Investment Period has been and will be made by fiduciaries of the Plans independent of Prudential;

(2) the amount of the enhanced return payment with respect to the assets of the Plans that are invested in either or both of the Accounts for only a portion of the Investment Period will be calculated in the same manner as the amount of the enhanced return payment with respect to the assets of the Plans that remain invested in either or both of the Accounts for the entire Investment Period;

(3) the enhanced return will be derived by comparing the cumulative total return for the Investment Period reported by the expanded NCREIF Property Index (the Index) with the cumulative total return of PRISA or PRISA II for the same period;

(4) the Plans will obtain an enhanced rate of return (but not more than 200 basis points) for amounts invested in one or both of the Accounts during all or any portion of the Investment Period, if the cumulative total investment return of such Account for such Investment Period is less than that reported for the Index;

(5) the payments, if any, of enhanced return will be made by Prudential to investors in the Accounts not later than thirty (30) days following the final determination of the amounts owed;

(6) every property held by the Accounts is individually valued at least once during the Investment Period and thereafter will be valued at least once in each calendar year by an independent qualified appraiser;

(7) a valuation policy committee, consisting of representatives from an valuation management firm (the Valuation Management Firm), Prudential Real Estate Investors (PREI), the interim and permanent advisory councils (the Advisory Council or Advisory Councils) composed of investors in PRISA and PRISA II and their consultants, and other clients of PREI, will meet at least quarterly and set valuation policy for the Accounts;

(8) the Valuation Management Firm, an independent third party, will be responsible for retaining (and terminating) all appraisal firms which value the properties in the Accounts; reviewing all appraisals generated by such appraisal firms; and collecting, reviewing, and distributing any information needed by such appraisal firms to appraise the properties in the Accounts;

(9) the Plans invested in the Accounts who receive the enhanced return will incur no additional cost or risk in connection with the transaction;

(10) in connection with the determination of enhanced return payments, no upward adjustment will be made by Prudential to the value reported by an external independent appraiser of any Property in PRISA and PRISA II without the concurrence of the Valuation Management Firm;

(11) any required state insurance regulatory approvals are obtained for the transaction; and

(12) the Plans will receive the same treatment and proportional payment under the enhanced return as any other investor in PRISA and PRISA II.

EFFECTIVE DATE: This exemption will be effective on December 31, 1995.

Written Comments

In the Notice of Proposed Exemption (the Notice), the Department invited all interested persons to submit written comments and requests for a hearing on the proposed exemption within forty-five (45) days of the date of the publication of the Notice in the Federal Register on September 13, 1995. All

[2] For purposes of this exemption, references to specific provisions of Title I of the Act, unless otherwise specified, refer also to the corresponding provisions of the Code.

comments and requests for hearing were due by October 30, 1995.

During the comment period, the Department received no requests for hearing. However, the Department did receive a comment letter from Prudential, dated September 20, 1995. In this letter, Prudential requested a clarification of the meaning of one of the operant conditions of the proposed exemption and suggested that certain revisions to the Summary of Facts and Representations (SFR) would more accurately describe the transactions.

With respect to Prudential's requested clarification of the operant language of the exemption, on page 47594, column 1, lines 35–40, the sixth condition in the Notice reads as follows: ''Every property held by the Accounts is individually valued at least once during the Investment Period and thereafter will be valued at least once in each calendar year by an independent qualified appraiser.'' Prudential represents that in accordance with current policy and practice and state regulatory approvals, every property held by PRISA and PRISA II is valued at least once in each calendar year by an independent qualified appraiser. Accordingly, each such property will be valued at least once during the Investment Period (*i.e.* the period April 1, 1994 through December 31, 1995). Although there are at present no plans to seek regulatory approval to change the current policy and practice of obtaining independent valuations at least annually, it is Prudential's understanding that the above-quoted language of condition six is not intended to preclude future modification of this policy and practice. The Department concurs in Prudential's understanding in this matter. However, we do note that condition 6, which requires that every property held by the Accounts be valued at least annually, must be met until the successful completion of the payment of the enhanced return by Prudential to the Plans which were invested in the Accounts on April 1, 1995, and remain invested in the Accounts for any portion of the Investment Period.

With respect to Prudential's suggested revisions of the facts as reflected in the SFR, on page 47595, column 3, lines 19–25, with regard to the expanded Russell-NCREIF Property Index (the Index), the Notice reads as follows: ''The Index is produced in partnership between Russell Real Estate Consulting (a division of the Frank Russell Company, an investment consulting firm) and the National Council of Real Estate Investment Fiduciaries (NCREIF).'' Prudential has informed the Department that, while the statement in the Notice correctly identifies the parties responsible for the production of the Index through the final quarter of 1994, commencing with the first quarter of 1995, the Index has been produced solely by NCREIF without participation by Russell Real Estate Consulting and, accordingly, is currently referred to as the NCREIF Property Index. The Department concurs with this comment and has incorporated this change in the reference to the Index in condition three of the operant language of this exemption.

On page 47596, column 2, lines 52–58, regarding the PRISA and PRISA II Advisory Councils, the Notice reads as follows: ''It is represented that formal meetings of the Advisory Councils will be held quarterly approximately thirty (30) days following the end of each quarter, with additional meetings to be held at the discretion of the Advisory Councils.'' Prudential has informed the Department that meetings of the PRISA and PRISA II Advisory Councils are scheduled at the discretion of each respective Advisory Council. In this regard, during 1994, both Advisory Councils met more frequently than quarterly. During 1995, the PRISA Advisory Council has met four times and is expected to have at least one more meeting before year end. The PRISA II Advisory Council has met once during 1995, and is expected to have at least one more meeting before year end. Both Advisory Councils have the discretion to schedule additional meetings. The Department concurs in this comment.

After giving full consideration to the entire record, including the written comment from Prudential, the Department has decided to grant the exemption, as described and concurred in above. In this regard, the comment letter submitted by Prudential to the Department has been included as part of the public record of the exemption application. The complete application file, including all supplemental submissions received by the Department, is made available for public inspection in the Public Documents Room of the Pension Welfare Benefits Administration, Room N–5638, U. S. Department of Labor, 200 Constitution Avenue NW., Washington, DC 20210. For a more complete statement of the facts and representations supporting the Department's decision to grant this exemption refer to the Notice published on Wednesday, September 13, 1995, at 60 FR 47593.

FOR FURTHER INFORMATION CONTACT: Angelena C. Le Blanc of the Department, telephone (202) 219–8883 (This is not a toll-free number.)

Plumbers and Steamfitters Local No. 177 Health and Welfare Fund (the Welfare Plan), and Plumbers and Steamfitters Local No. 177 Pension Trust Fund (the Pension Plan; collectively, the Plans) Located in Brunswick, Georgia

[Prohibited Transaction Exemption 95–105; Exemption Application Nos. L–09927, D–09928 and L–09929]

Exemption

The restrictions of sections 406(a), 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 (1) effective February 17, 1994, to the past sale by the Welfare Plan of an office building located in Brunswick, Georgia (the Office Building) to Plumbers and Steamfitters Local No. 177 (the Union), a party in interest with respect to the Plans; and (2) effective February 16, 1995, to the leases of space in the Office Building by the Union to the Plans (the Leases); provided the following conditions are satisfied:

(a) The purchase price paid by the Union for the Office Building was no less than the fair market value of the Office Building as of the date of the sale;

(b) All terms of the Leases are at least as favorable to the Plans as those which the Plans could obtain in arm's-length transactions with unrelated parties;

(c) Rents paid under the Leases do not exceed the fair market rental values of the leased spaces;

(d) The interests of the Plans under the Leases for all purposes are represented by a qualified independent fiduciary who monitors the Leases and takes appropriate action to enforce the Union's compliance with all Lease terms and conditions; and

(e) Within 60 days of the publication in the Federal Register of this notice granting the exemption, the Union pays any excise taxes applicable under section 4975(a) of the Code by virtue of the past Leases for the period commencing February 17, 1994 to February 16, 1995.

EFFECTIVE DATE: This exemption is effective as of February 17, 1994 with respect to the sale of the Office Building, and February 16, 1995 with respect to the Leases.

For a more complete statement of the facts and representations supporting this exemption, refer to the notice of proposed exemption published on September 21, 1995 at 60 FR 49014.

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

State Mutual Life Assurance Company of America (State Mutual) Located in Worcester, MA

[Prohibited Transaction Exemption 95–106; Exemption Application No. D–10008]

Exemption

Section I. Covered Transactions.

Effective October 16, 1995, 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 (a) the receipt of common stock of Allmerica Financial Corporation, State Mutual's prospective sole owner, or (b) the receipt of cash or policy credits, by or on behalf of an employee benefit plan policyholder of State Mutual (the Plan), other than any policyholder which is a Plan maintained by State Mutual or an affiliate of State Mutual for its own employees (the State Mutual Plans), in exchange for such policyholder's membership interest in State Mutual, in accordance with the terms of a plan of reorganization (the Demutualization Plan) adopted by State Mutual and implemented pursuant to section 19E (Section 19E) of Chapter 175 of the Massachusetts General Laws.

In addition, effective October 16, 1995, the restrictions of section 406(a)(1)(E) and (a)(2) and section 407(a)(2) of the Act shall not apply to the receipt and holding, by the Allmerica Financial Cash Balance Pension Plan (the Allmerica Pension Plan), of employer securities in the form of excess stock, in accordance with the terms of the Demutualization Plan.

This exemption is subject to the conditions set forth below in Section II.

Section II. General Conditions.

(a) The Demutualization Plan is implemented in accordance with procedural and substantive safeguards that are imposed under Massachusetts law and is subject to the review and supervision by the Massachusetts Commissioner of Insurance (the Commissioner).

(b) The Commissioner reviews the terms of the options that are provided to certain policyholders of State Mutual, which include, but are not limited to the subject Plans and the State Mutual Plans (the Eligible Policyholders), as part of such Commissioner's review of the Demutualization Plan, and approves the Demutualization Plan following a determination that such Demutualization Plan is not prejudicial to all Eligible Policyholders.

(c) The Demutualization Plan is filed with the New York Superintendent of Insurance (the Superintendent) who determines whether the Demutualization Plan is fair and equitable to Eligible Policyholders from New York.

(d) Each Eligible Policyholder has an opportunity to comment on the Demutualization Plan and decide whether to vote to approve such Demutualization Plan after full written disclosure is given such Eligible Policyholder by State Mutual, of the terms of the Demutualization Plan.

(e) Any election by an Eligible Policyholder which is a Plan (including the State Mutual Plans), to receive stock, cash or policy credits, pursuant to the terms of the Demutualization Plan is made by one or more independent fiduciaries (the Independent Fiduciaries) of such Plan and neither State Mutual nor any of its affiliates exercises any discretion or provides investment advice with respect to such election.

(f) In the case of the State Mutual Plans, where the consideration is in the form of stock, the Independent Fiduciary—

(1) Elects the form of consideration that such Plans receive;

(2) Monitors, on behalf of such Plans, the acquisition and holding of the stock;

(3) Makes determinations on behalf of such Plans with respect to the voting, the continued holding or the disposition of such stock; and

(4) Disposes, in a prudent manner, shares of stock exceeding the 10 percent holding limitation of section 407(a)(2) of the Act within 90 days following its receipt by the Allmerica Pension Plan. Such shares that are not disposed of during this initial 90 day period must be disposed of within an additional period of 90 days.

(g) After each Eligible Policyholder entitled to receive stock is allocated at least 28 shares of stock, additional consideration is allocated to Eligible Policyholders who own participating policies based on actuarial formulas that take into account each participating policy's contribution to the surplus of State Mutual which formulas have been approved by the Commissioner and the Superintendent.

(h) All Eligible Policyholders that are Plans participate in the transactions on the same basis as other Eligible Policyholders that are not Plans.

(i) No Eligible Policyholder pays any brokerage commissions or fees in connection with their receipt of stock or in connection with the implementation of the commission-free sales program.

(j) All of State Mutual's policyholder obligations remain in force and are not affected by the Demutualization Plan.

Section III. Definitions.

For purposes of this proposed exemption:

(a) The term ''State Mutual'' means State Mutual Life Assurance Company of America and any affiliate of State Mutual as defined in paragraph (b) of this Section III.

(b) An ''affiliate'' of State Mutual includes—

(1) Any person directly or indirectly through one or more intermediaries, controlling, controlled by, or under common control with State Mutual. (For purposes of this paragraph, the term ''control'' means the power to exercise a controlling influence over the management or policies of a person other than an individual.)

(2) Any officer, director or partner in such person, and

(3) Any corporation or partnership of which such person is an officer, director or a 5 percent partner or owner.

(c) The term ''Eligible Policyholder'' means a policyholder whose name appears on the conversion date on the insurer's records as owner of a participating policy under which there is a right to vote and which is in full force on both the December 31 immediately preceding the conversion date and the date the insurer's board of directors first votes to convert to stock form. Under Massachusetts law, only such policyholders are entitled to receive consideration in the demutualization. Policyholders who are not Eligible Policyholders will not receive any stock or other consideration. As used herein, the term ''Eligible Policyholder'' includes, but is not limited to, the State Mutual Pension Plan as well as those Plans that are not sponsored by State Mutual.

(d) The term ''policy credit'' means (i) for an individual life insurance policy, an increase in the dividend accumulation account, (ii) for an individual deferred annuity policy where the owner has elected a dividend accumulation option, an increase in the dividend accumulation account, (iii) for all other individual deferred annuity policies, an increase to the dividend addition value, and (iv) for a supplementary contract or settlement option issued by State Mutual to effect the annuitization of an individual deferred annuity, an increase in the contract reserve which shall provide for an increase in the monthly income payment equal to the ratio of the reserve

increase to the then current contract reserve.

EFFECTIVE DATE: This exemption is effective as of October 16, 1995.

For a more complete statement of the facts and representations supporting the Department's decision to grant this exemption, refer to the notice of proposed exemption (the Notice) published on September 21, 1995 at 60 FR 49016.

Written Comments

The Department received one written comment with respect to the Notice. The comment was submitted by State Mutual and is intended to clarify information contained in the Notice. Discussed below is State Mutual's comment.

1. *Form of Transaction.* State Mutual represents that in describing the demutualization transaction, the Notice refers to the receipt by policyholders of common stock of State Mutual and the substitution of the common stock of Allmerica, State Mutual's prospective sole owner, for the State Mutual stock. State Mutual explains that while this structure was initially considered, the Demutualization Plan ultimately adopted called for the issuance of Allmerica stock directly to policyholders in exchange for such policyholder's membership interests in State Mutual. Accordingly, State Mutual represents that reference to the issuance of State Mutual stock to policyholders and the substitution of the Allmerica stock should be amended to reflect the direct issuance of Allmerica stock to policyholders in exchange for their policyholder interests.

2. *The Initial Public Offering (the IPO).* State Mutual explains that the Notice states that Allmerica ''may'' sell new Allmerica stock in an underwritten IPO. However, State Mutual advises that the Demutualization Plan now requires the IPO as a condition to the effectiveness of the reorganization.

3. *Adoption of Demutualization Plan, Policyholder Vote and Hearing.* State Mutual notes that its Board of Directors adopted the Demutualization Plan on February 28, 1995 and that on June 30, 1995, the Demutualization Plan was approved by a vote of the policyholders. On June 17 and June 27, 1995, State Mutual represents that the Commissioner held a hearing on the Demutualization Plan and issued an order on August 2, 1995, approving such plan.

4. *Minimum Consideration.* State Mutual explains that the Notice states that each Eligible Policyholder will be allocated a minimum consideration of 30 shares. While section 7.1(b)(i) of the Demutualization Plan refers to a fixed component of consideration equal to 30 shares, that number, according to State Mutual, is subject to proportional adjustment as provided in section 9.6 of the Demutualization Plan. Pursuant to this provision, State Mutual asserts that the number of shares constituting the minimum consideration has been adjusted to 28 shares and that the exemption should be amended to reflect 28 shares rather than 30 shares as the minimum consideration.

5. *Definition of Policy Credit.* State Mutual points out that the Notice contained the following definition of the term ''policy credit'' which it now considers to be out of date:

> ''(d) The term ''policy credit'' means an increase in accumulation account value (to which no surrender or similar charges are applied) in the general account or an increase in a dividend accumulation on a policy.''

To make the definition more comprehensive, State Mutual has redefined this term as follows:

> ''(d) The term ''policy credit'' means (i) for an individual life insurance policy, an increase in the dividend accumulation account, (ii) for an individual deferred annuity policy where the owner has elected a dividend accumulation option, an increase in the dividend accumulation account, (iii) for all other individual deferred annuity policies, an increase to the dividend addition value, and (iv) for a supplementary contract or settlement option issued by State Mutual to effect the annuitization of an individual deferred annuity, an increase in the contract reserve which shall provide for an increase in the monthly income payment equal to the ratio of the reserve increase to the then current contract reserve.''

6. *Plan Name Change and Coverage.* State Mutual represents that the Notice describes the State Mutual Companies' Pension Plan (the State Mutual Pension Plan) as covering exclusively eligible career agents, general agents and clerical employees of State Mutual and its affiliates. State Mutual wishes, however, to clarify that the name of the State Mutual Pension Plan has been changed to the ''Allmerica Financial Cash Balance Pension Plan'' and to explain that this Plan covers all eligible employees of State Mutual.

7. *Trustee Change.* State Mutual advises that the trustee of the Allmerica Pension Plan (i.e., the former State Mutual Pension Plan) is currently First National Bank of Boston and not Mechanics Bank of Worcester.

8. *Independent Fiduciary.* State Mutual represents that the Notice requires State Street Bank & Trust Company (State Street), an independent fiduciary, to act on behalf of all State Mutual Plans. Specifically, State Street is required to—(a) elect the form of consideration that such Plans receive; (b) monitor, on behalf of such Plans, the acquisition and holding of the stock; (c) make determinations on behalf of the Plans with respect to the voting, the continued holding or the disposition of such stock; and (d) dispose, in a prudent manner, shares of stock exceeding the 10 percent holding limitation of section 407(a)(2) of the Act within 90 days following its receipt by the Allmerica Pension Plan. Such shares that are not disposed of during this initial 90 day period must be disposed of within an additional period of 90 days.

Although State Street has been retained as independent fiduciary on behalf of all of the State Mutual Plans throughout the demutualization process, State Mutual believes that once the transaction has been consummated and the Allmerica Pension Plan has reduced its holdings of employer stock to under the 10 percent limitation of section 407(a)(2) of the Act, the retention of State Street should not be required indefinitely. Therefore, State Mutual wishes to clarify that once a State Mutual Plan's holdings have been reduced to below the 10 percent threshold, the continued retention of State Street will be at the discretion of a State Mutual Plan's named fiduciary.

9. *Retroactivity of Exemption.* State Street requests that the exemption reflect a retroactive effective date of October 16, 1995 which is the closing date of the demutualization and the IPO.

The Department does not object to any of the clarifications or modifications of the Notice that have been described by State Street in its comment letter and it has revised the exemption, accordingly.

Thus, after giving full consideration to the entire record, the Department has decided to grant the subject exemption. State Street's comment letter has been included as part of the public record of the exemption application. The complete application file, including all supplemental submissions received by the Department, is made available for public inspection in the Public Documents Room of the Pension and Welfare Benefits Administration, Room N–5638, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210.

FOR FURTHER INFORMATION CONTACT: Ms. Jan D. Broady of the Department, telephone (202) 219–8881. (This is not a toll-free number.)

Charleston Area Medical Center Deferred Profit Sharing Plan (the Plan); Located in Charleston, West Virginia

[Prohibited Transaction Exemption 95–107; Exemption Application No. D–10009]

Exemption

The restrictions of sections 406(a), 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 past cash sale by the Plan to the Camcare & Affiliates Malpractice Self-Insurance Trust (the Malpractice Trust) of certain publicly-traded securities, provided the following conditions were satisfied: a) the sale was a one-time transaction for cash; b) the Plan paid no commissions or other fees in connection with the transaction; and c) the transaction involved publicly-traded securities, the fair market values of which were determined by an independent bank by reference to the closing price for the securities on the New York Stock Exchange.

For a more complete statement of the facts and representations supporting the Department's decision to grant this exemption, refer to the notice of proposed exemption published on September 25, 1995 at 60 FR 49423.

EFFECTIVE DATE: This exemption is effective November 30, 1993.

FOR FURTHER INFORMATION CONTACT: Gary H. Lefkowitz 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 or disqualified person from certain other provisions to which the exemptions 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) 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 are true and complete and accurately describe all material terms of the transaction which is the subject of the exemption. In the case of continuing exemption transactions, if any of the material facts or representations described in the application change after the exemption is granted, the exemption will cease to apply as of the date of such change. In the event of any such change, application for a new exemption may be made to the Department.

Signed at Washington, D.C., this 21st day of November, 1995.

Ivan Strasfeld,

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

[FR Doc. 95–28911 Filed 11–27–95; 8:45 am]

BILLING CODE 4510–29–P

[Application No. D–09840, et al.]

Proposed Exemptions; World Omni Financial Corporation

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.