the other limited partners of the Limited Partnerships."

(5) The last sentence in the fourth paragraph of Representation #5 states that the Liabilities increased by \$350,000 to \$842,000. The correct amount of the increase in the Liabilities was \$225,000 to \$842,000.

The changes described above are hereby incorporated into the exemption as granted. After consideration of the entire record, including the comments, the Department has determined to grant the exemption. In this regard, the comments have been included as part of the public record for the exemption application. The complete application file is made available for public inspection in the Public Documents Room of the Pensions and 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 of proposed exemption published on November 28, 1994 at 59 FR 60839.

FOR FURTHER INFORMATION CONTACT: Kathryn Parr of the Department, telephone (202) 219–8971. (This is not a toll-free number.)

American Express Incentive Savings Plan (the Plan) Located in New York, NY; [Prohibited Transaction Exemption 95–15; Exemption Application No. D-09813]

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 (1) the extensions of credit (the Loans) to the Plan by American Express Company (the Employer), the sponsor of the Plan, with respect to two guaranteed investment contracts (the GICs) issued by Confederation Life Insurance Company (Confederation); (2) the Plan's potential repayment of the Loans; and (3) the potential purchase of the GICs from the Plan by the Employer for cash; provided the following conditions are satisfied:

- (A) All terms and conditions of such transactions are no less favorable to the Plan than those which the Plan could obtain in arm's-length transactions with unrelated parties;
- (B) No interest and/or expenses are paid by the Plan in connection with the transactions;
- (C) The proceeds of the Loans are used solely in lieu of payments due

from Confederation with respect to the GICs:

- (D) Repayment of the Loans will be restricted to the GIC Proceeds, defined as the cash proceeds obtained by the Plan from or on behalf of Confederation with respect to the GICs:
- (E) Repayment of the Loans will be waived to the extent that the Loans exceed the GIC Proceeds; and
- (F) In any sale of he GICs to the Employer, the Plan will receive a purchase price which is no less than the fair market value of the GICs as of the sale date, and no less than the GICs' accumulated book value, defined as the total principal deposits plus accrued interest at the rates guaranteed by the GICs, less previous withdrawals and any Loans made pursuant to this exemption, as of the sale date.

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 December 19, 1994 at 59 FR 65397.

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

Bermo, Inc. Profit Sharing Plan and Trust (the Plan), Located in Circle Pines, MN; [Prohibited Transaction Exemption 95-16; Application No. D-09826]

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 series of loans (the Loans), originated within a five year period, by the Plan to Bermo, Inc. (the Employer), a party in interest with respect to the Plan, provided that the following conditions are met:

- (a) The total amount of outstanding Loans shall not exceed 25 percent of the Plan's total assets at any time during the transaction:
- (b) All terms and conditions of the Loans are at least as favorable to the Plan as those which the Plan could obtain in an arm's length transaction with an unrelated third party;
- (c) Each loan will be: (1) For a maximum term of forty-eight months fully amortized and payable in equal monthly installments of principal and interest, (2) the Loan proceeds shall be used exclusively by the Employer to purchase new equipment (the Equipment) used by the Employer in the course of its business, (3) collateralized by the Equipment and other assets owned by the Employer such that at all

times each Loan will be collateralized in an amount equal to at least 200% of the outstanding balance of such Loan, (4) equal to no more than 80% of the purchase price of the Equipment financed, and (5) guaranteed personally by Fred Berdass, the principal shareholder of the Employer.

(d) The value of the collateral offered by the Employer will be determined by a qualified independent appraiser;

- (e) Prior to the granting of each Loan, an independent qualified fiduciary determines, on behalf of the Plan, that each Loan is feasible and in the best interests of the Plan and protective of the Plan and its participants and beneficiaries;
- (f) The independent fiduciary will conduct a review of the terms and conditions of the exemption and the Loans, including the applicable interest rate, the sufficiency of the collateral, the financial condition of the Employer and compliance with the 25 percent of the Plan asset maximum total Loan amount prior to approving each disbursement under the Loan agreement;

(g) The independent fiduciary will monitor the terms and conditions of the exemption and the Loans; and

(h) The independent fiduciary is authorized to take whatever action is appropriate to protect the Plan's rights throughout the duration of the exemption and throughout the duration of any Loan granted pursuant to this exemption.

Temporary Nature of Exemption

The exemption is temporary and will expire five years from February 28, 1995. Subsequent to the expiration of this exemption, the Plan may hold any Loans originated during this five year period until the Loans are repaid or otherwise terminated.

For a more complete statement of the facts and representation supporting the Department's decision to grant this exemption refer to the notice of proposed exemption published on December 19, 1994 at 59 FR 65398.

FOR FURTHER INFORMATION CONTACT: Allison K. Padams of the Department, telephone (202) 219–8971.

Jerome Companies Profit Sharing Plan and Trust (the Plan), Located in Barron, WI [Prohibited Transaction Exemption 95–17; Exemption Application No. D-09829]

Exemption

The restrictions on 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 cash sale (the Sale) of the