

GAC) issued by Mutual Benefit Life Insurance Company (Mutual Benefit), located in Newark, New Jersey, to Toyota Motor Sales, U.S.A., Inc., a California corporation, (the Employer), 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 GAC as determined by the trustee of the Plan on the date of the Sale, or an amount that is equal to the total funds expended by the Plan in acquiring and holding the GAC, plus the amount of interest earned and accrued by the Plan on the GAC to the date of the Sale, less all withdrawals from the Plan to the date of the Sale, and less all advances made to the Plan by the Employer to the date of the Sale.

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 April 27, 1995, at 60 FR 20766.

**WRITTEN COMMENTS:** With respect to the Notice of Proposed Exemption, the applicant noted that the last sentence in the penultimate paragraph of Section 4 under the Summary of Facts and Representations represents that the fair market value of the GAC is \$2,349,840, as of September 30, 1994. The applicant believes that the fair market value of the GAC, if ascertainable, is considerably lower because of the rehabilitation proceedings affecting Mutual Benefit, which significantly restrict the withdrawal and payment provisions of the GAC.

The applicant also noted that had the Sale taken place on September 30, 1994, the Plan would have been paid approximately \$2,349,840, which is the amount that would have been determined in accordance with the terms and provisions of the Proposed Exemption as of that date. Since the Sale did not take place on September 30, 1994, the Plan will receive as consideration an amount determined on the date of the Sale in accordance with the terms and provisions of the Proposed Exemption.

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

**Bob Murphy, Inc. Profit Sharing Plan (the Plan) Located in Boynton Beach, FL**

[Prohibited Transaction Exemption 95-53; Exemption Application No. D-09949]

**Exemption**

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 sale of certain works of art (the Art Work) by the Plan to Robert J. Murphy, Jr., a disqualified person with respect to the Plan.<sup>8</sup>

This exemption is conditioned upon the following requirements: (1) All terms and conditions of the sale are at least as favorable to the Plan as those obtainable in an arm's length transaction between unrelated parties; (2) the sale is a one-time cash transaction; (3) the Plan is not required to pay any commissions, costs or other expenses in connection with the sale; and (4) the Plan receives a sales price equal to the fair market value of the Art Work on the date of the sale as determined by a qualified, independent appraiser.

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 May 10, 1995 at 60 FR 24902.

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

**Employees' Thrift Plan of Columbia Gas System (the Plan) Located in Wilmington, Delaware**

[Exemption Application No. D-09959  
Prohibited Transaction Exemption 95-54]

**Exemption**

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: (1) The loan of funds (the Loan) to the Plan by the Columbia Gas System, Inc., the sponsor of the Plan, and its wholly-owned subsidiary, Columbia Gas Transmission Corporation, with respect to the Guaranteed Investment Contract No. 61969 (the GIC) issued by Confederation Life Insurance Company of Canada (Confederation); and (2) the potential repayment by the Plan of the Loan upon the receipt by the Plan of payments under the GIC; provided the following conditions are satisfied: (a) No interest and/or expenses are paid by the

Plan in connection with the Loan; (b) all the terms and conditions of the proposed Loan are no less favorable to the Plan than those which the Plan could obtain in an arm's-length transaction with an unrelated party; (c) the Loan will be the accumulated book value of the GIC as of August 12, 1994, less any amounts received by the Plan from Confederation since August 12, 1994; (d) the repayment of the Loan will not exceed the total amount of the Loan; (e) the repayment of the Loan by the Plan will be restricted to funds paid to the Plan under the GIC by Confederation, or State Guaranty Funds, or other third-party sources; (f) the repayment of the Loan is waived to the extent the Loan exceeds the proceeds the Plan receives from the GIC; and (g) any proceeds or future interest credited under the GIC after August 12, 1994, in accordance with the Rehabilitation Plan by the State of Michigan, will be allocated and disbursed to the affected participants of the Plan.

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 April 27, 1995, at 60 FR 20771.

**WRITTEN COMMENTS:** With respect to the Notice of Proposed Exemption, the applicant noted that item 2(c) of the first paragraph of the Proposed Exemption did not take into account amounts received by the Plan since August 12, 1994, from Confederation prior to the date the Loan is made. The applicant states that Confederation has paid some limited amounts on its GICs for certain withdrawal events and may pay some more funds before the date of the Loan.

The applicant also noted that amounts received by the Plan from Confederation since August 12, 1994, were not considered in determining the amount of the Loan as described in the fourth sentence of Section 5 and item 6(c) in Section 6 of the Summary of Facts and Representations.

In consideration of the comments, item 2(c) of the Exemption is changed to reflect that the Loan will be the accumulated book value of the GIC as of August 12, 1994, less any amounts received by the Plan from Confederation since August 12, 1994.

**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

<sup>8</sup> Because Mr. Murphy and his spouse, Gail F. Murphy, are the only participants in the Plan, there is no jurisdiction under Title I of the Act pursuant to 29 CFR 2510.3-3(b). However, there is jurisdiction under Title II of the Act pursuant to section 4975 of the Code.