

commercial buildings located in the East End submarket of Washington, DC over the past five (5) years; (e) the Property has direct access to a major transfer station in the subway system; (f) the Property has access to adjacent and nearby hotels and to retail amenities; (g) the shape of the Property facilitates either full-floor users or multi-tenant layouts; and (h) the recommended pricing range was considered substantially below the replacement cost for the Property. Sarofim and GMIMCO concluded that for all of the above reasons the acquisition of the Property should help to form the core of real estate-related investments for the Plans.

After reviewing the analysis of Sarofim, GMIMCO concluded that the ownership of a substantial limited partnership interest in the Partnership that acquired the Property for a price within the range recommended would give the Plans the dual benefits of (1) stable returns from participation in high quality office and retail buildings in attractive urban real estate markets at advantageous prices, and (2) joint investment with the GP and its affiliate, Hines LP, a national real estate development and management firm with expertise in the acquisition, management, and leasing of such properties. Accordingly, both GMIMCO and Sarofim concluded that the proposed acquisition of the Property was favorable to the Partnership and by extension to the Plans.

12. The applicants maintain that the exemption is administratively feasible, because the transaction involves a one-time event that has been completed. In this regard, as the transaction has already been consummated, it is represented that no "ongoing" involvement of the Department will be required to implement the exemption.

13. In summary, the applicants represent that the proposed transaction meets the statutory criteria of section 408(a) of the Act because:

(a) the terms of the Partnership Agreement were negotiated at arm's length between the GP, acting on behalf of the Partnership, and GMIMCO and Sarofim, acting on behalf of the Plans;

(b) the terms of the Partnership Agreement were negotiated at a time when the Property acquisition opportunity had not arisen;

(c) the terms of the Purchase Agreement for the Property were negotiated at arm's-length between the GP and the Seller, who are unrelated parties;

(d) the acquisition of the Property was consummated on terms customary in the commercial real estate market;

(e) GMIMCO and Sarofim, respectively, an experienced real estate investment manager and an advisor acting on behalf of the Plans, reviewed, recommended, and approved the subject transaction;

(f) GMIMCO and Sarofim determined that the subject transaction was feasible, in the interest of the Plans, and protective of the participants and beneficiaries of such Plans;

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

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

(i) the transaction involved a one-time event that has been completed and does not require monitoring.

Notice to Interested Persons

It has been requested on behalf of the Plans that the Department waive the requirement to separately notify each participant, retiree, and beneficiary of the Plans of the proposed transaction. In this regard, it is represented that the time and expense of individually notifying such parties is substantial. Further, it is represented that the interests of the current employees are identical to those of the retirees, terminated participants, and beneficiaries with respect to the exemption application. In this regard, the current employees can effectively and adequately represent such interests. Moreover, several groups of employees are represented by unions, which will be notified as described in the paragraph below. Accordingly, the Department has determined that the only practical form of providing notice to interested persons is by posting on all bulletin boards normally used for employee notices of this nature by all GM-affiliated employers whose employees are covered by the Plans a copy of the notice of pendency of this proposed exemption (the Notice) as published in the **Federal Register**, a summary of the exemption request, as approved by the Department (the Summary), together with the supplemental statement, as required, pursuant to 29 CFR 2570.43(b)(2) (the Supplemental Statement), which shall inform all interested persons of their right to comment. Such posting shall occur within ten (10) days of the date of the publication in the **Federal Register** of the Notice. In addition, within ten (10) days of the publication of the Notice in the **Federal Register**, GM will mail first-class to each of the unions representing employees covered by the Plans a copy of the Notice, the Summary, and the Supplemental Statement. The names of the unions

specifically to be notified are as follows:

(1) International Union, United Automobile, Aerospace and Agricultural Implement Workers of America; (2) Brotherhood of Carpenters and Joiners of America; (3) International Die-Sinkers Conference; (4) International Union of Electronic, Electrical, Technical, Salaried Machine & Machine Workers, AFL-CIO; (5) Pattern Makers League of North America, AFL-CIO; (6) International Union of Operating Engineers; (7) Metal Polishers, Buffers, Platers and Allied Workers International Union; (8) International Brotherhood of Electrical Workers; (9) International Association of Machinists; (10) International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America; (11) United Rubber, Cork, Linoleum and Plastic Workers of America; (12) Sign, Pictorial and Display Union, Brotherhood of Painters, Decorators and Paperhangers; (13) United Plant Guard Workers of America; and (14) Automotive, Petroleum and Allied Industries Employee Union.

For Further Information Contact: Angelena C. Le Blanc of the Department, telephone (202) 219-8883 (This is not a toll-free number.)

John B. Toomey Rollover IRA (the IRA)
Located in Lorton, Virginia
[Application No. D-09819]

Proposed Exemption

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 CFR 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 installment sale of 36.2 shares of common stock (the Stock) in JBT Holding Corporation (JBT) by the IRA⁶ to JBT, a disqualified person with respect to the IRA; provided that: (a) the purchase price JBT pays for the Stock is the *greater* of \$410,146 or the fair market value of the Stock on the date of the sale; (b) the fair market value of the Stock is determined by a qualified independent appraiser, as of the date of the sale; (c) the terms of the transaction are no less favorable to the IRA than those negotiated at arm's length with unrelated third parties in similar circumstances; (d) the trustee of the IRA monitors compliance with the terms of

⁶Pursuant to 29 CFR 2510.3-2(d), the IRA is not within the jurisdiction of Title I of the Act. However, there is jurisdiction under Title II of the Act, pursuant to section 4975 of the Code.