DEPARTMENT OF LABOR
Employee Benefits Security Administration

Prohibited Transaction Exemption 2007–10 Through 2007–13; Grant of Individual Exemptions involving: D–11393 & D–11394, (PTE 2007–10), Paul Niednagel IRAs and Lynne Niednagel IRAs (Collectively, the IRAs); D–11406, (PTE 2007–11), The Revlon Employees Savings, Investment and Profit Sharing Plan (the Plan); L–11365, (PTE 2007–12), American Maritime Officers Safety & Education Plan (the S&E Plan); and L–11382, (PTE 2007–13), Sheet Metal Workers Local Union 17 Insurance Fund (the Fund)

AGENCY: Employee Benefits Security 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 and from certain taxes imposed by the Internal Revenue Code of 1986. The Notice concerned an application filed on behalf of DB and its affiliates (the Applicants) which would have amended and superseded prohibited transaction Exemption 2003–24 (PTE 2003–24) (68 FR 48637, August 14, 2003, as corrected, 68 FR 55993, September 29, 2003) with respect to the Applicants.

By e-mail dated June 19, 2007, the Applicants requested that the application for exemption be withdrawn. Accordingly, the Department has determined to withdraw the above-cited Notice.

FOR FURTHER INFORMATION CONTACT: Angelena C. Le Blanc of the Department, telephone (202) 693–8540. (This is not a toll-free number.)

Signed at Washington, DC, this 27th day of July 2007.

Ivan L. Strasfeld,
Director of Exemption Determinations, Employee Benefits Security Administration, U.S. Department of Labor.

DEPARTMENT 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 exemption is administratively feasible;
(b) The exemption is in the interests of the plan and its participants and beneficiaries; and
(c) The exemption is protective of the rights of the participants and beneficiaries of the plan.

Paul Niednagel IRAs and Lynne Niednagel IRAs, (collectively, the IRAs), Located in Laguna Niguel, California

[Prohibited Transaction Exemption 2007–10; Exemption Application Numbers: D–11393 and D–11394]

Exemption

The sanctions resulting from the application of section 4975 of the Code, by reason of sections 4975(c)(1)(D) and (E) of the Code, shall not apply to the purchase (the Purchase) by the respective IRAs of Paul and Lynne Niednagel (the Account Holders) of certain ownership interests (the Units) from Pacific Island Investment Partners, LLC. (Pacific Island) (the issuer of the Units), an entity which is indirectly controlled by Daniel and Stephen Niednagel (the Principals), both of whom are lineal descendents of the Account Holders and therefore disqualified persons with respect to the IRAs, provided that the following conditions are satisfied:

Conditions

(a) The Purchase of the Units by each IRA is for cash;
(b) The price paid by each IRA to purchase a Unit ($10,000) is identical to the price paid by other Pacific Island investors to acquire a Unit;
(c) The terms and conditions of each Purchase are at least as favorable as those available in an arm’s length transaction with an unrelated third party;
(d) Each IRA does not pay any commissions or other expenses in connection with each Purchase; and
(e) Each IRA does not acquire Units if, after acquisition, the aggregate fair market value of the Units would exceed 25% of the fair market value of such IRA.

Because each IRA has only one participant, there is no jurisdiction under 29 CFR § 2510.3–3(b). However, there is jurisdiction under Title II of the Act pursuant to section 4975 of the Code.