

PENSION BENEFIT GUARANTY CORPORATION

Payment of Premiums; Late Payment Penalty Charges

AGENCY: Pension Benefit Guaranty Corporation.

ACTION: Statement of Policy.

SUMMARY: The Pension Benefit Guaranty Corporation is adopting a new two-tiered policy on penalties for late payment of premiums due for 1996 and later plan years. The new policy, which lowers penalties from 5% per month to 1% per month if a premium payer corrects an underpayment before being contacted by the PBGC, is designed to promote voluntary compliance. The PBGC is also adopting a temporary voluntary compliance program to provide penalty relief with respect to premiums due for earlier plan years.

DATES: The new policy is effective with respect to premiums owed for plan years beginning on or after January 1, 1996. The voluntary compliance program applies with respect to premiums owed for pre-1996 plan years. To take advantage of the program, premium payers must take action by April 30, 1997.

FOR FURTHER INFORMATION CONTACT: Harold J. Ashner, Assistant General Counsel, Office of the General Counsel, Pension Benefit Guaranty Corporation, 1200 K Street, NW., Washington, DC 20005-4026; 202-326-4024 (202-326-4179 for TTY and TDD). For questions about specific premium filings under the voluntary compliance program, call 202-326-4061 (202-326-4179 for TTY and TDD); for other questions about specific premium filings, call 703-827-3676 (202-326-4179 for TTY and TDD).

SUPPLEMENTARY INFORMATION: Section 4007 of the Employee Retirement Income Security Act of 1974 authorizes the PBGC to assess a late payment penalty charge for underpayment or late payment of premiums. The amount of the penalty may not exceed 100% of the premium that is not timely paid.

The PBGC's premium payment regulation provides that the penalty accrues at the rate of 5% of the unpaid amount each month, subject to a floor of \$25 on the total amount. The PBGC may grant a waiver of all or a portion of the penalty upon a demonstration of good cause. The regulation also requires the payment of interest on premium underpayments.

The general guidelines in the new penalty policy and voluntary compliance program discussed below affect only penalties. They do not affect interest.

New Penalty Policy

The new penalty policy applies for plan years beginning on or after January 1, 1996. The PBGC will assess a penalty of 1% per month if the premium is paid on or before the date the PBGC issues a written notice to the premium payer that there is or may be a premium delinquency. If the premium is paid after the PBGC notification date, the penalty rate will be 5% per month for all months. The minimum total penalty continues to be \$25. PBGC notification may take various forms, including a premium bill, a letter initiating a premium compliance review (*i.e.*, audit), or a letter questioning a failure to make a premium filing.

Voluntary Compliance Program

The PBGC is adopting a temporary voluntary compliance program for premiums owed for pre-1996 plan years. The penalty rate will be 1% per month (subject to the existing \$25 minimum total penalty), rather than the current 5% per month.

There are two ways to take advantage of the voluntary compliance program:

Option 1: Pay the underpaid amount with an appropriate premium filing by April 30, 1997.

Option 2: Notify the PBGC by April 30, 1997, of an intention to participate in the voluntary compliance program, and pay the underpaid amount with the appropriate premium filing by June 30, 1997. (Any penalties and interest will continue to accrue until payment.) The notification must be in writing and identify the plan.

To be eligible for the program, the payment under Option 1 or the notification under Option 2 (as applicable) must precede the PBGC notification date. All notices, original or amended premium forms, and payments under the voluntary compliance program should be clearly marked "VCP PROGRAM" and filed at the following address: Pension Benefit Guaranty Corporation, ATTN: VCP PROGRAM, P.O. Box 64880, Baltimore, MD 21264-4880 (if filing by mail) or First National Bank of Maryland, ATTN: VCP PROGRAM, 110 South Paca Street, Mail Code: 109-320/Lockbox #64880, Baltimore, MD 21201 (if filing by delivery service).

Assessment and Waiver of Penalties

The PBGC may waive all or part of a late payment penalty upon a demonstration of good cause. The PBGC will evaluate each request for a waiver to determine whether the responsible person exercised ordinary business care and prudence and the late payment

resulted from circumstances beyond that person's control.

Issued in Washington, DC, this 27th day of November, 1996.

Robert B. Reich,

Chairman, Board of Directors, Pension Benefit Guaranty Corporation.

Issued on the date set forth above pursuant to a resolution of the Board of Directors authorizing its Chairman to issue this statement of policy.

James J. Keightley

Secretary, Board of Directors, Pension Benefit Guaranty Corporation.

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SECURITIES AND EXCHANGE COMMISSION

Issuer Delisting; Notice of Application to Withdraw From Listing and Registration; (AMREP Corporation, Common Stock, \$.10, Par Value) File No. 1-4702

November 25, 1996.

AMREP Corporation ("Company") has filed an application with the Securities and Exchange Commission ("Commission"), pursuant to Section 12(d) of the Securities Exchange Act of 1934 ("Act") and Rule 12d2-2(d) promulgated thereunder, to withdraw the above specified security ("Security") from listing and registration on the Chicago Stock Exchange, Inc. ("CHX") and Pacific Stock Exchange, Inc. ("PSE").

The reasons alleged in the application for withdrawing the Security from listing and registration include the following:

According to the Company, the application is made for the purpose of reducing costs for the Company. Because of the small volume of trading, the Company has decided to delist from the CHX and PSE. The Security is and will continue to be listed on the New York Stock Exchange, Inc. ("NYSE").

Any interested person may, on or before December 17, 1996, submit by letter to the Secretary of the Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549, facts bearing upon whether the application has been made in accordance with the rules of the exchanges and what terms, if any, should be imposed by the Commission for the protection of investors. The Commission, based on the information submitted to it, will issue an order granting the application after the date mentioned above, unless the Commission determines to order a hearing on the matter.