exemptive relief is sought in the application. Rule 6e-3(T)(b)(13)(iii)(E) provides exemptive relief to deduct from premium payments amounts to be use to pay taxes incurred as a result of receipt of those premium payments without regard to whether the taxes are imposed by states or by other governmental entities. The relief from section 27(c)(2) sought in this application is requested only to preclude the possibility that the deductions proposed might be deemed not to be entitled to the exemptive relief provided by Rule 6e-3(T)(b)(13)(iii)(E), based on the argument that Section 848 of the Code does not purport to impose a tax on life insurance companies.

5. Further, the literal wording of Rule 6e-3(T)(c)(4)(v) would appear to require deductions for federal tax obligations caused by the receipt of premiums to be treated as sales load. Therefore, an exemption from Rule 6e-3(T)(c)(4)(v) is requested to permit the deductions to be made without treating the deductions as if they were used to pay sales and distribution expenses. The relief requested under sections 27(a)(1) and 27(h)(1) is identical to that provided by Rule 6e-3(T) in connection with deductions for state premium taxes.

6. Applicants assert that it is reasonable to characterize the deduction as one for premium or other taxes. Also, according to Applicants, the propriety of making a deduction from variable life insurance premiums for taxes payable by the life insurance company on the basis of premiums received and of excluding such a deduction from sales load is the same, regardless of whether the taxing entity is a state or the federal government. Premium tax deductions have been considered by the Commission in connection with the adoption of Rules 6e-2 and 6e-3(T), in each case the Commission permitted the deduction for premium taxes and permitted the deduction to be treated as other than sales load. Applicants submit that there is no logical reason that deductions made to pay federal taxes should be treated as part of sales load, nor is there any language in the releases in which the Commission adopted or amended Rule 6e-3(T) which suggests such a result was intended. Further, the Applicants assert that nothing in the releases dealing with Rule 6e-3(T) suggests that the exclusion of premium tax deductions from the definition of sales load was based on the type of governmental entity imposing such taxes.

7. Preventing excess sales loads from being charged in connection with the sale of periodic payment plan certificates is the policy that underlies the provisions of Section 27 that limit such sales loads. According to the Applicants, treating as sales load amounts that are used to pay taxes incurred as a result of receipt of insurance premiums rather than used to pay sales commissions or other costs of distribution does not further this legislative process.

8. Section 2(a)(35) of the 1940 Act excludes from "sales load" amounts deducted from payments for issue taxes, or administrative expenses or fees which are not properly chargeable to sales or promotional activities. Applicants state that issue taxes incurred as a result of selling an investment company security would be similar to premium taxes incurred as a result of the sale of a variable life insurance policy. This suggests that it is consistent with the 1940 Act's policies to exclude from the definition of "sales load" in Rule 6e-3(T) deductions made to pay federal tax obligations incurred as a result of receipt of premiums.

9. According to Applicants, the exclusion from the section 2(a)(35) definition of sales load of administrative expenses or fees that are "not properly chargeable to sales or promotional activities" suggests that only deductions that are properly chargeable to such activities are intended to fall within the definition of sales load. As the proposed deductions will be used to pay federal taxes and are not properly chargeable to sales or promotional activities, that language is another indication that not treating such deductions as sales load is consistent with the policies of the 1940 Act.

Conclusion

Applicants submit that for the reasons and upon the facts set forth above, the requested exemptions from sections 27(a)(1), 27(c)(2) and 27(h)(1) of the 1940 Act and paragraph (c)(4)(v) of Rule 6e-3(T) thereunder to permit the Company to deduct 1.25% of premium payments under the New VUL Contracts meet the standards in Section 6(c) of the 1940 Act. In this regard, Applicants assert that granting the relief requested in this application would be appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the 1940 Act.

For the Commission, by the Division of Investment Management, under delegated authority.

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 92-19634 Filed 8-17-92; 8:45 am]

BILLING CODE 8010-01-M

DEPARTMENT OF STATE

[Public Notice 1674]

Statutory Debarment Under the International Traffic in Arms Regulations

AGENCY: Department of State.

ACTION: Notice.

SUMMARY: Notice is hereby given of which persons have been statutorily debarred pursuant to § 127.6(c) of the International Traffic in Arms Regulations (ITAR) (22 CFR parts 120-130).

EFFECTIVE DATE: July 23, 1992.

FOR FURTHER INFORMATION CONTACT: Clyde G. Bryant Jr., Chief, Compliance Analysis Division, Office of Defense Trade Controls, Department of State (703-875-6650).

SUPPLEMENTARY INFORMATION: Section 38(g)(4)(A) of the Arms Export Control Act (AECA) prohibits the issuance of export licenses to a person, or any party to the export, who has been convicted of violating certain U.S. criminal statutes, including the AECA. The term "person" means a natural person as well as a corporation, business association, partnership, society, trust, or any other entity, organization, or group, including governmental entities. The term "party to the export" means the president, the chief executive officer, and other senior officers of the license applicant; the freight forwarders or designated exporting agent of the license applicant; and any consignee or end user of any item to be exported. The statute permits certain limited exceptions to this prohibition to be made on a case-by-case basis.

Section 127.6 of the ITAR authorizes the Assistant Secretary of State for Politico-Military Affairs to prohibit certain persons convicted of violating or conspiracy to violate the AECA from participating directly or indirectly in the export of defense articles or in the furnishing of defense services.

Such a prohibition is referred to as a statutory debarment, which may be imposed on the basis of judicial proceedings that resulted in a conviction for violating, or of conspiring to violate, the AECA. See 22 CFR 127.6(c). The period for debarment will normally be three years. The ITAR provides the Assistant Secretary with discretion to determine an alternative period of time for debarment. At the end of the debarment period, licensing privileges may be reinstated at the request of the debarred person following the necessary interagency consultations, after a

thorough review of the circumstances surrounding the conviction and a finding that appropriate steps have been taken to mitigate any law enforcement concerns, as section required by section 38(g)(4) of the AECA.

Statutory debarment is based solely upon the outcome of a criminal proceeding, conducted by a court of the United States, that established guilt beyond a reasonable doubt in accordance with due process. Thus, the procedures of part 128 of the ITAR that apply to administrative debarment are not applicable in such cases.

During the period of statutory debarment the Department of State will not consider applications for licenses or requests for approvals that involve any person or any part to the export who has been convicted of violating the AECA, or of conspiracy to violate the AECA. Persons who have been statutorily debarred may appeal to the Under Secretary for International Security Affairs for reconsideration of the ineligibility determination. A request for reconsideration must be submitted in writing within 30 days after a person has been informed of the adverse decision.

The Department of State policy permits debarred persons to apply for an exception from the statutory debarment one year after the date of the debarment. Debarred persons may seek such an exception from the Director of the Office of Defense Trade Controls, in accordance with section 38(g)(4)(A) and under 22 CFR 127.6. If the exception is granted, the debarment will be suspended. Any decision to grant an exception can be made only after the statutory requirements under section 38(g)(4) have been satisfied.

Pursuant to section 38(g)(4)(A) of the AECA and § 127.6 of the ITAR, the Assistant Secretary for Politico-Military Affairs has debarred five persons who have been convicted of violating the AECA, or of conspiracy to violate the AECA.

These persons have been debarred for a three year period following their conviction, and have been so notified by a letter from the Office of Defense Trade Controls. Pursuant to § 127.6(c) of the ITAR, the names of these persons (and their offense, date of conviction(s) and court of conviction(s)) are being published in the Federal Register. Anyone who requires additional information to determine whether a person has been debarred should contact the Office of Defense Trade Controls.

This notice involves a foreign affairs function of the United States and is thus excluded from the procedures of 5 U.S.C. 553 and 554 and Executive Order 12291 (44 FR 13193). It implements statutory and regulatory requirements that entered into force on December 22, 1987 and April 4, 1988, respectively.

In accordance with these authorities the following persons are debarred for a period of three years following their conviction for violating, or conspiring to violate, the AECA (name/ offense/ date/ court):

1. Dilligas Trading Co., Inc., 22 U.S.C. 2778(b)(1)(A), December 13, 1991, Eastern District of Virginia
2. George R. Mitchell, 22 U.S.C. 2778, 22 CFR parts 123 and 127.1 and 18 U.S.C. 2, January 17, 1992, District of Maryland
3. Novacom, Inc., 22 U.S.C. 2778(b)(1)(A), December 13, 1991, Eastern District of Virginia
4. Pan Aviation, Inc., 18 U.S.C. 371 (conspiracy to violate 22 U.S.C. 2778), 22 U.S.C. 2778(b)(2), 22 U.S.C. 2778(c), 22 CFR part 127.02 and 127.01(c), 18 U.S.C. 1001, January 23, 1992
5. Sarkis G. Soghanalian, 18 U.S.C. 371 (conspiracy to violate 22 U.S.C. 2778), 22 U.S.C. 2778(b)(2), 22 U.S.C. 2778(c), 22 CFR parts 127.01, 127.02 and 127.01(c), 18 U.S.C. 2, 18 U.S.C. 1001 and 1002, January 29, 1992, Southern District of Florida

Dated: August 7, 1992.

William B. Robinson,

Director, Office of Defense Trade Controls, Bureau of Politico Military Affairs.

[FR Doc. 92-19557 Filed 8-17-92; 8:45 am]

BILLING CODE 4710-25-M

[Public Notice 1672]

United States Organization for the International Telegraph and Telephone Consultative Committee (CCITT) Study Group a Meeting

The Department of State announces that the U.S. Organization for the International Telegraph and Telephone Consultative Committee (CCITT) Study Group A will meet on August 27, 1992 at 9:30 a.m. in room 1912 at the Department of State, 2201 C Street NW., Washington, DC 20520.

The agenda for the meeting will include preparations for upcoming CCITT Study Groups II, III, and I international Working Party meetings scheduled for Geneva, September 14–18; September 28–October 9 (one week in Winchester, England), and October 12–16, 1992 respectively.

Members of the general public may attend the meeting and join in the discussion, subject to the instructions of the Chair. Admittance of public members will be limited to the seating available. In that regard, entrance to the Department of State building is controlled and entry will be facilitated if arrangements are made in advance of the meeting. Persons who plan to attend should advise the Office of Early Barbely, Department of State, (202) 647-0201, FAX (202) 647-7407. The above includes government and non-government attendees. Public visitors will be asked to provide their date of birth and Social Security number at the time they register their intention to attend and must carry a valid photo ID with them to the meeting order to be admitted. All attendees must use the C Street entrance.

Please bring 60 copies of documents to be considered at this meeting. If the document has been mailed, bring only 10 copies.

Dated: August 3, 1992.

Earl Barbely,

Director, Telecommunications and Information Standards, Chairman U.S. CCITT National Committee.

[FR Doc. 92-19545 Filed 8-17-92; 8:45 am]

BILLING CODE 4710-45-M

[Public Notice 1673]

U.S. Organizations for the International Radio Consultative Committee (CCIR) and International Telegraph and Telephone Committee (CCITT) Meeting

The Department of State announces that the U.S. Organizations for the International Radio Consultative Committee (CCIR National Committee) and International Telegraph and Telephone Committee (CCITT National Committee) will hold a joint open meeting, September 1, 1992 at the Department of State, 2201 C Street NW, Washington, DC in room 1912 commencing at 9:30 a.m.

The CCIR and CCITT are permanent organs of the International Telecommunications Union (ITU), a specialized agency of the United Nations, established by the International Telecommunications Convention.

The agenda for the meeting will consist of a review of the current status of issues related to mobile communications services, (i.e. FPLMTS, UPT, PCS etc.) that impact U.S. activities within the CCIR and CCITT. Consideration will be given to the possibility of establishing a joint CCIR/ CCITT coordination group which will provide guidance and direction to the Department of State in its treatment of these issues in the International Telecommunications Union.