

iii. identity of the currency purchased;

iv. the amount purchased;

(G) Time of the transaction.

With respect to section (i)(1)(I) and (i)(2)(G) above, the requirement for disclosure of the time of the exchange shall be deemed to be met, if income item conversions and/or *de minimis* purchase and sale transactions by a bank or broker-dealer take place once per day and the time of such conversions is set forth in the bank's or broker-dealer's written policies and procedures which are provided to the independent plan fiduciary as required under section II(h)(1) of this exemption.

(j) The bank or broker-dealer, or its affiliate, maintains, within territories under the jurisdiction of the United States Government, for a period of six years from the date of the transaction, the records necessary to enable the persons described in paragraph (1) of this section to determine whether the applicable conditions of this exemption have been met, including a record of the specific exchange rate or range of exchange rates the bank or broker-dealer established each day for foreign exchange transactions effected under standing instructions for income item conversions and *de minimis* purchase and sale transactions. However, a prohibited transaction will not be considered to have occurred if, due to circumstances beyond the bank's or broker-dealer's control, the records are lost or destroyed prior to the end of the six-year period, and no party in interest other than the bank or broker-dealer, or its affiliate shall be subject to the civil penalty that may be assessed under section 502(i) of the Act, or the taxes imposed by section 4975(a) and (b) of the Code, if the records are not maintained by the bank or broker-dealer, or its affiliate, or are not made available for examination by the bank or broker-dealer, or its affiliate as required by paragraph (h) below.

(k)(1) Except as provided in subparagraph (2) of this paragraph and notwithstanding any provisions of subsection (a)(2) and (b) of section 504 of the Act, the records referred to in paragraph (j) of this Section are available at their customary location for examination, upon reasonable notice, during normal business hours by:

(A) Any duly authorized employee or representative of the Department of Labor or the Internal Revenue Service.

(B) Any fiduciary of a plan who has authority to acquire or dispose of the assets of the plan involved in the foreign exchange transaction or any duly authorized employee or representative of such fiduciary.

(C) Any contributing employer to the plan involved in the foreign exchange transaction or any duly authorized employee or representative of such employer.

(2) None of the persons described in subparagraphs (B) and (C) shall be authorized to examine a bank's or broker-dealer's trade secrets or commercial or financial information of a bank or broker-dealer, or an affiliate thereof which is privileged or confidential.

Section IV Definitions and General Rules

For purposes of this exemption,

(a) A "foreign exchange transaction" means the exchange of the currency of one nation for the currency of another nation.

(b) The term "standing instruction" means a written authorization from a plan fiduciary, who is independent of the bank or broker-dealer engaging in the foreign exchange transaction and any affiliate thereof, to the bank or broker-dealer to effect the transactions specified therein pursuant to the instructions provided in such authorization.

(c) A "bank" means a bank which is supervised by the United States or a State thereof, or any domestic affiliate thereof.

(d) A "broker-dealer" means a broker-dealer registered under the Securities Exchange Act of 1934, or any domestic affiliate thereof.

(e) A "domestic affiliate" of a bank or broker-dealer means any entity which is supervised by the United States or a state thereof and which is directly or indirectly, through one or more intermediaries, controlling, controlled by, or under common control with such bank or broker-dealer.

(f) The term "control" means the power to exercise a controlling influence over the management or policies of a person other than an individual.

(g) An "income item conversion" means the conversion into U.S. dollars of an amount which is the equivalent of no more than 100,000 U.S. dollars of interest, dividends or other distributions or payments with respect to a security, tax reclaims, proceeds from dispositions of rights, fractional shares or other similar items denominated in the currency of another nation that are received by the bank or broker-dealer on behalf of the plan from the plan's foreign investment portfolio.

(h) A "*de minimis* purchase or sale transaction" means the purchase or sale of foreign currencies in an amount of no more than 100,000 U.S. dollars or the

equivalent thereof in connection with the purchase or sale of foreign securities by a plan.

(i) For purposes of this exemption the term "employee benefit plan" refers to a pension plan described in 29 CFR § 2510.3-2 and/or a welfare benefit plan described in 29 CFR § 2510.3-1.

(j) For purposes of this exemption, the term "good funds" means funds immediately available in cash with no sovereign or other governmental impediments or restrictions to the exchange or transfer of such funds.

(k) For purposes of this exemption, the term "business day" means a banking day as defined by federal or state banking regulations.

Signed at Washington, DC, this 28th day of January, 1997.

Alan D. Lebowitz,

Deputy Assistant Secretary for Program Operations, Pension and Welfare Benefits Administration, U.S. Department of Labor.

[FR Doc. 97-2556 Filed 1-31-97; 8:45 am]

BILLING CODE 4510-29-M

LIBRARY OF CONGRESS

Copyright Office

[Docket No. 96-4 CARP DPRA]

Digital Phonorecord Delivery Rate Adjustment Proceeding

AGENCY: Copyright Office, Library of Congress.

ACTION: Notice vacating precontroversy discovery schedule and notice of meeting.

SUMMARY: The Library of Congress is vacating the current precontroversy discovery schedule and the date for initiating the proceeding to determine reasonable rates and terms for digital transmissions that constitute a digital phonorecord delivery to allow further negotiations. On April 1, 1997, the parties will meet with members of the Copyright Office and report on the status of these negotiations.

DATES: The schedule for the digital phonorecord delivery rate adjustment proceeding is vacated as of February 3, 1997. On April 1, 1997, at 10:00 a.m., the Copyright Office will conduct a status meeting with all interested parties.

ADDRESSES: The meeting will be held at the Library of Congress, James Madison Building, Room LM-414, First and Independence Avenue, SE., Washington, DC 20540.

FOR FURTHER INFORMATION CONTACT: William Roberts, Senior Attorney for Compulsory Licenses, or Tanya M.

Sandros, Attorney Advisor, Copyright Arbitration Royalty Panels, P.O. Box 70977, Southwest Station, Washington, DC 20024. Telephone: (202) 707-8380.

SUPPLEMENTARY INFORMATION: The Digital Performance Right in Sound Recordings Act of 1995 ("Digital Performance Act"), Public Law No. 104-39, 109 Stat. 336., confirms and clarifies that the scope of the compulsory license to make and distribute phonorecords of nondramatic musical compositions includes digital transmissions which constitute "digital phonorecord deliveries." 17 U.S.C. 115(c)(3). A "digital phonorecord delivery" is each individual delivery of a phonorecord by digital transmission of a sound recording which results in a specifically identifiable reproduction by or for any transmission recipient. 17 U.S.C. 115(d), 37 CFR 255.4.

The rate for all digital phonorecord deliveries made or authorized under a compulsory license on or before December 31, 1997, is the same as the current rate for the making and distribution of physical phonorecords: 6.95 cents for each work embodied in a phonorecord, or 1.3 cents per minute of playing time or fraction thereof, whichever amount is larger. 37 CFR 255.5.

The current rate for digital phonorecord deliveries expires on December 31, 1997. Accordingly, in the Digital Performance Act, Congress established a two-step process for adjusting the royalty rate, a negotiation period wherein the owners and the users attempt to reach their own voluntary licenses, and then if necessary, and upon the filing of a petition in 1997, the convening of a copyright arbitration royalty panel (CARP) to establish rates and terms for those persons who are not covered by such voluntary licenses. 17 U.S.C. 115(c)(3) (C) and (D).

On July 17, 1996, the Copyright Office published a notice initiating a period for the users and owners to negotiate reasonable rates and terms for digital transmissions that constitute a digital phonorecord delivery. 61 FR 37213 (July 17, 1996). In that notice, the Office acknowledged that the Digital Performance Act specified neither a date for initiating the negotiation period, nor a date for concluding the negotiations and instituting an arbitration proceeding. Nevertheless, the expiration of the current rates on December 31, 1997, prompted the Office to create a schedule which would have new effective rates in place by January 1, 1998. *Id.*

The parties with an interest in negotiating the rates and terms for the

digital phonorecord delivery license established in the Digital Performance Act, however, believed that the Office's proposed schedule did not provide sufficient time for negotiating a voluntary set of rates and terms. Therefore, on November 8, 1996, the Recording Industry Association of America, the National Music Publishers' Association, Inc., and the Harry Fox Agency, Inc. (collectively, "the Parties") filed a joint motion with the Library to vacate the scheduled dates appearing in the July 17, 1996, Federal Register notice. The Parties informed the Office that adherence to the proposed schedule would prematurely terminate their efforts to reach a voluntary license. The Office announced a new schedule for this proceeding, 61 FR 65243 (December 11, 1996), which moved the date for the filing of direct cases from January 31, 1997, to April 1, 1997.

In response to the new schedule, the parties requested a meeting with the Register of Copyrights to discuss the problems associated with negotiating rates and terms for the digital phonorecord delivery compulsory license within the proposed time frame. The Copyright Office met with representatives of the Recording Industry of America, the National Music Publishers' Association, and the Harry Fox Agency, Inc. on January 9, 1997. At this meeting, the Parties outlined the difficulties in determining rates and terms for use of a new technology in a marketplace with little definition or clear direction. The Parties indicated that they fully expected to reach a voluntary agreement through negotiations over the next few months; however, they believe it is not possible to conclude negotiations before April 1, nor to prepare adequate direct cases for presentation to an arbitration panel by this date in the event the Office chose to proceed with its schedule. At the conclusion of the meeting, the Parties asked the Office to reconsider their original motion to vacate the schedule and to refrain from setting a new schedule while the Parties continue their negotiations.

Upon further consideration, the Office is granting the Parties' request to vacate the announced schedule for this proceeding, thereby removing any impediment for constructive negotiations between the users and the owners. The setting of the rates and terms for the delivery of digital phonorecords is not an open ended process; therefore, the Office will continue to monitor the progress of the negotiations through periodic status meetings, the first of which is scheduled for April 1, 1997.

Dated: January 27, 1997.

Marybeth Peters,

Register of Copyrights.

[FR Doc. 97-2539 Filed 1-31-97; 8:45 am]

BILLING CODE 1410-33-P

NATIONAL COMMUNICATIONS SYSTEM

Telecommunications Service Priority System Oversight Committee

AGENCY: National Communications System (NCS).

ACTION: Notice of meeting.

A meeting of the Telecommunications Service Priority (TSP) System Oversight Committee will convene Thursday March 6, 1997 from 9 a.m. to 12:00 a.m. The meeting will be held at Booz-Allen & Hamilton 8283 Greensboro Drive, McLean VA.

—Opening/Administrative Remarks

—Status of the TSP Program

—Preview of the TSP and CPAS Home Page

—Status of the CPAS Program

Anyone interested in attending or presenting additional information to the Committee, please contact LCDR Angela Abrahamson, Manager, TSP Program Office, (703) 607-4930, or Betty Hoskin (703) 607-4932 by March 1, 1997.

Dr. Dennis Bodson,

Federal Register Liaison Officer, National Communications System.

[FR Doc. 97-2602 Filed 1-31-97; 8:45 am]

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NATIONAL CREDIT UNION ADMINISTRATION

Notice of Change in Subject of Meeting

The National Credit Union Administration Board determined that its business required the deletion of the following items from the previously announced open meeting (Federal Register, Vol. 62, No. 17, page 3922, January 27, 1997) scheduled for Wednesday, January 29, 1997.

3. Chartering and Field of Membership Issues.

7. Final Rule: Amendments to Part 704, NCUA's Rules and Regulations, Corporate Credit Unions.

The Board voted unanimously that Agency business required that these items be deleted from the open agenda and earlier announcement of these changes was not possible.

The previously announced items were:

1. Approval of Minutes of Previous Open Meeting.

2. Proposed Revision to the Operating Fee Scale.