nothing came to our attention that caused us to believe that [Name of Borrower] failed to comply with respect to:

—The reconciliation of subsidiary plant records to the controlling general ledger plant accounts addressed at 7 CFR 1773.34 (c)(1) [list all exceptions];
—The clearing of the construction accounts and the accrual of depreciation on completed construction addressed at 7 CFR 1773.34 (c)(2) [list all exceptions];
—The retirement of plant addressed at 7 CFR 1773.34 (c)(3) and (4) [list all exceptions];
—Sales of plant material, or scrap addressed at 7 CFR 1773.34 (c)(5) [list all exceptions];
—The disclosure of material related party transactions, in accordance with Statement of Financial Accounting Standards No. 57, Related Party Transactions, for the year ended December 31, 19X5, in the financial statements referenced in the first paragraph of this report addressed at 7 CFR 1773.34 (f) [list all exceptions]; and
—For electric borrowers only: depreciation rates addressed at 7 CFR 1773.34 (g) [list all exceptions].

For Electric Borrowers Only: Detailed Schedule of Deferred Debits and Deferred Credits

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The detailed schedule of deferred debits and deferred credits required by 7 CFR 1773.34 (h) and provided below is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information has been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

[The detailed schedule of deferred debits and deferred credits would be included here. The total amount of deferred debits and deferred credits as reported in the schedule must agree with the totals reported on the Balance Sheet under the specific captions of ''Deferred Debits'' and ''Deferred Credits''. Those items that have been approved, in writing, by RUS should be clearly indicated.]

This report is intended solely for the information and use of the board of directors, management, and the RUS and supplemental lenders. However, this report is a matter of public record and its distribution is not limited.

Certified Public Accountants

Dated: December 19, 1995.

Jill Long Thompson,

Under Secretary, Rural Economic and Community Development.

[FR Doc. 96–93 Filed 1–2–96; 8:45 am]

BILLING CODE 3410–15–P

NATIONAL CREDIT UNION ADMINISTRATION

12 CFR Part 707

Truth in Savings

AGENCY: National Credit Union Administration (NCUA).

ACTION: Approval of Information Collection Requirements.

SUMMARY: On September 27, 1993, the National Credit Union Administration (NCUA) published a final rule on Truth in Savings (58 FR 50394). At that time, the NCUA had not yet submitted its application to the Office of Management and Budget (OMB) for approval of the information collection requirements found in the regulation (see 58 FR 50444, 9/27/93). On July 18, 1994, the NCUA published the collection requirements in the Federal Register (59 FR 36451), notifying the public that the requirements had been submitted to OMB for approval and seeking public comment on the requirements. The information collection requirements in the final rule were approved by the Office of Management and Budget on September 29, 1994. The control number assigned for this rule is 3133–0134. Notice of this approval appeared in the Federal Register on November 21, 1994 (59 FR 59899). The Federal Register determined that the notice was inadequate, hence this new notice is provided.

EFFECTIVE DATE: January 1, 1996.

ADDRESSES: Becky Baker, Secretary of the Board, National Credit Union Administration Board, 1775 Duke Street, Alexandria, VA 22314–3428.

FOR FURTHER INFORMATION CONTACT: Hattie Ulan, Special Counsel to the General Counsel, telephone: (703) 518–6540, at the above address.

By the National Credit Union Administration Board on December 27, 1995.

Hattie Ulan,

Acting Secretary of the Board.

[FR Doc. 96–46 Filed 1–2–96; 8:45 am]

BILLING CODE 7535–01–M

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 35

[Docket No. 94–ANE–60; Special Condition No. 35–ANE–02]

Special Conditions; Hamilton Standard Model 568F Propeller

AGENCY: Federal Aviation Administration, DOT.

ACTION: Final special conditions.

SUMMARY: These special conditions are issued for the Hamilton Standard Model 568F propeller with electronic propeller and pitch control system. The applicable regulations currently do not contain adequate or appropriate safety standards for constant speed propellers with electronic propeller and pitch control. These special conditions contain additional safety standards which the Administrator considers necessary to establish a level of safety equivalent to that established by the airworthiness standards of part 35 of the Federal Aviation Regulations (FAR).

EFFECTIVE DATE: February 2, 1996.

FOR FURTHER INFORMATION CONTACT: Martin Buckman, Engine and Propeller Standards Staff, ANE–110, Engine and Propeller Directorate, Aircraft Certification Service, FAA, New England Region, 12 New England Executive Park, Burlington, Massachusetts, 01803–5229; telephone (617) 238–7112; fax (617) 238–7199.

SUPPLEMENTARY INFORMATION:

Background

On January 26, 1994, Hamilton Standard applied for type certification for a new Model 568F propeller. The new propeller would use a new electronic propeller and pitch control system in place of the primary governor control and synchrophaser unit.

The existing propeller pitch control is monitored by a governor which senses propeller speed and adjusts the pitch to absorb the engine power and therefore maintains the propeller at the correct RPM. When the primary governor fails, the propeller pitch is controlled by an overspeed governor. This type of system is conventional and its airworthiness considerations are addressed by part 35 of the FAR's.

The FAA has determined that special conditions are necessary to certificate a Hamilton Standard electronic propeller and pitch control in place of the primary governor control and synchrophaser unit for the Model 568F propeller. A Notice of Proposed Special Conditions was published in the Federal Register on January 20, 1995 (60 FR 4114) for the Hamilton Standard Model 568F propeller with electronic propeller and pitch control system. This control is designed to operate a mechanical and hydraulic interface for the engine and propeller. It commands speed governing, synchrophasing and provides beta scheduling. Electronic propeller and pitch controls introduce potential failures that can result in hazardous conditions. These types of

failures are not addressed by the requirements of part 35. These failures can lead to the following possible hazardous conditions:

(1) Loss of control of the propeller,

(2) Instability of a critical function,

(3) Unwanted change in propeller pitch causing improper thrust/overspeed, and

(4) Unwanted action of a critical control function resulting in propeller flat pitch or reverse.

Certification issues that must be addressed are possible loss of aircraft-supplied electrical power, aircraft supplied data, failure modes, environmental effects including lightning strike sand high intensity radiated fields (HIRF) and software design.

The FAA finds that under the provisions of § 21.16 of the FAR, additional safety standards must be applied to the Hamilton Standard electronic propeller control for Model 568F propellers to demonstrate that it is capable of acceptable operation.

Type Certification Basis

Under the provisions of § 21.17 of the FAR, Hamilton Standard must show that the Model 568F propeller meets the requirements of the applicable regulations in effect on the date of the application. Those FAR's are § 21.21 and part 35, effective February 1, 1965, as amended.

The Administrator finds that the applicable airworthiness regulations in part 35, as amended, do not contain adequate or appropriate safety standards for the Model 568F propeller. Therefore, the Administrator prescribes special conditions under the provisions of § 21.16 to establish a level of safety equivalent to that established in the regulations.

Special conditions, as appropriate, are issued in accordance with §11.49 of the FAR's after public notice and opportunity for comment, as required by §§ 11.28 and 11.29(b), and become part of the type certification basis in accordance with § 21.101(b)(2).

Discussion of Comments

Interested persons have been afforded the opportunity to participate in the making of these special conditions. Due consideration has been given to the comments received.

One commenter states concern that the term ''unacceptable change'' is vague and could lead to multiple interpretations if the term was not defined in the special condition.

The FAA agrees, and the term ''unacceptable change'' has been removed from the text and replaced with the term ''hazardous'', which is defined in the special condition.

The commenter also states concern with system redundancy and states that FAR 25.1309, its associated Advisory Circular and a Failure Modes Effects Analysis should be included in the special conditions.

The FAA disagrees. The special condition as written in paragraph (a)(2) addresses the commenter's concerns by requiring that the propeller be designed and constructed so that no single failure or malfunction, or probable combination of failures of electrical or electronic components of the propeller control system, result in a hazardous condition. Also, the propeller manufacturer includes a Failure Modes Effects Analysis (FMEA) report as part of the data required for propeller certification. This same report is submitted to the airframe manufacturer for incorporation into aircraft certification documentation to show compliance with FAR 25.1309. Therefore, the commenter's concerns are already included in the certification documentation and a special condition is not needed.

After careful review of the available data, including the comments noted above, the FAA determined that air safety and the public interest require the adoption of these special conditions with the changes discussed previously.

Conclusion

This action affects only the Hamilton Standard Model 568F propeller with a new system of electronic propeller and pitch control. It is not a rule of general applicability and affects only the manufacturer who applied to the FAA for approval of these features on the propeller.

List of Subjects in 14 CFR Part 35

Air transportation, Aircraft, Aviation safety, Safety.

The authority citation for these special conditions continues to read as follows:

Authority: 49 U.S.C. 106(g), 40113, 44701, 44702, 44704; 14 CFR 11.28, 21.16.

The Special Conditions

Accordingly, pursuant to the authority delegated to me by the Federal Aviation Administration (FAA), the following special conditions are issued as part of the type certification basis for the Hamilton Standard Model 568F propeller and pitch control system. Considering that electronic propeller and pitch control systems introduce potential failures that can result in hazardous conditions, the following special conditions are issued.

(a) Each propeller and pitch control system which relies on electrical and electronic means for normal operation must:

(1) Be designed and constructed so that any failure or malfunction of aircraft-supplied power or data will not result in a hazardous change in propeller pitch setting or prevent continued safe operation of the propeller.

(2) Be designed and constructed so that no single failure or malfunction, or probable combination of failures of electrical or electronic components, or mechanical and hydraulic interface of the propeller control system, result in a hazardous condition.

(3) Be tested to its environmental limits including transients (variations) caused by lightning and high intensity radiated fields (HIRF) and demonstrate no adverse effects on the control system operation and performance or resultant damage. These tests shall include, but not be limited to, the following:

(i) Lightning strikes, such as multiple-stroke and multiple-burst;

(ii) Pin-injected tests to appropriate wave forms and levels;

(iii) HIRF susceptibility tests.

(4) Be demonstrated by analysis/tests that associated software is designed and implemented to prevent errors that would result in a hazardous change in propeller pitch or a hazardous condition.

(5) Be designed and constructed so that a failure or malfunction of electrical or electronic components in the propeller control system could not prevent safe operation of any remaining propeller that is installed on the aircraft.

(b) For purposes of these special conditions, a hazardous condition is considered to exist for each of the following conditions:

(1) Loss of control of the propeller,

(2) Instability of a critical function,

(3) Unwanted change in propeller pitch causing improper thrust/overspeed, and

(4) Unwanted action of a critical control function resulting in propeller flat pitch or reverse.

Issued in Burlington, Massachusetts, on December 19, 1995.

James C. Jones,

Acting Manager, Engine and Propeller Directorate, Aircraft Certification Service.

[FR Doc. 96–55 Filed 1–2–96; 8:45 am]

BILLING CODE 4910–13–M