

(b) Collateral evaluations of property that secures a loan designated as part of an institution's small loan program must comply only with the requirements of paragraphs (a)(1), (a)(2), (a)(3), and (a)(7) of this section.

* * * * *

Subpart H—Loan Purchases and Sales

18. Section 614.4325 is amended by removing the reference “§ 614.4160” and adding in its place, the words “the loan underwriting standards adopted pursuant to § 614.4150” in the fourth sentence of paragraph (e); revising paragraph (a)(1); and adding new paragraph (h) to read as follows:

§ 614.4325 Purchase and sale of interests in loans.

(a) * * *

(1) *Interests in loans* means ownership interests in the principal amount, interest payments, or any aspect of a loan transaction and transactions involving a pool of loans, including servicing rights.

* * * * *

(h) *Transactions through agents.* Transactions pertaining to purchases of loans, including the judgment on creditworthiness, may be performed through an agent, provided that:

(1) The institution establishes the necessary criteria in a written agency agreement that outlines, at a minimum, the scope of the agency relationship and obligates the agent to comply with the institution's underwriting standards;

(2) The institution periodically reviews the agency relationship to determine if the agent's actions are in the best interest of the institution;

(3) Restrictions.

(i) An association's funding bank cannot act as its agent; and

(ii) The agent must be independent of the seller or intermediate broker in the transaction.

Subpart J—Lending Limits

§ 614.4355 [Amended]

19. Section 614.4355 is amended by removing the word “seasonal” and adding in its place, the word “commodity” the second place it appears in paragraphs (a)(6) and (b)(1) respectively, and in paragraph (a)(8).

§ 614.4358 [Amended]

20. Section 614.4358 is amended by removing the words “on the credit factors set forth in § 614.4160” and adding in their place, the words “under the loan underwriting standards adopted pursuant to § 614.4150” in paragraph (a)(1)(ii).

Subpart Q—Banks for Cooperatives Financing International Trade

§ 614.4810 [Amended]

21. Section 614.4810 is amended by removing the words “credit factors listed in § 614.4160” and adding in their place, the words “the loan underwriting standards adopted pursuant to § 614.4150” in paragraph (b).

PART 619—DEFINITIONS

21. The authority citation for part 619 continues to read as follows:

Authority: Secs. 1.7, 2.4, 4.9, 5.9, 5.12, 5.17, 5.18, 7.0, 7.6, 7.7, 7.8 of the Farm Credit Act (12 U.S.C. 2015, 2075, 2160, 2243, 2246, 2252, 2253, 2279a, 2279b, 2279b-1, 2279b-2).

§§ 619.9165 and 619.9290 [Removed]

22. Sections 619.9165 and 619.9290 are removed.

* * * * *

Dated: April 9, 1996.

Floyd Fithian,

Secretary, Farm Credit Administration Board.

[FR Doc. 96-9155 Filed 4-12-96; 8:45 am]

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DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 94-NM-197-AD]

Airworthiness Directives; Boeing Model 727 Series Airplanes

AGENCY: Federal Aviation Administration, DOT.

ACTION: Proposed rule; withdrawal.

SUMMARY: This action withdraws a notice of proposed rulemaking (NPRM) that proposed a new airworthiness directive (AD), applicable to Boeing Model 727 series airplanes. That action would have superseded an existing AD to require repetitive visual inspections to detect cracking in the elevator rear spar and repair, if necessary; provide for an optional terminating action for the repetitive inspections; and add a one-time inspection of certain airplanes for clearance between the shear plate and the radii of the rear spar. Since the issuance of the NPRM, the Federal Aviation Administration (FAA) has issued other rulemaking that requires actions equivalent to those proposed. Accordingly, the proposed rule is withdrawn.

FOR FURTHER INFORMATION CONTACT:

Walter Sippel, Aerospace Engineer, Airframe Branch (ANM-121S), Seattle

Aircraft Certification Office, FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington 98055-4056; telephone (206) 227-2774; fax (206) 227-1181.

SUPPLEMENTARY INFORMATION: A proposal to amend part 39 of the Federal Aviation Regulations (14 CFR part 39) to add a new airworthiness directive (AD), applicable to Boeing Model 727 series airplanes, was published in the Federal Register as a Notice of Proposed Rulemaking (NPRM) on January 4, 1995 (60 FR 386). The proposed rule would have superseded AD 87-24-03, amendment 39-5769 (52 FR 43742, November 16, 1987), which was issued in 1987 to require repetitive visual inspections to detect cracking in the elevator rear spar and repair, if necessary. AD 87-24-03 also provided for an optional terminating action for the repetitive visual inspections. The issuance of AD 87-24-03 was prompted by reports of cracking in the rear spar of the elevator at the hinge fitting attachment of the control tab and reports of loose hinge fittings at the crack locations.

The NPRM would have superseded AD 87-24-03 to continue to require the repetitive visual inspections, but also to add an additional one-time inspection of certain airplanes for clearance between the shear plate and the radii of the rear spar. The NPRM also would have provided additional instructions for the terminating action. The actions specified by both the NPRM and AD 87-24-03 were intended to prevent cracking of the elevator rear spar, which could cause excessive free play of the elevator control tab and possible tab flutter, and could result in loss of controllability of the airplane.

Since the issuance of that NPRM, the FAA has issued AD 96-06-05, amendment 39-9542 (61 FR 11529, March 21, 1996), which is applicable to Boeing Model 727 series airplanes. That AD supersedes AD 87-24-03, as well as AD 84-22-02, amendment 39-4951 (49 FR 45743, November 20, 1984). It requires various repetitive inspections to detect cracks and loose brackets of the elevator rear spar, and repair, if necessary; and provides for a terminating modification for the inspections. That AD was prompted by reports of cracking in the spar radii at the tab hinge location of the elevator rear spar on certain airplanes. The actions specified by that AD are intended to prevent cracking in elements of the elevator rear spar assembly, which could result in excessive free play of the elevator control tab and possible tab flutter.

The requirements of AD 96-06-05 incorporate and implement the same actions that were proposed by the NPRM issued as Docket 94-NM-197-AD. In light of this, the issuance of a final action for that NPRM is unnecessary. Accordingly, the proposed rule is hereby withdrawn.

Withdrawal of this NPRM constitutes only such action, and does not preclude the agency from issuing another notice in the future, nor does it commit the agency to any course of action in the future.

Since this action only withdraws a notice of proposed rulemaking, it is neither a proposed nor a final rule and therefore, is not covered under Executive Order 12866, the Regulatory Flexibility Act, or DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979).

List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Safety.

The Withdrawal

Accordingly, the notice of proposed rulemaking, Docket 94-NM-197-AD, published in the Federal Register on January 4, 1995 (60 FR 386), is withdrawn.

Issued in Renton, Washington, on April 9, 1996.

Darrell M. Pederson,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 96-9237 Filed 4-12-96; 8:45 am]

BILLING CODE 4910-13-U

14 CFR Part 39

[Docket No. 95-NM-221-AD]

Airworthiness Directives; McDonnell Douglas Model DC-9-80 Series Airplanes and Model MD-88 Airplanes

AGENCY: Federal Aviation Administration, DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: This document proposes the adoption of a new airworthiness directive (AD) that is applicable to certain McDonnell Douglas Model DC-9-80 series airplanes and Model MD-88 airplanes. This proposal would require a one-time inspection to detect cracking of the main landing gear (MLG) pistons, and repair or replacement of the pistons with new or serviceable parts, if necessary. This proposal is prompted by reports of failure of the MLG pistons that occurred during towing of the airplanes. The actions specified by the proposed AD are intended to prevent

fatigue cracking of the MLG pistons, which could result in failure of the pistons and subsequent damage to the airplane structure or injury to airplane occupants.

DATES: Comments must be received by June 10, 1996.

ADDRESSES: Submit comments in triplicate to the Federal Aviation Administration (FAA), Transport Airplane Directorate, ANM-103, Attention: Rules Docket No. 95-NM-221-AD, 1601 Lind Avenue, SW., Renton, Washington 98055-4056. Comments may be inspected at this location between 9:00 a.m. and 3:00 p.m., Monday through Friday, except Federal holidays.

The service information referenced in the proposed rule may be obtained from McDonnell Douglas Corporation, 3855 Lakewood Boulevard, Long Beach, California 90846, Attention: Technical Publications Business Administration, Department C1-L51 (2-60). This information may be examined at the FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington; or at the FAA, Transport Airplane Directorate, Los Angeles Aircraft Certification Office, 3960 Paramount Boulevard, Lakewood, California.

FOR FURTHER INFORMATION CONTACT: Brent Bandle, Aerospace Engineer, Airframe Branch, ANM-120L, FAA, Los Angeles Aircraft Certification Office, 3960 Paramount Boulevard, Lakewood, California 90712; telephone (310) 627-5237; fax (310) 627-5210.

SUPPLEMENTARY INFORMATION:

Comments Invited

Interested persons are invited to participate in the making of the proposed rule by submitting such written data, views, or arguments as they may desire. Communications shall identify the Rules Docket number and be submitted in triplicate to the address specified above. All communications received on or before the closing date for comments, specified above, will be considered before taking action on the proposed rule. The proposals contained in this notice may be changed in light of the comments received.

Comments are specifically invited on the overall regulatory, economic, environmental, and energy aspects of the proposed rule. All comments submitted will be available, both before and after the closing date for comments, in the Rules Docket for examination by interested persons. A report summarizing each FAA-public contact concerned with the substance of this

proposal will be filed in the Rules Docket.

Commenters wishing the FAA to acknowledge receipt of their comments submitted in response to this notice must submit a self-addressed, stamped postcard on which the following statement is made: "Comments to Docket Number 95-NM-221-AD." The postcard will be date stamped and returned to the commenter.

Availability of NPRMs

Any person may obtain a copy of this NPRM by submitting a request to the FAA, Transport Airplane Directorate, ANM-103, Attention: Rules Docket No. 95-NM-221-AD, 1601 Lind Avenue, SW., Renton, Washington 98055-4056.

Discussion

The FAA has received two reports of failure of the main landing gear (MLG) pistons that occurred during towing of a McDonnell Douglas Model DC-9-82 series airplane and a Model MD-88 airplane. In both cases, the fracture surface extended around the barrel section at the piston/axle transition. The fractures originated at a fatigue crack. Fatigue cracking occurred due to vibration-induced high stress loads on the pistons and a blending induced stress concentration in the transition area of the piston/axle transition. Such vibration occurs primarily during landing and rejected takeoff during moderate to heavy braking. Fatigue cracking of the MLG pistons, if not detected and corrected in a timely manner, could result in failure of the pistons and subsequent damage to the airplane structure or injury to airplane occupants.

The FAA has reviewed and approved McDonnell Douglas Service Bulletin MD80-32-277, Revision 01, dated February 23, 1996, which describes procedures for a one-time dye penetrant and magnetic particle inspection to detect cracking of the MLG pistons, and repair or replacement of cracked pistons with new or serviceable parts.

Since an unsafe condition has been identified that is likely to exist or develop on other products of this same type design, the proposed AD would require a one-time dye penetrant and magnetic particle inspection to detect cracking of the MLG pistons, and repair or replacement of the pistons with new or serviceable parts, if necessary. The actions would be required to be accomplished in accordance with the service bulletin described previously.

This is considered to be interim action until final action is identified, at which time the FAA may consider further rulemaking.