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FARM CREDIT ADMINISTRATION

12 CFR Part 615

RIN 3052–AB66

Funding and Fiscal Affairs, Loan Policies and Operations, and Funding Operations; Global Debt

AGENCY: Farm Credit Administration.

ACTION: Final rule.

SUMMARY: The Farm Credit Administration (FCA) adopts as final without change an interim rule that clarifies the Federal Farm Credit Banks Funding Corporation's (Funding Corporation) statutory authority to use more than one fiscal agent to facilitate the sale of Systemwide debt securities. The rule permits the Funding Corporation to employ fiscal agents other than Federal Reserve Banks (FRBs) for issuance of dollar denominated Systemwide debt securities in foreign capital markets. The rule recognizes the authority of the Funding Corporation to issue, sell, and distribute Systemwide debt securities on behalf of the Farm Credit banks (banks) on a global basis and allows the banks to engage in debt marketing practices used by other Government-Sponsored Enterprises (GSEs).

EFFECTIVE DATE: January 2, 1996.

FOR FURTHER INFORMATION CONTACT: Laurie A. Rea, Policy Analyst, Office of Examination, Farm Credit Administration, McLean, VA 22102–5090, (703)883–4498;

or

William L. Larsen, Senior Attorney, Office of General Counsel, Farm Credit Administration, McLean, VA 22102–5090, (703)883–4020, TDD (703)883–4444.

SUPPLEMENTARY INFORMATION: On November 24, 1995, the FCA published an interim rule with a request for public comments (60 FR 57916). The interim rule clarified the Funding Corporation's statutory authority to employ fiscal agents other than FRBs for issuance of dollar-denominated Systemwide debt securities in foreign capital markets and required the Funding Corporation Board of Directors to approve each prospective global agent. The interim rule also established a new subpart that differentiates Systemwide debt securities distributed outside the United States from those issued through the FRBs under existing Funding Corporation programs. In adopting the interim rule, the FCA noted that marketing debt internationally may broaden the investor base for Systemwide debt securities and lead to lower funding costs.

The FCA received one comment on the interim rule. In its comment letter, the Funding Corporation supported the interim rule as essential for the successful issuance of securities under a global debt program. The Funding Corporation also requested clarification on the reference in the preamble to ''* * * the requirement that the Funding Corporation Board of Directors approve each prospective global agent *and clearing system''* (60 FR 57919) (emphasis added). The Funding Corporation pointed out that, in contrast, the interim rule does not refer to Funding Corporation board approval of clearing systems but only to approval of ''each global agent'' (§ 615.5502(b)).

The preamble was designed to emphasize the significant role a global agent plays in global debt offerings rather than place an additional requirement on the Funding Corporation Board of Directors. The intent of the regulation is only to require the Funding Corporation Board of Directors to approve each prospective global agent. The preamble broadly contrasts the operational risks of using a global agent and international clearing system(s) with the operational risks of using the FRBs as fiscal agent and the FRBs' book-entry system and recognizes that the global agent will have significant influence on the determination of which international clearing system(s) are used.

As a practical matter, the Funding Corporation, global agent, and dealers will agree on the clearing system(s) that will be made available for clearance and settlement of transactions in advance of any primary distribution of global debt securities. Therefore, information concerning the clearance and settlement procedures and the responsibilities of program participants can be provided in either the offering circular or pricing supplement.

With this clarification, the FCA Board adopts the interim rule amending 12 CFR part 615, which was published at 60 FR 57916 on November 24, 1995, as final without change.

List of Subjects in 12 CFR Part 615

Accounting, Agriculture, Banks, banking, Government securities, Investments, Rural areas.

Dated: March 19, 1996.

Floyd Fithian,

Secretary, Farm Credit Administration Board.

[FR Doc. 96–7107 Filed 3–22–96; 8:45 am]

BILLING CODE 6705–01–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 95–NM–48–AD; Amendment 39–9549; AD 96–07–01]

Airworthiness Directives; McDonnell Douglas Model DC–10–10, –15, –30, and –40 Series Airplanes, and KC–10A (Military) Airplanes

AGENCY: Federal Aviation Administration, DOT.

ACTION: Final rule.

SUMMARY: This amendment adopts a new airworthiness directive (AD), applicable to certain McDonnell Douglas Model DC–10 series airplanes and KC–10A (military) airplanes, that requires visual inspections to detect failure of the attachments located in the banjo No. 4 fitting of the vertical stabilizer. This amendment also requires an eddy current inspection to detect cracking of the flanges and bolt holes of that fitting, and repair or replacement of attachments. This amendment is prompted by reports of failed attachments of the vertical stabilizer; the failures are attributed to fatigue. The actions specified by this AD are intended to prevent loss of the fail safe capability of the vertical stabilizer due to cracking of its attachments.

DATES: Effective April 24, 1996.

The incorporation by reference of certain publications listed in the regulations is approved by the Director of the Federal Register as of April 24, 1996.

ADDRESSES: The service information referenced in this AD 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 Federal Aviation Administration (FAA), Transport Airplane Directorate, Rules Docket, 1601 Lind Avenue SW., Renton, Washington; or at the FAA, Los Angeles Aircraft Certification Office, Transport Airplane Directorate, 3960 Paramount Boulevard, Lakewood, California; or at the Office of the Federal Register, 800 North Capitol Street, NW., suite 700, Washington, DC.

FOR FURTHER INFORMATION CONTACT: John Cecil, Aerospace Engineer, Airframe Branch, ANM–120L, FAA, Transport Airplane Directorate, Los Angeles Aircraft Certification Office, 3960 Paramount Boulevard, Lakewood, California 90712; telephone (310) 627–5322; fax (310) 627–5210.

SUPPLEMENTARY INFORMATION: A proposal to amend part 39 of the Federal Aviation Regulations (14 CFR part 39) to include an airworthiness directive (AD) that is applicable to certain McDonnell Douglas Model DC–10 series airplanes and KC–10A (military) airplanes was published in the Federal Register on July 18, 1995 (60 FR 36749). That action proposed to require repetitive visual inspections to detect failure of the attachments located in the banjo No. 4 fitting of the vertical stabilizer. That action also proposed to require an eddy current inspection to detect cracking of the flanges and bolt holes of that fitting, and repair or replacement of attachments.

Interested persons have been afforded an opportunity to participate in the making of this amendment. Due consideration has been given to the comments received.

Two commenters request that the proposed compliance time for the repetitive inspections be revised to coincide with routine maintenance visits. One commenter, the manufacturer, requests that the initial compliance time and the repetitive inspection interval of one year be expressed as 1,500 landings. The manufacturer points out that since the failures of the attachments are fatigue related, it would be appropriate to specify the compliance time in terms of landings.

The FAA concurs with the commenters' request to revise the compliance time. The FAA agrees with the manufacturer that the compliance times are more appropriately expressed in terms of landings. Accordingly, the FAA has revised paragraphs (a) and (a)(1) of the AD to reflect a revised initial compliance time and repetitive inspection interval of 1,500 landings.

Two commenters request clarification concerning the proposed visual inspections of the attachments. The commenters ask whether that inspection is to be accomplished from the exterior or the interior surface of the airplane (i.e., an external or an internal visual inspection). The FAA finds that clarification is necessary. Paragraphs (a) and (a)(1) of the final rule have been revised to reflect the FAA's intent that the inspection to be performed is an external visual inspection.

One commenter, the manufacturer, requests that paragraph (b) of the proposed rule be revised to specify that accomplishment of the replacement prior to December 17, 1993, in accordance with the original issue of McDonnell Douglas DC–10 Service Bulletin 55–23, dated December 17, 1992, is considered acceptable as terminating action for the requirements of the proposed AD, provided that an eddy current surface inspection of the forward and aft flanges is accomplished in accordance with Revision 1 of that service bulletin. The commenter states that several operators have already accomplished the replacement in accordance with the original issue of the service bulletin.

The FAA concurs. The FAA agrees that paragraph (b)(1) of the proposed rule should be revised to allow credit for replacements accomplished prior to December 17, 1993, in accordance with the original issue of McDonnell Douglas DC–10 Service Bulletin 55–23, provided that an eddy current surface inspection of the forward and aft flanges is accomplished in accordance with McDonnell Douglas DC–10 Service Bulletin 55–23, Revision 1, dated December 17, 1993.

Additionally, the FAA finds that the type of inspection required by paragraph (b) requires clarification. That paragraph has been revised to specify that the type of inspection required for the forward and aft flanges is an ''eddy current surface inspection.'' In addition, the FAA has determined that certain bolt holes of the banjo No. 4 fitting do not require eddy current inspections, provided that the attachments of that fitting have been replaced in accordance with McDonnell Douglas DC–10 Service Bulletin 55–23, dated December 17, 1992. A note has been added to the final rule to clarify that eddy current inspection of the bolt holes is not required in that case.

The FAA also has revised paragraph (b)(1) of the final rule to specify that the replacement required by that paragraph may be accomplished in accordance with the original issue of the service bulletin or Revision 1, dated December 17, 1993. That paragraph has also been revised to specify that accomplishment of the replacement in accordance with the original issue of the service bulletin constitutes terminating action for the requirements of the AD, provided that the eddy current surface inspection of the forward and aft flanges is accomplished in accordance with Revision 1 of the service bulletin. Additionally, accomplishment of the replacement in accordance with Revision 1 of the service bulletin constitutes terminating action for the requirements of the AD, provided that the eddy current surface inspection of the forward and aft flanges and the eddy current bolt hole inspection of the bolt holes of the banjo No. 4 fitting are accomplished in accordance with Revision 1 of the service bulletin.

One commenter, the manufacturer, requests that the FAA revise paragraph (b)(2) of the proposed rule to reference the repair procedures described in Figure 6 or Figure 7, as applicable, of Chapter 55–20–00, Volume 1, of the DC–10 Structural Repair Manual (SRM) as an alternative method of compliance. The commenter states that repair procedures for cracking detected in the No. 4 banjo fitting have been developed and incorporated into the SRM. The FAA concurs. The FAA has determined that those repair procedures incorporated into the SRM are acceptable as an alternate method of compliance. The FAA has revised paragraph (b)(2) of the final rule accordingly.

One commenter states that there is a lack of available parts, which will not allow operators to perform the replacement of the attachments as required by paragraph (b)(1) of the proposed rule. From that comment, the FAA infers that the commenter is requesting that the compliance time be extended to allow time for the manufacture of replacement parts. The FAA does not concur. The FAA has verified with the manufacturer that parts will be available to operators before the required compliance time. However, paragraph (c) of the final rule does provide affected operators the opportunity to require an adjustment of the compliance time if data are presented to justify such an extension.

The FAA notes that a statement in the Summary section of the preamble to the notice, indicated that failures of the attachments of the vertical stabilizer were attributed to ''stress corrosion fatigue.'' The FAA finds that revision is necessary in order to clarify the fact that the failures of the attachments of the vertical stabilizer were attributed to ''fatigue.''

Additionally, the manufacturer has notified the FAA that, while McDonnell Douglas DC–10 Service Bulletin 55–23 describes procedures for performing an eddy current inspection to detect cracking of the forward and aft flanges and bolt holes of the banjo No. 4 fitting and the pylon carry-through cap, the correct description would entail deleting the words ''pylon carry-through cap.'' The manufacturer noted that the pylon carry through cap is not directly inspected by eddy current inspections. Therefore, references to the ''pylon carry-though cap'' have been deleted in paragraph (b) of the final rule, and elsewhere in the Supplementary Information section of this preamble to the final rule.

After careful review of the available data, including the comments noted above, the FAA has determined that air safety and the public interest require the adoption of the rule with the changes previously described. The FAA has determined that these changes will neither increase the economic burden on any operator nor increase the scope of the AD.

There are approximately 420 Model DC–10–10, –15, –30, –40 series airplanes and KC–10A (military) airplanes of the affected design in the worldwide fleet. The FAA estimates that 237 airplanes of U.S. registry will be affected by this AD.

The FAA estimates that it will take approximately 1 work hour per airplane to accomplish the visual inspections, at an average labor rate of $60 per work hour. Based on these figures, the cost impact of the visual inspections on U.S. operators is estimated to be $14,220, or $60 per airplane, per inspection cycle.

The FAA estimates that it will take approximately 2 work hours per airplane to accomplish the eddy current inspection, at an average labor rate of $60 per work hour. Based on these figures, the cost impact of the eddy current inspection on U.S. operators is estimated to be $28,440, or $120 per airplane.

The FAA estimates that it will take approximately 6 work hours per airplane to accomplish the replacement of the 12 attachments located at the banjo No. 4 fitting, at an average labor rate of $60 per work hour. Required parts cost approximately $250 per airplane. Based on these figures, the total cost impact of the replacement on U.S. operators is estimated to be $144,570, or $610 per airplane.

The cost impact figures discussed above are based on assumptions that no operator has yet accomplished any of the requirements of this AD action, and that no operator would accomplish those actions in the future if this AD were not adopted.

The regulations adopted herein will not have substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government. Therefore, in accordance with Executive Order 12612, it is determined that this final rule does not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.

For the reasons discussed above, I certify that this action (1) Is not a ''significant regulatory action'' under Executive Order 12866; (2) is not a ''significant rule'' under DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979); and (3) will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act. A final evaluation has been prepared for this action and it is contained in the Rules Docket. A copy of it may be obtained from the Rules Docket at the location provided under the caption **ADDRESSES**.

List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Incorporation by reference, Safety.

Adoption of the Amendment

Accordingly, pursuant to the authority delegated to me by the Administrator, the Federal Aviation Administration amends part 39 of the Federal Aviation Regulations (14 CFR part 39) as follows:

PART 39—AIRWORTHINESS DIRECTIVES

1. The authority citation for part 39 continues to read as follows:

Authority: 49 USC 106(g), 40113, 44701.

§ 39.13 [Amended]

2. Section 39.13 is amended by adding the following new airworthiness directive:

96–07–01 McDonnell Douglas: Amendment 39–9549. Docket 95–NM–48–AD.

Applicability: Model DC–10–10, –15, –30, –40 series airplanes and KC–10A (military) airplanes; as listed in McDonnell Douglas DC–10 Service Bulletin 55–23, Revision 1, dated December 17, 1993; certificated in any category.

Note 1: This AD applies to each airplane identified in the preceding applicability provision, regardless of whether it has been otherwise modified, altered, or repaired in the area subject to the requirements of this AD. For airplanes that have been modified, altered, or repaired so that the performance of the requirements of this AD is affected, the owner/operator must request approval for an alternative method of compliance in accordance with paragraph (c) of this AD. The request should include an assessment of the effect of the modification, alteration, or repair on the unsafe condition addressed by this AD; and, if the unsafe condition has not been eliminated, the request should include specific proposed actions to address it.

Compliance: Required as indicated, unless accomplished previously. To prevent loss of fail safe capability of the vertical stabilizer due to cracking of its attachments, accomplish the following:

(a) Within 1,500 landings after the effective date of this AD, perform an external visual inspection, using a minimum 5X power magnifying glass, to detect failure of the 12 attachments located in the banjo No. 4 fitting of the vertical stabilizer (as depicted in McDonnell Douglas DC–10 Service Bulletin 55–23, Revision 1, dated December 17, 1993). Perform this inspection in accordance with procedures specified in McDonnell Douglas Nondestructive Testing Manual Chapter 20–10–00 or McDonnell Douglas Nondestructive Testing Standard Practice Manual, Part 09.

(1) If no failure is detected, repeat the external visual inspection thereafter at intervals not to exceed 1,500 landings until the requirements of paragraph (b) of this AD are accomplished.

(2) If any failure is detected, prior to further flight, accomplish the requirements of paragraph (b) of this AD.

(b) Except as required by paragraph (a)(2) of this AD: Within 5 years after the effective date of this AD, perform an eddy current surface inspection to detect cracking of the forward and aft flanges; and an eddy current bolt hole inspection of the bolt holes of the banjo No. 4 fitting; in accordance with McDonnell Douglas DC–10 Service Bulletin 55–23, Revision 1, dated December 17, 1993.

Note 2: Paragraph (b) of this AD does not require that eddy current bolt hole inspections be accomplished for the bolt holes of the banjo No. 4 fitting if the attachments were replaced, prior to the effective date of this AD, in accordance with McDonnell Douglas DC–10 Service Bulletin 55–23, dated December 17, 1992.

(1) If no cracking is detected, prior to further flight, replace the 12 attachments

located on the banjo No. 4 fitting, in accordance with McDonnell Douglas DC–10 Service Bulletin 55–23, dated December 17, 1992, or Revision 1, dated December 17, 1993. Accomplishment of this replacement terminates the requirements of this AD, provided that the eddy current surface inspection of the forward and aft flanges; and the eddy current bolt hole inspection of the bolt holes of the banjo No. 4 fitting, if applicable; are accomplished in accordance with Revision 1 of the service bulletin.

(i) Accomplishment of the replacement in accordance with the original issue of the service bulletin constitutes terminating action for the requirements of this AD, provided that the eddy current surface inspection of the forward and aft flanges is accomplished in accordance with Revision 1 of the service bulletin.

(ii) Accomplishment of the replacement in accordance with Revision 1 of the service bulletin constitutes terminating action for the requirements of this AD, provided that the eddy current surface inspection of the forward and aft flanges; and the eddy current bolt hole inspection of the bolt holes of the banjo No. 4 fitting are accomplished in accordance with Revision 1 of the service bulletin.

(2) If any cracking is detected, prior to further flight, repair either in accordance with Figure 6 or Figure 7, as applicable, of Chapter 55–20–00, Volume 1, of the DC–10 Structural Repair Manual (SRM); or in accordance with a method approved by the Manager, Los Angeles Aircraft Certification Office, (ACO), FAA, Transport Airplane Directorate.

(c) An alternative method of compliance or adjustment of the compliance time that provides an acceptable level of safety may be used if approved by the Manager, Los Angeles ACO. Operators shall submit their requests through an appropriate FAA Principal Maintenance Inspector, who may add comments and then send it to the Manager, Los Angeles ACO.

Note 3: Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the Los Angeles ACO.

(d) The actions shall be done in accordance with McDonnell Douglas DC–10 Service Bulletin 55–23, dated December 17, 1992, and McDonnell Douglas DC–10 Service Bulletin 55–23, Revision 1, dated December 17, 1993. This incorporation by reference was approved by the Director of the Federal Register in accordance with 5 U.S.C. 552(a) and 1 CFR part 51. Copies may be obtained from McDonnell Douglas Corporation, 3855 Lakewood Boulevard, Long Beach, California 90846, Attention: Technical Publications Business Administration, Department C1–L51 (2–60). Copies may be inspected at the FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington; or at the FAA, Los Angeles Aircraft Certification Office, Transport Airplane Directorate, 3960 Paramount Boulevard, Lakewood, California; or at the Office of the Federal Register, 800 North Capitol Street, NW., suite 700, Washington, DC.

(e) This amendment becomes effective on April 24, 1996.

Issued in Renton, Washington, on March 18, 1996.

James V. Devany,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 96–6932 Filed 3–22–96; 8:45 am]

BILLING CODE 4910–13–P

14 CFR Part 39

[Docket No. 95–CE–13–AD; Amendment 39–9550; AD 95–17–09 R1]

Airworthiness Directives; Fairchild Aircraft SA226 and SA227 Series Airplanes

AGENCY: Federal Aviation Administration, DOT.

ACTION: Final rule

SUMMARY: This amendment revises Airworthiness Directive (AD) 95–17–09, which requires relocating the left-hand (LH) and right-hand (RH) essential bus current limiters (225 amp) to the battery bus (main bus tie) on certain Fairchild Aircraft SA226 and SA227 series airplanes. The Federal Aviation Administraton (FAA) has determined that the applicability of the current AD should be changed to reflect a different serial number range and model designation of certain SA227 series airplanes. This action retains the essential bus current limiter relocations required by AD 95–17–09, and revises the Applicability section of that AD. The actions specified by this AD are intended to prevent failure of the LH and RH essential bus when engine failure results in a blown generator current limiter, which could result in loss of airplane electrical power.

DATES: Effective May 13, 1996.

The incorporation by reference of certain publications listed in the regulations was previously approved by the Director of the Federal Register as of October 3, 1995.

ADDRESSES: Service information that applies to this AD may be obtained from Fairchild Aircraft, P.O. Box 790490, San Antonio, Texas 78279–0490; telephone (210) 824–9421. This information may also be examined at the FAA, Central Region, Office of the Assistant Chief Counsel, Attention: Rules Docket No. 95–CE–13–AD, Room 1558, 601 E. 12th Street, Kansas City, Missouri 64106; or at the Office of the Federal Register, 800 North Capitol Street, NW., suite 700, Washington, DC.

FOR FURTHER INFORMATION CONTACT: Ms. Ingrid D. Knox, Aerospace Engineer, FAA, Airplane Certification Office, 2601 Meacham Boulevard, Fort Worth, Texas 76193–0150; telephone (817) 222–5190; facsimile (817) 222–5960.

SUPPLEMENTARY INFORMATION: A proposal to amend part 39 of the Federal Aviation Regulations (14 CFR part 39) to include an AD that would apply to certain Fairchild Aircraft SA226 and SA227 series airplanes that utilize a DC generator was published in the Federal Register on October 13, 1995 (60 FR 53309). The action proposed to revise AD 95–17–09 by retaining the requirement of relocating the LH and RH essential bus current limiters (225 amp) to the battery bus (main bus tie); and revising the Applicability section to reflect correct serial numbers and incorporating the correct airplane model designation in paragraph (a) of AD 95–17–09. Accomplishment of the proposed modification would be in accordance with Fairchild Aircraft Engineering Kit Drawing 27K82376, ''Current Limiter Rebusing Kit,'' as referenced in Fairchild Service Bulletin (SB) 226–24–034, SB 227–24–015, and SB CC7–24–002, all Issued: September 29, 1994.

Interested persons have been afforded an opportunity to participate in the making of this amendment. No comments have been received regarding the proposal or the FAA's estimate of the cost impact upon the public.

After careful review of all available information related to the subject presented above, the FAA has determined that air safety and the public interest require the adoption of the rule as proposed except for minor editorial corrections. The FAA has determined that these minor corrections will not change the meaning of the AD and will not add any additional burden upon the public than was already proposed.

The FAA estimates that 622 airplanes in the U.S. registry will be affected by this AD, that it will take approximately 4 workhours per airplane to accomplish the required action, and that the average labor rate is approximately $60 an hour. Parts cost approximately $98 per airplane. Based on these figures, the total cost impact of the AD on U.S. operators is estimated to be $210,236 or $338 per airplane. This figure is based on the assumption that no affected airplane owner/operator has incorporated the required modification. Fairchild Aircraft has informed the FAA that parts have not been distributed to any owner/operator of the affected airplanes.

The required action only corrects a model designation and certain serial numbers of certain SA227 series airplanes that are affected by AD 95–17–09. The cost impact upon the public specified in this AD is exactly the same as that currently required by AD 95–17–09.