

a material error or misstatement in the information submitted to the Reporting Entity, it must notify the Reporting Entity and the Farm Credit Administration immediately of the error or misstatement and prepare and submit corrected information as soon as practicable.

(3) Respond promptly to any questions by the Reporting Entity related to information provided under this section in connection with the preparation of a report of accounts and exposures, including any data required to establish, implement and maintain consistent, accurate, and complete shared asset identification and reporting of shared asset exposures to the Farm Credit Administration.

(4) Develop, implement, and maintain an effective system of internal controls over the data included in the report of accounts and exposures, including controls for maintaining the confidentiality of borrower information. The system of internal controls, at a minimum, must comply with the requirements of applicable Farm Credit Administration regulations, including § 618.8430 of this chapter.

(b) *Responsibilities of the Reporting Entity for preparing and submitting reports.* The Reporting Entity must:

(1) Collect, store, and manage the information submitted to it by each bank and association under the requirements of this section in a central data repository in accordance with Farm Credit Administration regulations and prescribed instructions.

(2) Prepare and submit an electronic quarterly report of the accounts and exposures of all banks and associations to the Farm Credit Administration in accordance with the instructions prescribed by the Farm Credit Administration or as may be required by the Farm Credit Administration.

(3) Establish, implement, and maintain an automated mechanism to ensure the reliable, timely, accurate and consistent identification of the banks' and associations' shared asset exposures, and report these exposures and the shared asset identifiers in the electronic quarterly report of accounts and exposures to the Farm Credit Administration. In connection with establishing and implementing the automated shared asset identification mechanism, the Reporting Entity may provide the banks and associations information from the central data repository to identify and report shared asset exposures.

(4) Submit to the Farm Credit Administration a written certification that the information provided to the Farm Credit Administration in the

report of accounts and exposures of all banks and associations accurately represents the information provided to it by the banks and associations and that the Reporting Entity has complied with the requirements of § 621.15(b). The reports shall be certified by the president or chief executive officer of the Reporting Entity. In the event the Reporting Entity learns of a material error or misstatement in the information submitted to the Farm Credit Administration, it must notify the Farm Credit Administration immediately of the error or misstatement and prepare and submit corrected information as soon as practicable.

(5) Develop, implement, and maintain an effective system of internal controls over the central data repository, including controls for maintaining the confidentiality of borrower information. The system of internal controls, at a minimum, must comply with the requirements of applicable Farm Credit Administration regulations, including § 618.8430 of this chapter and require that the Reporting Entity:

(i) Develop policies and procedures to ensure that the information submitted in the report of accounts and exposures to the Farm Credit Administration is complete and consistent with the information submitted to the Reporting Entity from the banks and associations under § 621.15(a); and

(ii) Specify procedures for monitoring any material corrections or adjustments, in a timely manner, and provide timely notification and resubmission of the report of accounts and exposures to the Farm Credit Administration.

(6) Notify the Farm Credit Administration if it is unable to prepare and submit the quarterly report of accounts and exposures in compliance with the requirements of § 621.15(b)(1) through (b)(3). The notification:

(i) Must be signed by the chief executive officer, or person in an equivalent position, and submitted to the Farm Credit Administration as soon as the Reporting Entity becomes aware of its inability to comply;

(ii) Must explain the reasons for its inability to prepare and submit the report; and

(iii) May include a request that the Farm Credit Administration extend the due date for the quarterly report of accounts and exposures.

(7) In the event there is a breach of information, immediately provide written notice of the breach to:

(i) The Farm Credit Administration; and

(ii) Each bank and association concerned;

(iii) For the purposes of this section, "breach of information" means any actual or attempted unauthorized access, possession, use, disclosure, disruption, modification, or destruction of information in the central data repository, any reports of accounts and exposures, or any other information received pursuant to § 621.15(a)(1).

(8) Notify the Farm Credit Administration in writing of any request for data contained in the reports of accounts and exposures that are not explicitly allowed for in § 618.8320(b) of this chapter.

Dated: December 18, 2013.

Dale L. Aultman,

Secretary, Farm Credit Administration Board.

[FR Doc. 2013-30717 Filed 12-23-13; 8:45 am]

BILLING CODE 6705-01-P

NATIONAL CREDIT UNION ADMINISTRATION

12 CFR Parts 700, 701, and 704

RIN 3133-AE33

Technical Amendments

AGENCY: National Credit Union Administration (NCUA).

ACTION: Final rule.

SUMMARY: The NCUA Board (Board) is making technical amendments to NCUA's regulations regarding the rating system for corporate credit unions. The technical amendments conform the regulations to a recent policy change adopted by the Board. Specifically, the policy change eliminates the use of the Corporate Risk Information System (CRIS) for corporate credit unions and replaces it with the CAMEL rating system. The technical amendments merely update the regulations to reflect the conversion from the CRIS to the CAMEL rating system for corporate credit unions.

DATES: The final rule is effective on January 1, 2014.

FOR FURTHER INFORMATION CONTACT: Lisa Henderson, Staff Attorney, Office of General Counsel, at 1775 Duke Street, Alexandria, VA 22314 or telephone: (703) 518-6540.

SUPPLEMENTARY INFORMATION:

I. Background and Purpose of the Final Rule
II. Regulatory Procedures

I. Background and Purpose of the Final Rule

Why is the NCUA Board issuing this rule?

In September 2013, the Board adopted a policy change which converted the

rating system for corporate credit unions from CRIS to CAMEL. The Board made this change to: (1) Improve rating comparability, as CAMEL is the standard rating system for natural person credit unions and banks; (2) reduce complexity in managing two different rating systems; (3) provide a uniform rating system to promote greater consistency in rating assignments; and (4) facilitate governance, as corporate credit union directors are familiar with CAMEL at their own natural person credit unions. The Board is now amending §§ 700.2, 701.14, and 704.4,¹ which still reference the former CRIS rating system, to update them to reflect the current CAMEL rating system.

III. Regulatory Procedures

Regulatory Flexibility Act

The Regulatory Flexibility Act requires NCUA to prepare an analysis to describe any significant economic impact a rule may have on a substantial number of small entities (primarily those under \$50 million in assets). NCUA certifies that these technical amendments will not have a significant economic impact on a substantial number of small credit unions.

Paperwork Reduction Act

The Paperwork Reduction Act of 1995 (PRA) applies to rulemakings in which an agency by rule creates a new paperwork burden on regulated entities or modifies an existing burden.² For purposes of the PRA, a paperwork burden may take the form of either a reporting or a recordkeeping requirement, both referred to as information collections. NCUA has determined that the technical amendments in this final rule do not increase the paperwork requirements under PRA or regulations of the Office of Management and Budget.

Executive Order 13132

Executive Order 13132 encourages independent regulatory agencies to consider the impact of their actions on state and local interests. NCUA, an independent regulatory agency as defined in 44 U.S.C. 3502(5), voluntarily complies with the executive order to adhere to fundamental federalism principles. This final rule will not have a substantial direct effect 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. NCUA has

determined that this final rule does not constitute a policy that has federalism implications for purposes of the executive order.

Assessment of Federal Regulations and Policies on Families

NCUA has determined that this final rule will not affect family well-being within the meaning of Section 654 of the Treasury and General Government Appropriations Act, 1999.³

Small Business Regulatory Enforcement Fairness Act

The Small Business Regulatory Enforcement Fairness Act of 1996⁴ (SBREFA) provides generally for congressional review of agency rules. A reporting requirement is triggered in instances where NCUA issues a final rule as defined by Section 551 of the Administrative Procedure Act.⁵ NCUA has submitted this rule to the Office of Management and Budget for it to determine if the final rule is a “major rule” for purposes of SBREFA. NCUA does not believe the rule is major.

Final Rule

Generally, the Administrative Procedure Act (APA) requires a federal agency to provide the public with notice and the opportunity to comment on agency rulemakings. The amendments in this rule are non-substantive and technical. They make minor revisions to reflect the conversion to the CAMEL rating system for corporate credit unions. The APA permits an agency to forego the notice and comment period under certain circumstances, such as when a rulemaking is technical and non-substantive. NCUA finds that, in this instance, notice and public comment are unnecessary under section 553(b)(3)(B) of the APA.⁶ NCUA also finds good cause to dispense with the 30-day delayed effective date requirement under section 553(d)(3) of the APA.⁷ The rule, therefore, will be effective January 1, 2014.

List of Subjects

12 CFR Part 700

Credit unions.

12 CFR Part 701

Credit unions, Reporting and recordkeeping requirements.

³ Public Law 105–277, 112 Stat. 2681 (1998).

⁴ Public Law 104–121, 110 Stat. 857 (1996).

⁵ 5 U.S.C. 551.

⁶ 5 U.S.C. 553(b)(3)(B).

⁷ 5 U.S.C. 553(d)(3).

12 CFR Part 704

Corporate credit unions, Credit unions, Investments, Reporting and recordkeeping requirements.

By the National Credit Union Administration Board on December 12, 2013.

Gerard Poliquin,

Secretary of the Board.

For the reasons discussed above, the NCUA Board amends 12 CFR parts 700, 701, and 704 as follows:

PART 700—DEFINITIONS

■ 1. The authority citation for part 700 continues to read as follows:

Authority: 12 U.S.C. 1752, 1757(6), 1766.

■ 2. Amend § 700.2 by revising paragraph (2) of the definition of “Troubled Condition” to read as follows:

§ 700.2 Definitions.

* * * * *

Troubled condition means:

* * * * *

(2) In the case of an insured corporate credit union:

(i) A Federal credit union that has been assigned a 4 or 5 CAMEL rating by NCUA; or

(ii) A federally insured, state-chartered credit union that has been assigned a 4 or 5 CAMEL rating by either NCUA, after an on-site contact, or its state supervisor; or

(iii) A Federal credit union or a federally insured, state-chartered credit union that has been granted assistance under section 208 of the Federal Credit Union Act, 12 U.S.C. 1788, that remains outstanding and unextinguished.

* * * * *

PART 701—ORGANIZATION AND OPERATION OF FEDERAL CREDIT UNIONS

■ 3. The authority citation for part 701 continues to read as follows:

Authority: 12 U.S.C. 1752(5), 1755, 1756, 1757, 1758, 1759, 1761a, 1761b, 1766, 1767, 1782, 1784, 1786, 1787, 1789. Section 701.6 is also authorized by 15 U.S.C. 3717. Section 701.31 is also authorized by 15 U.S.C. 1601 et seq.; 42 U.S.C. 1981 and 3601–3610. Section 701.35 is also authorized by 42 U.S.C. 4311–4312.

■ 4. Revise § 701.14(b)(4) to read as follows:

§ 701.14 Change in official or senior executive officer in credit unions that are newly chartered or are in troubled condition.

* * * * *

(b) * * *

(4) In the case of an insured corporate credit union, *Troubled condition* means:

¹ 12 CFR 700.2, 701.14, and 704.4.

² 44 U.S.C. 3507(d); 5 CFR part 1320.

(i) A Federal credit union that has been assigned a 4 or 5 CAMEL rating by NCUA; or

(ii) A federally insured, state-chartered credit union that has been assigned a 4 or 5 CAMEL rating by either NCUA, after an on-site contact, or its state supervisor; or

(iii) A Federal credit union or a federally insured, state-chartered credit union that has been granted assistance under section 208 of the Federal Credit Union Act, 12 U.S.C. 1788, that remains outstanding and unextinguished.

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PART 704—CORPORATE CREDIT UNIONS

■ 5. The authority citation for part 704 continues to read as follows:

Authority: 12 U.S.C. 1766(a), 1781, 1789.

■ 6. Revise § 704.4(d)(3)(ii) to read as follows:

§ 704.4 Prompt corrective action.

* * * * *

(ii) Unsafe or unsound practice. NCUA has determined, after notice and an opportunity for hearing pursuant to paragraph (h)(1) of this section, that the corporate credit union received a less-than-satisfactory CAMEL rating (*i.e.*, three or lower) for any rating category (other than in a rating category specifically addressing capital adequacy) and has not corrected the conditions that served as the basis for the less than satisfactory rating. Ratings under this paragraph (d)(3)(ii) refer to the most recent ratings (as determined either on-site or off-site by the most recent examination) of which the corporate credit union has been notified in writing.

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[FR Doc. 2013-30557 Filed 12-23-13; 8:45 am]

BILLING CODE 7535-01-P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA-2013-0604; Directorate Identifier 2012-SW-110-AD; Amendment 39-17705; AD 2013-25-09]

RIN 2120-AA64

Airworthiness Directives; AgustaWestland S.p.A. (Type Certificate Previously Held by Agusta S.p.A.) Helicopters

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule.

SUMMARY: We are adopting a new airworthiness directive (AD) for certain AgustaWestland S.p.A. (Agusta) Model AB139 and AW139 helicopters. This AD requires inspecting the nose landing gear (NLG) pin installations for incorrect assembly. This AD is prompted by reports of incorrectly installed pins discovered on in-service aircraft. These actions are intended to detect incorrectly installed pins, which could result in collapse of the NLG during taxi or landing.

DATES: This AD is effective January 28, 2014.

The Director of the Federal Register approved the incorporation by reference of a certain document listed in this AD as of January 28, 2014.

ADDRESSES: For service information identified in this AD, contact Agusta Westland, Customer Support & Services, Via Per Tornavento 15, 21019 Somma Lombardo (VA) Italy, ATTN: Giovanni Cecchelli; telephone 39-0331-711133; fax 39 0331 711180; or at <http://www.agustawestland.com/technical-bullettins>. You may review the referenced service information at the FAA, Office of the Regional Counsel, Southwest Region, 2601 Meacham Blvd., Room 663, Fort Worth, Texas 76137.

Examining the AD Docket

You may examine the AD docket on the Internet at <http://www.regulations.gov> or in person at the Docket Operations Office between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this AD, the foreign authority's AD, any incorporated-by-reference service information, the economic evaluation, any comments received, and other information. The street address for the Docket Operations Office (phone: 800-647-5527) is U.S. Department of Transportation, Docket Operations Office, M-30, West Building Ground Floor, Room W12-140, 1200 New Jersey Avenue SE., Washington, DC 20590.

FOR FURTHER INFORMATION CONTACT:

Robert Grant, Aviation Safety Engineer, Safety Management Group, FAA, 2601 Meacham Blvd., Fort Worth, Texas 76137; telephone 817-222-5328; email robert.grant@faa.gov.

SUPPLEMENTARY INFORMATION:

Discussion

On July 12, 2013, at 78 FR 41888, the Federal Register published our notice of proposed rulemaking (NPRM), which proposed to amend 14 CFR part 39 to add an AD that would apply to certain serial-numbered AgustaWestland S.p.A.

(Agusta) Model AB139 and AW139 helicopters with an NLG pin part number 1661-0001 installed. The NPRM proposed to require, within 50 hours time in service (TIS), inspecting the pin installations in the left and right arms for correct installation of the pin, bolts, washers, and nuts.

• If the installation is not correct, the NPRM proposed to require:

○ Inspecting the bolt and nut for corrosion and removing the bolt and nut from service if there is corrosion.

○ Inspecting the pin for corrosion, a crack, and damage, removing the corrosion and measuring the pin diameter if there is any corrosion, and removing the pin from service if the pin diameter is less than 25.36 mm (.998 in) or if there is a crack in the pin.

○ Dye penetrant inspecting the pin flange for surface cracks and removing the pin from service if there is a surface crack.

• If the installation is correct, the NPRM proposed to require inspecting the bolt head and nut for corrosion and removing the bolt or nut from service if there is any corrosion.

The proposed requirements were intended to detect incorrectly installed pins, which could result in collapse of the NLG during taxi or landing.

The NPRM was prompted by AD No. 2012-0262, dated December 14, 2012, issued by the European Aviation Safety Agency (EASA), which is the Technical Agent for the Member States of the European Union, to correct an unsafe condition for the Agusta Model AB139 and AW139 helicopters. EASA advises that incorrectly installed NLG pins, part number 1661-0001, were discovered on several aircraft. Incorrectly installed pins create a pre-stress condition on the pin flange. According to EASA, a subsequent technical investigation by Agusta concluded that the incorrect installation could be present on a number of other helicopters. EASA states that this condition could lead to NLG structural failure and consequent collapse during landing or taxi, resulting in damage to the helicopter and injury to the occupants. EASA AD 2012-0262 requires inspecting the NLG pin installation on both the left and right arms to determine if the pin, washers, and nuts are correctly installed and, depending on findings, inspecting the bolts, nuts, and pins for corrosion, and also inspecting the pins for surface cracks, and correctly installing the pins.

Comments

We gave the public the opportunity to participate in developing this AD, but we did not receive any comments on the NPRM (78 FR 41888, July 12, 2013).