

Farmer Mac securities and make any changes that are needed.

(c) *Policies.* Your board of directors must establish investment policies for Farmer Mac securities that include your:

(1) *Objectives* for holding Farmer Mac securities.

(2) *Credit risk* parameters including:

(i) The quantities and types of Farmer Mac mortgage securities that are collateralized by qualified agricultural mortgages, rural home loans, and loans guaranteed by the Farm Service Agency.

(ii) Product and geographic diversification for the loans that underlie the security; and

(iii) Minimum pool size, minimum number of loans in each pool, and maximum allowable premiums or discounts on these securities.

(3) *Liquidity risk* tolerance and the liquidity characteristics of Farmer Mac securities that are suitable to meet your institutional objectives. A bank may not include Farmer Mac mortgage securities in the liquidity reserve maintained to comply with § 615.5134.

(4) *Market risk* limits based on the effects that the Farmer Mac securities have on your capital and earnings.

(d) *Stress Test.* You must perform stress tests on mortgage securities that are issued or guaranteed by Farmer Mac in accordance with the requirements of § 615.5141(b) and (c). If a Farmer Mac security fails a stress test, you must divest it as required by § 615.5143.

Dated: May 13, 1999.

**Vivian Portis,**

Secretary, Farm Credit Administration Board.  
[FR Doc. 99-13622 Filed 5-27-99; 8:45 am]

BILLING CODE 6705-01-P

## DEPARTMENT OF TRANSPORTATION

### Federal Aviation Administration

#### 14 CFR Part 33

[Docket No. NE121; Special Conditions No. 33-002-SC]

#### Special Conditions: General Electric Aircraft Engines Models CT7-6D, CT7-6E and CT7-8 Turboshaft Engines.

**AGENCY:** Federal Aviation Administration (FAA), DOT.

**ACTION:** Final special conditions; request for comments.

**SUMMARY:** These special conditions are issued for the General Electric Aircraft Engines (GEAE) Models CT7-6D, CT7-6E and CT7-8 turboshaft engines. These engines will have 30-second one-engine-inoperative (OEI) and 2-minute OEI ratings. The applicable airworthiness

standards do not contain appropriate safety standards for engine overspeed test requirements for these engine ratings. This document contains the additional safety standards for the overspeed test for these ratings under § 33.27 that the Administrator considers necessary to establish a level of safety equivalent to that established by the existing airworthiness standards. This document also specifies the mandatory post-flight engine inspection and maintenance requirements for these ratings in accordance with § 33.4.

**DATES:** The effective date of these special conditions is May 21, 1999. Comments must be received on or before July 27, 1999.

**ADDRESSES:** Comments on these special conditions may be mailed in duplicate to: Federal Aviation Administration, Office of the Regional Counsel, Attention: Docket NE121; 12 New England Executive Park, Burlington, Massachusetts 01803-5299, or delivered in duplicate to the Office of the Regional Counsel at the above address.

Comments must be marked: Docket No. NE121. Comments may be inspected in the Docket weekdays, except Federal holidays, between 8:00 a.m. and 4:30 p.m.

**FOR FURTHER INFORMATION CONTACT:** Chung Hsieh, FAA, Engine and Propeller Standards Staff, ANE-110, Engine and Propeller Directorate, Aircraft Certification Service, 12 New England Executive Park, Burlington, Massachusetts 01803-5299; telephone (781) 238-7115; facsimile (781) 238-7199.

#### SUPPLEMENTARY INFORMATION:

##### Comments Invited

The FAA has determined that good cause exists for making these special conditions effective upon issuance; however, interested persons are invited to submit such written data, views, or arguments as they may desire. Communications should identify the docket and special conditions numbers and be submitted in duplicate to the address specified above. All communications received on or before the closing date for comments will be considered by the Administrator. These special conditions may be changed in light of the comments received. All comments submitted will be available in the Docket for examination by interested persons, both before and after the closing date for comments. A report summarizing each substantive public contact with FAA personnel concerning this rulemaking will be filed in the docket. Persons wishing the FAA to acknowledge receipt of their comments

submitted in response to this request must submit with those comments a self-addressed, stamped postcard on which the following statement is made: "Comments to Docket No. NE121." The postcard will be date-stamped and returned to the commenter.

#### Background

On May 24, 1996, GEAE applied for an amendment to type certificate E8NE to include a new model CT7-6E turboshaft engine. On July 15, 1996, GEAE applied for an amendment to type certificate E8NE to include a new model CT7-6D turboshaft engine. On August 12, 1996, GEAE applied for an amendment to type certificate E8NE to include a new model CT7-8 turboshaft engine. These models are all derivatives of the CT7 series turboshaft engine. With all of these applications GEAE applied for 30-second OEI and 2-minute OEI ratings for the new engine designs. The CT7-6D and the CT7-6E turboshaft engines will be rated at 30-second OEI, 2-minute OEI, continuous OEI, takeoff, and maximum continuous ratings. The CT7-8 turboshaft engine will be rated at 30-second OEI, 2-minute OEI, 30-minute OEI, takeoff, and maximum continuous ratings.

On June 19, 1996, the FAA published a final rule setting airworthiness standards for 30-second and 2-minute OEI engine ratings (61 FR 31324). Prior to that rule the airworthiness standards for engines, 14 CFR part 33, did not contain appropriate safety standards for engine overspeed test requirements for 30-second and 2-minute OEI engine ratings. Engine manufacturers who had applied for type certificates for engine designs that contained 30-second and 2-minute OEI ratings were issued special conditions to address, among other things, engine overspeed test requirements for those ratings, which were considered at the time to be novel and unusual engine ratings. The final rule, however, did not contain the proposed revisions to the airworthiness standards on engine overspeed test for these OEI ratings under § 33.27 that appeared in both the Notice of Proposed Rulemaking (NPRM) No. 89-27, published on September 22, 1989 (54 FR 39080), and the Supplemental Notice of Proposed Rulemaking (SNPRM) No. 89-27A (60 FR 7380), published on February 7, 1995. The FAA elected to drop the proposed changes to § 33.27 from the final rule in response to commenters who noted that the proposed revisions were not consistent with the status of the discussions on OEI test requirements ongoing at the time by a working group of the Aviation Rulemaking Advisory Committee

(ARAC). The FAA agreed that the proposed changes to § 33.27 were not completely harmonized with the proposed equivalent rules in the Joint Airworthiness Requirements—Engine (JAR-E) published by the European Joint Aviation Authority (JAA). The preamble to the final rule states that until the ARAC completes its work to harmonize § 33.27 with the equivalent rule in the JAR-E, the FAA should address engine overspeed test requirements for 30-second and 2-minute OEI engine ratings on a case by case basis. These special conditions reflect that policy and allow this applicant to proceed with the certification of these engine designs on the same basis as previous applicants seeking approval for 30-second and 2-minute OEI engine ratings.

#### Type Certification Basis

Under the provisions of 14 CFR 21.101, GEAE must show that GEAE models CT7-6D, CT7-6E and CT7-8 turboshaft engines meet the applicable provisions of the regulations incorporated by reference in Type Certificate No. E8NE or the applicable regulations in effect on the date of application for the change. The regulations incorporated by reference in the type certificate are commonly referred to as the "original type certification basis." The original type certification basis for the CT7-6D engine is 14 CFR part 33, effective February 1, 1965, as amended by Amendments 33-1 through 33-5. The original type certification basis for the CT7-6E engine is 14 CFR part 33, effective February 1, 1965, as amended by Amendments 33-1 through 33-16. The original type certification basis for the CT7-8 engine is 14 CFR part 33, effective February 1, 1965, as amended by Amendments 33-1 through 33-17.

If the Administrator finds that the applicable airworthiness regulations (i.e., 14 CFR part 33) do not contain appropriate safety standards for the GEAE CT7-6D, CT7-6E and CT7-8 engines because of the 30-second OEI and 2-minute OEI engine ratings, special conditions are prescribed under the provisions of 14 CFR 21.16.

Special conditions, as appropriate, are issued in accordance with 14 CFR 11.49, as required by 14 CFR 11.28 and 11.29(b), and become part of the type certification basis in accordance with 14 CFR 21.101(b)(2).

Special conditions are applicable to the model for which they are issued. Should the type certificate for that model be amended later to include any other model that incorporates the same engine ratings, or should any other

model already included on the same type certificate be modified to incorporate the same engine ratings, the special conditions would also apply to the other model under the provisions of 14 CFR 21.101(a)(1).

#### Applicability

As discussed above, these special conditions are applicable to the GEAE CT7-6D, CT7-6E and CT7-8 turboshaft engines. Should GEAE apply at a later date for a change to the type certificate to include another model incorporating the same engine ratings, the special conditions would apply to that model as well under the provisions of 14 CFR 21.101(a)(1).

#### Conclusion

This action affects only certain engine ratings for the GEAE CT7-6D, CT7-6E and CT7-8 turboshaft engines. It is not a rule of general applicability, and it affects only the applicant who applied to the FAA for approval of these ratings.

#### List of Subjects in 14 CFR Part 33

Air transportation, Aircraft, Aviation safety, Safety.

The authority citation for these special conditions is as follows:

**Authority:** 49 U.S.C. 106(g), 40113, 44701-44702, 44704.

#### The Special Conditions

Accordingly, pursuant to the authority delegated to me by the Administrator, the following special conditions are issued as part of the type certification basis for the GEAE Models CT7-6D, CT7-6E and CT7-8 turboshaft engines.

##### *Section 33.4, Instructions for Continued Airworthiness.*

In addition to the requirements of § 33.4, the mandatory inspection and maintenance actions required following the use of the 30-second or 2-minute OEI rating must be included in the airworthiness limitations section of the appropriate engine manuals.

##### *Section 33.27, Turbine, Compressor, Fan, and Turbo-supercharger Rotors.*

For engines having 30-second and 2-minute OEI ratings, in addition to the requirements of § 33.27(b), turbine and compressor rotors must have sufficient strength to withstand the conditions specified in one of the following tests for the most critically stressed rotor component of each turbine and compressor including integral drum rotors and centrifugal compressor, as determined by analysis or other acceptable means. The selection of the test from the following paragraph (a) or (b) of this section is determined by the speed defined in paragraph (a)(2) or (b)(2), whichever is higher.

(a) Test for a period of two and one-half minutes-

(1) At its maximum operating temperature except as provided in § 33.27(c)(2)(iv); and  
(2) At the highest speed determined, in accordance with § 33.27(c)(2)(i) through (iv).  
(3) This test may be performed using a separate test vehicle as desired.

(b) Test for a period of 5 minutes-

(1) At its maximum operating temperature except as provided in § 33.27(c)(2)(iv); and  
(2) At 100 percent of the highest speed that would result from failure of the most critical component of each turbine and compressor or system in a representative installation of the engine when operating at 30-second and 2-minute OEI rating conditions; and  
(3) The test speed must take into account minimum material properties, maximum operating temperature, and the most adverse dimensional tolerances.

(4) This test may be performed using a separate test vehicle as desired. Following the test, rotor growth and distress beyond dimensional limits for an overspeed condition is permitted for 30-second and 2-minute OEI ratings only, provided the structural integrity of the rotor is maintained, as shown by a procedure acceptable to the Administrator.

Issued in Burlington, Massachusetts, on May 21, 1999.

**David A. Downey,**

*Assistant Manager, Engine and Propeller Directorate, Aircraft Certification Service.*  
[FR Doc. 99-13637 Filed 5-27-99; 8:45 am]

BILLING CODE 4910-13-P

## DEPARTMENT OF TRANSPORTATION

### Federal Aviation Administration

#### 14 CFR Part 39

[Docket No. 97-NM-89-AD; Amendment 39-11183; AD 99-11-12]

RIN 2120-AA64

#### **Airworthiness Directives; Boeing Model 747-400 Series Airplanes Powered by Pratt & Whitney PW4000 Engines**

**AGENCY:** Federal Aviation Administration, DOT.

**ACTION:** Final rule.

**SUMMARY:** This amendment adopts a new airworthiness directive (AD), applicable to certain Boeing Model 747-400 series airplanes, that requires repetitive inspections to ensure proper installation of the engine thrust link components, and follow-on corrective action, if necessary; and replacement of the forward engine mount end cap assembly with an improved end cap assembly. Such replacement, when accomplished, will terminate the repetitive inspections. This amendment is prompted by a report of fatigue cracking of end cap bolts, caused by improper installation. Subsequent