

List of Subjects in 12 CFR Part 745

Administrative practice and procedure, Bank deposit insurance, Claims, Credit unions.

By the National Credit Union Administration Board on June 26, 2003.

Becky Baker,
Secretary of the Board.

For the reasons stated above, NCUA proposes to amend 12 CFR part 745 as follows:

PART 745—SHARE INSURANCE AND APPENDIX

1. The authority citation for part 745 continues to read as follows:

Authority: 12 U.S.C. 1752(5), 1757, 1765, 1766, 1781, 1782, 1787, 1789.

2. Section 745.2 is amended by adding paragraphs (e) and (f) to read as follows:

§ 745.2 General principles applicable in determining insurance of accounts.

* * * * *

(e) *Continuation of insurance coverage following the death of a member.* The death of a member will not affect the member's share insurance coverage for a period of six months following death unless the member's share accounts are restructured in that time period. If the accounts are restructured during the six-month grace period, or upon the expiration of the six months if not restructured, the share insurance coverage will be provided on the basis of actual ownership of the accounts in accordance with the provisions of this part. The operation of this grace period, however, will not result in a reduction of coverage.

(f) *Continuation of separate share insurance coverage after merger of insured credit unions.* Whenever the liability to pay the member accounts of one or more insured credit unions is assumed by another insured credit union, whether by merger, consolidation, other statutory assumption or contract:

(1) The insured status of the credit unions whose member account liability has been assumed terminates, for purposes of this section, on the date of receipt by NCUA of satisfactory evidence of the assumption; and

(2) The separate insurance of member accounts assumed continues for six months from the date the assumption takes effect or, in the case of a share certificate, the earliest maturity date after the six-month period. In the case of a share certificate that matures within the six-month grace period that is renewed at the same dollar amount, either with or without accrued

dividends having been added to the principal amount, and for the same term as the original share certificate, the separate insurance applies to the renewed share certificate until the first maturity date after the six-month period. A share certificate that matures within the six-month grace period that is renewed on any other basis, or that is not renewed, is separately insured only until the end of the six-month grace period.

3. Section 745.4 is amended by adding two sentences to the end of paragraph (a) and revising paragraph (c) to read as follows:

§ 745.4 Revocable trust accounts.

(a) * * * This required intention must be demonstrated in the title of the account using commonly accepted terms such as, but not limited to, "in trust for", "as trustee for", "payable on death to", or any acronym for these terms. In addition, the beneficiaries must be specifically named in the share account records of the insured credit union.

* * * * *

(c) If the named beneficiary of a revocable trust account is other than the spouse, child, grandchild, parent, brother or sister of the account owner, the funds corresponding to that beneficiary shall be treated as an individually owned account of the owner, aggregated with any other individually owned accounts of the owner, and insured up to \$100,000. For example, if A establishes an account payable upon death to his nephew, the account would be insured as an individual account owned by A. Similarly, if B establishes an account payable upon death to her husband, son and nephew, two-thirds of the account balance would be eligible for revocable trust account coverage up to \$200,000 corresponding to the two qualifying beneficiaries, the spouse and child. The amount corresponding to the non-qualifying beneficiary, the nephew, would be deemed to be owned by B as an individual account and insured accordingly.

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4. Section 745.9-1 is amended by revising paragraph (c) to read as follows:

§ 745.9-1 Trust accounts.

* * * * *

(c) This section applies to trust interests created in Coverdell Education Savings Accounts, formerly Education IRAs, established in connection with section 530 of the Internal Revenue Code (26 U.S.C. 530).

5. The Appendix to part 745 is amended by revising the third sentence of Section B to read as follows:

Appendix to Part 745—Examples of Insurance Coverage Afforded Accounts in Credit Unions Insured by the National Credit Union Share Insurance Fund

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B. How Are Revocable Trust Accounts Insured?

* * * If the named beneficiary of a revocable trust account is other than the spouse, child, grandchild, parent, brother or sister of the account owner, the funds corresponding to that beneficiary shall be treated as an individually owned account of the owner, aggregated with any other individually owned accounts of the owner, and insured up to \$100,000.

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[FR Doc. 03-16794 Filed 7-2-03; 8:45 am]

BILLING CODE 7535-01-P

DEPARTMENT OF TRANSPORTATION**Federal Aviation Administration****14 CFR Part 39**

[Docket No. 2003-CE-29-AD]

RIN 2120-AA64

Airworthiness Directives; PILATUS Aircraft Ltd. Model PC-7 Airplanes

AGENCY: Federal Aviation Administration, DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: This document proposes to adopt a new airworthiness directive (AD) that would apply to certain PILATUS Aircraft Ltd. (Pilatus) Model PC-7 airplanes. This proposed AD would require you to inspect the forward and aft dihedral fittings for cracks and replace any cracked fitting. This proposed AD would also require you to modify the aft dihedral fitting and spar-cap bolt holes. This proposed AD is the result of mandatory continuing airworthiness information (MCAI) issued by the airworthiness authority for Switzerland. The actions specified by this proposed AD are intended to prevent cracks from developing in the forward and aft dihedral fittings, which could result in failure of the wing in certain maneuvers. Such failure could lead to loss of control of the airplane.

DATES: The Federal Aviation Administration (FAA) must receive any comments on this proposed rule on or before August 4, 2003.

ADDRESSES: Submit comments to FAA, Central Region, Office of the Regional Counsel, Attention: Rules Docket No. 2003-CE-29-AD, 901 Locust, Room 506, Kansas City, Missouri 64106. You may view any comments at this location between 8 a.m. and 4 p.m., Monday through Friday, except Federal holidays. You may also send comments electronically to the following address: 9-ACE-7-Docket@faa.gov. Comments sent electronically must contain "Docket No. 2003-CE-29-AD" in the subject line. If you send comments electronically as attached electronic files, the files must be formatted in Microsoft Word 97 for Windows or ASCII text.

You may get service information that applies to this proposed AD from Pilatus Aircraft Ltd., Customer Liaison Manager, CH-6371 Stans, Switzerland; telephone: +41 41 619 63 19; facsimile: +41 41 619 6224; or from Pilatus Business Aircraft Ltd., Product Support Department, 11755 Airport Way, Broomfield, Colorado 80021; telephone: (303) 465-9099; facsimile: (303) 465-6040. You may also view this information at the Rules Docket at the address above.

FOR FURTHER INFORMATION CONTACT: Doug Rudolph, Aerospace Engineer, FAA, Small Airplane Directorate, 901 Locust, Room 301, Kansas City, Missouri 64106; telephone: (816) 329-4059; facsimile: (816) 329-4090.

SUPPLEMENTARY INFORMATION:

Comments Invited

How do I comment on this proposed AD? The FAA invites comments on this proposed rule. You may submit whatever written data, views, or arguments you choose. You need to include the proposed rule's docket number and submit your comments to the address specified under the caption **ADDRESSES**. We will consider all comments received on or before the closing date. We may amend this proposed rule in light of comments received. Factual information that supports your ideas and suggestions is extremely helpful in evaluating the effectiveness of this proposed AD action and determining whether we need to take additional rulemaking action.

Are there any specific portions of this proposed AD I should pay attention to? The FAA specifically invites comments on the overall regulatory, economic,

environmental, and energy aspects of this proposed rule that might suggest a need to modify the rule. You may view all comments we receive before and after the closing date of the rule in the Rules Docket. We will file a report in the Rules Docket that summarizes each contact we have with the public that concerns the substantive parts of this proposed AD.

How can I be sure FAA receives my comment? If you want FAA to acknowledge the receipt of your mailed comments, you must include a self-addressed, stamped postcard. On the postcard, write "Comments to Docket No. 2003-CE-29-AD." We will date stamp and mail the postcard back to you.

Discussion

What events have caused this proposed AD? The Federal Office for Civil Aviation (FOCA), which is the airworthiness authority for Switzerland, recently notified FAA that an unsafe condition may exist on certain Pilatus Model PC-7 airplanes. The FOCA reports that an operator of a similar aircraft type design, which uses identical dihedral fittings, reported a crack in one fitting. An inspection of the fleet revealed stress corrosion cracking in six aft dihedral fittings. Each cracked fitting was found on airplanes that had logged more than 3,000 hours time-in-service (TIS) or had been in service for 10 years or more.

What are the consequences if the condition is not corrected? Cracks in the forward and aft dihedral fittings could result in failure of the wing in certain maneuvers. Such failure could lead to loss of control of the airplane.

Is there service information that applies to this subject? Pilatus has issued Pilatus PC-7 Service Bulletin No. 57-006, Revision No. 3, dated January 15, 2003.

What are the provisions of this service information? The service bulletin includes procedures for:

- inspecting the forward and aft dihedral fittings for cracks; and
- modifying the aft dihedral fitting and spar-cap bolt holes.

What action did the FOCA take? The FOCA classified this service information as mandatory and issued Swiss AD Number HB 2003-196, dated May 12, 2003, in order to ensure the continued airworthiness of these airplanes in Switzerland.

Was this in accordance with the bilateral airworthiness agreement? These airplane models are

manufactured in Switzerland and are type certificated for operation in the United States under the provisions of section 21.29 of the Federal Aviation Regulations (14 CFR 21.29) and the applicable bilateral airworthiness agreement.

Pursuant to this bilateral airworthiness agreement, the FOCA has kept FAA informed of the situation described above.

The FAA's Determination and an Explanation of the Provisions of this Proposed AD

What has FAA decided? The FAA has examined the findings of the FOCA; reviewed all available information, including the service information referenced above; and determined that:

- the unsafe condition referenced in this document exists or could develop on other Pilatus Model PC-7 airplanes of the same type design that are on the U.S. registry;
 - the actions specified in the previously-referenced service information should be accomplished on the affected airplanes; and
 - AD action should be taken in order to correct this unsafe condition.
- What would this proposed AD require?* This proposed AD would require you to:
- inspect the forward and aft dihedral fittings for cracks;
 - replace any cracked fittings found; and
 - modify the aft dihedral fittings and spar-cap bolt holes.

How does the revision to 14 CFR part 39 affect this proposed AD? On July 10, 2002, FAA published a new version of 14 CFR part 39 (67 FR 47997, July 22, 2002), which governs FAA's AD system. This regulation now includes material that relates to special flight permits, alternative methods of compliance, and altered products. This material previously was included in each individual AD. Since this material is included in 14 CFR part 39, we will not include it in future AD actions.

Cost Impact

How many airplanes would this proposed AD impact? We estimate that this proposed AD affects 10 airplanes in the U.S. registry.

What would be the cost impact of this proposed AD on owners/operators of the affected airplanes? We estimate the following costs to accomplish the proposed actions of this AD:

INSPECTIONS

Labor cost	Parts cost	Total cost per airplane	Total cost on U.S. operators
3 workhours per fitting (4 fittings per airplane) × \$60 per hour = \$180 per fitting.	Not applicable	\$180 × 4 fittings per airplane = \$720.	\$720 × 10 = \$7,200.

FORWARD DIHEDRAL FITTING REPLACEMENT

Labor cost	Parts cost	Total cost per airplane
93 workhours per fitting (2 fittings per airplane) × \$60 per hour = \$5,580 per fitting	\$142 per replacement fitting	\$5,722 per fitting

AFT DIHEDRAL FITTING REPLACEMENT AND MODIFICATION

Labor cost	Parts cost	Total cost per airplane
20 workhours per fitting for replacement and modification (2 fittings per airplane) × \$60 per hour = \$1,200 per fitting.	\$76 per replacement fitting and \$66 for modification bolts.	\$1,200 + \$76 + \$66 = \$1,342 (labor, replacement, and modification per fitting).
10 workhours per fitting for modification only (2 fittings per airplane) × \$60 per hour = \$600 per fitting.		\$600 + \$66 = \$666 (labor and modification per fitting).

Compliance Time of This Proposed AD

What would be the compliance time of this proposed AD? The compliance time of this proposed AD is whichever occurs later: (1) upon the accumulation of 3,000 hours time-in-service (TIS) on the dihedral fittings or 10 years after installation of the dihedral fittings, whichever occurs first; or (2) within 90 days after the effective date of the proposed AD.

Why is the compliance time of this proposed AD presented in both hours TIS and calendar time? Cracking of the dihedral fittings on the affected airplanes is caused by stress corrosion, which starts as a result of high local stress incurred through operation. Corrosion can then develop regardless of whether the airplane is in flight or on the ground. The cracks may not be noticed initially as a result of the stress loads, but could then progress as a result of corrosion. The stress incurred during flight operations or temperature changes could then cause rapid crack growth. In order to ensure that these stress corrosion cracks do not go undetected, a compliance time of specific hours TIS and calendar time is utilized.

Regulatory Impact

Would this proposed AD impact various entities? The regulations proposed herein would 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. Therefore, it is determined that this proposed rule would not have federalism implications under Executive Order 13132.

Would this proposed AD involve a significant rule or regulatory action? For the reasons discussed above, I certify that this proposed 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) if promulgated, 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 copy of the draft regulatory evaluation prepared for this action has been placed in the Rules Docket. A copy of it may be obtained by contacting the Rules Docket at the location provided under the caption **ADDRESSES**.

List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Safety.

The Proposed Amendment

Accordingly, under the authority delegated to me by the Administrator, the Federal Aviation Administration proposes to amend 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 U.S.C. 106(g), 40113, 44701.

§ 39.13 [Amended]

2. FAA amends § 39.13 by adding a new airworthiness directive (AD) to read as follows:

Pilatus Aircraft Ltd.: Docket No. 2003–CE–29–AD

(a) *What airplanes are affected by this AD?* This AD affects Model PC–7 airplanes, manufacturer serial numbers (MSN) 101 through 618, that are:

(1) equipped with forward and aft dihedral fittings, part number (P/N) 111.34.07.469, 111.34.07.470, 111.34.07.471, and P/N 111.34.07.472; and

(2) certificated in any category.

(b) *Who must comply with this AD?*

Anyone who wishes to operate any of the airplanes identified in paragraph (a) of this AD must comply with this AD.

(c) *What problem does this AD address?*

The actions specified by this AD are intended to prevent cracks from developing in the forward and aft dihedral fittings, which could result in failure of the wing in certain maneuvers. Such failure could lead to loss of control of the airplane.

(d) *What actions must I accomplish to address this problem?* To address this problem, you must accomplish the following:

Actions	Compliance	Procedures
(1) Accomplish the following inspections: (i) Using Impedance-Plane Eddy-Current inspection procedures, inspect the aft dihedral fittings, P/N 111.34.07.469 and P/N 111.34.07.470, for cracks; and (ii) Using Radiographic inspection procedures, inspect the forward dihedral fittings, P/N 111.34.07.471 and P/N 111.34.07.472, for cracks.	At whichever of the following occurs later, unless already accomplished: upon the accumulation of 3,000 hours time-in-service (TIS) on the dihedral fittings or 10 years after installation of the dihedral fittings, whichever occurs first; or within 90 days after the effective date of this AD.	Inspect in accordance with Pilatus PC-7 Service Bulletin No. 57-006, Revision No. 3, dated January 15, 2003.
(2) If a crack is found in any aft dihedral fittings, P/N 111.34.07.469 and/or P/N 111.34.07.470, replace with an improved fitting, P/N 557.10.09.071 and/or P/N 557.10.09.072 (as applicable or FAA-approved equivalent P/N), and modify the spar-cap bolt holes.	Prior to further flight after the inspection required in paragraph (d)(1) of this AD.	Modify in accordance with Pilatus PC-7 Service Bulletin No. 57-006, Revision No. 3, dated January 15, 2003.
(3) If no cracks are found in any aft dihedral fittings, P/N 111.34.07.469 and P/N 111.34.07.470, modify the fittings and the spar-cap bolt holes.	Prior to further flight after the inspection required in paragraph (d)(1) of this AD.	Modify in accordance with Pilatus PC-7 Service Bulletin No. 57-006, Revision No. 3, dated January 15, 2003.
(4) If cracks are found in any forward dihedral fittings, P/N 111.34.07.471 and/or P/N 111.34.07.472, replace with a new part.	Prior to further flight after the inspection required in paragraph (d)(1) of this AD.	Not applicable.
(5) If no cracks are found in any forward dihedral fittings, P/N 111.34.07.471 and P/N 111.34.07.472, no further action is required.	Not applicable.	Not applicable.
(6) Only install aft dihedral fittings that have a P/N of 557.10.09.071 and P/N 557.10.09.072. You must also accomplish the spar-cap bolt hole modification.	As of the effective date of this AD.	Modify the spar-cap bolt holes in accordance with Pilatus PC-7 Service Bulletin No. 57-006, Revision No. 3, dated January 15, 2003.

(e) *Can I comply with this AD in any other way?* To use an alternative method of compliance or adjust the compliance time, follow the procedures in 14 CFR 39.19. Send these requests to the Manager, Standards Office, Small Airplane Directorate. For information on any already approved alternative methods of compliance, contact Doug Rudolph, Aerospace Engineer, FAA, Small Airplane Directorate, 901 Locust, Room 301, Kansas City, Missouri 64106; telephone: (816) 329-4059; facsimile: (816) 329-4090.

(f) *How do I get copies of the documents referenced in this AD?* You may get copies of the documents referenced in this AD from Pilatus Aircraft Ltd., Customer Liaison Manager, CH-6371 Stans, Switzerland; telephone: +41 41 619 63 19; facsimile: +41 41 619 6224; or from Pilatus Business Aircraft Ltd., Product Support Department, 11755 Airport Way, Broomfield, Colorado 80021; telephone: (303) 465-9099; facsimile: (303) 465-6040. You may view these documents at FAA, Central Region, Office of the Regional Counsel, 901 Locust, Room 506, Kansas City, Missouri 64106.

Note: The subject of this AD is addressed in Swiss AD HB 2003-196, dated May 12, 2003.

Issued in Kansas City, Missouri, on June 26, 2003.

Michael Gallagher,
Manager, Small Airplane Directorate, Aircraft Certification Service.

[FR Doc. 03-16844 Filed 7-2-03; 8:45 am]

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DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

21 CFR Part 131

[Docket No. 00P-0685]

Milk and Cream Products and Yogurt Products; Petition to Revoke Standards for Lowfat Yogurt and Nonfat Yogurt and to Amend Standards for Yogurt and Cultured Milk

AGENCY: Food and Drug Administration, HHS.

ACTION: Advance notice of proposed rulemaking.

SUMMARY: The Food and Drug Administration (FDA) is announcing that a petition has been filed requesting that the agency revoke the standards of identity for lowfat yogurt and nonfat

yogurt; amend the standard of identity for yogurt in numerous respects, including incorporation of provisions for lowfat and nonfat yogurt; and amend the standard of identity for cultured milk in numerous respects, including allowing for the use of the alternate term "fermented milk." We request comment on whether the actions requested by the petition would promote honesty and fair dealing in the interest of consumers.

DATES: Submit written or electronic comments by October 1, 2003.

ADDRESSES: Submit written comments to the Division of Dockets Management (HFA-305), Food and Drug Administration, 5630 Fishers Lane, rm. 1061, Rockville, MD 20852. Submit electronic comments to <http://www.fda.gov/dockets/ecomments>. The petition is available for review at the Division of Dockets Management or electronically on FDA's Web site at <http://www.fda.gov/ohrms/dockets/98fr/00p-0685-cp00001.pdf>. You may also request a copy of the petition from the Division of Dockets Management.

FOR FURTHER INFORMATION CONTACT: Ritu Nalubola, Office of Nutritional Products, Labeling, and Dietary Supplements, Center for Food Safety and Applied Nutrition (HFS-820), Food and Drug