

proceeds of the property. Liquidation proceeds (in the case of foreclosure) or the net recovery value (in the case of deed in lieu of foreclosure) will be applied or credited to the borrower's debt in accordance with the security agreement in the following order:

(i) Recoverable costs (e.g. protective advances, foreclosure costs, late charges).

(ii) Accrued interest.

(iii) Principal.

(iv) Subsidy.

(3) *Value appreciation.* The value appreciation of property with a cross-collateralized loan is based on the market value of the dwelling and lot. If located on a farm, the lot size would be a typical lot for a single family housing property.

(4) *Interest reduced from the promissory note rate to six percent under the Servicemembers Civil Relief Act (SCRA)* is not subject to recapture.

(c) *Deferral of recapture.* If the borrower refinances or otherwise pays in full without transfer of title and continues to occupy the property, the amount of recapture will be calculated in accordance with paragraph (a) of this section but payment of recapture may be deferred, interest free, until the property is sold or vacated. If the recapture amount is deferred, the Agency mortgage can be subordinated when in the Government's best interest but will not be released nor the promissory note satisfied until the Agency is paid in full. In situations where deferral of recapture is an option, recapture will be discounted if paid in full at the time of settlement or timely paid after Agency notification to the borrower that recapture is due.

(d) *Assumed loans.* (1) When a loan subject to recapture is assumed under new rates and terms, the recapture amount may be paid in full by the seller or included in the principal amount assumed by the buyer.

(2) When a loan is assumed under the same rates and terms as the original promissory note, recapture amounts will not be due. When the new borrower transfers title or ceases to occupy the property, all subsidy subject to recapture before and after the assumption is due.

(3) When a borrower has deferred payment of recapture amounts, the deferred recapture amount may be included in the principal amount of the new loan.

Subpart E—Special Servicing

■ 3. Section 3550.202 is amended by adding paragraph (b)(3) to read as follows:

§ 3550.202 Past due accounts.

* * * * *

(b) * * *

(3) *Subsidy recapture.* Acceleration under this section will take into account any subsidy recapture due under § 3550.162.

Dated: January 16, 2012.

Tammye Treviño,

Administrator, Rural Housing Service.

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DEPARTMENT OF AGRICULTURE

Rural Business-Cooperative Service

Rural Utilities Service

7 CFR Part 4279

Biorefinery Assistance Guaranteed Loans; Correction

AGENCY: Rural Business-Cooperative Service and Rural Utilities Service, USDA.

ACTION: Interim rule; correction.

SUMMARY: The Agency published a rule in the **Federal Register** on February 14, 2011, establishing a guaranteed loan program for the development and construction of commercial-scale biorefineries and for the retrofitting of existing facilities using eligible technology for the development of advanced biofuels. The document inadvertently omitted provisions as to what an applicant is to do in the event either an appraisal is not completed or a credit rating cannot be obtained at the time of application. This document corrects the omissions.

DATES: The correction is effective January 24, 2012.

FOR FURTHER INFORMATION CONTACT: Requests for additional information should be directed to Kelley Oehler, (202) 720-6819.

SUPPLEMENTARY INFORMATION:

Need for Correction

As published, the interim rule requires applicants to submit a "credit rating" with the application. The Agency inadvertently omitted an alternative to "credit rating" when applicants are unable to obtain one at the time of application. Therefore, the Agency is correcting the interim rule to redress this situation in §§ 4279.202(d) and 4279.261(b)(6) by allowing the submittal of a "credit assessment" at the time the application is submitted.

In addition, the interim rule does not address what an applicant is to do in the

event an appraisal has not been completed at the time of application. Previously, in implementing through a series of notices published in the **Federal Register**, the Agency allowed such applicants to submit an estimated appraisal. This allowance was inadvertently left out of the interim rule, and the Agency has revised § 4279.261(e) accordingly. The credit rating and appraisal would need to be provided before issuance of the Loan Note Guarantee.

List of Subjects in 7 CFR Part 4279

Biorefinery assistance, Loan programs—Business and industry, Rural development assistance, Rural areas.

For the reasons set forth in the preamble, title 7, chapter XLII of the Code of Federal Regulations, is amended as follows:

CHAPTER XLII—RURAL BUSINESS-COOPERATIVE SERVICE AND RURAL UTILITIES SERVICE, DEPARTMENT OF AGRICULTURE

PART 4279—GUARANTEED LOANMAKING

■ 1. The authority citation for part 4279 continues to read as follows:

Authority: 5 U.S.C. 301; 7 U.S.C. 1989, and 7 U.S.C. 1932(a).

Subpart C—Biorefinery Assistance Loans

■ 2. Section 4279.202 is amended by revising paragraph (d) to read as follows:

§ 4279.202 Compliance with §§ 4279.1 through 4279.84.

* * * * *

(d) *Independent credit risk analysis.* The Agency will require an evaluation and either a credit rating or a credit assessment of the total project's indebtedness, without consideration for a government guarantee, from a nationally-recognized rating agency for loans of \$125,000,000 or more.

* * * * *

■ 3. Section 4279.261 is amended by revising paragraphs (b)(6) and (e) to read as follows:

§ 4279.261 Application for loan guarantee content.

* * * * *

(b) * * *

(6) For loans of \$125 million or more, an evaluation and either a credit rating or a credit assessment of the total project's indebtedness, without consideration for a government guarantee, from a nationally-recognized rating agency; and

* * * * *

(e) *Appraisals*. Unless otherwise approved by the Agency, an appraisal conducted as specified under § 4279.244.

* * * * *

Dated: January 11, 2012.

Dallas Tonsager,

Under Secretary, Rural Development.

[FR Doc. 2012-1149 Filed 1-23-12; 8:45 am]

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DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA-2011-0923; Directorate Identifier 2009-SW-20-AD; Amendment 39-16794; AD 2011-18-12]

RIN 2120-AA64

Airworthiness Directives; Eurocopter France (ECF) Model AS350B, B1, B2, B3, BA, and D; and AS355E, F, F1, F2, and N Helicopters

AGENCY: Federal Aviation Administration (FAA), Department of Transportation (DOT).

ACTION: Final rule; request for comments.

SUMMARY: We are superseding an existing airworthiness directive (AD) for the specified ECF model helicopters. This AD results from a mandatory continuing airworthiness information (MCAI) AD issued by the European Aviation Safety Agency (EASA), which is the Technical Agent for the Member States of the European Union. The MCAI AD states that some cracks have been discovered in the spar of the upper fin on Model AS355N helicopters. Due to the fin design similarity between AS350 and AS355 helicopters, this AD action applies to both helicopter models. Modifying the upper and lower fin attachment is intended to prevent failure of a spar, loss of a fin, a separated fin hitting a rotor, and subsequent loss of control of a helicopter.

DATES: This AD becomes effective on February 8, 2012.

The incorporation by reference of certain publications is approved by the Director of the Federal Register as of February 8, 2012.

We must receive comments on this AD by March 26, 2012.

ADDRESSES: You may send comments by any of the following methods:

- *Federal eRulemaking Portal:* Go to <http://www.regulations.gov>. Follow the instructions for submitting your comments electronically.

- *Fax:* (202) 493-2251.

- *Mail:* U.S. Department of Transportation, Docket Operations, M-30, West Building Ground Floor, Room W12-140, 1200 New Jersey Avenue SE., Washington, DC 20590.

- *Hand Delivery:* U.S. Department of Transportation, Docket Operations, M-30, West Building Ground Floor, Room W12-140, 1200 New Jersey Avenue SE., Washington, DC 20590, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

You may get the service information identified in this AD from American Eurocopter Corporation, 2701 Forum Drive, Grand Prairie, TX 75053-4005, telephone (972) 641-3460, fax (972) 641-3527, or at <http://www.eurocopter.com>.

Examining The 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 economic evaluation, any comments received, and other information. The street address for the Docket Operations office (telephone (800) 647-5527) is stated in the **ADDRESSES** section of this AD. Comments will be available in the AD docket shortly after receipt.

FOR FURTHER INFORMATION CONTACT: Jim Grigg, ASW-112, Aviation Safety Engineer, Rotorcraft Directorate, Safety Management Group, 2601 Meacham Blvd., Fort Worth, Texas 76137, telephone (817) 222-5126, fax (817) 222-5961.

SUPPLEMENTARY INFORMATION:

Discussion

On March 11, 1983, we issued AD 82-13-05 R1, Amendment 39-4567 (48 FR 13406, March 31, 1983), which revised AD 82-13-05, Amendment 39-4401 (47 FR 27244, June 24, 1982), which superseded AD 82-02-02, Amendment 39-4294 (47 FR 1113, January 11, 1982). The current AD requires a visual check for a crack in the flanges of the upper vertical fin support before the first flight each day. It also requires an initial 10 hours time-in-service (TIS) inspection and thereafter, at intervals not to exceed 50 hours TIS, repetitive dye-penetrant or equivalent inspections for a crack in the flange of the upper vertical fin support. Since we issued those ADs, there have been additional reports of cracks in the spar area of the upper tail fin of the ECF Model AS355N helicopters.

EASA, which is the Technical Agent for the Member States of the European Union, has issued EASA AD No. 2009-

0030, dated February 12, 2009, which supersedes EASA AD 2008-0121, dated June 27, 2008, for the AS350 helicopters. EASA has also issued AD No. 2009-0029, dated February 12, 2009, which supersedes EASA AD 2008-0120, dated June 27, 2008, for the AS355 helicopters. This latest unsafe condition results from additional cracks that have been discovered in the spar of the upper fin on Model AS355N helicopters. Due to the fin design similarity between AS350 and AS355 helicopters, the same corrective action applies to both model helicopters. Modifying the upper and lower fin attachment is intended to prevent failure of a spar, loss of a fin, a separated fin hitting a rotor, and subsequent loss of control of a helicopter.

You may obtain further information by examining the MCAI and any related service information in the AD docket.

Related Service Information

ECF has issued Alert Service Bulletin (ASB) No. 55.00.12, Revision 1, dated January 5, 2009, specifying MOD 073330 for the Model AS355E, F, F1, F2, and N helicopters and No. 55.00.16, Revision 1, dated January 5, 2009, specifying MOD 073330 for the Model SA350B, B1, B2, B3, BA, BB, D, and L1 helicopters. ECF has also issued ASB No. 55.00.11, Revision 2, dated February 28, 2008, specifying MOD 073288 for the AS355 E, F, F1, F2, and N helicopters and No. 55.00.13, Revision 2, dated February 28, 2008, specifying MOD 073288 for the AS350B3 helicopters. These ASBs specify various inspections and modifications for improving or monitoring upper and lower fin attachments and improving the attachment strength for upper and lower tailboom fin. The actions described in the MCAI AD are intended to correct the same unsafe condition as that identified in the service information.

FAA's Evaluation and Unsafe Condition Determination

These products have been approved by the aviation authority of France and are approved for operation in the United States. Pursuant to our bilateral agreement with France, EASA, their technical agent, has notified us of the unsafe condition described in the MCAI AD. We are issuing this AD because we evaluated all information provided by the EASA and determined the unsafe condition exists and is likely to exist or develop on other ECF helicopters of these same type designs.