

(j) *Stored value products.* Stored value products are alternate media to currency in which you transfer monetary value to the product and create a medium of exchange for your members' use. Examples of stored value products include stored value cards, public transportation tickets, event and attraction tickets, gift certificates, prepaid phone cards, postage stamps, electronic benefits transfer script, and similar media.

(k) *Trustee or custodial services.* Trustee or custodial services are services in which you are authorized to act under any written trust instrument or custodial agreement created or organized in the United States and forming part of a pension or profit-sharing plan, as authorized under the Internal Revenue Code. These services may include acting as a trustee or custodian for member retirement and education accounts.

§ 721.4 How may a credit union apply to engage in an activity that is not preapproved as within a credit union's incidental powers?

(a) *Application contents.* To engage in an activity that may be within an FCU's incidental powers but not fall within a preapproved category listed in § 721.3, you may submit an application by certified mail, return receipt requested, to the NCUA Board. Your application must describe the activity, including your proposed investment in the activity and the financial and operational impact of the activity on you, your explanation, consistent with the test provided in paragraph (c) of this section, of why this activity is within your incidental powers, your plan for implementing the proposed activity, any state licenses you must obtain to conduct the activity, and any other information necessary to describe the proposed activity adequately. Before you engage in the petition process you should seek advisory opinions from NCUA's Office of General Counsel, as to whether a proposed activity fits into one of the authorized categories without filing a petition to amend the regulation.

(b) *Processing of application.* Your application must be filed with the Secretary of the NCUA Board. NCUA will review your application for completeness and will notify you whether additional information is required or whether the activity requested is permissible under one of the categories listed in § 721.3. If the activity falls within a category provided in § 721.3, NCUA will notify you that the activity is permissible and treat the application as withdrawn. If the activity does not fall within a category provided

in § 721.3, NCUA staff will consider whether the proposed activity is legally permissible. Upon a recommendation by NCUA staff that the activity is within a credit union's incidental powers, the NCUA Board may amend § 721.3 and will request public comment on the establishment of a new category of activities within § 721.3. If the activity proposed in your application fails to meet the criteria established in paragraph (c) of this section, NCUA will notify you within a reasonable period of time.

(c) *Decision on application.* In determining whether an activity is authorized as an appropriate exercise of a federal credit union's incidental powers, the Board will consider:

(1) whether the activity is convenient or useful in carrying out the mission or business of credit unions consistent with the Act;

(2) whether the activity is the functional equivalent or logical outgrowth of activities that are part of the mission or business of credit unions; and

(3) whether the activity involves risks similar in nature to those already assumed as part of the business of credit unions.

§ 721.5 What limitations apply to a credit union engaging in activities approved as within a credit union's incidental powers?

You must comply with any applicable NCUA regulations, policies, and legal opinions, as well as applicable state and federal law, if an activity authorized under this part is otherwise regulated or conditioned.

§ 721.6 May a credit union derive income from activities approved under this part?

You may earn income for those activities determined to be incidental to your business.

§ 721.7 What are the potential conflicts of interest for officials and senior management employees when credit unions engage in activities approved under this part?

(a) *Conflicts.* No senior management employee, official, or their immediate family member may receive any compensation or benefit, directly or indirectly, in connection with your engagement in an activity authorized under this part.

(b) *Commissions.* No employee, not otherwise covered in paragraph (a) of this section, may receive a commission, fee, or other similar compensation that is directly related to the sale of group purchasing or insurance products to your members, unless your board of directors determines that a conflict of interest does not exist and complies

with paragraph (d)(3) of this section when appropriate.

(c) *Business associates and immediate family members.* All transactions with business associates or immediate family members not specifically prohibited by paragraph (a) of this section must be conducted at arm's length and in the interest of the credit union.

(d) *Permissible payments.* This section does not prohibit:

(1) Payment, by you, of salary to your employees;

(2) Payment, by you, of an incentive or bonus to an employee based on your overall financial performance;

(3) Payment, by you, of an incentive or bonus to an employee, other than a senior management employee or paid official, in connection with an activity authorized by this part, provided that your board of directors establishes written policies and internal controls for the incentive program and monitors compliance with such policies and controls at least annually.

(e) *Definitions.* For purposes of this part, the following definitions apply.

(1) *Senior management employee* means your chief executive officer (typically, this individual holds the title of President or Treasurer/Manager), any assistant chief executive officers (e.g. Assistant President, Vice President, or Assistant Treasurer/Manager), and the chief financial officer (Comptroller).

(2) *Official* means any member of your board of directors, credit committee or supervisory committee.

(3) *Immediate family member* means a spouse or other family member living in the same household.

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DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 2000-NE-30-AD]

RIN 2120-AA64

Airworthiness Directives; General Electric Company (GE) CF6-50 Turbofan Engines

AGENCY: Federal Aviation Administration, DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: This amendment proposes the adoption of a new airworthiness directive (AD) that applies to GE CF6-50 turbofan engines. This proposal would require removal of old high

pressure compressor (HPC) air ducts and mating hardware and replacement with newly designed air ducts and reworked mating hardware. This proposal is prompted by reports of an uncontained low pressure turbine (LPT) disk failure that resulted from an air duct failure that caused a fan mid shaft (FMS) separation. The actions specified by the proposed AD are intended to prevent HPC air duct failures that could result in FMS failures, that in turn could result in rejected takeoffs or uncontained LPT events.

DATES: The FAA must receive comments on this proposal by January 23, 2001.

ADDRESSES: Submit comments to Docket No. 2000-NE-30-AD in one of the following ways:

Mail comments to the Federal Aviation Administration (FAA), Office of the Regional Counsel, New England Region, Attention: Rules Docket No. 2000-NE-30-AD, 12 New England Executive Park, Burlington, MA 01803-5299. You may also send a request for a copy of the proposal or regulatory evaluation from that address. If you want us to acknowledge receipt of your comments, you must include a self-addressed, stamped postcard on which the Docket No. is written. We will date-stamp your postcard and mail it back to you. OR

E-mail comments to *9-ane-adcomment@faa.gov*. You must include Docket No. 2000-NE-30-AD in the subject line.

You can get the service information referenced in this proposal from General Electric Company via Lockheed Martin Technology Services, 10525 Chester Road, Suite C, Cincinnati, Ohio 45215, telephone: (513) 672-8400; fax: (513) 672-8422. You may examine the AD docket (including any comments and service information) at the FAA, New England Region, Office of the Regional Counsel, 12 New England Executive Park, Burlington, MA between 8:00 a.m. and 4:30 p.m., Monday through Friday, except Federal holidays. You may also examine the service information at the Office of the **Federal Register**, 800 North Capitol Street, NW., suite 700, Washington, DC.

FOR FURTHER INFORMATION CONTACT:

Karen Curtis, Aerospace Engineer, Engine Certification Office, FAA, Engine and Propeller Directorate, 12 New England Executive Park, Burlington, MA 01803-5299; telephone: (781) 238-7192, fax: (781) 238-7199.

SUPPLEMENTARY INFORMATION:

Comments Invited

You are invited to participate in the proposed rule making by submitting

written data, views, or arguments as you may desire. Your communications should identify the Rules Docket number and be sent to the address specified above. All communications received on or before the closing date for comments, specified above, will be considered before we take action on the proposed rule. The proposals contained in this action may be changed in light of the comments received.

Comments are specifically invited on the overall regulatory, economic, environmental, and energy aspects of the proposed rule. All comments sent will be available, both before and after the closing date for comments, in the Rules Docket for examination by interested persons. A report summarizing each FAA-public contact concerned with the substance of this proposal will be filed in the Rules Docket.

Commenters wishing the FAA to acknowledge receipt of their comments submitted in response to this action must send a self-addressed, stamped postcard on which the following statement is made: "Comments to Docket Number 2000-NE-30-AD." The postcard will be date stamped and returned to the commenter.

Availability of NPRM's

Any person may obtain a copy of this NPRM by submitting a request to the FAA, New England Region, Office of the Regional Counsel, Attention: Rules Docket No. 2000-NE-30-AD, 12 New England Executive Park, Burlington, MA 01803-5299.

Discussion

The FAA was recently made aware of a CF6-50 engine installed on a Boeing 747 airplane that experienced an uncontained LPT disk failure caused by an HPC air duct failure, which resulted in a FMS separation. This was the first documented air duct failure that has resulted in a disk separation. There have been 51 occurrences of air duct cracking, six of which have resulted in fan mid shaft (FMS) separation, and two of which have resulted in partial rupture of the HPC stage 14-bolted joint. All six FMS separations have also resulted in uncontained LPT blade failures. Although air duct failures were first documented in 1976, two subsequent redesigns have failed to correct the cracking problem.

The FAA has reviewed General Electric Aircraft Engines Service Bulletin (SB) CF6-50 72-1200, dated May 8, 2000; General Electric Aircraft Engines Alert Service Bulletin (ASB) CF6-50 72-A1200, Revision 1, dated July 20, 2000; and Revision 2, dated

November 2, 2000 which describe procedures for removal of the HPC air duct assembly part number 99128M36G03/G04/G05/G06/G08/G20/G21 or 1644M16G03 and mating hardware (rear shaft or 11-14 spool shaft) and replace with the new design air duct and reworked mating hardware.

Proposed Actions

Since an unsafe condition has been identified that is likely to exist or develop on other products of this same type design, the proposed AD would require removal of old HPC air ducts and mating hardware and replacement with newly designed air ducts and reworked mating hardware. This proposal is prompted by reports of an uncontained LPT disk failure that resulted from an air duct failure that caused a FMS separation. The FAA is proposing this AD to prevent HPC air duct failures that could result in FMS failures that in turn could result in rejected takeoffs or uncontained LPT events.

Economic Impact

There are about 1730 engines of the affected design in the worldwide fleet. The FAA estimates that 469 engines installed on aircraft of U.S. registry would be affected by this proposed AD, that it would take about 70 work hours per engine to disassemble and reassemble the HPC module, that it would take 19 hours to rework the mating hardware and that the average labor rate is \$60 per work hour. Each new air duct assembly will cost \$32,985. Based on these figures, the total proposed AD cost impact on U.S. operators is estimated to be \$17,974,425.

Regulatory Impact

This proposal does not have federalism implications, as defined in Executive Order 13132, because it 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. Accordingly, the FAA has not consulted with state authorities prior to publication of this proposal.

For the reasons discussed above, I certify that this proposed regulation (1) is not a "significant regulatory action" under Executive Order 12866; (2) is not a "significant rule" under the 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 is contained 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, pursuant to 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. Section 39.13 is amended by adding the following new airworthiness directive:

General Electric Company: Docket No. 2000-NE-30-AD.

Applicability: This airworthiness directive (AD) is applicable to CF6-50 turbofan engines with high pressure compressor (HPC) rotor air duct assemblies P/N's 9128M36G03/G04/G05/G06/G08/G20/G21, or 1644M16G03 installed. These engines are installed on but not limited to Boeing 747, Airbus A300, and McDonnell Douglas DC10 airplanes.

Note 1: This AD applies to each engine identified in the preceding applicability provision, regardless of whether it has been modified, altered, or repaired in the area subject to the requirements of this AD. For engines 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 HPC air duct failures that could result in fan mid shaft (FMS) failures and uncontained LPT events, accomplish the following:

(a) At next HPC rotor exposure, remove the HPC air duct assembly part number 99128M36G03/G04/G05/G06/G08/G20/G21 or 1644M16G03 and mating hardware (rear shaft or 11-14 spool shaft) and replace with the new design air duct and reworked mating hardware in accordance with the accomplishment instructions of General

Electric Aircraft Engines Service Bulletin (SB) CF6-50 72-1200, dated May 8, 2000; General Electric Aircraft Engines Alert Service Bulletin (ASB) CF6-50 72-A1200, Revision 1, dated July 20, 2000; or General Electric Aircraft Engines Alert Service Bulletin (ASB) CF6-50 72-A1200, Revision 2, dated November 2, 2000.

(b) For the purposes of this proposal, HPC rotor exposure is defined as disassembly of the HPC stage 2 disk flange or removal of the HPC stage 1 disk.

Alternative Methods of Compliance

(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, Engine Certification Office (ECO). Operators shall submit their request through an appropriate Federal Aviation Administration (FAA) Principal Maintenance Inspector, who may add comments and then send it to the Manager, ECO.

Note 2: Information concerning the existence of approved alternative methods of compliance with this airworthiness directive, if any, may be obtained from the ECO.

Issued in Burlington, Massachusetts, November 15, 2000.

Robert Mann,

Acting Manager, Engine and Propeller Directorate, Aircraft Certification Service.

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DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 2000-CE-31-AD]

RIN 2120-AA64

Airworthiness Directives; Aerostar Aircraft Corporation Models PA-60-600 (Aerostar 600), PA-60-601 (Aerostar 601), PA-60-601P (Aerostar 601P), PA-60-602P (Aerostar 602P), and PA-60-700P (Aerostar 700P) 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 all Aerostar Aircraft Corporation (Aerostar) Models PA-60-600, PA-60-601, PA-60-601P, PA-60-602P and PA-60-700P airplanes. The proposed AD would require you to replace both of the existing main landing gear lower side brace assemblies with parts of improved design. The proposed AD is the result of several reports of cracking of the main

landing gear lower side brace at the upper bolt lug discovered on preflight inspection. The actions specified by the proposed AD are intended to correct damage or cracks in the main landing gear lower side brace at the upper bolt lug where the upper and lower side braces connect. This could result in cracking and failure of the main landing gear lower side brace. Such failure could lead to loss of control of the airplane.

DATES: The Federal Aviation Administration (FAA) must receive any comments on this rule by December 29, 2000.

ADDRESSES: Send comments in triplicate to the Federal Aviation Administration (FAA), Central Region, Office of the Regional Counsel, Attention: Rules Docket No. 2000-CE-31-AD, 901 Locust, Room 506, Kansas City, Missouri 64106. You may look at comments at this location between 8 a.m. and 4 p.m., Monday through Friday, except holidays.

You may get the service information referenced in the proposed AD from Aerostar Aircraft Corporation, 10555 Airport Drive, Hayden Lake, ID 83835; telephone: (208) 762-0338; facsimile: (208) 762-8349. You may read this information at the Rules Docket at the address above.

FOR FURTHER INFORMATION CONTACT: Richard Simonson, Aerospace Engineer, FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW, Renton, Washington 98055; telephone: (425) 227-2597; facsimile: (425) 227-1181.

SUPPLEMENTARY INFORMATION:

Comments Invited

How do I comment on this proposed AD?

We invite your comments on the proposed rule. You may send whatever written data, views, or arguments you choose. You need to include the rule's docket number and send your comments in triplicate to the address mentioned under the caption **ADDRESSES**. We will consider all comments received by the closing date mentioned above, before acting on the proposed rule. We may change the proposals contained in this notice because of the comments received.

Are there any specific portions of the proposed AD I should pay attention to?

The FAA specifically invites comments on the overall regulatory, economic, environmental, and energy aspects of the proposed rule that might call for a need to change the proposed rule. You may examine all comments