

Proposed Rules

Federal Register

Vol. 79, No. 53

Wednesday, March 19, 2014

This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

FEDERAL HOUSING FINANCE BOARD

12 CFR Part 907

FEDERAL HOUSING FINANCE AGENCY

12 CFR Part 1211

RIN 2590-AA66

Procedures

AGENCIES: Federal Housing Finance Board; Federal Housing Finance Agency.

ACTION: Proposed rule; with request for comments.

SUMMARY: The Federal Housing Finance Agency (FHFA) is proposing to amend its regulations by relocating to the FHFA chapter of the Code of Federal Regulations (CFR) a Federal Housing Finance Board (Finance Board) regulation relating to procedures under which the Federal Home Loan Banks (Banks) and the Office of Finance (OF) may request waivers, approvals, no-action letters, and regulatory interpretations. The proposed rule would modify these regulations to make them also available to the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation (collectively, Enterprises) and would repeal provisions relating to the procedures for requesting case-by-case determinations.

DATES: Written comments on the proposed rule must be received on or before May 19, 2014. For additional information, see **SUPPLEMENTARY INFORMATION**.

ADDRESSES: You may submit your comments on the proposed rule, identified by regulatory information number “RIN 2590-AA66,” by any of the following methods:

- *Email:* Comments to Alfred M. Pollard, General Counsel, may be sent by email to RegComments@FHFA.gov. Please include “RIN 2590-AA66” in the subject line of the message.

- *Federal eRulemaking Portal:* <http://www.regulations.gov>. Follow the instructions for submitting comments. If you submit your comment to the Federal eRulemaking Portal, please also send it by email to FHFA at RegComments@FHFA.gov to ensure timely receipt by the agency. Include the following information in the subject line of your submission: Comments/RIN 2590-AA66.

- *U.S. Mail, United Parcel Post, Federal Express, or Other Mail Service:* The mailing address for comments is: Alfred M. Pollard, General Counsel, Attention: Comments/RIN 2590-AA66, Federal Housing Finance Agency, Constitution Center (OGC), 400 7th Street SW., Washington, DC 20024.

- *Hand Delivered/Courier:* The hand delivery address is: Alfred M. Pollard, General Counsel; Attention: Comments/RIN 2590-AA66, Federal Housing Finance Agency, Constitution Center (OGC), 400 7th Street SW., Washington, DC 20024. The package should be logged at the Guard Desk, First Floor, on business days between 9 a.m. and 5 p.m.

FOR FURTHER INFORMATION CONTACT:

Amy Bogdon, Amy.Bogdon@fhfa.gov, (202) 649-3320, Associate Director, Division of Federal Home Loan Bank Regulation; or Michou Nguyen, Michou.Nguyen@fhfa.gov, (202) 649-3081 (not toll-free numbers), Assistant General Counsel, Office of General Counsel, Federal Housing Finance Agency, Constitution Center (OGC), 400 7th Street SW., Washington, DC 20024. The telephone number for the Telecommunications Device for the Hearing Impaired is (800) 877-8339.

SUPPLEMENTARY INFORMATION:

I. Comments

FHFA invites comments on all aspects of the proposed rule and will take all comments into consideration before issuing a final regulation. All comments received will be posted without change on the FHFA Web site at <http://www.fhfa.gov>, and will include any personal information you provide, such as name, address (mailing and email), and telephone numbers. In addition, copies of all comments will be available for examination by the public on business days between the hours of 10 a.m. and 3 p.m., at the Federal Housing Finance Agency, Constitution Center, Eighth Floor (OGC), 400 Seventh Street SW., Washington, DC 20024. To make

an appointment to inspect comments, please call the Office of General Counsel at (202) 649-3804.

II. Background

A. Purpose of the Proposed Rule

This proposed rule is part of FHFA’s ongoing project to repeal or relocate all remaining Finance Board regulations. Part 907 of the Finance Board regulations, 12 CFR part 907, established procedures under which a Bank, the OF, or a Bank member could request that the Finance Board approve a transaction, waive a regulation, issue a regulatory interpretation, or issue a no-action letter. Part 907 also established a quasi-judicial process under which a Bank or the OF could petition the Finance Board’s board of directors for a “case-by-case determination” on certain matters for which no controlling Finance Board precedent existed. Pursuant to the Housing and Economic Recovery Act of 2008 (HERA), Public Law 110-289, 122 Stat. 2654, the Banks and OF continue to operate under the Finance Board regulations, including part 907, until such regulations are repealed or superseded by FHFA. *See id.* at sections 1301, 1302, 1311, 1312, 122 Stat. 2794-95, 2797-98. Through this proposed rule, FHFA intends to adopt as its own, and extend to the Enterprises, the provisions of part 907 pertaining to waivers, approvals, no-action letters, and regulatory interpretations, certain of which would be amended as described below. FHFA also is proposing to repeal those provisions of part 907 that pertain to case-by-case determinations, in part because they are more geared to the organizational structure of the Finance Board, which was headed by a five person board of directors, and in part because FHFA believes that the notice and comment rulemaking process is a better means for addressing matters of first impression to the agency. The following sections briefly describe each of the provisions of the proposed rule, which would be located in a new part 1211 of the FHFA regulations, and how it differs from the corresponding provision of part 907 of the Finance Board regulations.

B. Considerations of Differences Between the Banks and the Enterprises

When promulgating regulations or taking other actions that relate to the

Banks, the FHFA Director (Director) is required by section 1313(f) of the Safety and Soundness Act (as amended by section 1201 of HERA) to consider the differences between the Banks and the Enterprises with respect to the Banks' cooperative ownership structure; mission of providing liquidity to members; affordable housing and community development mission; capital structure; and joint and several liability. 12 U.S.C. 4513(f). In preparing the proposed rule, the Director has considered the differences between the Banks and the Enterprises as they relate to the above factors and has determined that none of the statutory factors would be adversely affected by the proposed rule. The Director is requesting comments from the public about whether differences related to these factors should result in a revision of the proposed rule as it relates to the Banks.

III. Proposed Part 1211

Proposed part 1211 would set forth procedures that the regulated entities and the OF must follow in order to request waivers, approvals, non-objection letters, and regulatory interpretations from FHFA. It consists of a section for definitions, sections describing the nature of requests for waivers, approvals, non-objection letters, and regulatory interpretations, and a section that sets forth submission requirements for such requests. Nearly all of the content of part 1211 is derived from Finance Board regulation 907, with modifications as are necessary either to apply the regulation to the Enterprises, or to clarify, update, or supplement the existing regulation, as appropriate. *The procedures within proposed part 1211 are intended to address regulatory matters relating to the Banks and the Enterprises. They are not intended to be used to address conservatorship matters.*

A. Definitions (1211.1)

The proposed rule would include definitions of "waiver," "approval," "non-objection letter," "regulatory interpretation," and "requester." The definition of "approval" is being relocated without any substantive change. The definition of "waiver" would be revised only by adding the word "Director," to specify who issues a waiver, and by deleting the reference to "member," the effect of which would be to preclude Bank members from seeking waivers from FHFA. As a practical matter, FHFA has no direct regulatory authority over members and thus has few regulations that apply directly to the members. FHFA also is proposing to replace the term "no-action

letter" with "non-objection letter" to better reflect FHFA's current practices. A non-objection letter would be defined as a written statement that FHFA does not object to a proposed transaction or activity. FHFA believes that this approach would be more consistent with its actual practices than is the definition of a no-action letter, under which FHFB staff could commit not to recommend supervisory action for non-compliance with a statute, rule, regulation, policy, or order. FHFA also is proposing to amend the definition of "regulatory interpretation" to specify that such interpretations are to be issued by the FHFA General Counsel, which would be consistent with the agency's practices; the current regulations simply refer to FHFA staff. The definition of "requester" also would be modified to clarify that only an entity that FHFA regulates (*i.e.*, a Bank, Enterprise, or the OF) may submit a request under these provisions. Under part 907, Bank members were permitted to request a waiver from the Finance Board, and "any other entity or person" was permitted to request a regulatory interpretation. This expanded scope was hardly ever used. Although FHFA is proposing to limit the use of these procedures to the entities it regulates, that would not preclude other interested parties from seeking guidance from FHFA on particular matters through other, less formal, means, such as through correspondence. They can also petition for rulemaking under section 553(e) of the Administrative Procedure Act. Lastly, the proposed rule would add a new definition for the term "authorizing statutes," which would include the respective chartering act of each Enterprise and the Federal Home Loan Bank Act (Bank Act). FHFA is proposing to use that term in place of the current regulation's multiple references to the Bank Act.

B. Waivers (1211.2)

The proposed rule would revise the existing waiver provision by: (1) Applying it to the Enterprises; (2) deleting the provision that allows Bank members to request a waiver; and (3) adding new language that reserves the right to the Director to modify, rescind, or supersede a previously issued waiver, on a prospective basis. Because the issuance of a waiver is a matter of discretion for the Director, the proposal would make clear that the director may terminate any previously issued waiver, should circumstances change. Because an entity receiving a waiver would be entitled to rely on it, the proposal also makes clear that any decision by the Director to terminate or modify a waiver

would only apply prospectively. The proposed rule would retain the same standards as the existing waiver regulation. Thus, it would authorize the Director to waive any FHFA regulation (including any regulation of its predecessor agencies), or any required submission of information, that is not otherwise required by statute, in connection with a particular transaction or activity. The rule also requires that the Director determine that the application of the provision sought to be waived, in a particular case, would adversely affect the achievement of the purposes of the Authorizing Statutes or the Safety and Soundness Act, or that the requester has demonstrated good cause. The proposed rule also would retain the existing requirement that the granting of a waiver may not be inconsistent with the law and may not adversely affect any substantial existing rights.

C. Approvals (1211.3)

Section 1211.3 of the proposed rule would address the submission of requests for approvals, and would be relocated from § 907.3, with the changes noted below. The proposed rule would revise the organization and wording of the existing provision to follow more closely the format of the provision for regulatory interpretations. Thus, the proposal would authorize the Deputy Directors for Enterprise Regulation and Federal Home Loan Bank Regulation to approve transactions pertaining to their respective entities, and would explicitly state that the Director reserves the right to modify or rescind a previously issued approval, on a prospective basis. The proposal also includes conforming changes that are necessary to apply the provision to the Enterprises. Proposed section 1211.3 provides that a requester may apply for an approval of any transaction, activity, or item that requires FHFA approval under any applicable statute, rule, regulation, policy, or order, unless alternative procedures are prescribed by the applicable statute, rule, regulation, policy, or order. For example, because Bank requests for FHFA approval to undertake new business activities are subject to the procedural requirements of part 1272 of the FHFA regulations, approvals for a new business activity would not be subject to this provision. The proposed rule would retain the substance of the existing provision that "FHFA reserves the right" to prescribe additional or alternative procedures for any application to approve a particular transaction, activity, or item, but would specify that the Deputy Directors for Enterprise regulation or Bank

Regulation, as appropriate, may prescribe such alternative procedures.

D. Non-Objection Letters (1211.4)

The proposed rule would revise the organization and wording of the existing provision to follow more closely the format of the provision for regulatory interpretations, as described above. The proposed rule also would differ substantively from § 907.4, which pertains to the issuance of no-action letters. The proposal would replace the existing concept of a no-action letter with a new provision authorizing the Deputy Directors for Enterprise Regulation and for Federal Home Loan Bank Regulation, or their designees, to issue a non-objection letter to an Enterprise or to a Bank or the OF, respectively. The key aspect of a no-action letter is that it represents a commitment from agency staff not to recommend that the agency initiate supervisory or enforcement action for an entity's failure to comply with an otherwise applicable law or regulation. FHFA has decided not to adopt the no-action letter approach because it believes that the concept is not as well-suited to its oversight of the regulated entities as it is to other regulatory agencies, which oversee different industries and have an institutional history of using no-action letters as part of their oversight process. Instead, FHFA is proposing to codify its existing informal practice of issuing letters to the regulated entities in response to requests that they be allowed to engage in a particular proposed transaction or activity. Under the proposal, a non-objection letter is a letter stating that FHFA does not object to a proposed transaction or activity, which is issued for supervisory, regulatory, or policy reasons.

With the exception of the changes described above, proposed § 1211.4 closely parallels the provisions of the no-action provision of § 907.4 of the Finance Board regulations. Thus, the proposed rule would provide that the issuance of a non-objection letter is a matter of discretion for the Deputy Directors for Enterprise Regulation and for Federal Home Loan Bank Regulation. It also reserves to the Director the right to modify, rescind, or supersede a non-objection letter, but only on a prospective basis. This differs from § 907.4, which did not authorize the Director to rescind a no-action letter, and did not specify that such action applied only prospectively. As with a no-action letter, a non-objection letter also is prospective in nature, must relate to a specific proposed transaction or

activity, not past conduct, and applies only to the entity addressed.

E. Regulatory Interpretations (1211.5)

Proposed § 1211.5 authorizes the FHFA General Counsel, in his discretion, to issue to a regulated entity or the OF a regulatory interpretation that provides guidance with respect to the application of any applicable statute, rule, regulation, or order to a proposed transaction or activity. Substantively, the operative provisions of § 1211.5 are much the same as those of § 907.5 of the Finance Board regulations. The proposed rule differs in that it explicitly authorizes the General Counsel to issue the interpretations, compared to part 907, which simply referred to Finance Board staff. The proposed rule also differs in that it allows only the regulated entities and the OF to seek regulatory interpretations. Part 907 also allowed Bank members, officials of a Bank or a member, or any other person or entity to request a regulatory interpretation. As noted above, FHFA believes that these procedures for seeking a formal response from the agency should be limited to the entities that the agency regulates, and should not be available as a matter of course to other parties.

Under the proposed rule, a request for a regulatory interpretation must relate to a proposed transaction or activity, not to a hypothetical situation. Additionally, the proposed rule authorizes the Director to modify, rescind, or supersede any regulatory interpretation on a prospective basis, which differs from the existing provision by explicitly mentioning rescission and prospective application.

F. Submission Requirements (1211.6)

Proposed § 1211.6 contains the procedural requirements for submitting all applications for waivers or approvals and for all requests for non-objection letters or regulatory interpretations, which are much the same as the existing procedures. The proposal would retain the requirement that all applications or requests must be in writing and would further specify that the Banks and the OF must file their applications or requests with the Deputy Director for the Division of Federal Home Loan Bank Regulation, and that the Enterprises must file their submissions with the Deputy Director for Enterprise Regulation, and that requests for regulatory interpretations must be filed also with the General Counsel. The regulation would revise the existing regulations as they relate to who must sign the application or request by requiring that the president of a

regulated entity or the chairman of the OF must sign the submissions. The Finance Board regulations differ in this respect because they allow persons other than the regulated entities and the OF to seek a waiver or a regulatory interpretation. Because FHFA is narrowing the scope of the regulation to the regulated entities and OF, the submission requirements need not differ with respect to who must sign the submission. The proposed rule also would retain an existing requirement that applications for waivers and approvals must be accompanied by a resolution of the board of directors of the requester concurring in the substance and authorizing the filing of the application.

The proposed rule also would retain the provisions of the existing regulation that specify the content of these submissions. Thus, each application or request must contain: (1) The name and contact information for the person making the request; (2) the name of a contact person; (3) section numbers of applicable statutes, rules, regulations, policies, or orders; (4) identification of the determination or relief requested; (5) a statement of facts; (6) references to all relevant authorities; (7) references to any applicable past waivers, approvals, non-objection letters, or regulatory interpretations previously issued; (8) an opinion of counsel, in certain circumstances; (9) any other supporting documentation; and (10) a certification that statements contained in the submission are true and complete. The regulation would retain a provision allowing for the withdrawal of an application or request that has not yet been acted on by FHFA. Lastly, the proposed rule would modify a provision permitting the managing director of the Finance Board to waive any of the submission requirements. Instead, the proposal would permit the Director, the Deputy Directors for Enterprise Regulation or for Federal Home Loan Bank Regulation, or the General Counsel, as appropriate, to accept an application or request that does not comply with the submission requirements, either for supervisory reasons or for administrative efficiency. They also may exercise this authority on a case-by-case basis or for an entire class of submission. Because the proposed rule would repeal the provisions allowing persons or entities other than the regulated entities and the OF to seek waivers or regulatory interpretations, FHFA believes that there is no need for a general waiver provision, as the proposed submission requirements

would not be overly burdensome for the regulated entities or the OF.

G. Repeal of Issuance Procedures

Current Finance Board § 907.7 contains three provisions that address the logistics of issuing waivers, approvals, no-action letters, and regulatory interpretations. Those provisions provide for a three day review period of all such documents by the board of directors of the Finance Board, specify when the documents are to be effective, and permit the Finance Board to respond to any application or request in an abbreviated form. The first provision is no longer necessary because FHFA does not have a board of directors. The other provisions are not necessary because the effective date and the format of FHFA's response can be better addressed in the individual documents, rather than in a regulation. Therefore, FHFA proposes to repeal all of those provisions.

IV. Paperwork Reduction Act

The proposed regulation does not contain any information collection requirement that requires the approval of the Office of Management and Budget under the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*).

V. Regulatory Flexibility Act

The Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) requires an agency to analyze a proposed rule's impact on small entities if the final rule is expected to have a significant economic impact on a substantial number of small entities. 5 U.S.C. 605(b). FHFA has considered the impact of this rulemaking and determined that it is not likely to have a significant economic impact on a substantial number of small entities because it would apply only to the regulated entities and the OF, which are not small entities for purposes of the Regulatory Flexibility Act.

List of Subjects

12 CFR Part 907

Administrative practice and procedure, Federal Home Loan Banks.

12 CFR Part 1211

Administrative practice and procedure, Federal Home Loan Banks, Government-Sponsored Enterprises.

Accordingly, for reasons stated in the Supplementary Information and under the authority of 12 U.S.C. 4511, 4513, and 4526, FHFA hereby proposes to amend subchapter B of chapter IX and subchapter A of chapter XII of title 12 of the Code of Federal Regulations as follows:

CHAPTER IX—FEDERAL HOUSING FINANCE BOARD

SUBCHAPTER B—FEDERAL HOUSING FINANCE BOARD ORGANIZATION AND OPERATIONS

PART 907—[REMOVED]

- 1. Remove part 907.

CHAPTER XII—FEDERAL HOUSING FINANCE AGENCY

SUBCHAPTER A—ORGANIZATION AND OPERATIONS

- 2. Part 1211 is added to read as follows:

PART 1211—PROCEDURES

Subpart A—Definitions

Sec.

1211.1 Definitions.

Subpart B—Waivers, Approvals, Non-Objection Letters, and Regulatory Interpretations

Sec.

1211.2 Waivers.

1211.3 Approvals.

1211.4 Non-Objection Letters.

1211.5 Regulatory Interpretations.

1211.6 Submission requirements.

Authority: 12 U.S.C. 4511(b), 4513(a), 4526.

Subpart A—Definitions

§ 1211.1 Definitions.

As used in this part:

Approval means a written statement issued to a regulated entity or the Office of Finance approving a transaction, activity, or item that requires FHFA approval under a statute, rule, regulation, policy, or order.

Authorizing Statutes mean the Federal National Mortgage Association Charter Act, the Federal Home Loan Mortgage Corporation Act, and the Federal Home Loan Bank Act.

Non-Objection Letter means a written statement issued to a regulated entity or the Office of Finance providing that FHFA does not object to a proposed transaction or activity.

Regulatory Interpretation means a written interpretation issued by the FHFA General Counsel with respect to the application of a statute, rule, regulation, or order to a proposed transaction or activity.

Requester means an entity that has submitted an application for a Waiver or Approval or a request for a Non-Objection Letter or Regulatory Interpretation.

Waiver means a written statement issued by the Director to a regulated entity or the Office of Finance that waives a provision, restriction, or

requirement of an FHFA rule, regulation, policy, or order, or a required submission of information, not otherwise required by law, in connection with a particular transaction or activity.

Subpart B—Waivers, Approvals, Non-Objection Letters, and Regulatory Interpretations

§ 1211.2 Waivers.

(a) *Authority.* The Director reserves the right, in his or her discretion and in connection with a particular transaction or activity, to waive any provision, restriction, or requirement of this chapter (or of any Office of Federal Housing Enterprise Oversight or Federal Housing Finance Board regulation), or any required submission of information, not otherwise required by law, if such Waiver is not inconsistent with the law and does not adversely affect any substantial existing rights, upon a determination that application of the provision, restriction, or requirement would adversely affect achievement of the purposes of the Authorizing Statutes or the Safety and Soundness Act, or upon a requester's showing of good cause. The Director also reserves the right to modify, rescind, or supersede any previously issued Waiver, with such action being effective only on a prospective basis.

(b) *Application.* A regulated entity or the Office of Finance may apply for a Waiver in accordance with § 1211.6.

§ 1211.3 Approvals.

(a) *Authority.* The Deputy Directors for Enterprise Regulation and for Federal Home Loan Bank Regulation, or their designees, may grant requests submitted by an Enterprise or by a Bank or the Office of Finance, respectively, seeking approval of any transaction, activity, or item that requires FHFA approval under any applicable statute, rule, regulation, policy, or order. The Director reserves the right to modify, rescind, or supersede an Approval, with such action being effective only on a prospective basis.

(b) *Requests.* A regulated entity or the Office of Finance may apply for an Approval in accordance with § 1211.6, unless alternative application procedures are prescribed by the applicable statute, rule, regulation, policy, or order for the transaction, activity, or item at issue.

(c) *Reservation.* The Deputy Directors for Enterprise Regulation and for Federal Home Loan Bank Regulation, as appropriate, may, in their discretion, prescribe additional or alternative procedures for any application for

approval of a transaction, activity, or item.

§ 1211.4 Non-Objection Letters.

(a) *Authority.* The Deputy Directors for Enterprise Regulation and for Federal Home Loan Bank Regulation, or their designees, may, in their discretion, issue to an Enterprise or to a Bank or the Office of Finance, respectively, a Non-Objection Letter stating that FHFA does not object to a proposed transaction or activity for supervisory, regulatory, or policy reasons. The Director reserves the right to modify, rescind, or supersede a Non-Objection Letter, with such action being effective only on a prospective basis.

(b) *Requests.* A regulated entity or the Office of Finance may request a Non-Objection Letter in accordance with § 1211.6.

§ 1211.5 Regulatory Interpretations.

(a) *Authority.* The General Counsel may, in his or her discretion, issue a Regulatory Interpretation to a regulated entity or the Office of Finance, providing guidance with respect to the application of any applicable statute, rule, regulation, or order to a proposed transaction or activity. The Director reserves the right to modify, rescind, or supersede a Regulatory Interpretation, with such action being effective only on a prospective basis.

(b) *Requests.* A regulated entity or the Office of Finance may request a Regulatory Interpretation in accordance with § 1211.6.

§ 1211.6 Submission requirements.

Applications for a Waiver or Approval and requests for a Non-Objection Letter or Regulatory Interpretation shall comply with the requirements of this section and shall pertain to regulatory matters relating to the Banks or Enterprises, and not to conservatorship matters.

(a) *Filing.* Each application or request shall be in writing. A Bank or the Office of Finance shall submit its filing to the Deputy Director for the Division of Federal Home Loan Bank Regulation, and an Enterprise shall submit its filing to the Deputy Director for Enterprise Regulation. Applications for regulatory interpretations shall be submitted also to the General Counsel.

(b) *Authorization.* An application for a Waiver or Approval and a request for a Non-Objection Letter or Regulatory Interpretation shall be signed by the president of the regulated entity or by the chairperson of the board of directors of the Office of Finance, as appropriate. Applications for Waiver or Approval also shall be accompanied by a

resolution of the board of directors concurring in the substance and authorizing the filing of the application.

(c) *Information requirements.* Each application or request shall contain:

(1) The name of the requester, and the name, title, business address, telephone number, and business electronic mail address, if any, of the official filing the application or request on its behalf;

(2) The name, business address, telephone number, and business electronic mail address, if any, of a contact person from whom FHFA staff may seek additional information if necessary;

(3) The section numbers of the particular provisions of the applicable statutes or rules, regulations, policies, or orders to which the application or request relates;

(4) Identification of the determination or relief requested, including any alternative relief requested if the primary relief is denied, and a clear statement of why such relief is needed;

(5) A statement of the particular facts and circumstances giving rise to the application or request and identifying all relevant legal and factual issues;

(6) References to all other relevant authorities, including the Authorizing Statutes, Safety and Soundness Act, FHFA rules, regulations, policies, and orders, judicial decisions, administrative decisions, relevant statutory interpretations, and policy statements;

(7) References to any Waivers, Non-Objection Letters, Approvals, or Regulatory Interpretations issued in the past in response to circumstances similar to those surrounding the request or application;

(8) For any application or request involving interpretation of the Authorizing Statutes, Safety and Soundness Act, or FHFA regulations, a reasoned opinion of counsel supporting the relief or interpretation sought and distinguishing any adverse authority;

(9) Any other non-duplicative, relevant supporting documentation; and

(10) A certification by a person with knowledge of the facts that the representations made in the application or request are accurate and complete. The following form of certification is sufficient for this purpose: "I hereby certify that the statements contained in the submission are true and complete to the best of my knowledge. [Name and Title]."

(d) *Exceptions.* In any given matter or class of matters, the Director, the Deputy Director for Federal Home Loan Bank Regulation, the Deputy Director for Enterprise Regulation, or the General Counsel, as appropriate, may accept an

application or request that does not comply with the requirements of this section, for supervisory reasons or administrative efficiency.

(e) *Withdrawal.* Once filed, an application or request may be withdrawn only upon written request, and only if FHFA has not yet acted on the application or request.

Dated: March 13, 2014.

Melvin L. Watt,

Director, Federal Housing Finance Agency.

[FR Doc. 2014-06033 Filed 3-18-14; 8:45 am]

BILLING CODE 8070-01-P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA-2006-23706; Directorate Identifier 2006-NE-03-AD]

RIN 2120-AA64

Airworthiness Directives; Honeywell International Inc. Turboprop Engines

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: We propose to supersede airworthiness directive (AD) 2006-15-08, which applies to all Honeywell International Inc. TPE331-1, -2, -2UA, -3U, -3UW, -5, -5A, -5AB, -5B, -6, -6A, -10, -10AV, -10GP, -10GT, -10P, -10R, -10T, -10U, -10UA, -10UF, -10UG, -10UGR, -10UR, -11U, -12JR, -12UA, -12UAR, and -12UHR turboprop engines with certain part numbers (P/Ns) of Woodward fuel control unit (FCU) assemblies, installed. AD 2006-15-08 currently requires initial and repetitive dimensional inspections of the fuel control drive spline for wear, and replacement of the FCU and fuel pump. Since we issued AD 2006-15-08, we determined that additional FCU assembly P/Ns are affected, the compliance deadline and assembly replacement after removal for cause or overhaul are no longer required, and that cautionary engine operating information must be observed. This proposed AD was prompted by reports of loss of the fuel control drive, leading to engine overspeed, overtorque, overtemperature, uncontained rotor failure, and asymmetric thrust in multi-engine airplanes. This proposed AD would require initial and repetitive dimensional inspections of the affected fuel control drive splines, and insertion of certain airplane operating procedures into the applicable flight manuals. We