rules and regulations

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Title 5—Administrative Personnel

CHAPTER I—CIVIL SERVICE COMMISSION

PART 213—EXCEPTED SERVICE

Department of Defense

Section 213.3306 is amended to show that the position of Special Assistant for Congressional Relations, Office of the Principal Deputy, Office of the Assistant Secretary of Defense (International Security Affairs) is revoked, and that the position of Special Assistant to the Assistant Secretary of Defense (International Security Affairs), Department of Defense, Office of the Secretary is excepted under Schedule C.

Effective April 7, 1975, § 213.3306(a) (22) is added and § 213.3306(a)(42) is revoked as set out below.

§ 213.3306 Department of Defense.

(a) *Office of the Secretary.* * * *

(22) Special Assistant to the Assistant Secretary of Defense (International Security Affairs).

* * * * *

(42) [Revoked].

* * * * *

(5 U.S.C. secs. 3301, 3302; E.O. 10577, 3 CFR 1954-58 Comp. p. 218)

UNITED STATES CIVIL SERVICE COMMISSION,
[SEAL] JAMES C. SPRY,
Executive Assistant to the Commissioners.

[FR Doc.75-8969 Filed 4-4-75;8:45 am]

PART 213—EXCEPTED SERVICE

Department of Agriculture

Section 213.3313 is amended to show that one additional position of Confidential Assistant to the Assistant Secretary for Marketing and Consumer Services and one position of Confidential Assistant to the Administrator, Foreign Agricultural Service, are excepted under Schedule C.

Effective April 7, 1975, § 213.3313(a)-(9) is amended and (e)(3) is added as set out below.

§ 213.3313 Department of Agriculture.

(a) *Office of the Secretary.* * * *

(9) Two Confidential Assistants to the Assistant Secretary for Marketing and Consumer Services.

* * * * *

(e) *Foreign Agricultural Service.* * * *

(3) One Confidential Assistant to the Administrator.

* * * * *

(5 U.S.C. 3301, 3302; E.O. 10577, 3 CFR 1954-58, Comp. p. 218)

UNITED STATES CIVIL SERVICE COMMISSION,
[SEAL] JAMES C. SPRY,
Executive Assistant, to the Commissioners.

[FR Doc.75-8968 Filed 4-4-75;8:45 am]

PART 213—EXCEPTED SERVICE

International Trade Commission

Section 213.3339 is amended to show that one position of Staff Assistant to a Commissioner is excepted under Schedule C.

Effective April 7, 1975, § 213.3339(f) is amended as set out below.

§ 213.3339 U.S. International Trade Commission.

* * * * *

(f) One position of Staff Assistant to each of four Commissioners.

(5 U.S.C. secs. 3301, 3302; E.O. 10577, 3 CFR 1954-58, Comp. p. 218)

UNITED STATES CIVIL SERVICE COMMISSION,
[SEAL] JAMES C. SPRY,
Executive Assistant to the Commissioners.

[FR Doc.75-8971 Filed 4-4-75;8:45 am]

PART 213—EXCEPTED SERVICE

Department of Transportation

Section 213.3394 is amended to show that one additional position of Special Assistant to the Secretary is excepted under Schedule C.

Effective April 7, 1975, § 213.3394(a) (2) is amended as set out below.

§ 213.3394 Department of Transportation.

(a) *Office of the Secretary.* * * *

(2) Two Special Assistants to the Secretary.

* * * * *

(5 U.S.C. secs. 3301, 3302; E.O. 10577, 3 CFR 1954-58 Comp. p. 218)

UNITED STATES CIVIL SERVICE COMMISSION,
[SEAL] JAMES C. SPRY,
Executive Assistant to the Commissioners.

[FR Doc.75-8972 Filed 4-4-75;8:45 am]

PART 213—EXCEPTED SERVICE

Export-Import Bank of the United States

Section 213.3342 is amended to show that one position of Vice President for Public Affairs is excepted under Schedule C.

Effective April 7, 1975, § 213.3342(n) is added as set out below.

§ 213.3342 Export-Import Bank of the United States.

* * * * *

(n) One Vice President for Public Affairs.

(5 U.S.C. 3301, 3302; E.O. 10577, 3 CFR 1954-58 Comp. p. 218)

UNITED STATES CIVIL SERVICE COMMISSION,
[SEAL] JAMES C. SPRY,
Executive Assistant to the Commissioners.

[FR Doc.75-8970 Filed 4-4-75;8:45 am]

CIVIL SERVICE EMPLOYMENT

Age Discrimination

Under authority of Pub. L. 93-259, Fair Labor Standards Amendments of 1974, which amended the Age Discrimination in Employment Act of 1967, Parts 300, 302 and 315 of title 5 of the Code of Federal Regulations are amended to prohibit Federal personnel actions which discriminate on the basis of age, and provide for the acceptance and processing of discrimination complaints.

Effective April 7, 1975, §§ 300.102 through 104, 302.202 and 315.806 are amended as set out below:

PART 300—EMPLOYMENT (GENERAL)

Subpart A—Employment Practices

1. Section 300.102 is revised to read as follows:

§ 300.102 Policy.

This Subpart is directed to implementation of the policy that competitive employment practices:

(a) Be practical in character and as far as possible relate to matters that fairly test the relative capacity and fitness of candidates for the jobs to be filled;

(b) Result in selection from among the best qualified candidates;

(c) Be developed and used without discrimination because of race, color, religion, sex, age, national origin, partisan political affiliation or other nonmerit grounds; and

(d) Insure to the candidate opportunity for appeal or administrative review, as appropriate.

2. Section 300.103 is revised to read as follows:

§ 300.103 Basic Requirements.

(a) *Job analysis*. Each employment practice of the Federal Government generally, and of individual agencies, shall be based on a job analysis to identify:

(1) The basic duties and responsibilities;

(2) The knowledges, skills, and abilities required to perform the duties and responsibilities; and

(3) The factors that are important in evaluating candidates. The job analysis may cover a single position or group of positions, or an occupation or group of occupations, having common characteristics.

(b) *Relevance*. (1) There shall be a rational relationship between performance in the position to be filled (or in the target position in the case of an entry position) and the employment practice used. The demonstration of rational relationship shall include a showing that the employment practice was professionally developed. A minimum educational requirement may not be established except as authorized under section 3308 of title 5, United States Code.

(2) In the case of an entry position the required relevance may be based upon the target position when—

(i) The entry position is a training position or the first of a progressive series of established training and development positions leading to a target position at a higher level; and

(ii) New employees, within a reasonable period of time and in the great majority of cases, can expect to progress to a target position at a higher level.

(c) *Equal employment opportunity*. An employment practice shall not discriminate on the basis of race, color, religion, sex, age, national origin, partisan political affiliation, or other nonmerit factor. This requirement is generally met when an employment practice is relevant to performance in the position to be filled (or in the target position in the case of an entry position).

3. Section 300.104 is revised to read as follows:

§ 300.104 Appeals, grievances and complaints.

(a) *Employment practices*. (1) A candidate who believes that an employment practice which was applied to him and which is administered or required by the Commission violates a basic requirement in section 330.103 is entitled to appeal to the Commission.

(2) An appeal shall be in writing, shall set forth the basis for the candidate's belief that a violation occurred, and shall be filed with the Board of Appeals and Review, U.S. Civil Service Commission, Washington, D.C. 20415, no later than 15 days from the date the employment practice was applied to the candidate or the date he became aware of the results of the application of the employment practice. The board may extend the time limit in this subparagraph for good cause shown by the candidate.

(3) An appeal shall be processed in accordance with Subpart D of Part 772 of this chapter.

(b) *Examination ratings*. A candidate may file an appeal with the Commission from his examination rating or the rejection of his application. The appeal shall be filed and processed in accordance with instructions in chapter 337 of the Federal Personnel Manual.

(c) *Complaints and grievances to an agency*. (1) a candidate may file a complaint with an agency when he believes that an employment practice which was applied to him and which is administered or required by the agency discriminates against him on the basis of race, color, religion, sex or national origin; or age, provided that at the time of the alleged discriminatory action the candidate was at least 40 years of age but less than 65 years of age. The complaint shall be filed and processed in accordance with Subparts B and E of Part 713 of this chapter.

(2) Except as provided in subparagraph (1) of this paragraph, an employee may file a grievance with an agency when he believes that an employment practice which was applied to him and which is administered or required by the agency violates a basic requirement in section 300.103. The grievance shall be filed and processed under the agency grievance system, or a negotiated grievance system, established in accordance with Subpart C of Part 771 of this chapter.

(5 U.S.C. secs. 3301, 3302, 7151, 7154, E.O. 10577; E.O. 11478; 3 CFR 1954–1958 Comp., p. 218, 3 CFR 1969 Comp.)

PART 302—EMPLOYMENT IN THE EXCEPTED SERVICE

Subpart B—Eligibility Standards

4. Section 302.202 is revised to read as follows:

§ 302.202 Qualification requirements.

Before making an appointment to a position covered by this Part, each agency shall establish qualification standards such as those relating to experience and training, citizenship, minimum age, physical condition, etc., which shall relate to the duties to be performed. An agency may delegate the establishment of standards relating to a group of positions or a specific position to the appropriate administrative level or subdivision of the agency and that level or subdivision may amend or modify the standards in accordance with the needs of the locality in which the position is located, but the agency shall determine that each standard established is in conformity with this Part. Each agency shall make its standards a matter of record in the appropriate office of the agency, and shall furnish information concerning the standards for a position to an applicant on his request. Each agency shall apply the standards for a position uniformly to all applicants, except for such waivers as are provided in this Part for a preference eligible. An agency shall not include a minimum educational requirement in qualification standards, except for a scientific, technical, or professional position the duties of which the agency decides cannot be performed by a person who does not have a prescribed minimum education. An agency shall not establish a maximum age requirement for any position. Each agency shall make a part of its records the reasons for its decision under this section, and shall furnish those reasons to an applicant on his request. The qualification standards shall include:

(a) A provision for waiver by the agency of requirements as to age, height, and weight for each preference eligible when the requirements are not essential to the performance of the duties of the position; and

(b) A provision for waiver by the agency of physical requirements for each preference eligible when the agency, after giving due consideration to the recommendation of an accredited physician, finds that the applicant is physically able to discharge the duties of the position.

(5 U.S.C. 1302, 3301, 3302; E.O. 10577; 3 CFR, 1954–1958 Comp., p. 218.)

PART 315—CAREER AND CAREER CONDITIONAL EMPLOYMENT

Subpart H—Probation

5. In § 315.806, paragraphs (a) and (b)(1) are revised as follows:

§ 315.806 Appeal rights to the Commission.

(a) *Right of appeal*. An employee may appeal to the Commission in writing an agency's decision to terminate him under § 315.804 or § 315.805 only as provided in paragraphs (b) and (c) of this section. The Commission's review is confined to the issues stated in paragraphs (b) and (c) of this section.

(b) *On discrimination*. (1) An employee may appeal under this subparagraph a termination which he alleges was based on discrimination because of race, color, religion, sex, or national origin; or age, *Provided*, That at the time of the alleged discriminatory action the employee was at least 40 years of age but less than 65 years of age. The Commission refers the issue of discrimination to the agency for investigation of that issue and a report thereon to the Commission.

* * * * *

(5 U.S.C. 1302, 3301, 3302; E.O. 10577; 3 CFR, 1954–1958 Comp., p. 218.)

UNITED STATES CIVIL SERVICE COMMISSION,
[SEAL] JAMES C. SPRY,
Executive Assistant to the Commissioners.

[FR Doc.75-8967 Filed 4-4-75;8:45 am]

Title 7—Agriculture

CHAPTER I—AGRICULTURAL MARKETING SERVICE (STANDARDS, INSPECTIONS, MARKETING PRACTICES), DEPARTMENT OF AGRICULTURE

PART 51—FRESH FRUITS, VEGETABLES AND OTHER PRODUCTS (INSPECTION, CERTIFICATION AND STANDARDS)

United States Standards for Grades of Mechanically Harvested American (Eastern Type) Grapes for Processing and Freezing[1]

On June 25, 1974, a notice of proposed rulemaking was published in the FEDERAL REGISTER (39 FR 22958) regarding the issuance of United States Standards for Grades of Mechanically Harvested American (Eastern Type) Grapes for Processing. These grade standards are issued under authority of the Agricultural Marketing Act of 1946 (60 Stat. 1087, as amended; 7 U.S.C. 1621–1627), which provides for the issuance of official U.S. grades to designate different levels of quality for the voluntary use of producers, buyers and consumers. Official grading services are also provided under this act upon request of any financially interested party and upon payment of a fee to cover the cost of such services.

Statement of considerations leading to the issuance of the grade standards. The United States Standards for American (Eastern Type) Bunch Grapes for Processing and Freezing were issued July 5, 1943. Since that time there have been many changes in the grape industry. In the 1960's mechanical harvesters were introduced to the vineyards. Since machine harvesting results in shattered berries, berries completely removed from the bunch, the application of these standards would result in the entire crop failing to meet any grade. This prompted the industry to request that the USDA develop new standards for mechanically harvested grapes for processing and freezing.

In 1969 and subsequent harvest seasons studies were conducted in the States of Pennsylvania, New York, Michigan, Arkansas and Washington. From data collected in these studies standards were developed that would be applicable to machine harvested grapes. These standards were published in the FEDERAL REGISTER under notice of proposed rulemaking on June 25, 1974. Copies of the proposed standards were distributed to individuals and to groups and organizations of grape growers and processors. In order to provide the industry ample time to study and apply these proposed standards a full harvest season was allowed for comments which ended December 30, 1974.

Only one written comment was received from a processor in response to the proposal. Most of the views expressed in the letter were considered favorable, however, there was unfavorable response concerning the maturity requirements for the U.S. No. 1 and U.S. No. 2 grades, as in their opinion, the proposal excludes all varieties classified as American (Eastern Type) Grapes, except for one variety. In addition, they indicated that if unattached petioles were to be considered as foreign material, the tolerance for foreign material would not be realistic. USDA standardization specialists met with National Grape Cooperative Association Inc. (Welch Foods Inc.) representatives to discuss the proposal and review the findings of studies conducted. National Grape used the proposal as the basis of grower-processor contracts during the 1974 season.

The following changes from the published proposal should result in standards, with reasonable requirements, that are compatible with industry practices.

1. Within the tolerance for total defects a restrictive tolerance of one-half of one percent for dissimilar varieties is added to each grade, which would prevent the mixing of varieties with high soluble solids with varieties that normally have low solids.

2. A definition for unattached petioles is added to the standards. This is needed to establish a uniform interpretation as to what constitutes an unattached petiole since they are not considered as foreign material.

3. The phrase "unless otherwise specified" is incorporated in the definitions for "mature" and "fairly well matured." By including this phrase it will enable the standards to be applied to all varieties classified as American (Eastern Type) Grapes which would permit wider use of these standards.

4. The damage requirement for pulp discoloration is deleted. The degree of discoloration described in the definition of damage is considered not to have any significant effect on the processing quality of the grapes.

5. The word freezing is added to the title of the standards at the request of a processor.

After consideration of all relevant matters presented by interested persons, including the proposal set forth in the aforesaid notice, the following U.S. Standards for Grades of Mechanically Harvested American (Eastern Type) Grapes for Processing and Freezing are hereby promulgated pursuant to the Agricultural Marketing Act of 1946 (60 Stat. 1087, as amended, 7 U.S.C. 1621–1627).

[1] Packing of the product in conformity with the requirements of these standards shall not excuse failure to comply with the provisions of the Federal Food, Drug and Cosmetic Act or with applicable State laws and regulations.

Subpart—United States Standards for Grades of Mechanically Harvested American (Eastern Type) Grapes for Processing and Freezing

AUTHORITY: Secs. 203, 205, 60 Stat. 1087, as amended, 1090 as amended; 7 U.S.C. 1622, 1624.

Subpart—United States Standards for Grades of Mechanically Harvested American (Eastern Type) Grapes for Processing and Freezing

GENERAL

§ 51.2150 General.

(a) These standards apply to American (Eastern Type) Grapes which have been mechanically harvested and are to be processed.

(b) The grade of a lot of mechanically harvested grapes shall be determined on the basis of a composite sample.

GRADES

§ 51.2151 U.S. No. 1.

"U.S. No. 1" consists of grapes and juice which meet the following requirements:

(a) Basic requirements:
  (1) Mature; and,
  (2) Similar varietal characteristics.
(b) Free from:
  (1) Decay;
  (2) Visible mold;
  (3) Immature berries;
  (4) Sunburn;
  (5) Freezing;
  (6) Attached insects or insect injury; and,
  (7) Foreign material.

(c) Free from damage by any cause. (See § 51.2159)

(d) For tolerances. (See § 51.2153)

§ 51.2152 U.S. No. 2.

"U.S. No. 2" consists of grapes and juice which meet the requirements of the U.S. No. 1 grade except:

(a) Berries shall be at least fairly well matured; and,

(b) Increased tolerances for defects and foreign material. (See § 51.2153)

TOLERANCES

§ 51.2153 Tolerances.

(a) No tolerance is provided in these standards for grapes which fail to meet the maturity requirement.

(b) In order to allow for variations incident to proper culture, harvesting and handling in each of the foregoing grades, tolerances, by weight, other than for maturity, are set forth in Table I.

TABLE I

	U.S. No. 1 (percent by weight)	U.S. No. 2 (percent by weight)
A. Total defects	10	10.
1. Serious damage (included in "A").	6	6.
(a) Berries affected by mold or decay (included in "1").	3	3.
(b) Dissimilar varieties (included in "1").	½ of 1	½ of 1.
(c) Berry moth, attached insects or other insect injury (included in "1").	½ of 1	1.
B. Foreign material	3	4.
(a) Leaves, petioles, or other plant parts, except for unattached petioles (included in "B").	3	4.
(b) All other foreign material (included in "B").	½ of 1	½ of 1.

DEFINITIONS

§ 51.2154 Mature.

"Mature" means that representative samples of grapes and juice from containers in a lot shall test, unless otherwise specified, not less than 15.5 percent soluble solids, as determined by an approved refractometer.

§ 51.2155 Fairly well matured.

"Fairly well matured" means that representative samples of grapes and juice from containers in a lot shall test, unless otherwise specified, not less than 14.5 percent soluble solids, as determined by an approved refractometer.

§ 51.2156 Foreign material.

"Foreign material" means sticks, stones, leaves, petioles or other plant parts or other extraneous material.

§ 51.2157 Similar varietal characteristics.

"Similar varietal characteristics" means grapes having same characteristic skin and pulp color.

§ 51.2158 Unattached petioles.

"Unattached petioles" means petioles that are completely devoid of their leaf.

§ 51.2159 Damage.

"Damage" means any specific defect described in § 51.2161, Table II; or an equally objectionable variation of any one of these defects, any other defect, or any combination of defects, which materially detracts from the processing quality of the grapes.

§ 51.2160 Serious damage.

"Serious damage" means any specific defect described in § 51.2161, Table II; or an equally objectionable variation of any one of these defects, any other defect, or any combination of defects, which seriously detracts from the processing quality of the grapes.

§ 51.2161 Classification of defects.

TABLE II

Defects	Damage	Serious damage
Dried berries.	When berries are dry and shrivelled to the extent that practically no moisture is present within the berries.	
Discoloration.	See serious damage	When darker than plate 7.5 RP ¾ in the Munsell Book of Color.[4]
Sunburn	do	When sunken, discolored, and dried area caused by sunburn affects the skin or flesh of the grape.
Decay or mold.	do	Any visible decay or mold on the grape skin or penetrating the flesh.
Insects or insect injury.	do	Any insect injury penetrating the flesh or any insect attached to the grape.
Immature berries.	do	When berries are hard and green and generally small.

[4] This color plate may be purchased from the Munsell Color Co., 2441 North Calvert St., Baltimore, Md. 21218.

The United States Standards for Grades of Mechanically Harvested American (Eastern Type) Grapes for Processing and Freezing contained in the subpart shall become effective May 15, 1975.

Dated: April 1, 1975.

E. L. PETERSON,
Administrator,
Agricultural Marketing Service.

[FR Doc.75-8752 Filed 4-4-75;8:45 am]

Title 12—Banks and Banking

CHAPTER V—FEDERAL HOME LOAN BANK BOARD

SUBCHAPTER C—FEDERAL SAVINGS AND LOAN SYSTEM

[No. 75-232]

PART 545—OPERATIONS

Service Corporation Debt and Investment Limitations

Summary. The following summary of the amendments adopted by this Resolution is provided for the reader's convenience and is subject to the full provisions of this Resolution, including the provisions in the preamble thereof and in the amended regulations set forth below.

I. *Debt Limitations.*—A. Present regulation—Unsecured debt from parent savings and loan associations to their "b-2 type" service corporations is not included in the net worth base for determining maximum debt limitations.

B. Amended regulation—Unsecured debt from a 25 percent-or-more stockholder in a "b-2 type" service corporation is added to the net worth base for determining maximum debt limitations; such unsecured debt continues to count as part of the unsecured and total debt computations.

II. *Debt Treatment of Entities Within a Consolidation.*—A. Clarification—No service corporation or subsidiary may separately exceed the debt limit imposed on the consolidated net worth.

III. *Investment Limitations.*—A. Present regulation—Permits a Federal association to make "conforming loans" to service corporations and joint ventures if the Federal association's net worth is at least 5 percent of savings and scheduled items do not exceed 2.5 percent of specified assets.

B. Amended regulation—Permits Federal associations having scheduled items in excess of 2.5 percent but having net worth of at least 5 percent to apply for approval to make such "conforming loans"; approvals are delegated to Principal Supervisory Agents.

The Federal Home Loan Bank Board considers it advisable to amend § 545.9-1 of the rules and regulations for the Federal Savings and Loan System (12 CFR 545.9-1) in order to effect certain revisions and clarifications with respect to the Board's service corporation debt and investment limitations.

On June 5, 1974, the Board, in part, amended the debt limitations for b-2 type service corporations, which are corporations owned by fewer than 5 associations or in which one association owns more than 40 percent of the stock (Board Resolution No. 74-518; 39 FR 20678). Before the June 5 amendments, the limitation on type b-2 service corporation unsecured debt was computed as an amount equal to the lesser of (1) 1 percent of the assets of the service corporation's stockholders or (2) the total of stock and unsecured debt invested by stockholders; unsecured debt owed to a stockholder was not counted within the unsecured debt limitations. The June 5 amendments liberalized the unsecured debt limitation by adding retained earnings to the computation base and by raising the allowable maximum unsecured debt to 2 times the base, but at the same time it removed unsecured debt owed to stockholders from the base and included unsecured debt owed to stockholders within the unsecured debt limitations. Similar revisions were made in the June 5 amendments to the secured and unsecured debt limitations for b-2 type service corporations.

Upon further consideration, the Board considers it desirable to include unsecured debt owed to stockholders in the bases for computing both the permissible secured and unsecured debt in order to provide more flexibility in capitalizing service corporations. This new inclusion of such debt in the unsecured and secured debt bases is limited to unsecured debt owed to a holder of at least 25 percent of the service corporation's stock. However, unsecured and secured debt owed to any stockholders would continue to be included within the limitations on such debt.

The service corporation debt limitations are applicable to the consolidated statement of a service corporation and its subsidiaries under § 545.9-1(b)(3)(i). In order to clarify the application of these limitations on separate entities within the consolidation, and thus to forestall a possible interpretation of the regulations which would allow for selective over-leveraging by certain of such entities, the Board considers it desirable to add a new § 545.9-1(b)(3)(i)(*e*) to require that the debt of each entity shall not exceed the applicable debt limitations. For purposes of new § 545.9-1(b)(3)(i)(*e*), the internal debt from a service corporation to its subsidiary is excluded from the subsidiary's debt computation because such internal debt is cancelled out in the consolidated statement.

Paragraph 545.9-1(c), the service corporation investment provision, is amended by adding thereto a new paragraph (c)(4) to provide for an exception from the scheduled items limitation on investment set forth in paragraph (c)(2) of § 545.9-1. The latter paragraph provides, in part, that a Federal association's ratio of scheduled items to specified assets may not exceed 2.5 percent in order for the association to be authorized to make additional service corporation investment in the form of conforming loans. New § 545.9-1(c)(4) authorizes an association with scheduled items exceeding such ratio but with net worth of at least 5 percent of withdrawable accounts to apply for an exception to the limitation if it can document good management policies and operating results. The Board believes that in this way associations which have suffered substantial increases in scheduled items as a result of local economic problems will not be penalized for conditions that are not related to their particular management policies.

Applications for exceptions under new § 545.9-1(c)(4) shall be filed with the Principal Supervisory Agent of the district in which the principal office of the applicant is located, with a copy to the Director, Office of Examinations and Supervision. The Principal Supervisory Agent has 30 days to notify the applicant that approval has been withheld, after which the application would be deemed approved. Cases in which approval is withheld shall be processed to the Board for its decision.

Accordingly, the Federal Home Loan Bank Board hereby amends § 545.9-1 by revising paragraphs (b)(3)(i)(*a*), (*b*) and (*c*) and (c)(2) thereof, and by adding new paragraphs (b)(3)(i)(*e*) and (c)(4) thereto to read as set forth below, effective April 7, 1975.

Since the above amendments relieve restrictions, the Board hereby finds that notice and public procedure with respect to said amendments are unnecessary under the provisions of 12 CFR 508.11 and 5 U.S.C. 553(b).

§ 545.9-1 Service corporations.

* * * * *

(b) *Other service corporations*. In addition to investment in a service corporation which meets the requirements of paragraph (a) of this section, a Federal association which has a charter in the form of Charter N or Charter K (rev.) may invest in the capital stock, obligations, or other securities of any service corporation organized under the laws of the State, District, Commonwealth, territory, or possession in which the home office of the association is located if:

* * * * *

(3) The following limitations are complied with:

(i) If less than 5 savings and loan associations (including any Federal association) hold capital stock in such corporation or one such association holds more than 40 percent of such stock, such corporation, including any subsidiary, does not incur or have outstanding at any time debt in excess of the following limitations:

(*a*) In the case of all unsecured debt (to holders of its capital stock and to others), an amount equal to 2 times the total of its consolidated net worth plus unsecured debt to holders of at least 25 percent of its capital stock;

(*b*) In the case of all secured and unsecured debt (to holders of its capital stock and to others), except as permitted by paragraph (b)(3)(i)(*c*) of this section, an amount equal to 10 times the total of its consolidated net worth plus unsecured debt to holders of at least 25 percent of its capital stock; and

(*c*) In the case of all secured and unsecured debt (to holders of its capital stock and to others), if such corporation, including any subsidiary thereof, is engaged solely in the activities specified in paragraph (a)(4)(i)(*a*) of this section, an amount of debt equal to 20 times the total of its consolidated net worth plus unsecured debt to holders of at least 25 percent of its capital stock;

* * * * *

(*e*) In computing "consolidated net worth" for purposes of paragraph (b)(3)(i) of this section, the debt of each separate entity (the net worth of which is to be consolidated) shall not exceed the applicable debt limitation: *Provided*, That, for purposes of this paragraph (b)(3)(i)(*e*), a service corporation's loans to its subsidiary need not be computed as debt.

* * * * *

(c) *Amount of investment*. * * *

(2) In addition to amounts which may be invested within the limitation set forth in paragraph (c)(1) of this section, a Federal association which has a net worth of at least 5 percent of withdrawable accounts and which has a ratio of scheduled items (other than assets acquired in a merger instituted for supervisory reasons) to specified assets of not more than 2.5 percent (except as provided in paragraph (c)(4) of this section) may loan additional amounts to service corporations, or any subsidiaries thereof, and to joint ventures of such service corporations or subsidiaries, as follows:

* * * * *

(4) A Federal association which has a net worth of at least 5 percent of withdrawable accounts may apply to the Board for an exception from the scheduled items limitation in paragraph (c)(2) of this section. The application shall be supported by appropriate information evidencing the association's sound investment, lending, appraisal, and underwriting policies and favorable operating results. Such application shall be filed with the Principal Supervisory Agent of the district in which the home office of the applicant is located, with a copy to the Director, Office of Examinations and Supervision, 320 First Street, NW., Washington, D.C. 20552. Such application will be deemed to be approved if, by the close of 30 calendar days after the date of its receipt by the Principal

Supervisory Agent, such Principal Supervisory Agent has not notified the applicant that approval has been withheld. If approval by the Principal Supervisory Agent is withheld, the Principal Supervisory Agent shall promptly cause the application to be submitted to the Board for its decision. The Principal Supervisory Agent may request additional information after receipt of the application, but need not consider such additional information from the applicant which is received by the Principal Supervisory Agent less than 5 calendar days before the end of the 30 calendar day period. As used in this paragraph (c)(4), the term "Principal Supervisory Agent" has the same meaning as in § 545.14(a)(3)(i).

* * * * *

(Sec. 5, 48 Stat. 132, as amended; 12 U.S.C. 1464. Reorg. Plan No. 3 of 1947, 12 FR 4981, 3 CFR, 1943–48 Comp., p. 1071).

Dated: March 12, 1975.

By the Federal Home Loan Bank Board.

[SEAL] GRENVILLE L. MILLARD, Jr.,
Assistant Secretary.

[FR Doc.75-8940 Filed 4-4-75;8:45 am]

Title 14—Aeronautics and Space

CHAPTER I—FEDERAL AVIATION ADMINISTRATION, DEPARTMENT OF TRANSPORTATION

[Docket No. 75-EA-8; Amdt. 39-2155]

PART 39—AIRWORTHINESS DIRECTIVES

Lycoming Aircraft Engines

The Federal Aviation Administration is amending § 39.13 of Part 39 of the Federal Aviation Regulations so as to issue an airworthiness directive applicable to Lycoming aircraft engines.

There have been reports of failures of the Woodruff keys located in the oil pump impellers as a result of certain prior alterations involving the installation of hardened drive impellers, including steel impellers. It appears the excessive wear contributed to such failures.

Since this deficiency can exist or develop in aircraft engines of similar type design, an airworthiness directive is being issued which will require an inspection within the oil pump assembly and replacement where necessary of the oil pump drive shaft and drive impeller.

In view of the foregoing and because the deficiency is one which affects air safety, notice and public procedure hereon are impractical and good cause exists for making the amendment effective in less than 30 days.

In consideration of the foregoing and pursuant to the authority delegated to me by the Administrator, 14 CFR 11.89 (31 FR 13697) § 39.13 of Part 39 of the Federal Aviation Regulations is amended by issuing a new Airworthiness Directive as follows:

LYCOMING. Applies to O-360, HO-360, HIO-360, VO-360-A1A, VO-360-A1B, VO-360-B1A, IVO-360-A1A, O-540 and IO-540 series Lycoming engines (listed in Lycoming Service Bulletin No. 381A) and the same series engines overhauled/remanufactured by Lycoming between December 18, 1972 and December 10, 1974 and the same series engines overhauled after December 18, 1972 at facilities other than the manufacturer, in which the provisions of Lycoming Service Instruction No. 1272 have been incorporated.

Applicable models	Applicable serial Nos.	Excepted serial Nos.
0-360-C2D, H0-360-B1A, -B1B	L-18550-36A through L-19846-36A.	L-19817-36A, L-19818-36A.
HIO-360-A1A, -B1A	L-10179-51A through L-13551-51A.	L-12557-51A, L-12727-51A, L-12853-51A, L-12890-51A, L-12892-51A through L-12894-51A, L-12919-51A, L-12966-51A through L-12968-51A, L-12979-51A, L-13034-51A through L-13040-51A, L-13124-51A through L-13128-51A, L-13170-51A through L-13174-51A, L-13257-51A through L-13262-51A, L-13280-51A through L-13283-51A.
HIO-360-D1A	L-10179-51A through L-13612-51A.	
HIO-360-C1A	L-10179-51A through L-13372-51A.	L-11578-51A, L-12193-51A, L-12445-51A, L-12763-51A, L-12845-51A, L-12847-51A through L-12849-51A, L-12895-51A, L-12897-51A, L-12898-51A, L-12911-51A, L-12912-51A, L-12914-51A through L-12916-51A, L-12918-51A, L-12969-51A through L-12972-51A, L-13041-51A, L-13042-51A, L-13119-51A through L-13123-51A, L-13142-51A through L-13148-51A, L-13271-51A through L-13275-51A.
HIO-360-C1B	L-10179-51A through L-13551-51A.	
0-540-E4C5	L-15327-40 through L-17105-40A.	
I0-540-K1B5	L-10536-48 through L-12725-48.	

For the Lycoming O-360, HO-360, HIO-360, VO-360-A1A, VO-360-A1B, VO-360-B1A and IVO-360-A1A series engines listed above, compliance is required within the next 10 hours in service after the effective date of this AD or before the engines have accumulated 400 hours in service, whichever occurs later, unless already accomplished. For the Lycoming O-540 and IO-540 series engines listed above, compliance is required within the next 50 hours in service after the effective date of this AD or before the engines have accumulated 400 hours in service, whichever occurs later, unless already accomplished.

To prevent oil pump failures inspect and replace when necessary the oil pump drive shaft and drive impeller in accordance with Lycoming Service Bulletin No. 381A or later revision approved by Chief, Engineering and Manufacturing Branch, FAA, Eastern Region.

The manufacturer's inspections and replacement procedures identified and described in this directive are incorporated herein and made a part hereof pursuant to 5 U.S.C. 552(a)(1). All persons affected by this directive who have not already received this document from the manufacturer, may obtain copies upon request to Avco Lycoming Division Service Department, Williamsport, Pennsylvania 17701. These documents may also be examined at the Engineering and Manufacturing Branch, Federal Aviation Administration, Eastern Region, Federal Building, John F. Kennedy International Airport, Jamaica, New York 11430. A historical file on this AD which includes the incorporated material in full is maintained by the FAA at its Eastern Region Headquarters.

This amendment is effective April 9, 1975.

(Sec. 313(a), 601 and 603 of the Federal Aviation Act of 1958 [49 U.S.C. 1354(a), 1421 and 1423], and sec. 6(c) of the Department of Transportation Act [49 U.S.C. 1655(c)].)

Issued in Jamaica, N.Y., on March 26, 1975.

LOUIS J. CARDINALI,
Acting Director, Eastern Region.

[FR Doc.75-8775 Filed 4-4-75;8:45 am]

[Docket No. 74-NE-38; Amdt. 39-2152]

PART 39—AIRWORTHINESS DIRECTIVES

Sikorsky S-61L, S-61N, S-61NM, and S-61R Helicopters Certificated in All Categories

Amendment 39-1971 (39 FR 33791), AD 74-20-7, as amended by Amendment 39-1989 (39 FR 36856), established replacement times for modified and original main rotor blades to prevent operation with fatigue cracks in the spars of blades of S-61 series helicopters certificated in all categories, and provided for the extension of the service life limits for certain rotor blades which had been altered, inspected, and maintained in accordance with Sikorsky Service Bulletin No. 61B15-6G. After Amendment 39-1989 was issued, the manufacturer issued a revised Service Bulletin No. 61B-15-6H which incorporated a change in the inspection criteria.

The agency has determined that the inspection criteria set forth in Sikorsky Service Bulletin No. 61B15-6H rather than No. 61B15-6G, should be used if service life limits are extended. Therefore, the AD is being revised to change the references from Sikorsky Service Bulletin No. 61B15-6G to Sikorsky Service Bulletin No. 61B15-6H.

Since a situation exists that requires immediate adoption of this regulation, it is found that notice and public procedure hereon are impracticable and good cause exists for making this amendment effective in less than thirty (30) days after the date of publication in the FEDERAL REGISTER.

In consideration of the foregoing and pursuant to the authority delegated to me by the Administrator (31 FR 13697), § 39.13 of Part 39 of the Federal Aviation Regulations, Amendment 39-1971 (39 FR 33791), AD 74-20-7, as amended by