

**Authority and Issuance**

For the reasons set forth in the preamble, the Bureau amends 12 CFR part 1026 as follows:

**PART 1026—TRUTH IN LENDING (REGULATION Z)**

■ 1. The authority citation for part 1026 continues to read as follows:

**Authority:** 12 U.S.C. 2601, 2603–2605, 2607, 2609, 2617, 3353, 5511, 5512, 5532, 5581; 15 U.S.C. 1601 *et seq.*

**Subpart E—Special Rules for Certain Home Mortgage Transactions**

■ 2. Amend § 1026.41 by:

- a. Revising paragraph (e)(5)(iv)(B); and
- b. Removing paragraph (e)(5)(iv)(C).

The revision reads as follows:

**§ 1026.41 Periodic statements for residential mortgage loans.**

\* \* \* \* \*

(e) \* \* \*

(5) \* \* \*

(iv) \* \* \*

(B) *Single-statement exemption.* As of the date on which one of the events listed in paragraph (e)(5)(iv)(A) of this section occurs, a servicer is exempt from the requirements of this section with respect to the next periodic statement or coupon book that would otherwise be required but thereafter must provide modified or unmodified periodic statements or coupon books that comply with the requirements of this section.

\* \* \* \* \*

■ 3. Amend Supplement I to Part 1026 as follows:

■ a. Under *Section 1026.41—Periodic Statements for Residential Mortgage Loans*:

- i. *41(e)(5)(iv)(B) Transitional single-billing-cycle exemption* is revised; and
- ii. *41(e)(5)(iv)(C) Timing of first modified or unmodified statement or coupon book after transition* is removed.

The revision reads as follows:

**Supplement I to Part 1026—Official Interpretations**

\* \* \* \* \*

**Section 1026.41 Periodic Statements for Residential Mortgage Loans**

\* \* \* \* \*

**41(e)(5)(iv)(B) Single-Statement Exemption.**

1. *Timing.* The exemption in § 1026.41(e)(5)(iv)(B) applies with respect to a single periodic statement or coupon book following an event listed in § 1026.41(e)(5)(iv)(A). For example, assume that a mortgage loan has a monthly billing cycle, each payment

due date is on the first day of the month following its respective billing cycle, and each payment due date has a 15-day courtesy period. In this scenario:

i. If an event listed in § 1026.41(e)(5)(iv)(A) occurs on October 6, before the end of the 15-day courtesy period provided for the October 1 payment due date, and the servicer has not yet provided a periodic statement or coupon book for the billing cycle with a November 1 payment due date, the servicer is exempt from providing a periodic statement or coupon book for that billing cycle. The servicer is required thereafter to resume providing periodic statements or coupon books that comply with the requirements of § 1026.41 by providing a modified or unmodified periodic statement or coupon book for the billing cycle with a December 1 payment due date within a reasonably prompt time after November 1 or the end of the 15-day courtesy period provided for the November 1 payment due date. *See* § 1026.41(b).

ii. If an event listed in § 1026.41(e)(5)(iv)(A) occurs on October 20, after the end of the 15-day courtesy period provided for the October 1 payment due date, and the servicer timely provided a periodic statement or coupon book for the billing cycle with the November 1 payment due date, the servicer is not required to correct the periodic statement or coupon book already provided and is exempt from providing the next periodic statement or coupon book, which is the one that would otherwise be required for the billing cycle with a December 1 payment due date. The servicer is required thereafter to resume providing periodic statements or coupon books that comply with the requirements of § 1026.41 by providing a modified or unmodified periodic statement or coupon book for the billing cycle with a January 1 payment due date within a reasonably prompt time after December 1 or the end of the 15-day courtesy period provided for the December 1 payment due date. *See* § 1026.41(b).

2. *Duplicate coupon books not required.* If a servicer provides a coupon book instead of a periodic statement under § 1026.41(e)(3), § 1026.41 requires the servicer to provide a new coupon book after one of the events listed in § 1026.41(e)(5)(iv)(A) occurs only to the extent the servicer has not previously provided the consumer with a coupon book that covers the upcoming billing cycle.

3. *Subsequent triggering events.* The single-statement exemption in § 1026.41(e)(5)(iv)(B) might apply more than once over the life of a loan. For

example, assume the exemption applies beginning on April 14 because the consumer files for bankruptcy on that date and the bankruptcy plan provides that the consumer will surrender the dwelling, such that the mortgage loan becomes subject to the requirements of § 1026.41(f). *See* § 1026.41(e)(5)(iv)(A)(1). If the consumer later exits bankruptcy on November 2 and has not discharged personal liability for the mortgage loan pursuant to 11 U.S.C. 727, 1141, 1228, or 1328, such that the mortgage loan ceases to be subject to the requirements of § 1026.41(f), the single-statement exemption would apply again beginning on November 2. *See* § 1026.41(e)(5)(iv)(A)(2).

\* \* \* \* \*

Dated: March 6, 2018.

**Mick Mulvaney,**

*Acting Director, Bureau of Consumer Financial Protection.*

[FR Doc. 2018–04823 Filed 3–9–18; 8:45 am]

BILLING CODE 4810-AM-P

**DEPARTMENT OF TRANSPORTATION****Federal Aviation Administration****14 CFR Part 25**

[Docket No. FAA–2017–1006; Special Conditions No. 25–716–SC]

**Special Conditions: Mitsubishi Aircraft Corporation Model MRJ–200 Airplane; Interaction of Systems and Structures**

**AGENCY:** Federal Aviation Administration (FAA), DOT.

**ACTION:** Final special conditions; request for comments.

**SUMMARY:** These special conditions are issued for the Mitsubishi Aircraft Corporation (Mitsubishi) Model MRJ–200 airplane. This airplane will have novel or unusual design features when compared to the state of technology envisioned in the airworthiness standards for transport-category airplanes. These design features are electronic flight-control systems and stability-augmentation systems that may affect the structural performance of the airplane. The applicable airworthiness regulations do not contain adequate or appropriate safety standards for this design feature. These special conditions contain the additional safety standards that the Administrator considers necessary to establish a level of safety equivalent to that established by the existing airworthiness standards.

**DATES:** This action is effective on Mitsubishi on March 12, 2018. Send your comments by April 26, 2018.

**ADDRESSES:** Send comments identified by docket number FAA-2017-1006 using any of the following methods:

- *Federal eRegulations Portal:* Go to <http://www.regulations.gov> and follow the online instructions for sending your comments electronically.

- *Mail:* Send comments to Docket Operations, M-30, U.S. Department of Transportation (DOT), 1200 New Jersey Avenue SE, Room W12-140, West Building Ground Floor, Washington, DC 20590-0001.

- *Hand Delivery or Courier:* Take comments to Docket Operations in Room W12-140 of the West Building Ground Floor at 1200 New Jersey Avenue SE, Washington, DC, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

- *Fax:* Fax comments to Docket Operations at 202-493-2251.

*Privacy:* The FAA will post all comments it receives, without change, to <http://www.regulations.gov>, including any personal information the commenter provides. Using the search function of the docket website, anyone can find and read the electronic form of all comments received into any FAA docket, including the name of the individual sending the comment (or signing the comment for an association, business, labor union, etc.). DOT's complete Privacy Act Statement can be found in the **Federal Register** published on April 11, 2000 (65 FR 19477-19478).

*Docket:* Background documents or comments received may be read at <http://www.regulations.gov> at any time. Follow the online instructions for accessing the docket or go to Docket Operations in Room W12-140 of the West Building Ground Floor at 1200 New Jersey Avenue SE, Washington, DC, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

**FOR FURTHER INFORMATION CONTACT:**

Todd Martin, FAA, Airframe and Cabin Safety Section, AIR-675, Transport Standards Branch, Policy and Innovation Division, Aircraft Certification Service, 1601 Lind Avenue SW, Renton, Washington 98057-3356; telephone 425-227-1178; facsimile 425-227-1320.

**SUPPLEMENTARY INFORMATION:** The substance of these special conditions previously has been published in the **Federal Register** for public comment. These special conditions have been derived without substantive change from those previously issued. It is unlikely that prior public comment would result in a significant change

from the substance contained herein. Therefore, the FAA has determined that prior public notice and comment are unnecessary, and finds that, for the same reason, good cause exists for adopting these special conditions upon publication in the **Federal Register**.

**Comments Invited**

The FAA is requesting comments to allow interested persons to submit views that may not have been submitted in response to the prior opportunities for comment described above. We invite interested people to take part in this rulemaking by sending written comments, data, or views. The most helpful comments reference a specific portion of the special conditions, explain the reason for any recommended change, and include supporting data.

We will consider all comments we receive by the closing date for comments. We may change these special conditions based on the comments we receive.

**Background**

On August 19, 2009, Mitsubishi applied for a type certificate for their new Model MRJ-200 airplane. The Model MRJ-200 airplane is a low-wing, conventional-tail design with two wing-mounted turbofan engines. The airplane is equipped with an electronic flight-control system, has seating for 96 passengers and a maximum takeoff weight of 98,800 lbs.

**Type Certification Basis**

Under the provisions of title 14, Code of Federal Regulations (14 CFR) 21.17, Mitsubishi must show that the Model MRJ-200 airplane meets the applicable provisions of part 25, as amended by Amendments 25-1 through 25-141; part 36, as amended by Amendments 36-1 through 36-30; and part 34, as amended by Amendments 34-1 through the amendment effective at the time of design approval.

If the Administrator finds that the applicable airworthiness regulations (*i.e.*, 14 CFR part 25) do not contain adequate or appropriate safety standards for the Model MRJ-200 airplane because of a novel or unusual design feature, special conditions are prescribed under the provisions of § 21.16.

Special conditions are initially applicable to the model for which they are issued. Should the type certificate for that model be amended later to include any other model that incorporates the same novel or unusual design feature, these special conditions would also apply to the other model under § 21.101.

In addition to the applicable airworthiness regulations and special conditions, the Model MRJ-200 airplane must comply with the fuel-vent and exhaust-emission requirements of 14 CFR part 34, and the noise-certification requirements of 14 CFR part 36.

The FAA issues special conditions, as defined in 14 CFR 11.19, in accordance with § 11.38, and they become part of the type certification basis under § 21.17.

**Novel or Unusual Design Features**

The Model MRJ-200 airplane will incorporate the following novel or unusual design feature:

Electronic flight-control systems and stability-augmentation systems that may affect the structural performance of the airplane.

**Discussion**

The MRJ-200 airplane is equipped with systems that directly or as a result of failure or malfunction, affect its structural performance. Current regulations do not take into account the effects of systems on structural performance including normal operation and failure conditions. Special conditions are needed to account for these features. These special conditions define criteria to be used in the assessment of the effects of these systems on structures. The general approach of accounting for the effect of system failures on structural performance is extended to include any system in which partial or complete failure, alone or in combination with other system partial or complete failures, would affect structural performance.

These special conditions contain the additional safety standards that the Administrator considers necessary to establish a level of safety equivalent to that established by the existing airworthiness standards.

These special conditions are similar to those previously applied to other airplane models.

**Applicability**

As discussed above, these special conditions are applicable to Model MRJ-200 airplanes. Should Mitsubishi apply at a later date for a change to the type certificate to include another model incorporating the same novel or unusual design feature, these special conditions would apply to that model as well.

**Conclusion**

This action affects only certain novel or unusual design features on one model

of airplane. It is not a rule of general applicability.

#### List of Subjects in 14 CFR Part 25

Aircraft, Aviation safety, Reporting and recordkeeping requirements.

The authority citation for these special conditions is as follows:

**Authority:** 49 U.S.C. 106(g), 40113, 44701, 44702, 44704.

#### The Special Conditions

Accordingly, pursuant to the authority delegated to me by the Administrator, the following special conditions are issued as part of the type certification basis for Mitsubishi Model MRJ-200 airplanes.

For airplanes equipped with systems that affect structural performance, either directly or as a result of a failure or malfunction, the influence of these systems and their failure conditions must be taken into account when showing compliance with the requirements of 14 CFR part 25, subparts C and D.

The following criteria must be used for showing compliance with these special conditions for airplanes equipped with flight-control systems, autopilots, stability-augmentation systems, load-alleviation systems, flutter-control systems, fuel-management systems, and other systems that either directly, or as a result of failure or malfunction, affect structural performance. If these special conditions are used for other systems, it may be necessary to adapt the criteria to the specific system.

1. The criteria defined herein only address the direct structural consequences of the system responses and performance. They cannot be considered in isolation, but should be included in the overall safety evaluation of the airplane. These criteria may, in some instances, duplicate standards already established for this evaluation. These criteria are only applicable to structure the failure of which could prevent continued safe flight and landing. Specific criteria that define acceptable limits on handling

characteristics or stability requirements, when operating in the system degraded or inoperative mode, are not provided in these special conditions.

2. Depending upon the specific characteristics of the airplane, additional studies that go beyond the criteria provided in these special conditions may be required to demonstrate the airplane's capability to meet other realistic conditions, such as alternative gust or maneuver descriptions for an airplane equipped with a load-alleviation system.

3. The following definitions are applicable to these special conditions.

a. *Structural performance:* Capability of the airplane to meet the structural requirements of 14 CFR part 25.

b. *Flight limitations:* Limitations that can be applied to the airplane flight conditions following an in-flight occurrence, and that are included in the airplane flight manual (e.g., speed limitations, avoidance of severe weather conditions, etc.).

c. *Operational limitations:* Limitations, including flight limitations, that can be applied to the airplane operating conditions before dispatch (e.g., fuel, payload and master minimum-equipment list limitations).

d. *Probabilistic terms:* Terms such as probable, improbable, and extremely improbable, as used in these special conditions, are the same as those used in § 25.1309.

e. *Failure condition:* This term is the same as that used in § 25.1309. However, these special conditions apply only to system-failure conditions that affect the structural performance of the airplane (e.g., system-failure conditions that induce loads, change the response of the airplane to inputs such as gusts or pilot actions, or lower flutter margins).

#### Effects of Systems on Structures

The following criteria will be used in determining the influence of a system and its failure conditions on the airplane structure.

1. *System fully operative.* With the system fully operative, the following apply:

a. Limit loads must be derived in all normal operating configurations of the system from all the limit conditions specified in 14 CFR part 25, subpart C (or defined by special conditions or equivalent level of safety in lieu of those specified in subpart C), taking into account any special behavior of such a system or associated functions, or any effect on the structural performance of the airplane that may occur up to the limit loads. In particular, any significant nonlinearity (rate of displacement of control surface, thresholds, or any other system nonlinearities) must be accounted for in a realistic or conservative way when deriving limit loads from limit conditions.

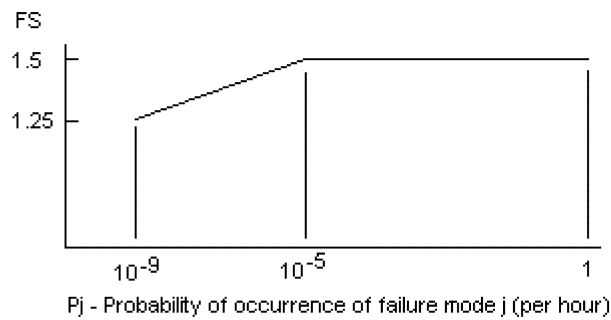
b. The airplane must meet the strength requirements of 14 CFR part 25 (static strength, residual strength), using the specified factors to derive ultimate loads from the limit loads defined above. The effect of nonlinearities must be investigated beyond limit conditions to ensure that the behavior of the system presents no anomaly compared to the behavior below limit conditions. However, conditions beyond limit conditions need not be considered when it can be shown that the airplane has design features that will not allow it to exceed those limit conditions.

c. The airplane must meet the aeroelastic stability requirements of § 25.629.

2. *System in the failure condition.* For any system-failure condition not shown to be extremely improbable, the following apply:

a. At the time of occurrence. Starting from 1g level flight conditions, a realistic scenario, including pilot corrective actions, must be established to determine the loads occurring at the time of failure and immediately after the failure.

i. For static-strength substantiation, these loads, multiplied by an appropriate factor of safety that is related to the probability of occurrence of the failure, are ultimate loads to be considered for design. The factor of safety is defined in Figure 1, below.

**Figure 1: Factor of safety (FS) at the time of occurrence**

ii. For residual-strength substantiation, the airplane must be able to withstand two-thirds of the ultimate loads defined in special condition 2.a.i. For pressurized cabins, these loads must be combined with the normal operating differential pressure.

iii. Freedom from aeroelastic instability must be shown up to the speeds defined in § 25.629(b)(2). For failure conditions that result in speeds beyond  $V_C/M_C$ , freedom from aeroelastic instability must be shown to increased speeds, so that the margins intended by § 25.629(b)(2) are maintained.

iv. Failures of the system that result in forced structural vibrations

(oscillatory failures) must not produce loads that could result in detrimental deformation of primary structure.

b. For the continuation of the flight. For the airplane in the system-failed state, and considering any appropriate reconfiguration and flight limitations, the following apply:

i. The loads derived from the following conditions (or used in lieu of the following conditions) at speeds up to  $V_C/M_C$  (or the speed limitation prescribed for the remainder of the flight) must be determined:

1. The limit symmetrical maneuvering conditions specified in §§ 25.331 and 25.345.

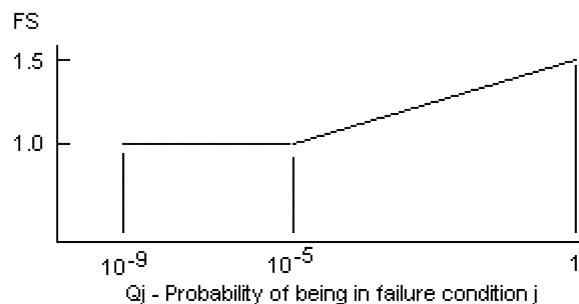
2. the limit gust and turbulence conditions specified in §§ 25.341 and 25.345.

3. the limit rolling conditions specified in § 25.349, and the limit unsymmetrical conditions specified in §§ 25.367, and 25.427(b) and (c).

4. the limit yaw-maneuvering conditions specified in § 25.351.

5. the limit ground-loading conditions specified in §§ 25.473 and 25.491.

ii. For static-strength substantiation, each part of the structure must be able to withstand the loads in special condition 2.b.i., multiplied by a factor of safety depending on the probability of being in this failure state. The factor of safety is defined in Figure 2, below.

**Figure 2: Factor of safety (FS) for continuation of flight**

Where:

$$Q_j = (T_j)(P_j)$$

$Q_j$  = Probability of being in failure mode j

$T_j$  = Average time spent in failure mode j (in hours)

$P_j$  = Probability of occurrence of failure mode j (per hour)

**Note:** If  $P_j$  is greater than  $10^{-3}$  per flight hour, then a 1.5 factor of safety must be applied to all limit load conditions specified in 14 CFR part 25, subpart C.

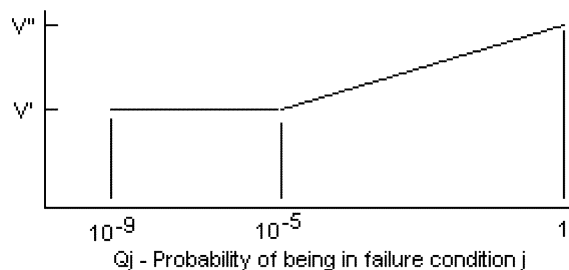
iii. For residual-strength substantiation, the airplane must be able to withstand two-thirds of the ultimate loads defined in special condition 2.b.ii. For pressurized cabins, these loads must be combined with the normal operating differential pressure.

iv. If the loads induced by the failure condition have a significant effect on

fatigue or damage tolerance, then their effects must be taken into account.

v. Freedom from aeroelastic instability must be shown up to a speed determined from Figure 3, below. Flutter clearance speeds  $V'$  and  $V''$  may be based on the speed limitation specified for the remainder of the flight using the margins defined by § 25.629(b).

Figure 3: Clearance speed



Where:

$V'$  = Clearance speed as defined by § 25.629(b)(2)

$V''$  = Clearance speed as defined by § 25.629(b)(1)

$Q_j = (T_j)(P_j)$

$T_j$  = Probability of being in failure mode  $j$

$T_j$  = Average time spent in failure mode  $j$  (in hours)

$P_j$  = Probability of occurrence of failure mode  $j$  (per hour)

**Note:** If  $P_j$  is greater than  $10^{-3}$  per flight hour, then the flutter clearance speed must not be less than  $V''$ .

vi. Freedom from aeroelastic instability must also be shown up to  $V'$  in Figure 3, above, for any probable system-failure condition, combined with any damage required or selected for investigation by § 25.571(b).

c. Consideration of certain failure conditions may be required by other sections of 14 CFR part 25 regardless of calculated system reliability. Where analysis shows the probability of these failure conditions to be less than  $10^{-9}$  per flight hour, criteria other than those specified in this paragraph may be used for structural substantiation to show continued safe flight and landing.

3. *Failure indications.* For system-failure detection and indication, the following apply:

a. The system must be checked for failure conditions, not extremely improbable, that degrade the structural capability below the level required by part 25, or that significantly reduce the reliability of the remaining system. As far as reasonably practicable, the flightcrew must be made aware of these failures before flight. Certain elements of the control system, such as mechanical and hydraulic components, may use special periodic inspections, and electronic components may use daily checks, in lieu of detection and indication systems, to achieve the objective of this requirement. These certification-maintenance requirements must be limited to components that are not readily detectable by normal detection-and-indication systems, and

where service history shows that inspections will provide an adequate level of safety.

b. The existence of any failure condition, not extremely improbable, during flight, that could significantly affect the structural capability of the airplane, and for which the associated reduction in airworthiness can be minimized by suitable flight limitations, must be signaled to the flightcrew. For example, failure conditions that result in a factor of safety between the airplane strength and the loads of part 25, subpart C, below 1.25, or flutter margins below  $V''$ , must be signaled to the crew during flight.

4. *Dispatch with known failure conditions.* If the airplane is to be dispatched in a known system-failure condition that affects structural performance, or that affects the reliability of the remaining system to maintain structural performance, then the provisions of these special conditions must be met, including the provisions of special condition 1, "System Fully Operative" for the dispatched condition, and special condition 2, "System in the Failure Condition" for subsequent failures. Expected operational limitations may be taken into account in establishing  $P_j$  as the probability of failure occurrence for determining the safety margin in Figure 1. Flight limitations and expected operational limitations may be taken into account in establishing  $Q_j$  as the combined probability of being in the dispatched failure condition and the subsequent failure condition for the safety margins in Figures 2 and 3. These limitations must be such that the probability of being in this combined failure state, and then subsequently encountering limit load conditions, is extremely improbable. No reduction in these safety margins is allowed if the subsequent system-failure rate is greater than  $10^{-3}$  per flight hour.

Issued in Renton, Washington, on February 22, 2018.

**Victor Wicklund,**

Manager, Transport Standards Branch, Policy and Innovation Division, Aircraft Certification Service.

[FR Doc. 2018-04850 Filed 3-9-18; 8:45 am]

**BILLING CODE 4910-13-P**

## DEPARTMENT OF TRANSPORTATION

### Federal Aviation Administration

#### 14 CFR Part 39

[Docket No. FAA-2018-0181; Product Identifier 2017-SW-085-AD; Amendment 39-19219; AD 2018-05-10]

RIN 2120-AA64

#### Airworthiness Directives; Agusta S.p.A. Helicopters

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

**ACTION:** Final rule; request for comments.

**SUMMARY:** We are adopting a new airworthiness directive (AD) for Agusta S.p.A. (Agusta) Model AB412 and AB412 EP helicopters. This AD requires removing each shoulder harness seat belt comfort clip (comfort clip) and inspecting the seat belt shoulder harness. This AD is prompted by a report of a comfort clip interfering with the seat belt inertia reel. The actions of this AD are intended to prevent an unsafe condition on these helicopters.

**DATES:** This AD becomes effective March 27, 2018.

We must receive comments on this AD by May 11, 2018.

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

- *Federal eRulemaking Docket:* Go to <http://www.regulations.gov>. Follow the online instructions for sending your comments electronically.
- *Fax:* 202-493-2251.