''transactions secured by a dwelling,'' consistent with § 1026.2(a)(17)(v), an affiliate regularly extended covered transactions if it extended more than five covered transactions in a calendar year. Also consistent with § 1026.2(a)(17)(v), because a covered transaction may be a high-cost mortgage subject to § 1026.32, an affiliate regularly extends covered transactions if, in any 12-month period, it extends more than one covered transaction that is subject to the requirements of § 1026.32 or one or more such transactions through a mortgage broker. Thus, if a creditor's affiliate regularly extended first-lien covered transactions during the preceding calendar year, the creditor's assets as of the end of the preceding calendar year, for purposes of the asset limit, take into account the assets of that affiliate. If the creditor, together with its affiliates that regularly extended first-lien covered transactions, exceeded the asset limit in the preceding calendar year—to be eligible to operate as a small creditor for transactions with applications received before April 1 of the current calendar year—the assets of the creditor's affiliates that regularly extended covered transactions in the year before the preceding calendar year are included in calculating the creditor's assets.

C. If multiple creditors share ownership of a company that regularly extended first-lien covered transactions, the assets of the company count toward the asset limit for a co-owner creditor if the company is an ''affiliate,'' as defined in § 1026.32(b)(5), of the co-owner creditor. Assuming the company is not an affiliate of the co-owner creditor by virtue of any other aspect of the definition (such as by the company and co-owner creditor being under common control), the company's assets are included toward the asset limit of the co-owner creditor only if the company is controlled by the co-owner creditor, ''as set forth in the Bank Holding Company Act.'' If the co-owner creditor and the company are affiliates (by virtue of any aspect of the definition), the co-owner creditor counts all of the company's assets toward the asset limit, regardless of the co-owner creditor's ownership share. Further, because the co-owner and the company are mutual affiliates the company also would count all of the co-owner's assets towards its own asset limit. *See* comment 35(b)(2)(iii)–1.ii.C for discussion of the definition of ''affiliate.''

D. A creditor satisfies the criterion in § 1026.35(b)(2)(iii)(C) for purposes of any higher-priced mortgage loan consummated during 2016, for example, if the creditor (together with its affiliates that regularly extended first-lien covered transactions) had total assets of less than the applicable asset threshold on December 31, 2015. A creditor that (together with its affiliates that regularly extended first-lien covered transactions) did not meet the applicable asset threshold on December 31, 2015 satisfies this criterion for a higher-priced mortgage loan consummated during 2016 if the application for the loan was received before April 1, 2016 and the creditor (together with its affiliates that regularly extended first-lien covered transactions) had total assets of less than the applicable asset threshold on December 31, 2014.

E. Under § 1026.35(b)(2)(iii)(C), the $2,000,000,000 asset threshold adjusts automatically each year based on the year-to-year change in the average of the Consumer Price Index for Urban Wage Earners and Clerical Workers, not seasonally adjusted, for each 12-month period ending in November, with rounding to the nearest million dollars. The Bureau will publish notice of the asset threshold each year by amending this comment. For calendar year 2020, the asset threshold is $2,202,000,000. A creditor that together with the assets of its affiliates that regularly extended first-lien covered transactions during calendar year 2019 has total assets of less than $2,202,000,000 on December 31, 2019, satisfies this criterion for purposes of any loan consummated in 2020 and for purposes of any loan consummated in 2021 for which the application was received before April 1, 2021. For historical purposes:

1. For calendar year 2013, the asset threshold was $2,000,000,000. Creditors that had total assets of less than $2,000,000,000 on December 31, 2012, satisfied this criterion for purposes of the exemption during 2013.

2. For calendar year 2014, the asset threshold was $2,028,000,000. Creditors that had total assets of less than $2,028,000,000 on December 31, 2013, satisfied this criterion for purposes of the exemption during 2014.

3. For calendar year 2015, the asset threshold was $2,060,000,000. Creditors that had total assets of less than $2,060,000,000 on December 31, 2014, satisfied this criterion for purposes of any loan consummated in 2015 and, if the creditor's assets together with the assets of its affiliates that regularly extended first-lien covered transactions during calendar year 2014 were less than that amount, for purposes of any loan consummated in 2016 for which the application was received before April 1, 2016.

4. For calendar year 2016, the asset threshold was $2,052,000,000. A creditor that together with the assets of its affiliates that regularly extended first-lien covered transactions during calendar year 2015 had total assets of less than $2,052,000,000 on December 31, 2015, satisfied this criterion for purposes of any loan consummated in 2016 and for purposes of any loan consummated in 2017 for which the application was received before April 1, 2017.

5. For calendar year 2017, the asset threshold was $2,069,000,000. A creditor that together with the assets of its affiliates that regularly extended first-lien covered transactions during calendar year 2016 had total assets of less than $2,069,000,000 on December 31, 2016, satisfied this criterion for purposes of any loan consummated in 2017 and for purposes of any loan consummated in 2018 for which the application was received before April 1, 2018.

6. For calendar year 2018, the asset threshold was $2,112,000,000. A creditor that together with the assets of its affiliates that regularly extended first-lien covered transactions during calendar year 2017 had total assets of less than $2,112,000,000 on December 31, 2017, satisfied this criterion for purposes of any loan consummated in 2018 and for purposes of any loan consummated in 2019 for which the application was received before April 1, 2019.

7. For calendar year 2019, the asset threshold was $2,167,000,000. A creditor that together with the assets of its affiliates that regularly extended first-lien covered transactions during calendar year 2018 had total assets of less than $2,167,000,000 on December 31, 2018, satisfied this criterion for purposes of any loan consummated in 2019 and for purposes of any loan consummated in 2020 for which the application was received before April 1, 2020.

iv. The creditor and its affiliates do not maintain an escrow account for any mortgage transaction being serviced by the creditor or its affiliate at the time the transaction is consummated, except as provided in § 1026.35(b)(2)(iii)(D)(*1*) and (*2*). Thus, the exemption applies, provided the other conditions of § 1026.35(b)(2)(iii) are satisfied, even if the creditor previously maintained escrow accounts for mortgage loans, provided it no longer maintains any such accounts except as provided in § 1026.35(b)(2)(iii)(D)(*1*) and (*2*). Once a creditor or its affiliate begins escrowing for loans currently serviced other than those addressed in § 1026.35(b)(2)(iii)(D)(*1*) and (*2*), however, the creditor and its affiliate become ineligible for the exemption in § 1026.35(b)(2)(iii) on higher-priced mortgage loans they make while such escrowing continues. Thus, as long as a creditor (or its affiliate) services and maintains escrow accounts for any mortgage loans, other than as provided in § 1026.35(b)(2)(iii)(D)(*1*) and (*2*), the creditor will not be eligible for the exemption for any higher-priced mortgage loan it may make. For purposes of § 1026.35(b)(2)(iii), a creditor or its affiliate ''maintains'' an escrow account only if it services a mortgage loan for which an escrow account has been established at least through the due date of the second periodic payment under the terms of the legal obligation.

* * * * *

Dated: December 17, 2019.

Thomas Pahl,

Policy Associate Director, Bureau of Consumer Financial Protection.

[FR Doc. 2019–27523 Filed 12–19–19; 8:45 am]

BILLING CODE 4810–AM–P

FEDERAL DEPOSIT INSURANCE CORPORATION

12 CFR Chapter III

RIN 3064–ZA11

Rescission of Statements of Policy

AGENCY: Federal Deposit Insurance Corporation (FDIC).

ACTION: Rescission of Statements of Policy.

SUMMARY: In an ongoing effort to streamline issuances by the FDIC to the public and to ensure that such issuances are timely, relevant, and effective, the FDIC initiated a comprehensive review

of its Statements of Policy to identify those that were outdated. Additionally, the FDIC, in the 2017 report required by the Economic Growth and Regulatory Paperwork Reduction Act, committed to reviewing published guidance to identify any guidance that should be revised or rescinded because it is out-of-date or otherwise no longer relevant. In furtherance of these initiatives, the FDIC Board of Directors approved a proposal to rescind four FDIC Statements of Policy, which was published in the **Federal Register** on September 30, 2019, with a 30-day comment period. The FDIC did not receive any comments on the proposed rescission of these Statements of Policy and is rescinding them effective December 31, 2019.

DATES: Effective December 31, 2019.

FOR FURTHER INFORMATION CONTACT:

Applicability of the Glass-Steagall Act to the Securities Activities of Subsidiaries of Insured Nonmember Banks:

William R. Baxter, Senior Policy Analyst, (202) 898–8514, *wbaxter@fdic.gov;* Michael B. Phillips, Counsel, (202) 898–3581 *mphillips@fdic.gov.*

Treatment of Collateralized Letters of Credit After Appointment of the FDIC as Conservator or Receiver and *Treatment of Collateralized Put Obligations After Appointment of the FDIC as Conservator or Receiver:*

Thomas P. Bolt, Senior Counsel, (703) 562–2046, *tbolt@fdic.gov;* Philip Mangano, Deputy Director, (571) 858–8279, *pmangano@fdic.gov;* Scott A. Greenup, Associate Director, (571) 858–8207, *sgreenup@fdic.gov;* George H. Williamson, Manager, (571) 858–8199, *gwilliamson@fdic.gov.*

Contracting With Firms That Have Unresolved Audit Issues With FDIC:

Thomas D. Harris, Deputy Director, (703) 562–2203, *tharris@fdic.gov;* Robert J. Brown, Supervisory Counsel, (703) 562–6068, *robertjbrown@fdic.gov.*

SUPPLEMENTARY INFORMATION: After a comprehensive review of FDIC Statements of Policy and following publication of notice [1] and a 30-day comment period which ended on October 30, 2019, during which no comments were received, the FDIC is rescinding the following four Statements of Policy effective December 31, 2019:

Applicability of the Glass-Steagall Act to Securities Activities of Subsidiaries of Insured Nonmember Banks;

Treatment of Collateralized Letters of Credit After Appointment of the FDIC as Conservator or Receiver;

Treatment of Collateralized Put Obligations After Appointment of the FDIC as Conservator or Receiver; and

Contracting with Firms that have Unresolved Audit Issues with the FDIC.

Although these Statements of Policy were not subject to public comment prior to their adoption, the FDIC Board, on a discretionary basis, elected to provide a period for public comment on the proposed rescission of these Policy Statements. The FDIC did not receive any comments regarding the proposed rescissions and therefore is rescinding the Statements of Policy effective December 31, 2019.

Rescission of Statements of Policy

(a) Statement of Policy on Applicability of the Glass-Steagall Act to Securities Activities of Subsidiaries of Insured Nonmember Banks

This 1982 Statement of Policy addresses the applicability of sections 20 and 32 of the Banking Act of 1933 (Glass Steagall Act) to the securities activities of subsidiaries of insured nonmember banks.[2] The Statement of Policy states the opinion of the FDIC Board that the Glass Steagall Act does not prohibit an insured nonmember bank from establishing an affiliate relationship with, or organizing or acquiring, a subsidiary corporation that engages in the business of issuing, underwriting, selling, or distributing stocks, bonds, or other securities. The 1982 Statement of Policy was superseded in its entirety by the enactment of the Gramm-Leach-Bliley Act (GLBA).[3] GLBA allowed commercial banks, investment banks, securities firms, and insurance companies to consolidate and operate as financial conglomerates. Therefore, the information and guidance contained in the 1982 Statement of Policy is out-of-date. For this reason, the FDIC is rescinding the 1982 Statement of Policy effective December 31, 2019.

(b) Statement of Policy on Treatment of Collateralized Letters of Credit After Appointment of the FDIC as Conservator or Receiver

This Statement of Policy was adopted by the FDIC on May 19, 1995, in order to clarify how the FDIC as conservator or receiver of a failed insured depository institution (IDI) would treat certain capital markets financing transactions using collateralized letters of credit (CLOCs) issued by IDIs prior to August 9, 1989, the date on which the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 [4] (FIRREA) was signed into law.[5] The Statement of Policy applies only to CLOCs (i) utilized in capital markets financing transactions originally issued by IDIs prior to August 9, 1989, and any subsequent renewal, replacement or extension of such CLOCs; and (ii) where the security interest in collateral pledged by the IDI was both perfected and legally enforceable under applicable law. The Statement of Policy does not apply to trade letters of credit or letters of credit issued for any other purpose.

The Statement of Policy provides that after its appointment as conservator or receiver of a failed IDI, the FDIC may either (i) continue any CLOCs as enforceable under the terms of the contract during the pendency of the conservatorship or receivership, or (ii) call, redeem or prepay any CLOC by its statutory power to repudiate or disaffirm contracts entered into by the IDI.

Based on market research, the FDIC has concluded, to the best of its knowledge, that it is unlikely that any public or privately issued transactions of the type covered by the Statement of Policy remain outstanding at this time. Therefore, the FDIC is rescinding the Statement of Policy effective December 31, 2019.

(c) Statement of Policy on Treatment of Collateralized Put Obligations After Appointment of the FDIC as Conservator or Receiver

This Statement of Policy was adopted by the FDIC on July 9, 1991, in order to explain how the FDIC as conservator or receiver of a failed IDI would treat certain capital markets financing transactions using collateralized put obligations—also referred to as ''collateralized put options'' (CPOs)—issued by IDIs prior to August 9, 1989, the date on which FIRREA was signed into law.[6] The Statement of Policy applies only to CPOs (i) issued by IDIs in connection with capital markets financing transactions, including the formation of publicly offered unit investment trusts and other sales of an IDI's portfolio securities, prior to August 9, 1989, and any subsequent renewal, replacement or extension of such CPOs; and (ii) collateralized by property owned and pledged by the IDI, and in which the security interest granted is both perfected and legally enforceable.

[1] 84 FR 51467 (Sept. 30, 2019).

[2] 47 FR 38984. (*https://www.govinfo.gov/content/pkg/FR-1982-09-03/pdf/FR-1982-09-03.pdf*).

[3] Public Law 106–102, 113 Stat. 1338, section 101 (1999).

[4] Public Law 101–73, 103 Stat. 103 (1989).

[5] 60 FR 27976. (*https://www.govinfo.gov/content/pkg/FR-1995-05-26/pdf/95-12992.pdf*).

[6] 56 FR 36152. (*https://cdn.loc.gov/service/ll/fedreg/fr056/fr056147/fr056147.pdf*).

The Statement of Policy explains that the FDIC as conservator or receiver has the right to call, redeem or prepay any CPOs by repudiation or disaffirmance of the applicable written contract entered into by the IDI, either directly by cash payment in exchange for release of collateral or by liquidation of the collateral by a trustee or other secured party.

Based on market research, the FDIC has concluded, to the best of its knowledge, that it is unlikely that any public or privately issued transactions of this type remain outstanding at this time. Therefore, the FDIC is rescinding the Statement of Policy effective December 31, 2019.

(d) Statement of Policy on Contracting With Firms That Have Unresolved Audit Issues With FDIC

The *Statement of Policy on Contracting with Firms That Have Unresolved Audit Issues With FDIC* (1997 Statement of Policy) was not approved by the FDIC Board but it is being consolidated in this notice for convenience and completeness.

The 1997 Statement of Policy was adopted to address situations in which the FDIC seeks to contract with firms with which there are unresolved audit issues.[7] The 1997 Statement of Policy established certain rights and procedures for the handling of contracting parties that have unresolved audit issues, as determined by various FDIC auditing agents. After review of the relevant Statement of Policy, the FDIC concluded that the document may give rise to *de facto* exclusions from future FDIC contracting opportunities in a manner that is inconsistent with procedural protections specified in 12 CFR 367.

In determining whether to revise or rescind the Statement of Policy, the FDIC considered a variety of factors, including whether or not the Policy provided the FDIC and its various audit agents with essential or additional protections regarding the repayment of challenged amounts. The FDIC determined that existing remedies are sufficient to allow the FDIC and its agents to pursue such challenged amounts without the need for those measures specified in the Statement of Policy. Therefore, the FDIC is rescinding this Statement of Policy effective December 31, 2019.

(Authority: 12 U.S.C. 1811 *et seq.*)

Dated at Washington, DC, on December 12, 2019.

Federal Deposit Insurance Corporation.

[7] 62 FR 13382. (*https://www.govinfo.gov/content/pkg/FR-1997-03-20/pdf/97-6995.pdf*).

By order of the Board of Directors.

Annmarie H. Boyd,

Assistant Executive Secretary.

[FR Doc. 2019–27225 Filed 12–20–19; 8:45 am]

BILLING CODE 6714–01–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2019–0813; Product Identifier 2019–SW–006–AD; Amendment 39–19787; AD 2019–22–08]

RIN 2120–AA64

Airworthiness Directives; Leonardo S.p.A. Helicopters

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

ACTION: Final rule; request for comments.

SUMMARY: The FAA is adopting a new airworthiness directive (AD) for Leonardo S.p.A. Model AW169 and AW189 helicopters. This AD requires inspecting certain part-numbered and serial-numbered tail rotor (T/R) actuators, reporting information, and depending on the inspection outcome, marking a part, performing an additional inspection, and removing the T/R actuator from service. This AD also prohibits the installation of affected T/R actuators. This AD is prompted by reports of incorrect installations of the T/R actuator back-end input lever. The actions of this AD are intended to address an unsafe condition on these products.

DATES: This AD becomes effective January 7, 2020.

The Director of the Federal Register approved the incorporation by reference of a certain document listed in this AD as of January 7, 2020.

The FAA must receive comments on this AD by February 21, 2020.

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

- *Federal eRulemaking Docket:* Go to *https://www.regulations.gov.* Follow the online instructions for sending your comments electronically.
- *Fax:* 202–493–2251.
- *Mail:* Send comments to the U.S. Department of Transportation, Docket Operations, M–30, West Building Ground Floor, Room W12–140, 1200 New Jersey Avenue SE, Washington, DC 20590–0001.
- *Hand Delivery:* Deliver to the ''Mail'' address between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

Examining the AD Docket

You may examine the AD docket on the internet at *https://www.regulations.gov* by searching for and locating Docket No. FAA–2019–0813; or in person at Docket Operations between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this AD, the European Aviation Safety Agency (EASA) AD, any service information that is incorporated by reference, the economic evaluation, any comments received, and other information. The street address for Docket Operations is listed above. Comments will be available in the AD docket shortly after receipt.

For Leonardo Helicopters service information identified in this final rule, contact Leonardo S.p.A. Helicopters, Emanuele Bufano, Head of Airworthiness, Viale G.Agusta 520, 21017 C.Costa di Samarate (Va) Italy; telephone +39–0331–225074; fax +39–0331–229046; or at *https://www.leonardocompany.com/en/home.*

For UTC Aerospace Systems service information identified in this final rule, contact Collins Aerospace (previously UTC Aerospace Systems); telephone 1–877–808–7575; fax 1–860–660–0372; email *tech.solutions@hs.utc.com;* or at *https://utcaerospacesystems.com/aftermarket-services/technical-support/.*

You may view the referenced service information at the FAA, Office of the Regional Counsel, Southwest Region, 10101 Hillwood Pkwy, Room 6N–321, Fort Worth, TX 76177. It is also available on the internet at *https://www.regulations.gov* by searching for and locating Docket No. FAA–2019–0813.

FOR FURTHER INFORMATION CONTACT: David Hatfield, Aviation Safety Engineer, Safety Management Section, Rotorcraft Standards Branch, FAA, 10101 Hillwood Pkwy., Fort Worth, TX 76177; telephone (817) 222–5110; email *david.hatfield@faa.gov.*

SUPPLEMENTARY INFORMATION:

Comments Invited

This AD is a final rule that involves requirements affecting flight safety, and the FAA did not provide you with notice and an opportunity to provide your comments prior to it becoming effective. However, the FAA invites you to participate in this rulemaking by submitting written comments, data, or views. The FAA also invites comments relating to the economic, environmental, energy, or federalism impacts that