road construction to facilitate timber removal. An estimated 2.2 miles of temporary roads would be constructed and obliterated following completion of sale related activities. Watershed restoration activities would consist of an estimated 11.6 miles of road decommissioning, an estimated 13.7 miles of existing roads put into intermittent storage (self-maintaining), and the decompaction of approximately 190 acres of old skid trains and landings.

The Possible Alternatives the Forest Service will consider include the ''no action'' alternative in which none of the proposed activities would be implemented. Additional alternatives being considered examine varying levels and locations for the proposed activities to achieve the proposal's purpose and need, as well as to respond to the issues and other resource concerns.

The Responsible Official is the Forest Supervisor of the Clearwater National Forest, 12730 Highway 12, Orofino, ID 83544. The Responsible Official will decide if the proposed project will be implemented and will document the decision and reasons for the decision in a Record of Decision. That decision will be subject to Forest Service Appeal Regulations. The responsibility for preparing the DEIS and FEIS has been delegated to Cindy Lane, District Ranger, Lochsa Ranger District, Rt. 1 Box 398, Kooskia, ID 83539.

The Scoping Process was initiated with the release of a Scoping Letter on February 10, 2004. Comments received as a result of that effort will be included in the documentation for the EIS. Additional scoping will follow the release of the DEIS, expected in December 2005. This proposal also includes openings greater than 40 acres. A 60-day public review period and approval by the Regional Forester for exceeding the 40 acre limitation will occur prior to the signing of the Record of Decision. The 60-day public review period is initiated with this Notice of Intent.

Preliminary Issues that could be affected by proposal activities include: air quality; economics; grazing; heritage resources; old growth habitat; recreation access; risk of landslides; scenic quality; size of openings; snag habitat; spread of noxious weeds; threatened, endangered and sensitive species of wildlife, fish and plants; tribal treaty rights; and water quality.

Early Notice of Importance of Public Participation in Subsequent Environmental Review: A draft environmental impact statement will be prepared for comment. The comment period on the draft environmental impact statement will be 45 days from the date the Environmental Protection Agency publishes the notice of availability in the **Federal Register**.

The Forest Service believes, at this early stage, it is important to give reviewers notice of several court rulings related to public participation in the environmental review process. First, reviewers of draft environmental impact statements must structure their participation in the environmental review of the proposal so that it is meaningful and alerts an agency to the reviewer's position and contentions. *Vermont Yankee Nuclear Power Corp.* v. *NRDC,* 435 U.S. 519, 553 (1978). Also, environmental objections that could be raised at the draft environmental impact statement stage but that are not raised until after completion of the final environmental impact statement may be waived or dismissed by the courts. *City of Angoon* v. *Hodel,* 803 F.2d 1016, 1022 (9th Cir. 1986) and *Wisconsin Heritages, Inc.* v. *Harris,* 490 F. Supp. 1334, 1338 (E.D. Wis. 1980). Because of these court rulings, it is very important that those interested in this proposed action participate by the close of the 45-day comment period so that substantive comments and objections are made available to the Forest Service at a time when it can meaningfully consider them and respond to them in the final environmental impact statement.

To assist the Forest Service in identifying and considering issues and concerns on the proposed action, comments on the draft environmental impact statement should be as specific as possible. It is also helpful if comments refer to specific pages or chapters of the draft statement. Comments may also address the adequacy of the draft environmental impact statement or the merits of the alternatives formulated and discussed in the statement. Reviewers may wish to refer to the Council on Environmental Quality Regulations for implementing the procedural provisions of the National Environmental Policy Act at 40 CFR 1503.3 in addressing these points.

Comments received, including the names and addresses of those who comment, will be considered part of the public record on this proposal and will be available for public inspection.

(**Authority:** 40 CFR 1501.7 and 1508.22; Forest Service Handbook 1909.15, Section 21)

Dated: August 10, 2005.

Thomas K. Reilly,

Forest Supervisor.

[FR Doc. 05–16360 Filed 8–17–05; 8:45 am]

BILLING CODE 3410–11–M

DEPARTMENT OF AGRICULTURE

Rural Telephone Bank

Board Approval of Liquidation and Dissolution of the Bank

AGENCY: Rural Telephone Bank, USDA.

ACTION: Notice of Board approval of liquidation and dissolution of the Rural Telephone Bank.

SUMMARY: In a meeting held August 4, 2005, the Board of Directors (Board) of the Rural Telephone Bank (Bank) approved resolutions to liquidate and dissolve the Bank, subject to lifting of the current statutory restriction limiting the amount of Government-owned Class A stock that the Bank can redeem. This notice is being published to ensure that all interested parties are informed of the details of the resolutions approved by the Board.

FOR FURTHER INFORMATION CONTACT: Jonathan P. Claffey, Assistant Secretary, Rural Telephone Bank, STOP 1590—Room 5151, 1400 Independence Avenue, SW., Washington, DC 20250–1590. Telephone: (202) 720–9556.

SUPPLEMENTARY INFORMATION: In a special meeting held on March 11, 2005, and during its regularly scheduled meeting held on May 4, 2005, the Board discussed the possibility of liquidating and dissolving the Bank. In its meeting on August 4, 2005, a resolution to liquidate and dissolve the Bank was passed unanimously by the Board. The full text of the resolution is presented with this notice including two attachments referenced within the resolution.

BILLING CODE 3410–15–P

Resolution No. 2005-8

WHEREAS, the Board of Directors (the "Board") believes it is in the best interests of the Rural Telephone Bank ("Bank") and rural telecommunication subscribers to transfer the Bank's loan portfolio to the Rural Utilities Service ("RUS") and to liquidate and dissolve the Bank pursuant to Section 411 of the Rural Electrification Act ("Act,") 7 U.S.C. § 901 *et seq.*;

WHEREAS, the liquidation and dissolution of the Bank cannot be consummated until Section 713 of the *Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2005* (Pub. L. 108-447, 118 Stat. 2804) (the "Appropriations Act") ceases to be effective, thus removing the five percent (5%) cap on the redemption of the Bank's Class A Stock, and such cap is not reinstated; and

WHEREAS, the liquidation and dissolution of the Bank also require the retirement or payment of the Bank's Class A, Class B, and Class C Stock pursuant to Section 411 of the Act;

THEREFORE, IT IS HEREBY RESOLVED BY THE BOARD:

1. Approval of Liquidation and Dissolution of the Bank. That the Board approve the liquidation and dissolution of the Bank in accordance with Section 411 of the Act, subject to there being no legal restriction on the redemption of Class A Stock.

2. Transfer of Certain Bank Assets to RUS. That the Bank's Liquidating Account loan portfolio and records be transferred to the United States of America, acting through the RUS, pursuant to the terms of the Loan Transfer Agreement, substantially in the form attached hereto.

3. Authorization to Sign Transfer Agreement. That the Chairman of the Bank be authorized on behalf of the Bank to execute and deliver as many counterparts of the Loan Transfer Agreement as he deems necessary or desirable.

4. Bank to Conduct No Further Business. That upon effectiveness of the Loan Transfer Agreement on October 1, 2005, the Bank will conduct no further business, except that which is necessary to document loans approved during FY 2005, to liquidate the Bank's assets, and to wind up its affairs.

5. Retirement and Payment of Bank's Stock. That the Board approve the retirement or payment of the Bank's Class A, Class B, and Class C Stock with funds in the Liquidating Account pursuant to Section 411 of the Act, subject to there being no legal restriction on the redemption of the Class A Stock.

6. Amendment of Section 2.3 of Bylaws. That Section 2.3 of the Bylaws be amended and restated in its entirety to read as follows:

Section 2.3 SHARE CERTIFICATES.

(a) All shares of stock of the Bank shall be evidenced by entry on the books of the Bank. All paper stock certificates issued by the Bank are cancelled as of October 1, 2005, and replaced by entry on the books of the Bank.

(b) The Bank shall issue stock only upon payment in full of the par value thereof.

(c) The Bank shall issue stock evidencing the distribution of patronage refunds as hereinafter provided.

7. Amendment of Section 2.4 of Bylaws. That Section 2.4 of the Bylaws be amended and restated in its entirety to read as follows:

Section 2.4 TRANSFER OF SHARES. Shares in the capital stock of the Bank shall be transferred only on the books of the Bank by authorization from the holder thereof or by the holder's legal representative upon proof of the legal representative's authority filed with the Secretary of the Bank. The entity in whose name shares stand on the books of the Bank shall be deemed to be the owner thereof for all purposes.

8. Determination of Record Date. That the record date for determination of stockholders and stockholdings for purposes of payments made pursuant to Section 411 of the Act and for fixing the number of private sector and public sector directors on the Board during the liquidation phase of the Bank shall be October 1, 2005; no stock conversions, purchases, or transfers subsequent to said date shall be recorded on the Bank's books.

9. Stockholders to Receive Stock Redemption Agreement. That from thirty (30) to sixty (60) days from the date there ceases to be restrictions on the redemption of Class A Stock, all record stockholders of Class B and Class C Stock shall be sent a Stock Redemption Agreement in substantially the form attached hereto.

10. Authorization to Sign Stock Redemption Agreement. That the Chairman be authorized on behalf of the Bank to execute and deliver as many counterparts of the Stock Redemption Agreements as required with such changes as he deems advisable, and to evidence his signature thereon by facsimile.

11. Authorization of Bank to Make Stock Redemption Payments. That commencing from one hundred twenty (120) days to one hundred eighty (180) days from the date there cease to be any restriction on the redemption of Class A Stock, stock redemption payments shall be made in accordance with Section 411 of the Act to the Government, pursuant to the Loan Transfer Agreement, and to those stockholders who have returned a validly executed Stock Redemption Agreement, pursuant to the terms of the Stock Redemption Agreement.

12. Disputed Claims and Unredeemed Shares. That the Governor be authorized to withhold payment of disputed claims and to take such action with respect to disputed claims and unredeemed shares as he may determine with the advice of counsel.

13. Use of Remaining Funds. That two (2) years from the date there ceases to be any restrictions on the redemption of Class A Stock, any funds remaining in the Liquidating Account, after the payment of all of the Bank's liabilities, redemption of all of the Bank's Class A, Class B, and Class C Stock, and set-aside of amounts held for disputed claims and unredeemed shares, be distributed to the Class A and Class B stockholders in accordance with Section 411 of the Act.

14. Closing Audit and Final Report. That thirty (30) months after the date there ceases to be any restriction on the redemption of Class A Stock, the Bank shall obtain a closing audit and submit a final report to the Board.

15. Other Actions. That, in the name and on behalf of the Bank, each of the Chairman, Governor, and Assistant Secretary be authorized to execute all such agreements, amendments, or documents, including those documenting loans approved by the Bank prior to October 1, 2005; make all such assignments and payments; and do all such other acts as in the opinion of the officer or officers acting may be necessary or appropriate in order to carry out the purposes and intent of the foregoing resolutions.

16. Publication in Federal Register. That these resolutions be immediately published in the Federal Register and any such other places as the Asst. Secretary of the Bank considers appropriate.

LOAN TRANSFER AGREEMENT (the "Agreement,") dated as of August 4, 2005, is between the **UNITED STATES OF AMERICA** (hereinafter the "Government,") acting through the Administrator of the Rural Utilities Service ("RUS,") successor to the Rural Electrification Administration, and the **RURAL TELEPHONE BANK** ("Bank,") a corporation existing under the laws of the United States of America, acting through the Chairman of the Bank.

WHEREAS, the Board of Directors of the Bank has authorized the liquidation and dissolution of the Bank and approved a plan of liquidation in Resolutions adopted at the board meeting held on August 4, 2005;

WHEREAS, the Bank shall transfer on October 1, 2005, its Liquidating Account Loans, as hereinafter defined, as part of the consideration for RUS' commitment to return all Class A Stock to the Bank for redemption and cancellation upon the Class A Stock Redemption Cap, as hereinafter defined, ceasing to be effective; and

WHEREAS, the Financing Account Loans, as hereinafter defined, shall continue to be serviced by RUS, in accordance with Section 403 of the Act (7 U.S.C. § 943).

THEREFORE, in consideration of the promises and mutual covenants herein contained, the parties agree and bind themselves as follows:

ARTICLE I

DEFINITIONS

"Act" means Title IV of the Rural Electrification Act of 1936, 7 U.S.C. § 941 *et seq.*, as amended.

"Agreement" means this Loan Transfer Agreement between the Government and the Bank, as amended or otherwise modified from time to time.

"Class A Stock" means all of the outstanding shares of Class A stock of the Bank held by RUS pursuant to Section 406(c) of the Act.

"Class A Stock Redemption Cap" means the provision in the *Agriculture, Rural Development, Food and Drug Administration and Related Agencies Appropriations Act, 2005* (Pub. L. 108-447, 118 Stat. 2804) restricting the redemption of Class A Stock to no more than five percent (5%) of the Class A Stock, and any similar restrictions on the redemption of Class A Stock appearing in federal appropriations legislation for the federal fiscal year 2006.

"Financing Account Loans" mean all Loans owed to or held by the Bank on or after October 1, 1991.

"Lien" means any mortgage, lien, pledge, charge, assignment for security purposes, security interest, or encumbrance of any kind with respect to a Transferred Asset.

"Liquidating Account Loans" mean all Loans obligated by, owed to, or held by the Bank before October 1, 1991, including the loans listed in Schedule 1 hereto.

"Loan Documents" mean the agreements, instruments, certificates, or other documents at any time evidencing or otherwise relating to, governing, or executed in connection with or as security for a Loan, including without limitation notes, bonds, loan agreements, mortgages, assignments, security agreements, pledges, subordination or priority agreements, lien priority agreements, undertakings, security instruments, certificates, documents, legal opinions, inter-creditor agreements, and all amendments, modifications, renewals, extensions, rearrangements and substitutions with respect to any of the foregoing.

"Loans" mean all of the following owed to or held by the Bank as of October 1, 2005:

(a) Liquidating Account Loans; and

(b) all amendments, modifications, renewals, extensions, refinancings, and refundings of or for any of the foregoing listed in clause (a) immediately above.

"Records" mean any document, microfiche, microfilm, and electronic record (including but not limited to magnetic tape, disc storage, card forms, and printed copy) of the Bank.

"Transferred Assets" mean all assets of the Bank transferred pursuant to Article II.

ARTICLE II

TRANSFER OF ASSETS

Section 2.1 ***Assets Transferred to RUS by the Bank***. Subject to Article V, the Bank hereby sells, conveys, grants, assigns, and transfers, as is and without warranty, on October 1, 2005, to RUS all of its right, title, and interest to the following assets (collectively, the "Transferred Assets:")

(a) Loans;

(b) Loan Documents;

(c) All associated Liens, rights (including rights of set-off and subrogation), remedies, powers, privileges, demands, claims, priorities, equities and benefits owned or held by, or accruing to the benefit of the Bank with respect to the Loans, including but not limited to those arising under or based upon the Loan Documents, casualty insurance policies and binders, title insurance policies and binders, payment bonds and performance bonds; and

(d) Records.

ARTICLE III

RUS' ASSUMPTION OF LIABILITIES

Section 3.1 ***Loan Documents.*** Subject to Article V, RUS hereby assumes all of the obligations and liabilities of the Bank under the Loan Documents upon the transfer of the Transferred Assets pursuant to Article II, except for the obligation to make advances on the Liquidating Account Loans.

Section 3.2 ***Financing Account Loans.*** RUS agrees to continue servicing the Financing Account Loans in accordance with Section 403 of the Act (7 U.S.C. § 943).

ARTICLE IV

TRANSFER OF CLASS A STOCK

Section 4.1 ***Prerequisites to Transfer of Class A Stock.*** The obligation of the Government to deliver the Class A Stock to the Bank for redemption and cancellation is subject to the satisfaction of each of the following conditions precedent:

(a) The Class A Stock Redemption Cap ceases to be effective;

(b) At least one hundred and twenty (120) days, but no more than one hundred and eighty (180) days, after the Class A Stock Redemption Cap ceases to be effective, receipt by the Government of funds in an amount equal to the difference between the value of the Class A Stock and the value of the Liquidating Account Loans, as such amount is determined by the Government as of October 1, 2005.

Section 4.2 ***Notification of Amount Owed.*** No later than January 1, 2006, RUS shall provide written notice to the Bank of the difference between the value of the Class A Stock and the value of the Liquidating Account Loans required to be paid pursuant to Section 4.1(b) above.

Section 4.3 ***Transfer of Class A Stock.*** Upon satisfaction of the conditions precedent contained in Section 4.1 hereof, the Government shall transfer the Class A Stock to the Bank for redemption and cancellation by executing and delivering the Class A Stock Redemption Certificate attached hereto as Exhibit A.

ARTICLE V

OPTION TO RESCIND TRANSFER OF ASSETS AND RUS' ASSUMPTION OF BANK'S LIABILITIES

Section 5.1 ***Rescission of Transfer of Assets.*** The Government and Bank shall each have the right to rescind the sale, conveyance, grant, assignment, and transfer of Assets as set forth in Article II, if the Class A Stock Redemption Cap remains in effect subsequent to March 1, 2006.

Section 5.2 ***Rescission of RUS' Assumption of Obligations.*** Upon rescission of the transfer of Assets as provided for in Section 5.1, RUS shall immediately transfer back to the Bank all right, title, and interest in the Transferred Assets. Upon such transfer, the obligations and liabilities of RUS under Article III shall terminate.

ARTICLE VI

INDEMNIFICATION AND LIABILITY

Section 6.1 ***Indemnification.*** From the date of this Agreement until dissolution of the Bank, the Bank agrees to indemnify and hold RUS harmless against any and all costs, losses, liabilities, expenses (including attorneys' fees) arising in connection with the liquidation and dissolution of the Bank including, but not limited to, claims based on: (1) the rights of any present or former shareholder as such of the Bank; (2) the rights of any present or former director, officer, or agent of the Bank; and (3) any action, inaction, malfeasance, misfeasance or nonfeasance, prior to dissolution, of the Bank, its directors, officers, or agents as such.

Section 6.2 ***Limited Liability.*** Except as expressly stated herein, RUS does not assume any liability with respect to liquidation and dissolution of the Bank.

ARTICLE VII

MISCELLANEOUS

Section 7.1 ***Entire Agreement.*** This Agreement, together with all attachments hereto, which are incorporated herein, embodies the entire agreement of the parties hereto in relation to the subject matter herein and supersedes all prior understandings or agreements, oral or written, between the parties.

Section 7.2 ***Headings.*** The headings and subheadings contained in this Agreement, except the terms identified for definition in Article I and elsewhere in this Agreement, are inserted for convenience only and shall not affect the meaning or interpretation of this Agreement or any provision hereof.

Section 7.3 ***Counterparts.*** This Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same Agreement.

Section 7.4 ***Governing Law.*** THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS HEREUNDER SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE FEDERAL LAW OF THE UNITED STATES OF AMERICA, AND IN THE ABSENCE OF CONTROLLING FEDERAL LAW, IN ACCORDANCE WITH THE LAWS OF THE DISTRICT OF COLUMBIA.

Section 7.5 ***Successors.*** All terms and conditions of this Agreement shall be binding on the successors and assigns of RUS and the Bank. Except as otherwise specifically provided in this Agreement, nothing expressed or referred to in this Agreement is intended or shall be construed to give any person other than RUS and the Bank, any legal or equitable right, remedy or claim under or with respect to this Agreement or any provisions contained herein, it being the intention of the parties hereto that this Agreement, the obligations and statements of responsibilities hereunder, and all other conditions and provisions hereof are for the sole and exclusive benefit of RUS and the Bank.

Section 7.6 ***Modification; Assignment.*** No amendment or other modification, or assignment of any part of this Agreement shall be effective except pursuant to a written agreement subscribed by the duly authorized representatives of the parties hereto.

Section 7.7 ***Schedule Update, Correction of Errors and Omissions.***

(a) The Bank agrees to provide RUS, by October 14, 2005, with Schedules 1 and 2 hereto updated as of September 30, 2005, which will replace and substitute for the currently attached Schedules.

(b) In the event any bookkeeping omissions or errors are discovered in preparing any *pro forma* statement or in completing the transfers and assumptions contemplated hereby, the parties hereto agree to correct such errors and omissions, it being understood that, as far as practicable, all adjustments will be made consistent with the judgments, methods, policies or accounting principles utilized by RUS in preparing and maintaining accounting records.

Section 7.8 ***Further Assurances.*** The Bank shall execute such further documents to evidence the sale, conveyance, grant, assignment, and transfer of Assets to the Government as may be requested by the Government.

Section 7.9 ***Remedies***. The Government and the Bank may pursue all rights and remedies available to the Government and the Bank to enforce this Agreement, including, but not limited to, a suit for specific performance, injunctive relief, or damages. Nothing herein shall limit the rights of the Government and Bank to pursue such rights and remedies. Each right, power, and remedy of the Government and Bank shall be cumulative and concurrent, and recourse to one or more rights or remedies shall not constitute a waiver of any other right, power, or remedy.

Section 7.10 ***Notice.*** All notices and other communications hereunder to be made to any party shall be in writing and shall be addressed as specified below, as appropriate. The address or facsimile number for either party may be changed at any time and from time to time upon written notice given by such changing party to the other party hereto. A properly addressed notice or other communication shall be deemed to have been delivered at the time it is sent by facsimile (fax) transmission, provided that the original of such faxed notice or other communication shall have been received within five (5) business days.

RUS
Rural Utilities Service
United States Department of Agriculture
1400 Independence Avenue, S.W.
Washington, D.C. 20250-1500
Attention: Administrator
Fax: (202) 720-1725

The Bank
United States Department of Agriculture
1400 Independence Avenue, S.W.
Washington, D.C. 20250-1500
Attention: Asst. Secretary of the Bank
Fax: (202) 720-0810

Section 7.11 ***Waiver***. Either party hereto may waive its respective rights, powers or privileges under this Agreement; *provided, that* such waiver shall be in writing; *and further provided, that* no failure or delay on the part of either party to exercise any right, power or privilege under this Agreement shall operate as a waiver thereof, nor will any single or partial exercise of any right, power or privilege under this Agreement preclude any other or further exercise thereof or the exercise of any other right, power or privilege by either party under this Agreement, nor will any such waiver operate or be construed as a future waiver of such right, power or privilege under this Agreement.

Section 7.12 ***Severability***. If any provision of this Agreement is declared invalid or unenforceable, then, to the extent possible, all of the remaining provisions of this Agreement shall remain in full force and effect and shall be binding upon the parties hereto.

Section 7.13 ***No Obligation of Funds***. This Agreement is not a fiscal or funds obligation instrument. Nothing in this Agreement will be construed to affect the authorities of RUS or the Bank to act as provided by statute or regulation, or to bind either party beyond their respective authorities. In addition, nothing herein will be construed to require RUS or the Bank to obligate or expend funds in excess of available appropriations.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first above written.

UNITED STATES OF AMERICA

by _____
as Acting Administrator
of the Rural Utilities Service

RURAL TELEPHONE BANK

by _____
as Chairman of the Rural Telephone Bank

(Seal)

Attested to by:_____
Assistant Secretary
of the Rural Telephone Bank

SCHEDULE 1

LIQUIDATING ACCOUNT LOANS

Loan Designation	Borrower Name	Principal Balance

EXHIBIT A

CLASS A STOCK REDEMPTION CERTIFICATE

The **UNITED STATES OF AMERICA** (hereinafter the "Government,") acting through the Administrator of the Rural Utilities Service, successor to the Rural Electrification Administration, hereby delivers as of the date hereof all of its Class A Stock to the **RURAL TELEPHONE BANK** for redemption and cancellation.

The Government hereby acknowledges full payment and satisfaction for said Class A Stock.

UNITED STATES OF AMERICA

by _____
as Acting Administrator
of the Rural Utilities Service

Date: _____

ACKNOWLEDGED:

RURAL TELEPHONE BANK

by _____
as Chairman of the Rural Telephone Bank

STOCK REDEMPTION AGREEMENT (this "Agreement,") dated as of [date], 2005, is between the **RURAL TELEPHONE BANK** (the "Bank") a corporation existing under the laws of the United States of America, acting through the Chairman of the Bank and _____ (the "Holder,") a [corporation/limited liability company] existing under the laws of the State of [State].

WHEREAS, the Board of Directors of the Bank has authorized the liquidation and dissolution of the Bank and approved a plan of liquidation in a Resolution adopted at its board meeting held on August 4, 2005;

WHEREAS, the Bank and the United States of America ("Government,") acting through the Rural Utilities Service ("RUS,") have entered into a Loan Transfer Agreement, dated as of August 4, 2005, pursuant to which the Bank has conveyed to RUS the Bank's liquidating account loan portfolio as part of the consideration for RUS' agreement to return all of its Class A Stock to the Bank for redemption and cancellation;

WHEREAS, upon transfer to the Government, no further advances will be made on the Liquidating Account Loans, as hereinafter defined;

WHEREAS, pursuant to Section 411 of the Act (defined herein), the Bank will pay all of its liabilities and will redeem and cancel all of its outstanding Class A Stock;

WHEREAS, the Bank has converted the paper stock certificates of its outstanding shares of Class B Stock and Class C Stock to electronic "book-entry" certificates and has canceled its printed stock certificates;

WHEREAS, pursuant to the Board of Directors' plan of liquidation, the Bank is required to redeem all of its outstanding Class B Stock and Class C Stock;

WHEREAS, pursuant to Sections 2.2 and 2.4 of the Bylaws of the Bank, as amended, the Holder is the owner of certain shares of Class B Stock and/or Class C Stock of the Bank; and

WHEREAS, the Holder has heretofore adopted, executed, and returned the Redemption Resolution (defined herein), authorizing the undersigned to execute and deliver this Agreement to the Bank on behalf of the Holder;

THEREFORE, in consideration of the mutual promises and covenants herein contained, the parties agree and bind themselves as follows:

ARTICLE I

DEFINITIONS

"Act" means Title IV of the Rural Electrification Act of 1936, 7 U.S.C. § 941 *et seq.*, as amended.

"Agreement" means this Stock Redemption Agreement between the Bank and the Holder.

"Class A Stock" means all of the shares of Class A Stock of the Bank issued and outstanding pursuant to Section 406(c) of the Act.

"Class B Stock" means all of the shares of Class B Stock of the Bank issued and outstanding pursuant to Section 406(d) of the Act.

"Class C Stock" means all of the shares of Class C Stock of the Bank issued and outstanding pursuant to Section 406(e) of the Act.

"Financing Account Loan(s)" mean all loans of the Holder owed to or held by the Bank on or after October 1, 1991.

"Liquidating Account" means the Rural Telephone Bank Liquidating Account, as identified by Treasury account code 12-4231-0-3-452.

"Liquidating Account Loan(s)" mean all loans of the Holder owed to or held by the Bank before October 1, 1991, as listed on Schedule I.

"Loan Transfer Agreement" means the Loan Transfer Agreement, dated as of August 4, 2005, between the United States of America, acting through the Administrator of RUS, successor to the Rural Electrification Administration, and the Bank.

"Redemption Resolution" means that certain resolution passed by the board of directors or other governing body of the Holder which authorizes the execution and delivery of this Agreement by the undersigned on behalf of the Holder.

ARTICLE II

REPRESENTATIONS AND WARRANTIES OF THE HOLDER

Section 2.1 ***Representations and Warranties.*** The Holder does hereby represent and warrant as follows:

(a) The Holder is the lawful owner of Class B Stock and/or Class C Stock of the Bank in the amounts listed on Schedule II hereto.

(b) All of the information on Schedule II hereto is true and correct.

(c) The undersigned signatory for the Holder is duly authorized by the Holder to execute and deliver this Agreement on behalf of the Holder and to bind the Holder hereunder.

(d) The Redemption Resolution has been duly adopted by the board of directors or other governing body of the Holder and is currently in full force and effect and has not been repealed, modified, or amended by the Holder.

ARTICLE III

REDEMPTION OF CLASS B STOCK AND CLASS C STOCK

Section 3.1 ***Delivery of Shares***. The Holder hereby delivers all of its Class B Stock and/or Class C Stock of the Bank, in the amount(s) specified on Schedule II hereto, for redemption and cancellation.

Section 3.2 ***Redemption of Class B Stock.*** From funds in the Liquidating Account, the Bank shall redeem at par all of the Holder's Class B Stock, in the amount specified in Schedule II hereto, pursuant to the terms of Section 411 of the Act and Section 2.2 of the Bylaws and shall cancel such Class B Stock.

Section 3.3 ***Redemption of Class C Stock***. Pursuant to Section 411 of the Act and Section 2.2 of the Bylaws, after payment of all of the Bank's liabilities, redemption of all outstanding Class A Stock, and redemption of all outstanding Class B Stock, all of the Holder's Class C Stock shall be redeemed from the remaining funds in the Liquidating Account as follows:

(a) If the funds remaining in the Liquidating Account are sufficient to redeem all outstanding Class C Stock at par, the Class C Stock shall be redeemed at par, as specified in Schedule II hereto; or

(b) If the funds remaining in the Liquidating Account are insufficient to redeem all outstanding Class C Stock at par, the Class C Stock shall be redeemed, as determined by the following formula:

$$\frac{\text{(Cash Remainder in Liquidating Account x Holder's number of Class C Stock)}}{\text{Total outstanding number of Class C Stock}}$$

The Bank shall thereafter cancel such Class C Stock.

Section 3.4 ***Payment.*** All amounts to be paid to the Holder of Class B Stock and Class C Stock shall be paid as follows:

(a) Via wire transfer to the banking institution and account specified by the Holder on Schedule II hereto;

(b) No payments shall be made hereunder until one hundred and twenty (120) days from the date hereof; the Bank shall use reasonable best efforts to make payments on properly documented and undisputed claims received by such date within sixty (60) days thereafter; and

(c) Notwithstanding Paragraph 3.4(b), the Holder shall have no claim, with respect to the redemption of Class B or C Stock, to any amount other than that provided in Sections 3.2 and 3.3 hereof, and shall not be entitled to any interest or claims for payment delays.

Section 3.5 ***Release of Claims***. By executing this Agreement, the Holder hereby acknowledges and agrees that the redemption and cancellation by the Bank of the Class B Stock and Class C Stock held by the Holder as contemplated by this Agreement constitutes the full and complete satisfaction by the Bank of all of its obligations with respect to the redemption, payment and cancellation of the Class B Stock and Class C Stock owned by the Holder.

ARTICLE IV

NO FURTHER ADVANCES

Section 4.1 ***Liquidating Account.*** The Holder acknowledges and agrees that the Government, upon acquisition of the Bank's loan portfolio, shall make no further advances on the Liquidating Account Loan(s) and that unadvanced Liquidating Account Loan funds are hereby rescinded.

Section 4.2 ***Unadvanced Financing Account Loan Funds for Stock Purchases***. The Holder acknowledges and agrees that the Government, upon liquidation or dissolution of the Bank, shall make no further advances on the portion of the Financing Account Loan(s) for purchases of Class B Stock and that such funds may be rescinded at the discretion of the Government.

ARTICLE V

MISCELLANEOUS

Section 5.1 ***Entire Agreement***. This Agreement, together with the attached documents, which are incorporated herein, embodies the entire agreement of the parties hereto in relation to the subject matter herein and supersedes all prior understandings or agreements, oral or written, between the parties.

Section 5.2 ***Headings***. The headings and subheadings contained in this Agreement, except the terms identified for definition in Article I and elsewhere in this Agreement, are inserted for convenience only and shall not affect the meaning or interpretation of this Agreement or any provision hereof.

Section 5.3 ***Counterparts***. This Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same Agreement.

Section 5.4 ***Governing Law***. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS HEREUNDER SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE FEDERAL LAW OF THE UNITED STATES OF AMERICA, AND IN THE ABSENCE OF CONTROLLING FEDERAL LAW, IN ACCORDANCE WITH THE LAWS OF THE DISTRICT OF COLUMBIA.

Section 5.5 ***Successors***. All terms and conditions of this Agreement shall be binding on the successors and assigns of the Bank and the Holder. Except as otherwise specifically provided in this Agreement, nothing expressed or referred to in this Agreement is intended or shall be construed to give any person other than the Bank or the Holder, any legal or equitable right, remedy or claim under or with respect to this Agreement or any provisions contained herein, it being the intention of the parties hereto that this Agreement, the obligations and statements of responsibilities hereunder, and all other conditions and provisions hereof are for the sole and exclusive benefit of the Bank and the Holder.

Section 5.6 ***Modification; Assignment***. No amendment or other modification, or assignment of any part of this Agreement shall be effective except pursuant to a written agreement subscribed by the duly authorized representatives of the parties hereto.

Section 5.7 ***Remedies***. The Bank may pursue all rights and remedies available to the Bank in connection with this Agreement, including, but not limited to, a suit for specific performance, injunctive relief or damages in connection with any fraud, misrepresentation, misstatement made by the Holder in this Agreement (including Schedule II hereto).

Section 5.8 ***Notice***. All notices and other communications hereunder to be made to the parties shall be in writing and shall be addressed as specified below as appropriate. The address, telephone number, or facsimile number for either party may be changed at any time and from time to time upon written notice given by such changing party to the other party. A properly addressed notice or other communication shall be deemed to have been delivered at the time it is sent by facsimile (fax) transmission, provided that the original of such faxed notice or other communication shall have been received within five (5) business days.

The Bank
United States Department of Agriculture
1400 Independence Avenue, S.W.
Washington, D.C. 20250-1500
Attention: Governor
Fax: (202) 720-0810

The Holder
As listed on Schedule II

Section 5.9 ***Severability***. If any provision of this Agreement is declared invalid or unenforceable, then, to the extent possible, all of the remaining provisions of this Agreement shall remain in full force and effect and shall be binding upon the parties hereto.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first above written.

[HOLDER]

By: _____

Name:

Title:

RURAL TELEPHONE BANK

By: _____
as Chairman of the Rural Telephone Bank

SCHEDULE I

LIQUIDATING ACCOUNT LOANS OF THE HOLDER

Loan Designation | Balance as of October 1, 2005

SCHEDULE II

Name and Address of Holder:

_____
_____
_____
_____

Telephone Number of Holder:
Fax Number of Holder:

Wiring Instructions:

Name of Depository Bank: _____
Depository Bank's Routing Number: _____
Holder's Account Number with Depository Bank: _____

Class B Stock:

Number of Shares of Class B Stock Owned by the Holder: _____
Par Price of Class B Stock (Per Share): $1
Total Redemption Payment on Class B Stock: $_____

Class C Stock:

Number of Shares of Class C Stock Owned by the Holder: _____
Par Price of Class C Stock (Per Share): $1000
Total Redemption Payment on Class C Stock will be determined pursuant to Section 3.3.

Additional information regarding the progress of the liquidation and dissolution of the Bank can be found at the Bank's Web site at *http://www.usda.gov/rus/telecom/rtb/index_rtb.htm*.

Dated: August 12, 2005.

Jonathan P. Claffey,

Assistant Secretary, Rural Telephone Bank.

[FR Doc. 05–16338 Filed 8–17–05; 8:45 am]

BILLING CODE 3410–15–C

DEPARTMENT OF COMMERCE

Foreign–Trade Zones Board

[Docket 39–2005]

Foreign–Trade Zone 89 - Las Vegas, Nevada, Request to Remove Zone–Restricted Status Merchandise to U.S. Customs Territory

A request has been made to the Foreign–Trade Zones Board (the Board) by the Nevada Development Authority, grantee of FTZ 89, to remove certain zone–restricted merchandise (carpets from Iran - HTS 5701.10) from the zone to U.S. Customs territory. It was filed on August 5, 2005.

The Foreign–Trade Zones Board regulations provide that merchandise which has been given zone–restricted status (export only status) may be returned to the Customs territory of the United States if the FTZ Board