

accordance with the Accomplishment Instructions of ASB 412-92-61, dated May 14, 1992, constitutes a terminating action for the requirements of this AD, and the red radial arc on each airspeed indicator and the airspeed placard installed as a result of this AD may be removed.

(e) An alternative method of compliance or an adjustment of the compliance time that provides an equivalent level of safety may be used if approved by the Manager, Rotorcraft Certification Office. Operators shall submit their requests through an FAA principal maintenance inspector, who may concur or comment and then send it to the Manager, Rotorcraft Certification Office.

Note 3: Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the Rotorcraft Certification Office.

(f) Special flight permits may be issued in accordance with sections 21.197 and 21.199 of the Federal Aviation Regulations (14 CFR 21.197 and 21.199) to operate the helicopter to a location where the requirements of this AD can be accomplished.

Issued in Fort Worth, Texas, on October 17, 1996.

Eric Bries,

*Acting Manager, Rotorcraft Directorate,
Aircraft Certification Service.*

[FR Doc. 96-27393 Filed 10-24-96; 8:45 am]

BILLING CODE 4910-13-U

14 CFR Part 39

[Docket No. 95-NM-142-AD]

RIN 2120-AA64

Airworthiness Directives; Beech (Raytheon) Model BAe 125-800A and Hawker 800 Series Airplanes

AGENCY: Federal Aviation Administration, DOT.

ACTION: Supplemental notice of proposed rulemaking; reopening of comment period.

SUMMARY: This document revises an earlier proposed airworthiness directive (AD), applicable to certain Beech (Raytheon) Model BAe 125-800A and Hawker 800 series airplanes, that would have required a detailed visual inspection of the fuel feed hose assemblies of the auxiliary power unit (APU) to detect overheating, degradation, proper routing, and adequate clearance; and the correction of any discrepancies found. That proposal was prompted by reports of heat damage to the fuel feed hose assembly of the APU due to contact between the hose assembly and hot surfaces. This action revises the proposed rule by adding a requirement to modify the fuel feed hose of the APU. The actions specified by this proposed

AD are intended to prevent heat damage of the fuel feed hose, which could lead to a possible fire/smoke hazard when failure of the hose assembly occurs and consequent fuel mist or spray is emitted into the rear equipment bay.

DATES: Comments must be received by November 15, 1996.

ADDRESSES: Submit comments in triplicate to the Federal Aviation Administration (FAA), Transport Airplane Directorate, ANM-103, Attention: Rules Docket No. 95-NM-142-AD, 1601 Lind Avenue, SW., Renton, Washington 98055-4056. Comments may be inspected at this location between 9:00 a.m. and 3:00 p.m., Monday through Friday, except Federal holidays.

The service information referenced in the proposed rule may be obtained from Raytheon Aircraft Company, Manager Service Engineering, Hawker Customer Support Department, P.O. Box 85, Wichita, Kansas 67201-0085. This information may be examined at the FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington.

FOR FURTHER INFORMATION CONTACT: Tim Backman, Aerospace Engineer, Standardization Branch, ANM-113, FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington 98055-4056; telephone (206) 227-2797; fax (206) 227-1149.

SUPPLEMENTARY INFORMATION:

Comments Invited

Interested persons are invited to participate in the making of the proposed rule by submitting such written data, views, or arguments as they may desire. Communications shall identify the Rules Docket number and be submitted in triplicate to the address specified above. All communications received on or before the closing date for comments, specified above, will be considered before taking action on the proposed rule. The proposals contained in this notice may be changed in light of the comments received.

Comments are specifically invited on the overall regulatory, economic, environmental, and energy aspects of the proposed rule. All comments submitted will be available, both before and after the closing date for comments, in the Rules Docket for examination by interested persons. A report summarizing each FAA-public contact concerned with the substance of this proposal will be filed in the Rules Docket.

Commenters wishing the FAA to acknowledge receipt of their comments submitted in response to this notice

must submit a self-addressed, stamped postcard on which the following statement is made: "Comments to Docket Number 95-NM-142-AD." The postcard will be date stamped and returned to the commenter.

Availability of NPRMs

Any person may obtain a copy of this NPRM by submitting a request to the FAA, Transport Airplane Directorate, ANM-103, Attention: Rules Docket No. 95-NM-142-AD, 1601 Lind Avenue, SW., Renton, Washington 98055-4056.

Discussion

A proposal to amend part 39 of the Federal Aviation Regulations (14 CFR part 39) to add an airworthiness directive (AD), applicable to certain Beech (Raytheon) Model BAe 125-800A and Hawker 800 series airplanes, was published as a notice of proposed rulemaking (NPRM) in the Federal Register on December 22, 1995 (60 FR 66527). That NPRM would have required a one-time detailed visual inspection to:

1. detect overheating or degradation of the hose assemblies;
2. verify proper routing of the fuel feed hose assembly of the auxiliary power unit (APU); and
3. verify if adequate clearance (0.5 inch) exists between the hose assembly and the left-hand mixer valve/main air valve assemblies and associated hot air ducting.

The NPRM referenced Hawker Service Bulletin SB.49-45, dated May 15, 1995, as the source of service information containing the procedures for accomplishing this inspection.

That NPRM was prompted by reports of heat damage to the fuel feed hose assembly of the APU due to contact between the hose assembly and hot surfaces. That condition, if not corrected, could lead to a possible fire/smoke hazard when failure of the hose assembly occurs and consequent fuel mist or spray emitted into the rear equipment bay.

Actions Since Issuance of Previous Proposal

Since the issuance of that NPRM, the manufacturer has issued Hawker Service Bulletin SB.49-47-25A825A, dated August 1, 1995, which describes procedures for modification of the fuel feed hose of the APU. The modification involves replacing the existing conduit made from vinyl, which can withstand operating temperatures of 80 °C, with a conduit made from convoluted PTFE, which can withstand temperatures of up to 240 °C. Accomplishment of the modification will eliminate the need for

the one-time visual inspection. The modification will improve the protection of the conduit of the fuel feed hose from heat damage.

Explanation of New Requirements of Proposal

The FAA finds that the one-time visual inspection procedures, as specified in the previously issued proposal, alone do not provide the degree of safety assurance necessary to address to unsafe condition. The FAA has determined that, in order to adequately address the unsafe condition presented by the problems associated with heat damage in the subject areas, the proposed rule must be revised to include a requirement to modify the fuel feed hose of the APU. The modification would be required to be accomplished in accordance with Hawker Service Bulletin SB.49-47-25A825A, dated August 1, 1995, described previously. Installation of this modification would preclude the need for the one-time visual inspection.

Conclusion

Since this change expands the scope of the originally proposed rule, the FAA has determined that it is necessary to reopen the comment period to provide additional opportunity for public comment.

Cost Impact

The FAA estimates that 70 Beech (Raytheon) Model BAe 125-800A and Hawker 800 series airplanes of U.S. registry would be affected by this proposed AD.

It would take approximately 2 work hours per airplane to accomplish the proposed inspection, at an average labor rate of \$60 per work hour. Based on these figures, the cost impact of the inspection proposed by this AD on U.S. operators is estimated to be \$8,400, or \$120 per airplane.

It would take approximately 4 work hours per airplane to accomplish the proposed modification, at an average labor rate of \$60 per work hour. Required parts would cost approximately \$218 per airplane. Based on these figures, the cost impact of the proposed AD on U.S. operators is estimated to be \$32,060, or \$458 per airplane.

The cost impact figures discussed above are based on assumptions that no operator has yet accomplished any of the proposed requirements of this AD action, and that no operator would accomplish those actions in the future if this AD were not adopted.

Regulatory Impact

The regulations proposed herein would not have substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government. Therefore, in accordance with Executive Order 12612, it is determined that this proposal would not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.

For the reasons discussed above, I certify that this proposed regulation (1) is not a "significant regulatory action" under Executive Order 12866; (2) is not a "significant rule" under the DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979); and (3) if promulgated, will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act. A copy of the draft regulatory evaluation prepared for this action is contained in the Rules Docket. A copy of it may be obtained by contacting the Rules Docket at the location provided under the caption

ADDRESSES.

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List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Safety.

The Proposed Amendment

Accordingly, pursuant to the authority delegated to me by the Administrator, the Federal Aviation Administration proposes to amend part 39 of the Federal Aviation Regulations (14 CFR part 39) as follows:

PART 39—AIRWORTHINESS DIRECTIVES

1. The authority citation for part 39 continues to read as follows:

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

§ 39.13 [Amended]

2. Section 39.13 is amended by adding the following new airworthiness directive:

Beech Aircraft Company (Raytheon Aircraft Company): Docket 95-NM-142-AD.

Applicability: Model BAe 125-800A (including military variants C-29A and U-125) and Hawker 800 series airplanes, constructor's numbers 8091 and subsequent; equipped with Turbomach auxiliary power unit (APU) (Modification 259404B); certificated in any category.

Note 1: This AD applies to each airplane identified in the preceding applicability provision, regardless of whether it has been modified, altered, or repaired in the area subject to the requirements of this AD. For airplanes that have been modified, altered, or

repaired so that the performance of the requirements of this AD is affected, the owner/operator must request approval for an alternative method of compliance in accordance with paragraph (d) of this AD. The request should include an assessment of the effect of the modification, alteration, or repair on the unsafe condition addressed by this AD; and, if the unsafe condition has not been eliminated, the request should include specific proposed actions to address it.

Compliance: Required as indicated, unless accomplished previously. To prevent heat damage to the fuel feed hose assemblies of the auxiliary power unit (APU), which could lead to a possible fire/smoke hazard if failure of the hose assembly occurs and fuel mist or spar is consequently emitted into the rear equipment bay, accomplish the following:

(a) Within 75 days after the effective date of this AD, perform a one-time detailed visual inspection to detect overheating or degradation of the hose assemblies; to verify proper routing of fuel feed hose assembly of the auxiliary power unit (APU); and to verify if adequate clearance (0.5 inch) exists between the hose assembly (outlet from the fuel pump box of the APU) and the left-hand mixer valve/main air valve assemblies and associated hot air ducting; in accordance with Hawker Service Bulletin SB.49-45, dated May 15, 1995.

(1) If any overheating or degradation is detected, prior to further flight, replace the hose assembly with a new assembly and ensure that proper clearance and routing exists, in accordance with the service bulletin.

(2) If the clearance of the hose assembly is improperly routed, prior to further flight, re-route the assembly maintaining proper clearance, in accordance with the service bulletin.

(3) If the clearance of the hose assembly is inadequate and the hose assembly is properly routed, prior to further flight, adjust the hose assembly to achieve the 0.5-inch clearance, in accordance with the service bulletin.

(b) Prior to the accumulation of 200 flight hours after the effective date of this AD, modify the fuel feed hose of the APU, in accordance with Hawker Service Bulletin SB.49-47-25A825A, dated August 1, 1995.

(c) Accomplishment of the modification of the fuel feed hose of the APU in accordance with Hawker Service Bulletin SB.49-47-25A825A, dated August 1, 1995, constitutes terminating action for the requirements of this AD.

(d) An alternative method of compliance or adjustment of the compliance time that provides an acceptable level of safety may be used if approved by the Manager, Standardization Branch, ANM-113, FAA, Transport Airplane Directorate. Operators shall submit their requests through an appropriate FAA Principal Maintenance Inspector, who may add comments and then send it to the Manager, Standardization Branch, ANM-113.

Note 2: Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the Standardization Branch, ANM-113.

(e) Special flight permits may be issued in accordance with sections 21.197 and 21.199

of the Federal Aviation Regulations (14 CFR 21.197 and 21.199) to operate the airplane to a location where the requirements of this AD can be accomplished.

Issued in Renton, Washington, on October 18, 1996.

James V. Devany,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 96-27394 Filed 10-24-96; 8:45 am]

BILLING CODE 4910-13-U

COMMODITY FUTURES TRADING COMMISSION

17 CFR Parts 1 and 31

Financial Reports of Futures Commission Merchants, Introducing Brokers and Leverage Transaction Merchants

AGENCY: Commodity Futures Trading Commission.

ACTION: Proposed Rules.

SUMMARY: The Commodity Futures Trading Commission ("CFTC" or "Commission") is proposing to amend its Rule 1.10(d)(4), which requires that each Form 1-FR filed with the Commission contain an oath or affirmation attesting that, to the best knowledge and belief of the individual making such oath or affirmation, the information contained therein is true and correct. The proposed rule amendment would provide that, for the purposes of making this attestation when filing a financial report with the Commission electronically, the use of a personal identification number ("PIN") would be deemed to be the equivalent of a manual signature.¹ The proposal also would amend Rule 1.10(c) to account for the possibility that registrants may choose to file certain financial reports electronically using a Commission issued PIN rather than filing such reports in paper form with the regional office of the Commission nearest the principal place of business of the registrant. The proposal would add Rule 1.10(b)(2)(iii) to clarify that certified financial reports may not be filed electronically.

In addition, the Commission is proposing to amend Rules 1.10(g) and 31.13(m) to clarify that certain portions of the financial reports will be deemed

public and other portions nonpublic, and to eliminate the requirement that firms filing financial reports need to separately bind portions of such reports generally treated as nonpublic in order for such portions of the reports to be accorded nonpublic treatment.

DATES: Comments must be received on or before November 25, 1996.

ADDRESSES: Comments on the proposed amendments should be sent to Jean A. Webb, Secretary of the Commission, Commodity Futures Trading Commission, 1155 21st Street, N.W., Washington, D.C. 20581. In addition, comments may be sent by facsimile transmission to facsimile number (202) 418-5221, or by electronic mail to secretary@cftc.gov. Reference should be made to "Attestation Amendments".

FOR FURTHER INFORMATION CONTACT: Lawrence B. Patent, Associate Chief Counsel, or Lawrence T. Eckert, Attorney Adviser, Division of Trading and Markets, Commodity Futures Trading Commission, 1155 21st Street, N.W., Washington D.C. 20581. Telephone (202) 418-5450.

SUPPLEMENTARY INFORMATION:

I. Background

Commission Rule 1.10 sets forth the financial reporting requirements for futures commission merchants ("FCMs") and independent introducing brokers ("IBs").² This rule requires generally that FCMs file with the Commission financial reports on Form 1-FR-FCM each quarter and that IBs file financial reports on Form 1-FR-IB semiannually.³ Pursuant to paragraph (d)(4) of the rule, each Form 1-FR must include an attached oath or affirmation that, to the best knowledge or belief of the individual making such oath or affirmation, the information contained in the Form 1-FR is true and correct. If the applicant or registrant is a sole proprietorship, partnership or corporation, the oath or affirmation must be made by the proprietor, a general partner or by the chief executive officer or chief financial officer, respectively.

The Commission's Division of Trading and Markets ("Division") issued a no-action letter to the Chicago Board of Trade ("CBT") in February, 1996 concerning the attestation of

financial reports where an FCM is organized as a partnership.⁴ The no-action letter provided relief to CBT member firms that are registered as FCMs and organized as partnerships with only a corporation or limited liability company as a general partner such that the FCM's chief financial officer (or the individual who has these responsibilities) could sign the attestation on Form 1-FR-FCM. However, the letter stated that in the case of an FCM organized as a partnership with another partnership as its general partner, the general partner of such other partnership must make the attestation required by Rule 1.10(d)(4). The no-action letter also provided relief to CBT to permit it to administer its financial filing rule, CBT Capital Rule 311, in a similar manner.⁵

CBT's request for relief stated that the request was prompted by the fact that CBT was in the process of issuing PINs to those individuals who are eligible to provide the required attestations in connection with CBT's upcoming implementation of the electronic filing of financial reports. Such filing is permitted by CBT Capital Rule 311. Subsequently, the Division issued Advisory 12-96 to inform FCMs, IBs and self-regulatory organizations ("SROs") that they would be granted similar no-action treatment if they acted in accordance with the Division's letter to CBT.⁶

On May 28, 1996, the Commission issued Advisory 28-96, to alert FCMs, IBs and SROs that in connection with any SRO program for electronic filing of financial reports approved by the Commission, and to the extent the SRO program does not require a manual signature for purposes of attestation, the use of a PIN would be deemed to be the equivalent of a manual signature for purposes of attestation under Commission Rule 1.10(d)(4).⁷ The Commission noted therein that it planned to implement procedures that would permit firms filing electronically with an SRO to submit certain financial reports to the Commission via electronic

⁴ CFTC Interpretative Letter 96-21, [Current Transfer Binder] Comm. Fut. L. Rep. (CCH) ¶ 26,633 (Feb. 29, 1996).

⁵ Commission Rule 1.52(a), 17 CFR 1.52(a)(1996), requires each self-regulatory organization ("SRO") to adopt and submit for Commission approval rules prescribing minimum financial and related reporting requirements for member FCMs and IBs. Such requirements must be the same as, or more stringent than, those contained in Commission Rules 1.10 and 1.17, 17 CFR 1.10 and 1.17 (1996).

⁶ This was reprinted as CFTC Advisory 96-21 in [Current Transfer Binder] Comm. Fut. L. Rep. (CCH) ¶ 26,640 (March 8, 1996).

⁷ [Current Transfer Binder] Comm. Fut. L. Rep. (CCH) ¶ 26,711 (May 28, 1996).

¹ Commission Rule 1.10(h) permits registrants that are also registered as securities broker-dealers with the Securities and Exchange Commission to file a copy of their Financial and Operational Combined Uniform Single Report ("FOCUS") with the Commission in lieu of Form 1-FR. The amendments discussed herein are intended to apply equally to registrants who file Form 1-FR or FOCUS with the Commission.

² Approximately two-thirds of introducing brokers enter into a guarantee agreement with an FCM and thus are not required to raise their own regulatory capital or file financial reports.

³ The Commission is currently proposing to amend certain of its financial reporting requirements for FCMs and IBs, including time requirements for filing Form 1-FR. See 61 FR 7080 (Feb. 26, 1996).