

on accounting for international loan fees was first published in 1984, Congress and the Federal banking agencies considered that the application of the broad fee accounting principles for banks contained in GAAP did not ensure the desired uniformity in how banks account for international loan fees. The preamble to the 1984 rule stated that the Federal banking agencies would reexamine the need for a discussion of accounting treatment if the Financial Accounting Standards Board (FASB) were to issue a final pronouncement or standard on this subject. 49 FR 12192 (March 29, 1984).

Since that time, FASB has revised the GAAP rules for fee accounting for international loans in a manner that accommodates the specific requirements of section 906 of ILSA (12 U.S.C. 3905). In addition, although there are some differences between § 28.53 and the GAAP standard (Financial Accounting Standard No. 91), they are relatively minor. For instance, GAAP requires different accounting methods than § 28.53 in the recognition of fees and administrative costs of originating, restructuring or syndicating international loans. However, adoption of the GAAP standard would not impose additional burden on banks, but would reduce burden in some instances.

Therefore, to reduce the regulatory burden of banks and simplify the rule, the OCC is proposing to eliminate the detailed discussion concerning the particular accounting method to be followed in accounting for various fees on international loans. The OCC proposes to require instead that national banks follow GAAP in accounting for such fees, subject to the amortization requirement for fees charged in connection with restructuring an international loan that exceed the administrative cost of the restructuring.¹ In the event that FASB changes the GAAP rules on fee accounting for international loans, the OCC will reexamine its rule in light of ILSA to assess the need for further revision to the regulation.

This proposal does not affect, in any way, the standards by which a bank recognizes loss on international assets affected by transfer risk, nor does it change the accounting treatment of a bank's transfer risk reserve. As discussed earlier, the proposal does, however, change the accounting treatment of fees that banks collect on international loans by adopting GAAP

accounting requirements for fee income on loans.

The change summarized above removes the need for the definitions of "international syndicated loan" and "loan agreement" which are used only in the discussion in current § 28.53. Accordingly, the proposal amends § 28.51 by removing the definitions of "international syndicated loan" and "loan agreement" from §§ 28.51(e) and (f), respectively, and redesignating the remaining definitions accordingly.

Regulatory Flexibility Act

It is hereby certified that this proposed rule will not have a significant economic impact on a substantial number of small entities. As is explained in greater detail in the preamble to this proposal, there is only one substantive change and this change would simplify the regulation to make it consistent with generally accepted accounting principles. The proposed rule will reduce the regulatory burden on national banks, regardless of size. Accordingly, a regulatory flexibility analysis is not required.

Executive Order 12866

The OCC has determined that this proposed rule is not a significant regulatory action under Executive Order 12866.

Unfunded Mandates Act of 1995

The OCC has determined that the proposed rule will not result in expenditures by State, local, and tribal governments, or by the private sector, of more than \$100 million in any one year. Accordingly, consistent with section 202 of the Unfunded Mandates Act of 1995 (2 U.S.C. 1532), the OCC has not prepared a budgetary impact statement or specifically addressed the regulatory alternatives considered. As discussed in the preamble, the proposed rule simplifies the discussion concerning the accounting for fees on international loans to make the regulation consistent with generally accepted accounting principles. The proposed rule also makes other nonsubstantive changes to subpart C that are intended to clarify and simplify the rule.

List of Subjects in 12 CFR Part 28

Foreign banking, National banks, Reporting and recordkeeping requirements.

Authority and Issuance

For the reasons set out in the preamble, the OCC proposes to amend part 28 of chapter I of title 12 of the Code of Federal Regulations as set forth below:

PART 28—INTERNATIONAL BANKING ACTIVITIES

1. The authority citation for part 28 continues to read as follows:

Authority: 12 U.S.C. 1 *et seq.*, 93a, 161, 602, 1818, 3102, 3108, and 3901 *et seq.*

Subpart C—International Lending Supervision

§ 28.51 [Amended]

2. Section 28.51 is amended by removing paragraphs (e) and (f), and redesignating paragraphs (g) and (h) as paragraphs (e) and (f).

3. Section 28.53 is revised to read as follows:

§ 28.53 Accounting for fees on international loans.

(a) *Restrictions on fees for restructured international loans.* No banking institution shall charge, in connection with the restructuring of an international loan, any fee exceeding the administrative costs of the restructuring unless it amortizes the amount of the fee exceeding the administrative cost over the effective life of the loan.

(b) *Accounting treatment.* Subject to paragraph (a) of this section, banking institutions shall account for fees in accordance with generally accepted accounting principles.

Dated: March 30, 1998.

Eugene A. Ludwig,

Comptroller of the Currency.

[FR Doc. 98-8864 Filed 4-3-98; 8:45 am]

BILLING CODE 4810-33-P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 98-NM-67-AD]

RIN 2120-AA64

Airworthiness Directives; Airbus Model A320 and A321 Series Airplanes

AGENCY: Federal Aviation Administration, DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: This document proposes the adoption of a new airworthiness directive (AD) that is applicable to certain Airbus Model A320 and A321 series airplanes. This proposal would require modification of the slat and flap control computer (SFCC) in the aft electronics rack. This proposal is prompted by issuance of mandatory continuing airworthiness information by

¹ The proposed change in this rulemaking is substantively identical to the change proposed by the Federal Deposit Insurance Corporation. (See 62 FR 37748 (July 15, 1997).)

a foreign civil airworthiness authority. The actions specified by the proposed AD are intended to prevent failure of the SFCC caused by computer software anomalies or contamination by conductive dust. This condition, if not corrected, could result in uncommanded slat retraction during takeoff and consequent insufficient wing lift available to complete a successful takeoff.

DATES: Comments must be received by May 6, 1998.

ADDRESSES: Submit comments in triplicate to the Federal Aviation Administration (FAA), Transport Airplane Directorate, ANM-114, Attention: Rules Docket No. 98-NM-67-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 Airbus Industrie, 1 Rond Point Maurice Bellonte, 31707 Blagnac Cedex, France. This information may be examined at the FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington.

FOR FURTHER INFORMATION CONTACT: Norman B. Martenson, Manager, International Branch, ANM-116, FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington 98055-4056; telephone (425) 227-2110; fax (425) 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 98-NM-67-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-114, Attention: Rules Docket No. 98-NM-67-AD, 1601 Lind Avenue, SW., Renton, Washington 98055-4056.

Discussion

The Direction Générale de l'Aviation Civile (DGAC), which is the airworthiness authority for France, notified the FAA that an unsafe condition may exist on certain Airbus Model A320 and A321 series airplanes. The DGAC advises that, during the takeoff of a Model A320 series airplane, the slat and flap control computer (SFCC) incorrectly interpreted the prior failure of a rotary switch in the Command Sensor Unit (CSU) as an out-of-detent condition of the flap control lever. Consequently, the SFCC commanded the slats to retract to position 0, contrary to the pilot's commanded position 1. In addition, the DGAC advises that it has received reports in which, during operation on Model A321 series airplanes, the SFCC failed because conductive dust from the air conditioning system had contaminated the SFCC system.

The SFCC on certain Model A320 series airplanes is similar in design to that on Model A321 series airplanes; therefore, both models may be subject to the same unsafe condition. The failure of the SFCC, if not corrected, could result in uncommanded slat retraction during takeoff and consequent insufficient wing lift available to complete a successful takeoff.

Explanation of Relevant Service Information

Airbus has issued Service Bulletin A320-27-1096, dated March 14, 1996, and Revision 01, dated January 14, 1998, which describes procedures for modification of the SFCC 1 and SFCC 2 in the aft electronics rack on Model A320 series airplanes. This modification involves replacement of SFCC 1 and SFCC 2 with improved parts and modification of the SFCC software to correct anomalies.

In addition, Airbus has issued Service Bulletin A320-27-1103, dated June 14, 1996, which describes procedures for

modification of the SFCC 1 and SFCC 2 in the aft electronics rack on Model A321 series airplanes. This modification involves replacement of SFCC 1 and SFCC 2 with improved parts, installation of a dust shield, and modification of the coding of the polarizing pins on the ARINC 600 plug on the rack of the SFCC 1 and SFCC 2.

Accomplishment of the actions specified in the service bulletins is intended to adequately address the identified unsafe condition. The DGAC classified these service bulletins as mandatory and issued French airworthiness directive 97-085-099(B), dated March 12, 1997, in order to assure the continued airworthiness of these airplanes in France.

FAA's Conclusions

These airplane models are manufactured in France and are type certificated for operation in the United States under the provisions of § 21.29 of the Federal Aviation Regulations (14 CFR 21.29) and the applicable bilateral airworthiness agreement. Pursuant to this bilateral airworthiness agreement, the DGAC has kept the FAA informed of the situation described above. The FAA has examined the findings of the DGAC, reviewed all available information, and determined that AD action is necessary for products of this type design that are certificated for operation in the United States.

Explanation of Requirements of Proposed Rule

Since an unsafe condition has been identified that is likely to exist or develop on other airplanes of the same type design registered in the United States, the proposed AD would require accomplishment of the actions specified in the service bulletins described previously.

Cost Impact

The FAA estimates that 118 airplanes of U.S. registry would be affected by this proposed AD. It would take approximately 1 work hour per airplane to accomplish the proposed actions, at an average labor rate of \$60 per work hour. Required parts would be supplied by the manufacturer at no cost to operators. Based on these figures, the cost impact of the proposed AD on U.S. operators is estimated to be \$7,080, or \$60 per airplane.

The cost impact figure discussed above is 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.

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:

Airbus Industrie: Docket 98–NM–67–AD.

Applicability: Model A320 series airplanes, as listed in Airbus Service Bulletin A320–27–1096, Revision 01, dated January 14, 1998; and Model A321 series airplanes, as listed in Airbus Service Bulletin A320–27–1103, dated June 14, 1996; 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 (b) 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 failure of the slat and flap control computer (SFCC), which could result in uncommanded slat retraction during takeoff and consequent insufficient wing lift available to complete a successful takeoff, accomplish the following:

(a) Within 24 months after the effective date of this AD, modify the SFCC 1 and SFCC 2 in the aft electronics rack, in accordance with Airbus Service Bulletin A320–27–1096, dated March 14, 1996, or Revision 01, dated January 14, 1998 (for Model A320 series airplanes); or Airbus Service Bulletin A320–27–1103, dated June 14, 1996 (for Model A321 series airplanes); as applicable.

Note 2: After accomplishment of the modification required by paragraph (a) of this AD, Temporary Revision No. 4.02.00/02 may be removed from the Airbus Model A320 and A321 Airplane Flight Manuals.

(b) 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, International Branch, ANM–116, 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, International Branch, ANM–116.

Note 3: Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the International Branch, ANM–116.

(c) 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.

Note 4: The subject of this AD is addressed in French airworthiness directive 97–085–099(B), dated March 12, 1997.

Issued in Renton, Washington, on March 31, 1998.

Darrell M. Pederson,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.
[FR Doc. 98–8904 Filed 4–3–98; 8:45 am]

BILLING CODE 4910–13–U

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 98–NM–45–AD]

RIN 2120–AA64

Airworthiness Directives; Fokker Model F.28 Mark 1000, 2000, 3000, and 4000 Series Airplanes

AGENCY: Federal Aviation Administration, DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: This document proposes the adoption of a new airworthiness directive (AD) that is applicable to certain Fokker Model F.28 Mark 1000, 2000, 3000, and 4000 series airplanes. This proposal would require a one-time inspection to determine the torque values of the coupling fitting attachment bolts at fuselage station 10790, and corrective action, if necessary. This proposal is prompted by issuance of mandatory continuing airworthiness information by a foreign civil airworthiness authority. The actions specified by the proposed AD are intended to prevent loss of the coupling fitting attachment bolts between the center wing section and the fuselage, and consequent reduced structural integrity of the airplane.

DATES: Comments must be received by May 6, 1998.

ADDRESSES: Submit comments in triplicate to the Federal Aviation Administration (FAA), Transport Airplane Directorate, ANM–114, Attention: Rules Docket No. 98–NM–45–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 Fokker Services B.V., Technical Support Department, P.O. Box 75047, 1117 ZN Schiphol Airport, the Netherlands. This information may be examined at the FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington.

FOR FURTHER INFORMATION CONTACT: Norman B. Martenson, Manager, International Branch, ANM–116, FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington 98055–4056; telephone (425) 227–2110; fax (425) 227–1149.

SUPPLEMENTARY INFORMATION: