

After accomplishment of the installation of new shear pins, Canadair Regional Jet TR RJ/68-1, dated February 15, 2000, may be removed from the AFM.

#### Inspection of Maintenance Records Required by This AD

(f) For airplanes having serial numbers 7143, and 7145 through 7357 inclusive: Within 14 days after the effective date of this AD, perform a one-time inspection of the maintenance records to determine the replacement status of the shear pins of the elevator flutter dampers, in accordance with Part B of the Accomplishment Instructions of Canadair Regional Jet Service Bulletin S.B. 601R-27-100, Revision 'A,' dated March 10, 2000.

(1) If the maintenance records indicate that all shear pins were NOT replaced after delivery of the airplane, or if all shear pins were replaced with shear pins having P/N 601R24063-31/S: No further action is required by this AD.

(2) If the maintenance records indicate that any shear pin was replaced after delivery of the airplane with a shear pin having P/N 601R24063-31 or 601R24063-953, or if the maintenance records do not verify that all shear pins having P/N 601R24063-31/S are installed: Accomplish the requirements of paragraph (g) of this AD at the times specified in that paragraph.

#### AFM Revision and Replacement Required by This AD

(g) For airplanes on which any shear pin of the elevator flutter dampers of the elevators was replaced after delivery of the airplane with a shear pin having P/N 601R24063-31 or 601R24063-953, or for airplanes on which verification of shear pins having P/N 601R24063-31/S is not possible: Accomplish the requirements of paragraphs (g)(1) and (g)(2) of this AD at the times specified in those paragraphs.

(1) Within 30 days after the effective date of this AD, revise the Normal Procedures Section of the AFM by inserting Canadair Regional Jet TR RJ/68-1, dated February 15, 2000 in the AFM, which advises the flight crew of an additional first-flight-of-the-day check of the elevator control system.

(2) Within 12 months after the effective date of this AD, replace the shear pins with new, improved shear pins having P/N 601R24063-31/S, in accordance with Part C of the Accomplishment Instructions of Canadair Regional Jet Service Bulletin S.B. 601R-27-100, Revision 'A,' dated March 10, 2000. After accomplishment of the installation of new shear pins, the temporary revision required by paragraph (g)(1) of this AD may be removed from the AFM.

#### Spares

(h) As of the effective date of this AD, no person shall install a shear pin of the elevator flutter dampers having P/N 601R24063-31 or 601R24063-953 on any airplane.

#### Alternative Methods of Compliance

(i) 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, New York Aircraft Certification Office (ACO), FAA.

Operators shall submit their requests through an appropriate FAA Principal Maintenance Inspector, who may add comments and then send it to the Manager, New York ACO.

**Note 5:** Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the New York ACO.

#### Special Flight Permits

(j) 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 6:** The subject of this AD is addressed in Canadian airworthiness directive CF-2000-10, dated March 23, 2000.

Issued in Renton, Washington, on October 25, 2000.

**Donald L. Riggins,**

*Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.*

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**BILLING CODE 4910-13-P**

## DEPARTMENT OF TRANSPORTATION

### Federal Aviation Administration

#### 14 CFR Part 39

[Docket No. 2000-NM-72-AD]

RIN 2120-AA64

#### Airworthiness Directives; Airbus Model A300 B2, A300 B4, A300 B4-600, A300 B4-600R, A300 F4-600R, and A310 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 A300 B2, A300 B4, A300 B4-600, A300 B4-600R, A300 F4-600R, and A310 series airplanes. This proposal would require modification of the escape slides. This action is necessary to prevent deflation of the escape slide after deployment, which could result in a delay during an emergency evacuation. This action is intended to address the identified unsafe condition.

**DATES:** Comments must be received by November 30, 2000.

**ADDRESSES:** Submit comments in triplicate to the Federal Aviation Administration (FAA), Transport Airplane Directorate, ANM-114, Attention: Rules Docket No. 2000-NM-72-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. Comments may be submitted via fax to (425) 227-1232. Comments may also be sent via the Internet using the following address: 9-anm-nprmcomment@faa.gov. Comments sent via fax or the Internet must contain "Docket No. 2000-NM-72-AD" in the subject line and need not be submitted in triplicate. Comments sent via the Internet as attached electronic files must be formatted in Microsoft Word 97 for Windows or ASCII text.

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, 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.

Submit comments using the following format:

- Organize comments by issue. For example, discuss a request to change the compliance time and a request to change a service bulletin reference as two separate issues.
- For each issue, state the specific change to the proposed AD being requested.
- Include justification (e.g., reasons or data) for each request.

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 No. 2000-NM-72-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. 2000-NM-72-AD, 1601 Lind Avenue, SW., Renton, Washington 98055-4056.

Discussion

The Direction Generale 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 A300 B2, A300 B4, A300 B4-600, A300 B4-600R, A300 F4-600R, and A310 series airplanes. The DGAC advises that it has received several reports that escape slides deflated immediately after deployment during

operational tests. The slides deflated because the inflation bottle actuator punctured the lower part of the slide during deployment. The DGAC advises that a slide could be punctured if the inflation bottle was improperly installed (upside-down in its fabric-type bag) when the slide was packed. Such a slide puncture and consequent deflation, if not corrected, could result in a delay during an emergency evacuation.

Explanation of Relevant Service Information

Airbus has issued the following service bulletins:

Service bulletin	Revision level	Date	Model
A300-25-0466 .....	01 .....	December 1, 1999 .....	A300 B2
A300-25-6146 .....	01 .....	December 1, 1999 .....	A300 B4
			A300 B4-600
			A300 B4-600R
A310-25-2133 .....	Original .....	June 21, 1999 .....	A300 F4-600R
			A310

These service bulletins describe procedures for modification of certain BFGoodrich escape slides. The modification involves:

- Installing a pad on the actuator of the inflation bottle to protect the slide in case of contact between the bottle and the slide; and
- Replacing the fabric-type bottle bag (used on earlier slides) with a strap-type bottle bag to ensure the correct orientation of the bottle.

This modification will reduce the possibility of the slide being punctured by contact with the regulator valve during inflation. Accomplishment of the actions specified in these service bulletins is intended to adequately address the identified unsafe condition. The DGAC classified these service bulletins as mandatory and issued French airworthiness directive 2000-059-302(B), dated February 9, 2000, in order to ensure the continued airworthiness of these airplanes in France.

The Airbus service bulletins refer to BFGoodrich Service Bulletin 7A1296/7A1298-25-298, dated January 15, 1999, as an additional source of service information for modifying the escape slides.

FAA's Conclusions

These airplane models are manufactured in France and are type certificated for operation in the United States under the provisions of section 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 modification of the escape slides, as specified in the Airbus service bulletins described previously.

Cost Impact

The FAA estimates that 126 airplanes of U.S. registry would be affected by this proposed AD, that it would take approximately 1 work hour per slide to accomplish the proposed actions, and that the average labor rate is \$60 per work hour. Required parts would cost approximately \$124 to \$185 per slide. Each Model A300 and A300-600 series airplane has 6 escape doors, and each Model A310 series airplane has 4 escape doors. Based on these figures, the cost impact of the proposed AD on U.S. operators is estimated to be between \$736 and \$1,470 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 proposed AD were not adopted. The cost impact figures discussed in AD rulemaking actions represent only the time necessary to perform the specific actions actually required by the AD. These figures typically do not include incidental costs, such as the time required to gain access and close up, planning time, or time necessitated by other administrative actions.

Regulatory Impact

The regulations proposed herein would not have a substantial direct effect 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, it is determined that this proposal would not have federalism implications under Executive Order 13132.

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 2000–NM–72–AD.

**Applicability:** The following airplanes, certificated in any category:

Model	Equipped with any BFGoodrich slide having part number—	Excluding airplanes modified in accordance with—
A300 B2, A300 B4 .....	7A1296–001 7A1296–002 7A1296–003 7A1296–004 7A1298–001 7A1298–002 7A1298–003 7A1298–004	Airbus Service Bulletin A300–25–0466, Revision 01, dated December 1, 1999; or BFGoodrich Service Bulletin 7A1296/7A1298–25–298, dated January 15, 1999.
A300 B4–600, A300 B4–600R, A300 F4–600R .....	7A1296–001 7A1296–002 7A1296–003 7A1296–004 7A1298–001 7A1298–002 7A1298–003 7A1298–004	Airbus Service Bulletin A300–25–6146, Revision 01, dated December 1, 1999; or BFGoodrich Service Bulletin 7A1296/7A1298–25–298, dated January 15, 1999.
A310 .....	7A1298–001 7A1298–002 7A1298–003 7A1298–004	Airbus Service Bulletin A310–25–2133, dated January 21, 1999; or BFGoodrich Service Bulletin 7A1296/7A1298–25–298, dated January 15, 1999.

**Note 1:** This AD applies to each airplane identified in the preceding applicability provision, regardless of whether it has been otherwise 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 (c) 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 deflation of the escape slide after deployment, which could result in a delay during an emergency evacuation, accomplish the following:

#### Modification

(a) Within 34 months after the effective date of this AD, modify the escape slides in accordance with the applicable Airbus service bulletin listed in Table 1 of this AD.

TABLE 1.—SERVICE BULLETINS

Model	Service bulletin	Revision level	Date
A300 .....	A300–25–0466	01 .....	December 1, 1999.
A300–600 .....	A300–25–6146	01 .....	December 1, 1999.
A310 .....	A310–25–2133	Original .....	January 21, 1999.

**Note 2:** The Airbus service bulletins refer to BFGoodrich Service Bulletin 7A1296/7A1298–25–298, dated January 15, 1999, as an additional source of service information for modifying the escape slides.

(b) As of the effective date of this AD, no person shall install, on any airplane, a BFGoodrich escape slide having a part number listed in Table 2 of this AD, unless that slide has been modified in accordance with this AD:

TABLE 2.—SLIDE PART NUMBERS

7A1296–001 .....	7A1296–002
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TABLE 2.—SLIDE PART NUMBERS—Continued

7A1296–003 .....	7A1296–004
7A1298–001 .....	7A1298–002
7A1298–003 .....	7A1298–004

#### Alternative Methods of Compliance

(c) 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, Transport Airplane Directorate, FAA. 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.

#### Special Flight Permits

(d) 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 2000-059-302(B), dated February 9, 2000.

Issued in Renton, Washington, on October 25, 2000.

**Donald L. Riggin,**

*Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.*

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## COMMODITY FUTURES TRADING COMMISSION

### 17 CFR Part 1

**RIN 3038-AB52**

### Recordkeeping; Amendments to the Daily Computation of the Amount of Customer Funds Required To Be Segregated

**AGENCY:** Commodity Futures Trading Commission.

**ACTION:** Proposed rules.

**SUMMARY:** The Commodity Futures Trading Commission ("Commission") is proposing to amend Commission Rule 1.32 to permit a futures commission merchant ("FCM"), in computing the amount of customer funds required to be held in segregated accounts pursuant to section 4d(2) of the Commodity Exchange Act ("Act"), to offset a net liquidating deficit or debit ledger balance in a customer's account with securities that have a "ready market" as defined by Rule 15c3-1(c)(11) of the Securities and Exchange Commission ("SEC") and that are deposited as margin by such customer.<sup>1</sup> The proposal would limit the amount of the offset to the market value of the securities, less the applicable haircuts set forth in SEC Rule 15c3-1(c)(2)(vi). The FCM would also be required to maintain a security interest in the securities, including a written authorization to liquidate the securities at the FCM's discretion, and to segregate the securities in a safekeeping account with a bank, trust company, clearing organization of a contract market, or another FCM.

**DATES:** Comments must be received on or before November 30, 2000.

**ADDRESSES:** Comments should be mailed to Jean A. Webb, Secretary, Commodity Futures Trading Commission, Three Lafayette Centre,

1155 21st Street, NW., Washington, DC 20581. In addition, comments may be sent by facsimile to (202) 418-5521, or by electronic mail to [secretary@cftc.gov](mailto:secretary@cftc.gov). Reference should be made to "Recordkeeping—Futures Commission Merchants' Daily Computation of the Customer Segregated Amounts."

#### FOR FURTHER INFORMATION CONTACT:

Thomas J. Smith, Special Counsel, Division of Trading and Markets, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, NW., Washington, DC 20581; telephone (202) 418-5495; electronic mail [tsmith@cftc.gov](mailto:tsmith@cftc.gov); or Henry J. Matecki, Financial Audit and Review Branch, Commodity Futures Trading Commission, 300 S. Riverside Plaza, Room 1600-N, Chicago, IL 60606; telephone (312) 886-3217; electronic mail [hmatecki@cftc.gov](mailto:hmatecki@cftc.gov).

#### SUPPLEMENTARY INFORMATION:

#### I. Offsetting Customer Net Liquidating Deficits or Debit Ledger Balances With Securities That Have a "Ready Market"

##### A. Background

Section 4d(2) of the Act requires, among other things, that an FCM segregate from its own assets all money, securities, and other property held for customers as margin for their commodity futures and option contracts, as well as any gains accruing to such customers from open futures and option positions. The statute also prohibits an FCM from using the money, securities, or property of one customer to margin or secure futures or option positions of another customer. The segregation requirement is intended to: Protect customers who are dealing with an FCM by assuring the FCM has funds available to readily liquidate its obligations to its customers; assure an FCM has funds available to meet its daily variation margin obligations to the clearing organizations of contract markets; and prohibit an FCM from misappropriating customer funds for its own purposes.

Commission Regulations 1.20 through 1.30 implement the segregation of funds provisions of Section 4d(2) of the Act. Rule 1.32, a related recordkeeping regulation, requires each FCM to prepare a daily computation which shows: (1) The amount of funds that an FCM is required to segregate for customers who are trading on U.S. commodity exchanges pursuant to the Act and the Commission's regulations; (2) the amount of funds the FCM actually has in segregated accounts; and (3) the amount, if any, of the FCM's residual interest in the customer funds segregated. The computations required

by Rule 1.32 are hereinafter collectively referred to as the "segregation computation".<sup>2</sup>

In 1959, the Commodity Exchange Authority ("CEA"), the predecessor agency of the Commission, issued Administrative Determination No. 171 ("AD No. 171") in which it expressed the opinion that if an FCM elects to accept securities from a customer as margin, the securities, for purposes of computing the segregation computation, must be handled separately from the money deposited by, or due to, other customers.<sup>3</sup> The AD further provided that any net liquidating deficit in the account of a customer who deposited securities as margin was required to be covered by a deposit in segregation of an equivalent amount of the FCM's own money. This effectively required an FCM who held securities for a particular customer to segregate for the full value of those securities even though the customer's account liquidated to a deficit. For example, if a customer had a credit ledger balance of \$3,000 and a mark-to-market loss on open positions of \$4,200, that customer's account would liquidate to a deficit of \$1,200.<sup>4</sup> If that customer also had securities with a market value of \$50,000 on deposit with the FCM as margin for his commodity account, the FCM would be required to include in its daily segregation computation, a \$50,000 segregation requirement for that customer. The FCM would not have been able to reduce the value of the security by the \$1,200 net liquidating deficit.

The rationale for this treatment was that securities, unlike cash, are not fungible. Therefore, if an FCM became insolvent, a customer whose securities could be identified to that customer might be in a position to reclaim those securities free of any pro rata distribution. If the customer who deposited these "specifically identifiable" securities had been

<sup>2</sup> Regulation 1.32 further requires that the FCM complete the segregation computation for each trading day prior to 12:00 noon on the next business day and that the computation, and all supporting data, be maintained for a five-year period in accordance with Commission Rule 1.31.

<sup>3</sup> Commodity Exchange Authority Administrative Determination No. 171 (Aug. 13, 1959).

<sup>4</sup> A distinction is sometimes drawn between a net liquidating deficit and a debit balance. A net liquidating deficit is an amount owed to the FCM resulting from the combination of the customer's debit or credit ledger balance and the mark-to-market gain or loss on any open positions in the customer's account. A debit balance is the amount owed to the FCM by the customer represented by the debit ledger balance, and implies that there are no open positions in the account. For purposes of this proposal, a net liquidating deficit also includes customers' accounts with debit ledger balances and no open positions.

<sup>1</sup> Commission regulations cited herein may be found at 17 CFR Ch. I (2000). SEC regulations cited herein may be found at 17 CFR Ch. II (2000). Section 4d(2) of the Act may be found at 7 U.S.C. § 6d(2) (1994).