

discoloration on the electrical wires, terminations, or splices.

**Note 1:** For the purposes of this AD, a detailed inspection is defined as: "An intensive visual examination of a specific structural area, system, installation, or assembly to detect damage, failure, or irregularity. Available lighting is normally supplemented with a direct source of good lighting at intensity deemed appropriate by the inspector. Inspection aids such as mirror, magnifying lenses, etc., may be used. Surface cleaning and elaborate access procedures may be required."

#### Airplanes Inspected or Modified Previously: Follow-on Actions

(b) For airplanes on which Part I of the Accomplishment Instructions of EMBRAER Service Bulletin 120-30-0030, dated January 31, 2000, but not Part II of the Accomplishment Instructions of that service bulletin, was accomplished prior to the effective date of this AD: Within 400 flight hours after the effective date of this AD, do a one-time detailed inspection for signs of overheating of wiring splices of the pitot/static 1, 2, and auxiliary sensors; the angle-of-attack sensors; and the side slip sensor located at the circuit breaker panel; per Part III of the Accomplishment Instructions of Embraer Service Bulletin 120-30-0030, Change 01, dated November 28, 2000.

(c) For airplanes on which Part II of the Accomplishment Instructions of EMBRAER Service Bulletin 120-30-0030, dated January 31, 2000, was accomplished prior to the effective date of this AD: Within 400 flight hours after the effective date of this AD, install new identifications by doing all actions in paragraphs 2.4.2. of Part III of the Accomplishment Instructions of Embraer Service Bulletin 120-30-0030, Change 01, dated November 28, 2000.

#### Follow-On Actions

(d) For all airplanes subject to paragraph (a) or (b) of this AD: At the applicable compliance time specified in paragraph (d)(1) or (d)(2) of this AD, replace wires and relays with new wires and relays; and eliminate or relocate splices in the wiring of the pitot/static 1, 2, and auxiliary sensors; the angle-of-attack sensors; the side slip sensors; and the current sensors; as applicable; by doing all actions in paragraphs 2.3.1 through 2.3.23 of Part II of the Accomplishment Instructions of EMBRAER Service Bulletin 120-30-0030, Change 01, dated November 28, 2000.

(1) If no sign of overheating is found during any inspection per paragraph (a) or (b) of this AD: Do the actions in paragraph (d) of this AD within 2,000 flight hours after the inspection.

(2) If any sign of overheating is found during any inspection per paragraph (a) or (b) of this AD: Do the actions in paragraph (d) of this AD before further flight after the inspection.

#### Alternative Methods of Compliance

(e) In accordance with 14 CFR 39.19, the Manager, International Branch, ANM-116, Transport Airplane Directorate, FAA, is authorized to approve alternative methods of compliance for this AD.

**Note 2:** The subject of this AD is addressed in Brazilian airworthiness directive 2001-06-02, dated June 26, 2001.

Issued in Renton, Washington, on December 4, 2003.

**Ali Bahrani,**

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

[FR Doc. 03-30676 Filed 12-10-03; 8:45 am]

**BILLING CODE 4910-13-P**

## DEPARTMENT OF TRANSPORTATION

### Federal Aviation Administration

#### 14 CFR Part 39

[Docket No. 2002-NM-79-AD]

**RIN 2120-AA64**

#### Airworthiness Directives; Bombardier Model DHC-8-102, -103, -106, -201, -202, -301, -311, and -315 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 Bombardier Model DHC-8-102, -103, -106, -201, -202, -301, -311, and -315 airplanes. This proposal would require a one-time inspection to determine the serial numbers of the elevator and aileron servos of the drive assemblies of the automatic flight control system, and follow-on corrective actions if necessary. This action is necessary to prevent separation of the screws from the autopilot clutch assembly of the SM-300 servo, which could result in uncommanded engagement of the autopilot servo and consequent reduced controllability of the airplane. This action is intended to address the identified unsafe condition.

**DATES:** Comments must be received by January 12, 2004.

**ADDRESSES:** Submit comments in triplicate to the Federal Aviation Administration (FAA), Transport Airplane Directorate, ANM-114, Attention: Rules Docket No. 2002-NM-79-AD, 1601 Lind Avenue, SW., Renton, Washington 98055-4056. Comments may be inspected at this location between 9 a.m. and 3 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](mailto:9-anm-nprmcomment@faa.gov). Comments sent via fax or the Internet must contain "Docket No. 2002-NM-79-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 or 2000 or ASCII text.

The service information referenced in the proposed rule may be obtained from Bombardier, Inc., Bombardier Regional Aircraft Division, 123 Garratt Boulevard, Downsview, Ontario M3K 1Y5, Canada. This information may be examined at the FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington; or at the FAA, New York Aircraft Certification Office, 10 Fifth Street, Third Floor, Valley Stream, New York.

**FOR FURTHER INFORMATION CONTACT:** Ezra Sasson, Aerospace Engineer, Systems and Flight Test Branch, ANE-172, FAA, New York Aircraft Certification Office, 10 Fifth Street, Third Floor, Valley Stream, New York 11581; telephone (516) 256-7520; fax (516) 568-2716.

#### 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 action may be changed in light of the comments received.

Submit comments using the following format:

- Organize comments issue-by-issue. For example, discuss a request to change the compliance time and a request to change the service bulletin reference as two separate issues.
- For each issue, state what specific change to the proposed AD is 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 action

must submit a self-addressed, stamped postcard on which the following statement is made: "Comments to Docket Number 2002-NM-79-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. 2002-NM-79-AD, 1601 Lind Avenue, SW., Renton, Washington 98055-4056.

#### **Discussion**

Transport Canada Civil Aviation (TCCA), which is the airworthiness authority for Canada, notified the FAA that an unsafe condition may exist on certain Bombardier Model DHC-8-102, -103, -106, -201, -202, -301, -311, -314, and -315 airplanes. TCCA advises that investigation of an incident involving higher-than-normal aileron control forces revealed that the screws in the SM-300 autopilot clutch assembly had backed out sufficiently, causing the clutch to mechanically engage the autopilot servo. Further investigation showed that inadequate adhesive was used on the screws during manufacture of the assembly. The adhesive was used on both elevator and aileron servo assemblies. This condition, if not corrected, could result in uncommanded engagement of the autopilot servo, and consequent reduced controllability of the airplane.

#### **Explanation of Relevant Service Information**

Bombardier has issued Alert Service Bulletin A8-22-18, Revision "B" dated November 19, 2001, which describes procedures for a one-time inspection to determine the serial numbers of the elevator and aileron servo drive assemblies of the automatic flight control system, and follow-on corrective actions if necessary. The corrective actions involve replacing any elevator or aileron servo having any serial number between 4826 and 5935 inclusive (part number (P/N) 7002260-922 for the elevator servo and P/N 7002260-923 for the aileron servo), and doing an adjustment/test procedure. Accomplishment of the actions specified in the service bulletin is intended to adequately address the identified unsafe condition.

The Bombardier service bulletin includes Honeywell Alert Service Bulletin 7002260-22-A0013, dated July 26, 2001, which contains procedures for replacing the clutch screws and applying an epoxy adhesive in lieu of the retaining compound currently used

to hold the screws in place, replacing the identification plate, and testing to verify the screw retention.

TCCA classified the Bombardier service bulletin as mandatory and issued Canadian airworthiness directive CF-2001-40, dated November 9, 2001, to ensure the continued airworthiness of these airplanes in Canada.

#### **FAA's Conclusions**

These airplane models are manufactured in Canada 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, TCCA has kept us informed of the situation described above. We have examined the findings of TCCA, 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 AD**

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 bulletin described previously, except as discussed below.

#### **Differences Among Canadian Airworthiness Directive, Service Bulletin, and This Proposed AD**

Although paragraph 1.B. of the Honeywell Alert Service Bulletin included in Bombardier Alert Service Bulletin A8-22-18, Revision "B", specifies accomplishment of concurrent requirements, the modifications specified in that paragraph have been done by operators before the effective date of this AD; therefore, this AD does not include those requirements.

Whereas the service bulletin specifies a check for certain serial numbers, and the Canadian airworthiness directive specifies a visual inspection, this proposed AD would require a general visual inspection. A note has been added to the proposed rule to define that inspection.

Bombardier Model DHC-8-314 is not included in the applicability of this AD; it has not been U.S. type certificated.

#### **Cost Impact**

We estimate that 200 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 inspection, at an average labor rate of \$65 per work hour. Based on these figures, the cost impact of the proposed inspection on U.S. operators is estimated to be \$13,000, or \$65 per airplane.

The cost impact figure discussed above is based on assumptions that no operator has yet accomplished any of the current or proposed requirements of this AD action, and that no operator would accomplish those actions in the future if this 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:

**Bombardier, Inc.** (Formerly de Havilland, Inc.): Docket 2002–NM–79–AD.

**Applicability:** Model DHC–8–102, –103, –106, –201, –202, –301, –311, and –315 airplanes; serial numbers 003 through 580 inclusive; certificated in any category.

**Compliance:** Required as indicated, unless accomplished previously.

To prevent separation of the screws in the autopilot clutch assembly of the SM–300 servo, which could result in uncommanded engagement of the autopilot servo and consequent reduced controllability of the airplane, accomplish the following:

#### One-Time Inspection/Follow-on Corrective Action, if Necessary

(a) Within 12 months after the effective date of this AD: Do a general visual inspection to determine the serial numbers of the elevator and aileron servo drive assemblies of the automatic flight control system per paragraphs III.1. and III.2. of the Accomplishment Instructions of Bombardier Alert Service Bulletin A8–22–18, Revision “B”, dated November 19, 2001.

**Note 1:** For the purposes of this AD, a general visual inspection is defined as: “A visual examination of an interior or exterior area, installation, or assembly to detect obvious damage, failure, or irregularity. This level of inspection is made from within touching distance unless otherwise specified. A mirror may be necessary to enhance visual access to all exposed surfaces in the inspection area. This level of inspection is made under normally available lighting conditions such as daylight, hangar lighting, flashlight, or droplight and may require removal or opening of access panels or doors. Stands, ladders, or platforms may be required to gain proximity to the area being checked.”

(1) If any elevator or aileron servo, P/N 7002260–922, or any aileron servo, P/N 7002260–923, with serial numbers 4826 through 5935 inclusive, is found: Before further flight, do all the follow-on actions per paragraphs III.3. and III.4. of the Accomplishment Instructions of Bombardier Alert Service Bulletin A8–22–18, Revision “B”, dated November 19, 2001; and per paragraphs 3.A. through 3.F. of the Honeywell Accomplishment Instructions specified on pages 14 through 17 of the Bombardier service bulletin.

(2) If no serial number specified in paragraph (a)(1) of this AD is found, no further action is required by this paragraph.

#### Part Installation

(b) As of the effective date of this AD, no person may install an elevator or aileron servo, P/N 7002260–922, or an aileron servo,

P/N 7002260–923, with serial numbers 4826 through 5935 inclusive, on any airplane.

**Note 2:** Although Bombardier Alert Service Bulletin A8–22–18, Revision “B”, dated November 19, 2001, specifies accomplishment of concurrent requirements, this AD does not include those requirements.

#### Alternative Methods of Compliance

(c) In accordance with 14 CFR 39.19, the Manager, New York Aircraft Certification Office, FAA, is authorized to approve alternative methods of compliance for this AD.

**Note 3:** The subject of this AD is addressed in Canadian airworthiness directive CF–2001–40, dated November 9, 2001.

Issued in Renton, Washington, on December 4, 2003.

**Ali Bahrami,**

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

[FR Doc. 03–30677 Filed 12–10–03; 8:45 am]

**BILLING CODE 4910–13–P**

## DEPARTMENT OF THE TREASURY

### 17 CFR Part 403

#### RIN 1505–AA94

### Government Securities Act Regulations: Protection of Customer Securities and Balances

**AGENCY:** Office of the Assistant Secretary for Financial Markets, Treasury.

**ACTION:** Proposed rule.

**SUMMARY:** The Department of the Treasury (“Treasury,” or “We,” or “Us”) is publishing for comment a proposed amendment to the customer protection rules in § 403.4 of the regulations issued under the Government Securities Act of 1986 (“GSA”), as amended.<sup>1</sup> This provision requires entities registered with the Securities and Exchange Commission (“SEC”) as specialized government securities brokers and dealers (“registered government securities brokers and dealers”) under section 15C(a)(2) of the Securities Exchange Act of 1934 (“the Exchange Act”)<sup>2</sup> to comply with the requirements of the SEC customer protection rule (“SEC Rule 15c3–3”) with certain modifications. The SEC recently amended Rule 15c3–3 to allow for the expansion of collateral that general purpose brokers and dealers may pledge when borrowing securities from customers. This proposed amendment makes certain conforming technical changes to the GSA regulations that

would similarly allow for the expansion of collateral that registered government securities brokers and dealers may pledge when borrowing fully paid or excess-margin securities from customers. The proposed amendment would allow Treasury to designate additional categories of collateral or make subsequent changes to collateral by issuing an order.

**DATES:** Submit comments on or before January 12, 2004.

**ADDRESSES:** You may send hard copy comments to: Government Securities Regulations Staff, Bureau of the Public Debt, 999 E Street, NW., Room 315, Washington, DC 20239–0001. You may also send us comments by e-mail at [govsecreg@bpd.treas.gov](mailto:govsecreg@bpd.treas.gov). When sending comments by e-mail, please provide your full name and mailing address. You may download this proposed rule, and review the comments we receive, from the Bureau of the Public Debt’s Web site at <http://www.publicdebt.treas.gov>. The proposed rule and comments will also be available for public inspection and copying at the Treasury Department Library, Room 1428, Main Treasury Building, 1500 Pennsylvania Avenue, NW., Washington, DC 20220. To visit the library, call (202) 622–0990 for an appointment.

**FOR FURTHER INFORMATION CONTACT:** Lee Grandy (Associate Director), Deidere Brewer (Government Securities Specialist), or Kevin Hawkins (Government Securities Specialist), Bureau of the Public Debt, Government Securities Regulations Staff, (202) 691–3632 or e-mail us at [govsecreg@bpd.treas.gov](mailto:govsecreg@bpd.treas.gov).

**SUPPLEMENTARY INFORMATION:** The implementing regulations Treasury issued in 1987 under the Government Securities Act of 1986<sup>3</sup> adopted the SEC’s customer protection rule at 17 CFR 240.15c3–3 with certain modifications.<sup>4</sup> In adopting regulations to protect customer securities and balances, Treasury attempted to avoid duplicating existing regulations and to minimize the regulations’ impact by using existing SEC standards with which many firms were already familiar. Currently, the GSA regulations maintain for registered government securities brokers and dealers the customer protection standards set out in the SEC rules for brokers and dealers when borrowing fully paid or excess-margin securities from customers. Section 403.4 of the GSA regulations requires registered government

<sup>1</sup> 15 U.S.C. 78o–5.

<sup>2</sup> 15 U.S.C. 78o–5(a)(2).

<sup>3</sup> Pub. L. 99–571, 100 Stat. 3208 (1986).

<sup>4</sup> 52 FR 27910 (July 24, 1987).