

14 CFR Part 39

[Docket No. 94-SW-25-AD; Amendment 39-9960; AD 97-06-03]

RIN 2120-AA64

Airworthiness Directives; Bell Helicopter Textron, Inc. (BHTI) Model 214ST Helicopters

AGENCY: Federal Aviation Administration, DOT.

ACTION: Final rule.

SUMMARY: This amendment supersedes an existing airworthiness directive (AD), applicable to Bell Helicopter Textron, Inc. (BHTI) Model 214ST helicopters, that currently establishes a mandatory retirement life of 50,000 high-power events for the main rotor mast (mast). This amendment requires changing the retirement life for the mast from high-power events to a maximum accumulated Retirement Index Number (RIN) of 140,000 and applying this RIN to an additional part-numbered mast. This amendment is prompted by fatigue analyses and tests that show certain masts fail sooner than originally anticipated because of an unanticipated high number of takeoffs and external load lifts in addition to the deterioration in strength that occurs under other operating conditions. The actions specified by this AD are intended to prevent fatigue failure of the mast, which could result in failure of the main rotor system and subsequent loss of control of the helicopter.

EFFECTIVE DATE: April 16, 1997.

FOR FURTHER INFORMATION CONTACT: Mr. Uday Garadi, Aerospace Engineer, FAA, Rotorcraft Certification Office, Rotorcraft Directorate, Fort Worth, Texas 76193-0170, telephone (817) 222-5157, fax (817) 222-5959.

SUPPLEMENTARY INFORMATION: A proposal to amend part 39 of the Federal Aviation Regulations (14 CFR part 39) by superseding AD 94-15-04, Amendment 39-8975 (59 FR 37155, July 21, 1994), which is applicable to BHTI Model 214ST helicopters, was published in the Federal Register on November 14, 1996 (61 FR 58356). That action proposed to require creation of a component history card or equivalent record on which to record RIN counts, and to establish a retirement life of a maximum accumulated RIN for the mast of 140,000.

Interested persons have been afforded an opportunity to participate in the making of this amendment. No comments were received on the proposal or the FAA's determination of the cost to the public. The FAA has determined that air safety and the

public interest require the adoption of the rule as proposed.

The FAA estimates that nine helicopters of U.S. registry will be affected by this AD, that it will take approximately (1) 48 work hours per helicopter to replace the mast; (2) 2 work hours per helicopter to create the component history card or equivalent record (record); and (3) 10 work hours per helicopter to maintain the record each year, and that the average labor rate is \$60 per work hour. Required parts will cost approximately \$17,267 per mast. Based on these figures, the total cost impact of the proposed AD on U.S. operators is estimated to be \$36,700 for the first year and \$35,800 for each subsequent year. These costs assume replacement of the mast in one-sixth of the fleet each year, creation and maintenance of the records for all the fleet the first year, and creation of one-sixth of the fleet's records and maintenance of the records for all the fleet each subsequent year.

The regulations adopted herein will 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 12862, it is determined that this final rule does not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.

For the reasons discussed above, I certify that this action (1) is not a "significant regulatory action" under Executive Order 12866; (2) is not a "significant rule" under DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979); and (3) 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 final evaluation has been prepared for this action and it is contained in the Rules Docket. A copy of it may be obtained from 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.

Adoption of the Amendment

Accordingly, pursuant to the authority delegated to me by the Administrator, the Federal Aviation Administration amends 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 USC 106(g), 40113, 44701.

§ 39.13 [Amended]

2. Section 39.13 is amended by removing Amendment 39-8975 (59 FR 37155), and by adding a new airworthiness directive (AD), Amendment 39-9960, to read as follows:

AD 97-06-03 Bell Helicopter Textron, Inc. (BHTI): Amendment 39-9960. Docket No. 94-SW-25-AD. Supersedes AD 94-15-04, Amendment 39-8975.

Applicability: Model 214ST helicopter with main rotor mast (mast), part number (P/N) 214-040-090-109 or P/N 214-040-090-121, installed, certificated in any category.

Note 1: This AD applies to each helicopter 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 helicopters that have been modified, altered, or repaired so that the performance of the requirements of this AD is affected, the owner/operator must use the authority provided in paragraph (e) to request approval from the FAA. This approval may address either no action, if the current configuration eliminates the unsafe condition, or different actions necessary to address the unsafe condition described in this AD. Such a request should include an assessment of the effect of the changed configuration on the unsafe condition addressed by this AD. In no case does the presence of any modification, alteration, or repair remove any helicopter from the applicability of this AD.

Compliance: Required within 25 hours time-in-service (TIS) after the effective date of this AD, unless accomplished previously.

To prevent fatigue failure of the mast, which could result in failure of the main rotor system and subsequent loss of control of the helicopter, accomplish the following:

- (a) Create a component history card or an equivalent record for the affected mast.
- (b) Determine and record the accumulated Retirement Index Number (RIN) to date on the mast as follows:

- (1) For operators with mast, P/N 214-040-090-109, multiply the takeoffs and external load lifts (high-power events) total to date by 2.8 (round up the result to the next whole number).

- (2) For operators with mast, P/N 214-040-090-121, multiply the factored flight hour total to date by 14 (round up the result to the next whole number).

- (3) Record on the component history card the accumulated RIN.

Note 2: BHTI Alert Service Bulletin (ASB) No. 214ST-94-67, dated November 7, 1994, pertains to this subject.

- (c) After complying with paragraphs (a) and (b) of this AD, during each operation thereafter, maintain a count of the number and type of external load lifts and the

number of takeoffs performed, and at the end of each day's operations, increase the accumulated RIN on the component history card as follows:

(1) Increase the RIN by 2 for each takeoff.
 (2) Increase the RIN by 2 for each external load lift operation; or, increase the RIN by 4 for each external load lift operation in which the load is picked up at a higher elevation and released at a lower elevation, and the difference in elevation between the pickup point and the release point is 200 feet or greater.

(d) Remove the mast, P/N 214-040-090-109 or -121, from service on or before attaining an accumulated RIN of 140,000. The mast is no longer retired based upon flight hours. This AD revises the Airworthiness Limitations Section of the maintenance manual by establishing a new retirement life for the mast of 140,000 RIN.

(e) 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, Rotorcraft Certification Office, FAA, Rotorcraft Directorate. 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.

(g) This amendment becomes effective on April 16, 1997.

Issued in Fort Worth, Texas, on February 26, 1997.

Larry M. Kelly,

Acting Manager, Rotorcraft Directorate,
 Aircraft Certification Service.

[FR Doc. 97-6089 Filed 3-11-97; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

17 CFR Parts 228, 229, 239, 240, and 242

[Release Nos. 33-7400; 34-38363; IC-22540; International Series Release No. 1061; File No. S7-11-96]

RIN 3235-AF54

Anti-Manipulation Rules Concerning Securities Offerings; Corrections

AGENCY: Securities and Exchange Commission.

ACTION: Corrections to final regulations.

SUMMARY: This document contains technical amendments to correct the

final rules for Regulation M and related amendments published in the Federal Register on January 3, 1997 (62 FR 520). In addition, the market notification requirement of § 242.104(h) (1) and (2) is postponed until April 1, 1997.

DATES: The second sentence of the Effective Date for the rule published at 62 FR 520 is corrected to read as follows: "The requirements of § 242.104(h) (1) and (2) and § 242.104(i) and the amendments to § 240.17a-2 are effective on April 1, 1997."

The corrections published in this document are effective March 4, 1997.

FOR FURTHER INFORMATION CONTACT: Nancy J. Sanow, M. Blair Corkran, or Alan J. Reed in the Office of Risk Management and Control, Division of Market Regulation, Securities and Exchange Commission, 450 Fifth Street, N.W., Mail Stop 5-1, Washington, D.C. 20549, at 202-942-0772.

SUPPLEMENTARY INFORMATION: The Commission is announcing technical amendments to Rule 100¹ under Regulation M, Rule 104² under Regulation M, Rule 10b-18³ under the Securities Exchange Act of 1934 ("Exchange Act"),⁴ Rule 13e-4⁵ under the Exchange Act, Item 508 under Regulation S-B,⁶ Item 508 under Regulation S-K,⁷ and Forms F-7,⁸ F-8,⁹ F-9,¹⁰ and F-10¹¹ under the Securities Act of 1933 ("Securities Act").¹² These amendments correct drafting errors in the rule text published in the release adopting Regulation M ("Adopting Release").¹³ The Commission also is announcing that the market notice requirements of Rule 104(h)¹⁴ will be effective on April 1, 1997.

I. Technical Amendments to Definitions in Rule 100

A. Business Day

In both the Adopting Release and the release proposing Regulation M ("Proposing Release"),¹⁵ the Commission stated that it intended Regulation M to require restricted periods commencing either one or five

¹ 17 CFR 242.100.

² 17 CFR 242.104.

³ 17 CFR 240.10b-18.

⁴ 15 U.S.C. 78a *et seq.*

⁵ 17 CFR 240.13e-4.

⁶ 17 CFR 228.508.

⁷ 17 CFR 229.508.

⁸ 17 CFR 239.37.

⁹ 17 CFR 239.38.

¹⁰ 17 CFR 239.39.

¹¹ 17 CFR 239.40.

¹² 15 U.S.C. 77a *et seq.*

¹³ Securities Exchange Act Release No. 38067 (December 20, 1996), 62 FR 520.

¹⁴ 17 CFR 242.104(h).

¹⁵ Securities Exchange Act Release No. 37094 (April 11, 1996), 61 FR 17108.

business days prior to the day of pricing.¹⁶ The Proposing Release defined "business day" as "a twenty-four hour period determined with reference to the principal market for the securities to be distributed, and that includes a complete trading session for that market."¹⁷

The Commission adopted the definition of business day with a minor change: the business day was to commence at midnight and run 24 hours. This revision was intended to make the definition applicable to Rule 104, as well as Rules 101 and 102. Since publication of the Adopting Release, it has become apparent that the definition of business day as adopted had the potential effect of extending the restricted periods beyond the one or five days intended, where offerings are priced after the close of the principal market. This result, which would occur if the calculation of business day commenced at midnight, was not intended by the Commission.

Therefore, the definition of business day is amended by revising it to parallel the definition set forth in the Proposing Release. This correction eliminates the requirement that the 24 hour period begin at midnight.

B. Agent Independent of the Issuer

The text of the Adopting Release and the Proposing Release both indicated that a plan agent would not be deemed independent from the issuer where the issuer changed the source of shares to be distributed through the plan more frequently than once every three months.¹⁸ However, the definition of "agent independent of the issuer" in Rule 100 under Regulation M, as adopted, did not expressly include this limitation. This result was not intended by the Commission.

Accordingly, the definition is amended by adding the phrase "the source of the shares for the plan" to the proviso in paragraph (2). This amendment clarifies that an agent will not be deemed independent if the issuer changes the source of shares to fund the plan more often than once every three months.

II. Other Technical Amendments

A. Rule 102

Paragraph (b)(7)(ii) of Rule 102 incorrectly refers to paragraph (b)(6)(i) rather than to paragraph (b)(7)(i). The amendment corrects this error.

¹⁶ See Adopting Release, 62 FR at 525; Proposing Release, 61 FR at 17113.

¹⁷ Adopting Release, 62 FR at 545.

¹⁸ Adopting Release, 62 FR at 533; Proposing Release, 61 FR at 17121.