

shipment by the attendant, carrier, or intermediate handler. The ambient temperature must be measured halfway up the outside of the primary transport enclosure at a distance from the external wall of the primary transport enclosure not to exceed 0.91 meters (3 feet).

15. Section 3.118 is revised to read as follows:

#### **§ 3.118 Handling.**

(a) Carriers and intermediate handlers moving marine mammals from the animal holding area of the terminal facility to the primary conveyance or from the primary conveyance to the animal holding area of the terminal facility must provide the following:

(1) *Movement of animals as expeditiously as possible.*

(2) *Shelter from overheating and direct sunlight.* When sunlight is likely to cause overheating, sunburn, or discomfort, sufficient shade must be provided to protect the marine mammals. Marine mammals must not be subjected to surrounding air temperatures that exceed 23.9 °C (75 °F) unless accompanied by an acclimation certificate in accordance with § 3.112 of this subpart. The temperature must be measured and read within or immediately adjacent to the primary transport enclosure.

(3) *Shelter from cold weather.* Marine mammals must be provided with species appropriate protection against cold weather, and such marine mammals must not be subjected to surrounding air temperatures that fall below 7.2 °C (45 °F) unless accompanied by an acclimation certificate in accordance with § 3.112 of this subpart. The temperature must be measured and read within or immediately adjacent to the primary transport enclosure.

(b) Care must be exercised to avoid handling of the primary transport enclosure in a manner that may cause physical harm or distress to the marine mammal contained within.

(c) Enclosures used to transport any marine mammal must not be tossed, dropped, or needlessly tilted and must not be stacked unless properly secured.

Done in Washington, DC, this 26th day of December 2000.

**Craig A. Reed,**

Administrator, Animal and Plant Health Inspection Service.

[FR Doc. 01-135 Filed 1-2-01; 8:45 am]

BILLING CODE 3410-34-P

#### **FEDERAL RESERVE SYSTEM**

##### **12 CFR Part 225**

**[Regulation Y; Docket No. R-1094]**

#### **Bank Holding Companies and Change in Bank Control**

#### **DEPARTMENT OF THE TREASURY**

##### **Office of the Under Secretary for Domestic Finance**

##### **12 CFR Part 1501**

**RIN 1505-AA85**

##### **Financial Subsidiaries**

**AGENCY:** Board of Governors of the Federal Reserve System and Department of the Treasury.

**ACTION:** Joint interim rule with request for public comments.

**SUMMARY:** The Board of Governors of the Federal Reserve System and the Secretary of the Treasury (the Agencies) are soliciting comment on interim rules that would implement section 4(k)(5) of the Bank Holding Company Act and section 5136A(b)(3) of the Revised Statutes, as enacted by the Gramm-Leach-Bliley Act. The interim rules find three general types of activities to be financial in nature, and create a mechanism by which financial holding companies, financial subsidiaries of national banks, or others may request that the Board or the Secretary, respectively, define particular activities within one of the three categories.

The Board and the Secretary solicit comments on all aspects of the interim rule and will modify the final rule as appropriate in response to the comments received.

**DATES:** The interim rule is effective on January 2, 2001. Comments must be received by February 2, 2001.

**ADDRESSES:** Comments should refer to Docket No. R-1094, and may be mailed to Ms. Jennifer J. Johnson, Secretary, Board of Governors of the Federal Reserve System, 20th Street and Constitution Avenue, NW., Washington, DC 20551 or mailed electronically to [regs.comments@federalreserve.gov](mailto:regs.comments@federalreserve.gov) and to Three Financial Activities Regulation, Office of Financial Institution Policy, U.S. Department of the Treasury, 1500 Pennsylvania Avenue, NW., Room SC 37, Washington, DC 20220 (or mailed electronically to [financial.institutions@do.treas.gov](mailto:financial.institutions@do.treas.gov)).

Comments addressed to Ms. Johnson also may be delivered to Room B-2222 of the Eccles Building between 8:45 a.m. and 5:15 p.m. weekdays or delivered to

the guard station in the Eccles Building Courtyard on 20th Street, NW. (between Constitution Avenue and C Street, NW.) at any time. All comments received at the above address will be available for inspection and copying by any member of the public in the Freedom of Information Office, Room MP-500 of the Martin Building, between 9:00 a.m. and 5:00 p.m. weekdays, except as provided in § 261.14 of the Board's Rules Regarding the Availability of Information (12 CFR 261.14). Comments addressed to the Treasury Department may also be delivered to the Treasury Department mail room between the hours of 8:45 a.m. and 5:15 p.m. at the 15th Street entrance to the Treasury Building.

##### **FOR FURTHER INFORMATION CONTACT:**

**Board:** Scott G. Alvarez, Associate General Counsel (202/452-3583), or Andrew S. Baer, Senior Attorney (202/452-2246), Legal Division. Users of Telecommunication Device for Deaf (TTD) only, contact Janice Simms at (202) 872-4984.

**Department of the Treasury:** Gerry Hughes, Senior Financial Analyst (202/622-2740); Roberta K. McInerney, Assistant General Counsel (Banking and Finance) (202/622-0480); or Gary W. Sutton, Senior Banking Counsel (202/622-0480).

##### **SUPPLEMENTARY INFORMATION:**

##### **Background**

These interim rules implement section 4(k)(5) of the Bank Holding Company Act ("BHC Act") (12 U.S.C. 1843(k)(5)), which was added to the BHC Act by section 103 of the Gramm-Leach-Bliley Act (Pub. L. 106-102, 113 Stat. 1338 (1999)) (the "GLB Act"), and section 5136A(b)(3) of the Revised Statutes (12 U.S.C. 24a(b)(3)) ("section 5136A"), as enacted by section 121(a) of the GLB Act. The GLB Act amended the BHC Act to allow bank holding companies and foreign banks that qualify as financial holding companies to engage in a broad range of activities that are defined by the GLB Act to be financial in nature or incidental to a financial activity, or that the Board, in consultation with the Secretary of the Treasury, determines to be financial in nature or incidental to a financial activity.<sup>1</sup> Bank holding companies that do not qualify as financial holding companies are limited to engaging in

<sup>1</sup> The GLB Act also allows financial holding companies to seek Board approval to engage in any activity that the Board determines both to be complementary to a financial activity and not to pose a substantial risk to the safety and soundness of depository institutions or the financial system generally. 12 U.S.C. 1843(k)(1)(B).

those nonbanking activities that were permissible for bank holding companies prior to the enactment of the GLB Act. The GLB Act also allowed national banks to establish "financial subsidiaries." A financial subsidiary may engage in most, but not all, activities that are financial in nature or incidental to a financial activity for a financial holding company under section 4(k)(4) of the BHC Act (12 U.S.C. 1843(k)(4)), and may engage in additional activities that are determined by the Secretary in consultation with the Board to be financial in nature or incidental to a financial activity, as well as in activities that are permissible for national banks to engage in directly. 12 U.S.C. 24a.

The activities that were defined by the GLB Act to be financial in nature or incidental to a financial activity are generally set forth in section 4(k)(4) of the BHC Act (12 U.S.C. 1843(k)(4)). In addition, sections 4(k)(5) of the BHC Act and 5136A(b)(3) require the Board and the Secretary, respectively, to define the extent to which three other generally described activities are financial in nature or incidental to a financial activity. The Board and the Secretary may act by regulation or order. The Board must define these activities in a manner consistent with the purposes of the BHC Act, and the Secretary must apply similar standards. The three activities are:

- (i) Lending, exchanging, transferring, investing for others, or safeguarding financial assets other than money or securities;
- (ii) Providing any device or other instrumentality for transferring money or other financial assets; and
- (iii) Arranging, effecting or facilitating financial transactions for the account of third parties.

These three categories encompass a wide range of activities. Included in these categories are some activities in which financial holding companies and national banks and their financial subsidiaries are already permitted to engage. For example, these categories include providing safe deposit services, electronic funds transfer activities, credit and stored-value card activities, securities brokerage activities, as well as finder activities. The categories were intended, however, to allow financial holding companies and financial subsidiaries to engage in activities that were not otherwise permitted for these companies.

The Board and the Secretary therefore solicit comment regarding what activities should be defined by rule to be financial in nature or incidental to a financial activity for purposes of

sections 4(k)(5) and 5136A(b)(3). In addition, the Board and the Secretary solicit comment on an interim rule that creates a mechanism, described below, that would permit agency action by order on proposals to engage in specific activities pursuant to section 4(k)(5).

#### **Interim Rule**

The Board and the Secretary are promulgating, on an interim basis, rules that create a procedure by which a financial holding company or a financial subsidiary may obtain a determination from the Board or the Secretary, respectively, that a specific proposed activity does, in fact, fall within one of the three defined types of activities.

The interim rules also provide that the Board and the Secretary will consult with each other with regard to any request for such a determination. This consultation is required by section 4(k)(2)(A) of the BHC Act (12 U.S.C. 1843(k)(2)(A)), which requires the Board to notify the Secretary of any request under section 4(k) for a determination of whether an activity is financial in nature or incidental to a financial activity, and by section 5136A(b)(1)(B) (12 U.S.C. 24a(b)(1)(B)), which requires similar notification and consultation for proposals raised before the Secretary. Following this consultation, the agency to which the request was made will promptly issue a written determination regarding whether the specific proposed activity falls within one of the three categories of activities listed in sections 4(k)(5) and 5136A(b)(3). The Board and the Secretary believe that requiring financial holding companies and financial subsidiaries that seek to engage in particular activities pursuant to section 4(k)(5) or section 5136A(b)(3) to file requests with the appropriate agency for approval of those activities is necessary at this time because of the broad scope of the statutory language.

Any request made under the interim rules for a determination that an activity falls within one of the three listed categories must be submitted in writing to the Board or the Secretary, as appropriate, and must identify and define the activity for which the determination is sought, including a precise description of what the activity would involve and how and by what entity it would be conducted. The request must also include information that supports the requested determination, and in particular information regarding how the proposed activity falls into one of the three categories and any other information required by the Board or the Secretary.

In reviewing requests to find that a specific activity falls within one of the three categories, the Board and the Secretary will take into account the same factors each must consider when determining whether any activity is financial in nature or incidental to a financial activity. These factors include, among other things, changes in marketplaces in which financial holding companies and banks compete, changes in the technology for delivering financial services, and whether the activity is necessary or appropriate to allow financial holding companies and their affiliates, or banks and their subsidiaries, to compete effectively with any company seeking to provide financial services in the United States.<sup>2</sup>

The mechanism for reviewing specific requests under sections 4(k)(5) and 5136A(b)(3) is being adopted on an interim basis to allow interested financial holding companies and financial subsidiaries to take advantage of these authorities immediately. The agencies invite comment on this interim mechanism.

The Board and the Secretary also invite comment generally on what, if any, activities should be defined by rule to be within the authorities granted by sections 4(k)(5) and 5136A(b)(3). In this regard, the Board's Regulation Y currently employs the term "financial asset" primarily in connection with securities and precious metals.<sup>3</sup> The Board and the Treasury solicit comment regarding what other types of assets should also be considered financial assets for purposes of section 4(k)(5) and section 5136A(b)(3). In this regard, the Board and the Secretary believe that it would be inconsistent with the purposes of the GLB Act and the BHC Act to treat as a financial asset any item that can be purchased or acquired in exchange for a financial instrument such as cash.

Once the appropriate agency has determined that a particular activity is financial in nature or incidental to a financial activity under sections 4(k)(5) or 5136A(b)(3), either by rule or by order, other financial holding companies and financial subsidiaries would be eligible to engage in the activity if applicable requirements are met. A financial holding company must file a notice with the Board within 30 days after commencement of the activity, in accordance with section 4(k)(6) of the BHC Act (12 U.S.C. 1843(k)(6)) and section 225.87 of the Board's Regulation Y (12 CFR 225.87). A national bank seeking to engage in the

<sup>2</sup> 12 U.S.C. 24a(b)(2) and 1843(k)(3).

<sup>3</sup> 12 C.F.R. 225.28(b)(8)(ii)(B).

activity through a financial subsidiary must file a notice with the OCC in accordance with section 5136A and section 5.39(i) of the regulations of the OCC (12 CFR 5.39(i)). In either case, the company must conduct the activity in accordance with the relevant order or rule.

The Board and the Secretary invite comment on all aspects of the proposal and interim rules.

### Plain Language

Section 722 of the GLB Act requires the Board to use "plain language" in all proposed and final rules published after January 1, 2000. In light of this requirement, the Board has sought to present its proposed rule in a simple and straightforward manner and has included in the rule examples of activities that would be permissible under the proposed rule. The Board invites comments on whether there are additional steps the Board could take to make the proposed rule easier to understand.

### Regulatory Flexibility Act Analysis

Pursuant to section 605(b) of the Regulatory Flexibility Act, the Agencies certify that the interim rules would not have a significant economic impact on a substantial number of small entities within the meaning of the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*). The interim rules would reduce the regulatory burden on financial holding companies and financial subsidiaries of national banks by permitting them to engage in an expanded range of activities, if they choose to do so. The interim rules would apply to all financial holding companies and national bank financial subsidiaries, regardless of their size. The interim rules should enhance the ability of financial holding companies and financial subsidiaries, including small financial holding companies and financial subsidiaries, to compete with other providers of financial services in the United States and to respond to technological and other changes in the marketplace in which they compete. Accordingly, a regulatory flexibility analysis is not required.

### Administrative Procedure Act

The provisions of the rule are effective on January 2, 2001 on an interim basis. Pursuant to 5 U.S.C. 553, the Board and the Secretary find that it is impracticable to review public comments prior to the effective date of the interim rule, and that there is good cause to make the interim rule effective on January 2, 2001, due to the fact that the rule sets forth procedures to

implement statutory changes that became effective on March 11, 2000. Specifically, the rule sets forth a mechanism through which the Board and the Secretary may act on requests to find particular activities to be permissible for financial holding companies or financial subsidiaries of national banks pursuant to section 4(k)(5) or 5136A(b)(3). The Board and the Secretary are seeking public comment on all aspects of the interim rule and will amend the rule as appropriate after reviewing the comments.

### Paperwork Reduction Act

*Board:* In accordance with section 3506 of the Paperwork Reduction Act of 1995 (44 U.S.C. Ch. 35; 5 CFR 1320 Appendix A.1), the Board reviewed the interim rule under the authority delegated to the Board by the Office of Management and Budget.

The collection of information requirements in this interim rulemaking are found in 12 CFR 225.86. This information is required to evidence compliance with the requirements of Title I of the GLB Act, which amends section 4 of the Bank Holding Company Act (12 U.S.C. 1843). The respondents are current and future bank holding companies and foreign banking organizations.

The specific written request cited in 12 CFR 225.86(d)(2) provides that a financial holding company that wishes to engage in a particular activity pursuant to section 4(k)(5) of the BHC Act and 12 CFR 225.86(b)(1) must file a request with the Board that it find the proposed activity to fall under one of the three categories of activities listed in section 4(k)(5) and 12 CFR 225.86(b)(1). If the Board has previously determined that the proposed activity falls under one of those three categories, no such request need be made. The request must include information that specifically describes the proposed activity, and that articulates reasons why the activity should be considered to fall under one of the three listed activity categories. There will be no reporting form for this information collection. The agency form number for this written request is FR 4012. The Federal Reserve estimates that approximately 25 financial holding companies will file the requests for Board determination during the first year and that it will take approximately 1 hour to file such request. This would result in an estimated annual burden of 25 hours.

The OMB control number for this interim rule is 7100-0292. The Federal Reserve may not conduct or sponsor, and an organization is not required to

respond to this information collection unless the Board has displayed a valid OMB control number.

A financial holding company may request confidentiality for the information contained in this information collection pursuant to sections (b)(4) and (b)(6) of the Freedom of Information Act (5 U.S.C. 552(b)(4) and (b)(6)).

Comments are invited on: (a) Whether the proposed collection of information is necessary for the proper performance of the Federal Reserve's functions, including whether the information has practical utility; (b) the accuracy of the Federal Reserve's estimate of the burden of the proposed information collection, including the cost of compliance; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of information collection on respondents, including through the use of automated collection techniques or other forms of information technology. Comments on the collection of information should be sent to the Office of Management and Budget, Paperwork Reduction Project, Washington, DC 20503, with copies of such comments to be sent to Mary M. West, Federal Reserve Board Clearance Officer, Division of Research and Statistics, Mail Stop 97, Board of Governors of the Federal Reserve System, Washington, DC 20551.

*Treasury:* This regulation is being issued without prior notice and public procedure pursuant to the Administrative Procedure Act (5 U.S.C. 553). For this reason, the collection of information contained in this regulation has been reviewed under the requirements of the Paperwork Reduction Act (44 U.S.C. 3507(j)) and, pending receipt and evaluation of public comments, approved by the Office of Management and Budget (OMB) under control number 1505-0179. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid control number assigned by OMB.

Comments concerning the collection of information should be directed to OMB, Attention: Desk Officer for the Department of the Treasury, Office of Information and Regulatory Affairs, Washington, D.C., 20503, with copies to Gary Sutton, Senior Banking Counsel, Office of General Counsel, 1500 Pennsylvania Avenue NW, Room 2014, Washington, DC 20220. Any such comments should be submitted not later than February 2, 2001. Comments are specifically requested concerning:

Whether the proposed collection of information is necessary for the proper performance of the functions of the Secretary, including whether the information will have practical utility; the accuracy of the estimated burden associated with the proposed collection of information (see below); how to enhance the quality, utility, and clarity of the information to be collected; how to minimize the burden of complying with the proposed collection of information, including the application of automated collection techniques or other forms of information technology; and estimates of capital or start-up costs and costs of operation, maintenance, and purchase of services to provide information.

The collection of information in this regulation is in 12 CFR section 1501.2. This information is required to request that the Secretary determine that a particular activity is included within three general categories of activities and therefore that it is financial in nature or incidental to a financial activity. This information will be used to enable the Secretary to evaluate a request for such a determination. The collection of information is required to obtain a benefit. The likely respondents are national banks.

*Estimated total annual reporting burden:* 100 hours.

*Estimated average annual burden hours per respondent:* 20 hours.

*Estimated number of respondents:* 5.

*Estimated annual frequency of responses:* once.

#### Executive Order 12866 Determination

The Department of the Treasury has determined that this rule does not constitute a "significant regulatory action" for the purposes of Executive Order 12866.

#### List of Subjects

##### 12 CFR Part 225

Administrative practice and procedure, Banks, banking, Federal Reserve System, Holding companies, Reporting and record keeping requirements, Securities.

##### 12 CFR Part 1501

Administrative practice and procedure, National banks, Reporting and recordkeeping requirements.

#### Board of Governors of the Federal Reserve System

##### 12 CFR Chapter II

#### Authority and Issuance

For the reasons set out in the joint preamble, the Board amends 12 CFR Part 225 as follows:

## PART 225—BANK HOLDING COMPANY AND CHANGE IN BANK CONTROL (REGULATION Y)

1. The authority citation for part 225 continues to read as follows:

**Authority:** 12 U.S.C. 1817(j)(13), 1818, 1828(o), 1831(i), 1831p-1, 1843(c)(8), 1843(k), 1844(b), 1972(1), 3106, 3108, 3310, 3331–3351, 3907, and 3909.

2. In § 225.86, a new paragraph (d) is added and reserved; and a new paragraph (e) is added to read as follows:

### § 225.86 What activities are permissible for financial holding companies?

\* \* \* \* \*

(e) *Activities permitted under section 4(k)(5) of the Bank Holding Company Act (12 U.S.C. 1843(k)(5)).*

(1) The following types of activities are financial in nature or incidental to a financial activity when conducted pursuant to a determination by the Board under paragraph (e)(2) of this section:

(i) Lending, exchanging, transferring, investing for others, or safeguarding financial assets other than money or securities;

(ii) Providing any device or other instrumentality for transferring money or other financial assets; and

(iii) Arranging, effecting, or facilitating financial transactions for the account of third parties.

(2) *Review of specific activities.*

(i) *Is a specific request required?* A financial holding company that wishes to engage on the basis of paragraph (e)(1) of this section in an activity that is not otherwise permissible for a financial holding company must obtain a determination from the Board that the activity is permitted under paragraph (e)(1).

(ii) *Consultation with the Secretary of the Treasury.* After receiving a request under this section, the Board will provide the Secretary of the Treasury with a copy of the request and consult with the Secretary in accordance with section 4(k)(2)(A) of the Bank Holding Company Act (12 U.S.C. 1843(k)(2)(A)).

(iii) *Board action on requests.* After consultation with the Secretary, the Board will promptly make a written determination regarding whether the specific activity described in the request is included in an activity category listed in paragraph (e)(1) of this section and is therefore either financial in nature or incidental to a financial activity.

(3) *What factors will the Board consider?* In evaluating a request made under this section, the Board will take into account the factors listed in section 4(k)(3) of the BHC Act (12 U.S.C.

1843(k)(3)) that it must consider when determining whether an activity is financial in nature or incidental to a financial activity.

(4) *What information must the request contain?* Any request by a financial holding company under this section must be in writing and must:

(i) Identify and define the activity for which the determination is sought, specifically describing what the activity would involve and how the activity would be conducted; and

(ii) Provide information supporting the requested determination, including information regarding how the proposed activity falls into one of the categories listed in paragraph (e)(1) of this section, and any other information required by the Board concerning the proposed activity.

By order of the Board of Governors of the Federal Reserve System.

Dated: December 27, 2000.

Jennifer J. Johnson,  
Secretary of the Board.

## Department of the Treasury

### 12 CFR Chapter XV

#### Authority and Issuance

For the reasons set forth in the preamble, the Department of the Treasury amends Part 1501 to Chapter XV of Title 12, to read as follows:

## PART 1501—FINANCIAL SUBSIDIARIES

1. The authority citation for part 1501 continues to read as follows:

**Authority:** Section 5136A of the Revised Statutes (12 U.S.C. 24a).

2. Section 1501.2 is redesignated as § 1501.3.

3. A new § 1501.2 is added to read as follows:

### § 1501.2 What activities has the Secretary determined to be financial in nature or incidental to a financial activity?

(a) *Activities permitted under section 5136A(b)(3) of the Revised Statutes (12 U.S.C. 24a(b)(3)).*

(1) The following types of activities are financial in nature or incidental to a financial activity when conducted pursuant to a determination by the Secretary under paragraph (a)(2) of this section:

(i) Lending, exchanging, transferring, investing for others, or safeguarding financial assets other than money or securities;

(ii) Providing any device or other instrumentality for transferring money or other financial assets; and

(iii) Arranging, effecting, or facilitating financial transactions for the account of third parties.

**(2) Review of specific activities.**

(i) *Is a specific request required?* A financial subsidiary that wishes to engage on the basis of paragraph (a)(1) of this section in an activity that is not otherwise permissible for a financial subsidiary must obtain a determination from the Secretary that the activity is permitted under paragraph (a)(1).

(ii) *Consultation with the Board of Governors of the Federal Reserve System.* After receiving a request under this section, the Secretary will provide the Board of Governors of the Federal Reserve System (Board) with a copy of the request and consult with the Board in accordance with section 5136A(b)(1)(B)(i) of the Revised Statutes (12 U.S.C. 24a(b)(1)(B)(i)).

(iii) *Secretary action on requests.* After consultation with the Board, the Secretary will promptly make a written determination regarding whether the specific activity described in the request is included in an activity category listed in paragraph (a)(1) of this section and is therefore either financial in nature or incidental to a financial activity.

(3) *What factors will the Secretary consider?* In evaluating a request made under this section, the Secretary will take into account the factors listed in section 5136A(b)(2) of the Revised Statutes (12 U.S.C. 24a(b)(2)) that the Secretary must consider when determining whether an activity is financial in nature or incidental to a financial activity.

(4) *What information must the request contain?* Any request by financial subsidiary under this section must be in writing and must:

(i) Identify and define the activity for which the determination is sought, specifically describing what the activity would involve and how the activity would be conducted; and

(ii) Provide information supporting the requested determination, including information regarding how the proposed activity falls into one of the categories listed in paragraph (a)(1) of this section, and any other information required by the Secretary concerning the proposed activity.

(b) [Reserved]

Dated: December 27, 2000.

**Gregory A. Baer,**  
Assistant Secretary for Financial Institutions,  
Department of the Treasury.

[FR Doc. 01-42 Filed 1-2-01; 8:45 am]

BILLING CODE 6210-10-P

**DEPARTMENT OF TRANSPORTATION****Federal Aviation Administration****14 CFR Part 25**

[Docket No. NM181; Special Conditions No. 25-171-SC]

**Special Conditions: Dassault Aviation Mystere-Falcon 50; High-Intensity Radiated Fields (HIRF)**

**AGENCY:** Federal Aviation Administration (FAA), DOT.

**ACTION:** Final special conditions; request for comments.

**SUMMARY:** These special conditions are issued for Dassault Aviation Mystere-Falcon 50 airplanes modified by Garrett Aviation Services. These modified airplanes will have a novel or unusual design feature when compared to the state of technology envisioned in the airworthiness standards for transport category airplanes. The modification incorporates the installation of dual attitude heading reference systems that perform critical functions. The applicable airworthiness regulations do not contain adequate or appropriate safety standards for the protection of these systems from the effects of high-intensity-radiated fields (HIRF). These special conditions contain the additional safety standards that the Administrator considers necessary to establish a level of safety equivalent to that established by the existing airworthiness standards.

**DATES:** The effective date of these special conditions is December 20, 2000. Comments must be received on or before February 2, 2001.

**ADDRESSES:** Comments on these special conditions may be mailed in duplicate to: Federal Aviation Administration, Transport Airplane Directorate, Attention: Rules Docket (ANM-114), Docket No. NM181, 1601 Lind Avenue SW., Renton, Washington 98055-4056; or delivered in duplicate to the Transport Airplane Directorate at the above address. All comments must be marked: Docket No. NM181. Comments may be inspected in the Rules Docket weekdays, except Federal holidays, between 7:30 a.m. and 4:00 p.m.

**FOR FURTHER INFORMATION CONTACT:**  
Meghan Gordon, FAA, Standardization Branch, ANM-113, Transport Airplane Directorate, Aircraft Certification Service, 1601 Lind Avenue SW., Renton, Washington 98055-4056; telephone (425) 227-2138; facsimile (425) 227-1149.

**SUPPLEMENTARY INFORMATION:**

**Comments Invited**

The FAA has determined that good cause exists for making these special conditions effective upon issuance; however, interested persons are invited to submit such written data, views, or arguments, as they may desire. Communications should identify the regulatory docket number and be submitted in duplicate to the address specified above. The Administrator will consider all communications received on or before the closing date for comments. These special conditions may be changed in light of the comments received. All comments received will be available in the Rules Docket for examination by interested persons, both before and after the closing date for comments. A report summarizing each substantive public contact with FAA personnel concerning this rulemaking will be filed in the docket. Commenters wishing the FAA to acknowledge receipt of their comments submitted in response to these special conditions must include a self-addressed, stamped postcard on which the following statement is made: "Comments to Docket No. NM181." The postcard will be date stamped and returned to the commenter.

**Background**

On November 1, 2000, Garrett Aviation Services, 1200 North Airport Drive Capital Airport, Springfield, IL, applied for a Supplemental Type Certificate (STC) to modify Dassault Aviation Mystere-Falcon 50 airplanes. The Model Falcon 50 is a small transport category airplane, powered by three AlliedSignal Model TFE 731-3-1C turbofans with a maximum takeoff weight of 38,800 pounds. This airplane operates with a 2-pilot crew and can hold up to 19 passengers. The modification incorporates the installation of dual Collins AHS-3000 Attitude Heading Reference Systems. The AHS-3000 is a replacement for the existing electro-mechanical vertical and directional gyro's, while also providing additional functional capability and redundancy in the system. The avionics/electronics and electrical systems installed in this airplane have the potential to be vulnerable to high-intensity radiated fields (HIRF) external to the airplane.

**Type Certification Basis**

Under the provisions of 14 CFR 21.101, Garrett Aviation Services must show that the Dassault Aviation Mystere-Falcon 50 airplanes, as changed, continue to meet the applicable provisions of the regulations