(1) *Covered debt positions.* (i) For purposes of this section 5, covered debt positions means fixed-rate or floating-rate debt instruments located in the trading account or instruments located in the trading account with values that react primarily to changes in interest rates, including certain non-convertible preferred stock, convertible bonds, and instruments subject to repurchase and lending agreements. Also included are derivatives (including written and purchased options) for which the underlying instrument is a covered debt instrument that is subject to a non-zero specific risk capital charge.

(A) For covered debt positions that are derivatives, an organization must risk-weight (as described in paragraph (c)(1)(iii) of this section) the market value of the effective notional amount of the underlying debt instrument or index portfolio. Swaps must be included as the notional position in the underlying debt instrument or index portfolio, with a receiving side treated as a long position and a paying side treated as a short position; and

(B) For covered debt positions that are options, whether long or short, an organization must risk-weight (as described in paragraph (c)(1)(iii) of this section) the market value of the effective notional amount of the underlying debt instrument or index multiplied by the option's delta.

(ii) An organization may net long and short covered debt positions (including derivatives) in identical debt issues or indices.

(iii) An organization must multiply the absolute value of the current market value of each net long or short covered debt position by the appropriate specific risk weighting factor indicated in Table 2 of this appendix. The specific risk capital charge component for covered debt positions is the sum of the weighted values.

TABLE 2.—SPECIFIC RISK WEIGHTING FACTORS FOR COVERED DEBT POSITIONS

Category	Remaining maturity (contractual)	Weighting factor (in percent)
Government	N/A	0.00
Qualifying	6 months or less.	0.25
	Over 6 months to 24 months.	1.00
	Over 24 months	1.60
Other	N/A	8.00

(A) The *government* category includes all debt instruments of central governments of OECD-based countries [14] including bonds, Treasury bills, and other short-term instruments, as well as local currency instruments of non-OECD central governments to the extent the organization has liabilities booked in that currency.

(B) The *qualifying* category includes debt instruments of U.S. government-sponsored agencies, general obligation debt instruments issued by states and other political subdivisions of OECD-based countries, multilateral development banks, and debt instruments issued by U.S. depository institutions or OECD banks that do not qualify as capital of the issuing institution.[15] This category also includes other debt instruments, including corporate debt and revenue instruments issued by states and other political subdivisions of OECD countries, that are:

(*1*) Rated investment-grade by at least two nationally recognized credit rating services;

(*2*) Rated investment grade by one nationally recognized credit rating agency and not rated less than investment grade by any other credit rating agency; or

(*3*) Unrated, but deemed to be of comparable investment quality by the reporting organization and the issuer has instruments listed on a recognized stock exchange, subject to review by the Federal Reserve.

(C) The *other* category includes debt instruments that are not included in the government or qualifying categories.

(2) *Covered equity positions.* (i) For purposes of this section 5, covered equity positions means equity instruments located in the trading account and instruments located in the trading account with values that react primarily to changes in equity prices, including voting or non-voting common stock, certain convertible bonds, and commitments to buy or sell equity instruments. Also included are derivatives (including written or purchased options) for which the underlying is a covered equity position.

(A) For covered equity positions that are derivatives, an organization must risk weight (as described in paragraph (c)(2)(iii) of this section) the market value of the effective notional amount of the underlying equity instrument or equity portfolio. Swaps must be included as the notional position in the underlying equity instrument or index portfolio, with a receiving side treated as a long position and a paying side treated as a short position; and

(B) For covered equity positions that are options, whether long or short, an organization must risk weight (as described in paragraph (c)(2)(iii) of this section) the market value of the effective notional amount of the underlying equity instrument or index multiplied by the option's delta.

(ii) An organization may net long and short covered equity positions (including derivatives) in identical equity issues or equity indices in the same market.[16]

(iii)(A) An organization must multiply the absolute value of the current market value of each net long or short covered equity position by a risk weighting factor of 8.0 percent, or by 4.0 percent if the equity is held in a portfolio that is both liquid and well-diversified.[17] For covered equity positions that are index contracts comprising a well-diversified portfolio of equity instruments, the net long or short position is to be multiplied by a risk weighting factor of 2.0 percent.

(B) For covered equity positions from the following futures-related arbitrage strategies, an organization may apply a 2.0 percent risk weighting factor to one side (long or short) of each equity position with the opposite side exempt from charge, subject to review by the Federal Reserve:

(*1*) Long and short positions in exactly the same index at different dates or in different market centers; or

(*2*) Long and short positions in index contracts at the same date in different but similar indices.

(C) For futures contracts on broadly-based indices that are matched by offsetting positions in a basket of stocks comprising the index, an organization may apply a 2.0 percent risk weighting factor to the futures and stock basket positions (long and short), provided that such trades are deliberately entered into and separately controlled, and that the basket of stocks comprises at least 90 percent of the capitalization of the index.

(iv) The specific risk capital charge component for covered equity positions is the sum of the weighted values.

[61 FR 47373, Sept. 6, 1996, as amended at 62 FR 68068, Dec. 30, 1997; 64 FR 19038, Apr. 19, 1999; 65 FR 75859, Dec. 5, 2000]

[FR Doc. 01–55528 Filed 9–20–01; 8:45 am]

BILLING CODE 1505–01–D

[14] Organization for Economic Cooperation and Development (OECD)–based countries is defined in appendix A of this part.

[15] U.S. government-sponsored agencies, multilateral development banks, and OECD banks are defined in appendix A of this part.

[16] An organization may also net positions in depository receipts against an opposite position in the underlying equity or identical equity in different markets, provided that the organization includes the costs of conversion.

[17] A portfolio is liquid and well-diversified if: (1) it is characterized by a limited sensitivity to price changes of any single equity issue or closely related group of equity issues held in the portfolio; (2) the volatility of the portfolio's value is not dominated by the volatility of any individual equity issue or by equity issues from any single industry or economic sector; (3) it contains a large number of individual equity positions, with no single position representing a substantial portion of the portfolio's total market value; and (4) it consists mainly of issues traded on organized exchanges or in well-established over-the-counter markets.

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 2001–SW–29–AD; Amendment 39–12443; AD 2001–13–51]

RIN 2120–AA64

Airworthiness Directives; Bell Helicopter Textron Canada Model 206L–4, 407, and 427 Helicopters

AGENCY: Federal Aviation Administration, DOT.

ACTION: Final rule; request for comments.

SUMMARY: This document publishes in the **Federal Register** an amendment adopting Airworthiness Directive (AD)

2001–13–51, which was sent previously to all known U.S. owners and operators of Bell Helicopter Textron Canada (BHTC) Model 206L–4, 407, and 427 helicopters by individual letters. This AD requires visually inspecting certain driveshafts for a crack, a loose bolt or nut, or red powder residue. If a crack, a loose bolt or nut, or red powder residue is found, replacing the driveshaft before further flight and notifying the FAA within 10 days is also required. This amendment is prompted by a driveshaft failure on a BHTC Model 407 helicopter that resulted in an engine shutdown and an emergency landing. Failure of the driveshaft was due to cracking of the flexframe on the forward end of the driveshaft. In addition, three other incidents of a cracked flexframe on the forward end of the driveshaft on other Model 407 helicopters have been reported. The actions specified by this AD are intended to prevent failure of a driveshaft, loss of drive to the main rotor system, and a subsequent emergency forced landing.

DATES: Effective October 9, 2001, to all persons except those persons to whom it was made immediately effective by Emergency AD 2001–13–51, issued on June 27, 2001, which contained the requirements of this amendment.

The incorporation by reference of certain publications listed in the regulations is approved by the Director of the Federal Register as of October 9, 2001. Comments for inclusion in the Rules Docket must be received on or before November 20, 2001.

ADDRESSES: Submit comments in triplicate to the Federal Aviation Administration (FAA), Office of the Regional Counsel, Southwest Region, Attention: Rules Docket No. 2001–SW–29–AD, 2601 Meacham Blvd., Room 663, Fort Worth, Texas 76137. You may also send comments electronically to the Rules Docket at the following address: 9-asw-adcomments@faa.gov.

The applicable service information may be obtained from Bell Helicopter Textron Canada, 12,800 Rue de l'Avenir, Mirabel, Quebec J7J1R4, telephone (450) 437–2862 or (800) 363–8023, fax (450) 433–0272. The service information may also be obtained by e-mailing a request to pselight@bellhelicopter.textron.com. This information may be examined at the FAA, Office of the Regional Counsel, Southwest Region, 2601 Meacham Blvd., Room 663, Fort Worth, Texas; or at the Office of the Federal Register, 800 North Capitol Street, NW., suite 700, Washington, DC.

FOR FURTHER INFORMATION CONTACT: Paul Madej, Aviation Safety Engineer, FAA, Rotorcraft Directorate, Rotorcraft Standards Staff, Fort Worth, Texas 76193–0110, telephone (817) 222–5125, fax (817) 222–5961.

SUPPLEMENTARY INFORMATION: On June 27, 2001, the FAA issued Emergency AD 2001–13–51 for BHTC Model 206L–4, 407, and 427 helicopters, which requires the following if driveshaft, part number 206–340–300–105, has ever been installed on a BHTC Model 407 helicopter:

- At specified hours time-in-service (TIS), visually inspect each driveshaft for a crack, a loose bolt or nut, or red powder residue.
- Before further flight, replace the driveshaft with an airworthy driveshaft if a crack, a loose bolt or nut, or red powder residue is found. Within 10 days, notify the Manager, Regulations Group, FAA, of the helicopter serial number, driveshaft serial number, and driveshaft hours TIS.
- After the effective date of this AD, interchanging a driveshaft between different helicopter models is prohibited if that driveshaft has ever been installed on a BHTC Model 407 helicopter.

That action was prompted by a driveshaft failure on a BHTC Model 407 helicopter that resulted in an engine shutdown and an emergency landing. Failure of the driveshaft was due to cracking of the flexframe on the forward end of the driveshaft. The BHTC Model 206L–4 and 427 helicopters use the same part-numbered driveshaft. In addition, three other incidents of a cracked flexframe on the forward end of the driveshaft on other Model 407 helicopters have been reported. This condition, if not detected, could result in failure of a driveshaft, loss of drive to the main rotor system, and a subsequent emergency forced landing.

Transport Canada, which is the airworthiness authority for Canada, notified the FAA that an unsafe condition may exist on BHTC Model 407 helicopters. Transport Canada advises that during flight the driveshaft, P/N 206–340–300–105, failed causing engine shutdown and a forced landing. Three other incidents of the cracked flexframe on the forward end of the BHTC Model 407 driveshafts were also reported. Pending further corrective action, Transport Canada determined that a one-time visual inspection for any obvious discrepancy of the driveshaft is warranted.

The FAA has reviewed BHTC Alert Service Bulletin No. 407–01–43, dated June 8, 2001 (ASB), which describes procedures for a one-time inspection of the engine-to-transmission driveshaft, P/N 206–340–300–105. Transport Canada classified this ASB as mandatory and issued AD CF–2001–24, dated June 11, 2001, to ensure the continued airworthiness of BHTC Model 407 helicopters in Canada.

Since the unsafe condition described is likely to exist or develop on other BHTC Model 206L–4, 407, and 427 helicopters of the same type designs, the FAA issued Emergency AD 2001–13–51 to prevent failure of a driveshaft, loss of drive to the main rotor system, and a subsequent emergency forced landing. The AD requires the actions specified above. The inspections must be accomplished in accordance with the ASB described previously. The short compliance time involved is required because the previously described critical unsafe condition can adversely affect the structural integrity and controllability of the helicopter. Therefore, visually inspecting the driveshaft at the specified time intervals and replacing the driveshaft, if necessary, is required before further flight, and this AD must be issued immediately.

Since it was found that immediate corrective action was required, notice and opportunity for prior public comment thereon were impracticable and contrary to the public interest, and good cause existed to make the AD effective immediately by individual letters issued on June 27, 2001 to all known U.S. owners and operators of BHTC Model 206L–4, 407, and 427 helicopters. These conditions still exist, and the AD is hereby published in the **Federal Register** as an amendment to 14 CFR 39.13 to make it effective to all persons. However, a few editorial changes have been made to the AD. The zip code listed for the manufacturer has been corrected and an e-mail address for obtaining service information has been added. Also, due to confusion expressed by an operator, paragraph (a)(1)(i) has been changed to clarify that the notification requirement is necessary only if a crack, a loose bolt or nut, or red powder residue is found during the visual inspection. The FAA has determined that these changes will neither increase the economic burden on an operator nor increase the scope of the AD

The FAA estimates that 488 helicopters of U.S. registry will be affected by this AD, that it will take approximately 4 work hours per helicopter to visually inspect the driveshaft. The average labor rate is $60 per work hour. Based on these figures, the total cost impact of the AD on U.S. operators is estimated to be $117,120, assuming that each driveshaft is inspected once.

Comments Invited

Although this action is in the form of a final rule that involves requirements affecting flight safety and, thus, was not preceded by notice and an opportunity for public comment, comments are invited on this rule. Interested persons are invited to comment on this rule by submitting such written data, views, or arguments as they may desire. Communications should identify the Rules Docket number and be submitted in triplicate to the address specified under the caption **ADDRESSES.** All communications received on or before the closing date for comments will be considered, and this rule may be amended in light of the comments received. Factual information that supports the commenter's ideas and suggestions is extremely helpful in evaluating the effectiveness of the AD action and determining whether additional rulemaking action would be needed.

Comments are specifically invited on the overall regulatory, economic, environmental, and energy aspects of the rule that might suggest a need to modify the rule. All comments submitted will be available in the Rules Docket for examination by interested persons. A report that summarizes each FAA-public contact concerned with the substance of this AD will be filed in the Rules Docket.

Commenters wishing the FAA to acknowledge receipt of their mailed comments submitted in response to this rule must submit a self-addressed, stamped postcard on which the following statement is made: ''Comments to Docket No. 2001–SW–29–AD.'' The postcard will be date stamped and returned to the commenter.

The regulations adopted herein will 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 final rule does not have federalism implications under Executive Order 13132.

The FAA has determined that this regulation is an emergency regulation that must be issued immediately to correct an unsafe condition in aircraft, and that it is not a ''significant regulatory action'' under Executive Order 12866. It has been determined further that this action involves an emergency regulation under DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979). If it is determined that this emergency regulation otherwise would be significant under DOT Regulatory Policies and Procedures, a final regulatory evaluation will be prepared and placed in the Rules Docket. A copy of it, if filed, 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, Incorporation by reference, 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 U.S.C. 106(g), 40113, 44701.

§ 39.13 [Amended]

2. Section 39.13 is amended by adding a new airworthiness directive to read as follows:

2001–13–51 Bell Helicopter Textron Canada: Amendment 39–12443. Docket No. 2001–SW–29–AD.

Applicability: Model 206L–4, 407, and 427 helicopters, with engine-to-transmission driveshaft assembly (driveshaft), part number 206–340–300–105, 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 otherwise 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 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 failure of a driveshaft, loss of drive to the main rotor system, and a subsequent emergency forced landing, accomplish the following:

(a) If a driveshaft has ever been installed on a Bell Helicopter Textron Canada (BHTC) Model 407 helicopter, within 25 hours time-in-service (TIS) for driveshafts with 1000 or more hours TIS and for driveshafts with 1000 or less hours TIS that have been removed or installed since helicopter delivery, and within 300 hours TIS for driveshafts with less than 1000 hours TIS that have never been removed or installed since helicopter delivery:

(1) Visually inspect each driveshaft for a crack, loose bolt or nut, or red powder residue, in accordance with the Accomplishment Instructions, paragraphs 1 through 7 of Bell Helicopter Textron Alert Service Bulletin 407–01–43, dated June 8, 2001 (ASB).

(2) Before further flight, if a crack, a loose bolt or nut, or red powder residue is found, replace the driveshaft with an airworthy driveshaft.

(i) If a crack, a loose bolt or nut, or red powder residue is found, notify the Manager, Regulations Group, FAA, Rotorcraft Directorate, Fort Worth, Texas 76193–0111, of the helicopter serial number, driveshaft serial number, and driveshaft hours TIS within 10 days.

(ii) Reporting requirements have been approved by the Office of Management and Budget and assigned OMB control number 2120–0056.

(b) After the effective date of this AD, interchanging a driveshaft between different helicopter models is prohibited if that driveshaft has ever been installed on a BHTC Model 407 helicopter.

(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, Regulations Group, Rotorcraft Directorate, FAA. Operators shall submit their requests through an FAA Principal Maintenance Inspector, who may concur or comment and then send it to the Manager, Regulations Group.

Note 2: Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the Manager, Regulations Group.

(d) Special flight permits may be issued in accordance with 14 CFR 21.197 and 21.199 to operate the helicopter to a location where the requirements of this AD can be accomplished.

(e) The visual inspection shall be done in accordance with the Accomplishment Instructions, paragraphs 1 through 7 of Bell Helicopter Textron Alert Service Bulletin 407–01–43, dated June 8, 2001. This incorporation by reference was approved by the Director of the Federal Register in accordance with 5 U.S.C. 552(a) and 1 CFR part 51. Copies may be obtained from Bell Helicopter Textron Canada, 12,800 Rue de l'Avenir,Mirabel, Quebec J7J1R4, telephone (450) 437–2862 or (800) 363–8023, fax (450) 433–0272, or by e-mailing a request to pselight@bellhelicopter.textron.com. Copies may be inspected at the FAA, Office of the Regional Counsel, Southwest Region, 2601 Meacham Blvd., Room 663, Fort Worth, Texas; or at the Office of the Federal Register, 800 North Capitol Street, NW., suite 700, Washington, DC.

(f) This amendment becomes effective on October 9, 2001, to all persons except those persons to whom it was made immediately effective by Emergency AD 2001–13–51, issued June 27, 2001, which contained the requirements of this amendment.

Note 3: The subject of this AD is addressed in Transport Canada (Canada) AD CF–2001–24, dated June 11, 2001.

Issued in Fort Worth, Texas, on September 12, 2001.

Eric Bries,

Acting Manager, Rotorcraft Directorate, Aircraft Certification Service.

[FR Doc. 01–23416 Filed 9–20–01; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 2000–NM–385–AD; Amendment 39–12444; AD 2001–19–04]

RIN 2120–AA64

Airworthiness Directives; Boeing Model 767–200 and –300 Series Airplanes

AGENCY: Federal Aviation Administration, DOT.

ACTION: Final rule; request for comments.

SUMMARY: This amendment adopts a new airworthiness directive (AD) that is applicable to certain Boeing Model 767–200 and –300 series airplanes. This action requires repetitive inspections to find discrepancies of the barrel nuts that attach the vertical fin to body section 48, and follow-on actions. For certain airplanes, this action requires replacement of certain bolts with new bolts. This action also provides for optional terminating actions for the repetitive inspections. This action is necessary to find and fix corroded, cracked or broken barrel nuts that attach the vertical fin to body section 48, which could result in reduced structural integrity of the vertical fin attachment joint, loss of the vertical fin, and consequent loss of controllability of the airplane. This action is intended to address the identified unsafe condition.

DATES: Effective October 9, 2001.

The incorporation by reference of certain publications listed in the regulations is approved by the Director of the Federal Register as of October 9, 2001.

Comments for inclusion in the Rules Docket must be received on or before November 20, 2001.

ADDRESSES: Submit comments in triplicate to the Federal Aviation Administration (FAA), Transport Airplane Directorate, ANM–114, Attention: Rules Docket No. 2000–NM–385–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-iarcomment@faa.gov. Comments sent via fax or the Internet must contain ''Docket No. 2000–NM–385–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 this AD may be obtained from Boeing Commercial Airplane Group, P.O. Box 3707, Seattle, Washington 98124–2207. This information may be examined at the FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington; or at the Office of the Federal Register, 800 North Capitol Street, NW., suite 700, Washington, DC.

FOR FURTHER INFORMATION CONTACT: John Craycraft, Aerospace Engineer, Airframe Branch, ANM–120S, FAA, Seattle Aircraft Certification Office, 1601 Lind Avenue, SW., Renton, Washington 98055–4056; telephone (425) 227–2782; fax (425) 227–1181.

SUPPLEMENTARY INFORMATION: The FAA has received several reports of corroded and/or broken barrel nuts on certain Boeing Model 767–200 and –300 series airplanes. One operator indicated that cracked and bulging sealant of two attachment barrel nuts of the vertical fin at body section 48 was found on an airplane having 9,795 total flight hours and 4,184 total flight cycles. A torque check confirmed low torque at these locations, and removal of the sealant revealed that both barrel nuts were corroded and broken. Further investigation revealed that the broken barrel nuts fractured due to stress corrosion cracks that started at corrosion pits. Examination of the attachment bolts showed inadequate sealant on the bolt threads and shank. The lack of sealant initiated galvanic corrosion between the H–11 steel barrel nut and the Inconel bolt, which created the corrosion pits. Nuts made of H–11 steel alloy are susceptible to stress corrosion cracking. Another operator reported cracked sealant and barrel nut corrosion on an airplane having 20,655 total flight hours and 4,768 total flight cycles. Of the sixteen barrel nuts removed from that airplane and inspected, several were found to be corroded.

A recent report was received of four cracked barrel nuts found on a Boeing Model 767–300 series airplane; three of those four were found on one side of the airplane. This report revealed that the issue was more urgent than initial reports indicated. Subsequently, another report was received from an operator of a Group 1 airplane(Group 1 airplanes were delivered with H–11 alloy steel bolts and nuts), indicating that a broken barrel nut was found and both the bolt and the barrel nut were H–11 alloy steel (no dissimilar metal). This report revealed that the unsafe condition also exists on Group 1 airplanes with H–11 alloy steel bolts installed.

Such conditions, if not corrected, could result in reduced structural integrity of the vertical fin attachment joint, loss of the vertical fin, and consequent loss of controllability of the airplane.

Explanation of Relevant Service Information

The FAA has reviewed and approved Boeing Service Bulletin 767–53–0085, dated May 14, 1998, and Boeing Alert Service Bulletin 767–53A0085, Revision 1, dated July 1, 1999. The service bulletins describe procedures for repetitive internal and external visual inspections to find discrepancies (i.e., cracked or damaged sealant, signs of corrosion damage, cracked or broken barrel nuts), of the barrel nuts that attach the vertical fin to body section 48, and follow-on actions. The follow-on actions include, but are not limited to, the following:

- Replacement of the barrel nut with a new Inconel barrel nut if any discrepancy is found at any barrel nut location.
- A torque check on each attachment bolt of the vertical fin if no discrepancy is found at any barrel nut location.
- Replacement of the barrel nut with a new Inconel barrel nut if a bolt can be turned during the torque check.
- Repeat of the internal and external visual inspections.

The service bulletins also provide an optional replacement of all 16 H–11 steel alloy barrel nuts of the vertical fin with Inconel barrel nuts, which would eliminate the need for the repetitive inspections.

Explanation of the Requirements of the Rule

Since an unsafe condition has been identified that is likely to exist or develop on other products of this same type design, the AD would require accomplishment of the actions specified in the service bulletin described previously, except as discussed below.