

**Compliance**

(e) You are responsible for having the actions required by this AD performed within the compliance times specified, unless the actions have already been done.

**Control Module Replacement**

(f) Within 60 months after the effective date of this AD, replace the control modules of the fire detection systems of the propulsion engines with new, improved control modules, in accordance with paragraph 2., "Main Engine Control Module Replacement Instructions," of Meggitt Safety Systems Service Bulletin 26-34, Revision 2, dated August 15, 2006.

**Alternative Methods of Compliance (AMOCs)**

(g)(1) The Manager, Los Angeles Aircraft Certification Office (ACO), FAA, has the authority to approve AMOCs for this AD, if requested in accordance with the procedures found in 14 CFR 39.19.

(2) Before using any AMOC approved in accordance with § 39.19 on any airplane to which the AMOC applies, notify the appropriate principal inspector in the FAA Flight Standards Certificate Holding District Office.

Issued in Renton, Washington, on October 3, 2006.

**Kalene C. Yanamura,**

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

[FR Doc. E6-17003 Filed 10-12-06; 8:45 am]

BILLING CODE 4910-13-P

**DEPARTMENT OF TRANSPORTATION****Federal Aviation Administration****14 CFR Part 39**

[Docket No. FAA-2006-26050; Directorate Identifier 2006-NM-078-AD]

RIN 2120-AA64

**Airworthiness Directives; Bombardier Model DHC-8-400 Series Airplanes**

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

**ACTION:** Notice of proposed rulemaking (NPRM).

**SUMMARY:** The FAA proposes to supersede an existing airworthiness directive (AD) that applies to certain Bombardier Model DHC-8-400 series airplanes. The existing AD currently requires revising the airplane flight manual (AFM) to advise the flightcrew of appropriate procedures to follow in the event that a main landing gear (MLG) fails to extend following a gear-down selection. The existing AD also currently requires repetitive replacement of the left and right MLG uplock assemblies with new assemblies;

and an inspection of the left and right MLG uplock rollers for the presence of an inner low friction liner, and corrective actions if necessary. This proposed AD would revise the requirement for replacing the left and right MLG uplock assemblies by allowing replacement with alternative parts. For a certain MLG uplock assembly, this proposed AD would require repetitive inspections of the uplock hatch lower jaw for the presence of a wear groove and replacement with an improved part if necessary. For a certain MLG uplock assembly, this proposed AD also would require repetitive inspections of the uplock roller to ensure that it rotates freely and replacement with a new part if necessary. This proposed AD would allow optional replacement of the left and right MLG uplock assemblies with improved parts, which ends the requirements of the AFM revision and repetitive replacement and inspections. This proposed AD would remove airplanes from the applicability. This proposed AD results from development of a terminating action. We are proposing this AD to ensure that the flightcrew has the procedures necessary to address failure of an MLG to extend following a gear-down selection; and to detect and correct such failure, which could result in a gear-up landing and possible injury to passengers and crew. **DATES:** We must receive comments on this proposed AD by November 13, 2006.

**ADDRESSES:** Use one of the following addresses to submit comments on this proposed AD.

- *DOT Docket Web site:* Go to <http://dms.dot.gov> and follow the instructions for sending your comments electronically.

- *Government-wide rulemaking Web site:* Go to <http://www.regulations.gov> and follow the instructions for sending your comments electronically.

- *Mail:* Docket Management Facility; U.S. Department of Transportation, 400 Seventh Street, SW., Nassif Building, Room PL-401, Washington, DC 20590.

- *Fax:* (202) 493-2251.

- *Hand Delivery:* Room PL-401 on the plaza level of the Nassif Building, 400 Seventh Street, SW., Washington, DC, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

Contact Bombardier, Inc., Bombardier Regional Aircraft Division, 123 Garratt Boulevard, Downsview, Ontario M3K 1Y5, Canada, for service information identified in this proposed AD.

**FOR FURTHER INFORMATION CONTACT:** Ezra Sasson, Aerospace Engineer, Systems and Flight Test Branch, ANE-172, FAA,

New York Aircraft Certification Office, 1600 Stewart Avenue, Suite 410, Westbury, New York 11590; telephone (516) 228-7320; fax (516) 794-5531.

**SUPPLEMENTARY INFORMATION:****Comments Invited**

We invite you to submit any relevant written data, views, or arguments regarding this proposed AD. Send your comments to an address listed in the **ADDRESSES** section. Include the docket number "Docket No. FAA-2006-26050; Directorate Identifier 2006-NM-078-AD" at the beginning of your comments. We specifically invite comments on the overall regulatory, economic, environmental, and energy aspects of the proposed AD. We will consider all comments received by the closing date and may amend the proposed AD in light of those comments.

We will post all comments we receive, without change, to <http://dms.dot.gov>, including any personal information you provide. We will also post a report summarizing each substantive verbal contact with FAA personnel concerning this proposed AD. Using the search function of that Web site, anyone can find and read the comments in any of our dockets, including the name of the individual who sent the comment (or signed the comment on behalf of an association, business, labor union, etc.). You may review the DOT's complete Privacy Act Statement in the **Federal Register** published on April 11, 2000 (65 FR 19477-78), or you may visit <http://dms.dot.gov>.

**Examining the Docket**

You may examine the AD docket on the Internet at <http://dms.dot.gov>, or in person at the Docket Management Facility office between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The Docket Management Facility office (telephone (800) 647-5227) is located on the plaza level of the Nassif Building at the DOT street address stated in the **ADDRESSES** section. Comments will be available in the AD docket shortly after the Docket Management System receives them.

**Discussion**

On April 11, 2002, we issued AD 2002-08-05, amendment 39-12713 (67 FR 19101, April 18, 2002), for certain Bombardier Model DHC-8-400 series airplanes. That AD requires revising the airplane flight manual (AFM) to advise the flightcrew of appropriate procedures to follow in the event that a main landing gear (MLG) fails to extend following a gear-down selection. That AD also requires repetitive replacement

of the left and right MLG uplock assemblies (part number (P/N) 46500-3) with new assemblies; and an inspection of the left and right MLG uplock rollers for the presence of an inner low friction liner, and corrective actions if necessary. That AD resulted from an in-flight incident where the flightcrew had difficulties in extending the right MLG following a gear-down selection. We issued that AD to ensure that the flightcrew has the procedures necessary to address failure of an MLG to extend following a gear-down selection; and to detect and correct such failure, which could result in a gear-up landing and possible injury to passengers and crew.

#### Actions Since Existing AD Was Issued

In the preamble to AD 2002-08-05, we specified that the actions required by that AD were considered "interim action" and that the manufacturer was developing a modification to address the unsafe condition. We indicated that we may consider further rulemaking action once the modification was developed, approved, and available. The manufacturer now has developed such a modification, and we have determined that further rulemaking action is indeed necessary; this proposed AD follows from that determination.

Since we issued AD 2002-08-05, Transport Canada Civil Aviation (TCCA), which is the airworthiness authority for Canada, has issued Canadian airworthiness directives CF-2002-13R1, dated November 20, 2002, and CF-2002-13R2, dated May 19, 2005. (Canadian airworthiness directive CF-2002-13, dated February 4, 2002, parallels AD 2002-08-05.) Canadian airworthiness directive CF-2002-13R1 introduced a new, modified uplock assembly, P/N 46500-5, as a replacement alternative to P/N 46500-3, which is no longer in production. Canadian airworthiness directive CF-2002-13R1 also mandated repetitive replacement of P/N 46500-5, since it is similar in design to P/N 46500-3 and, therefore, subject to the same failure.

Canadian airworthiness directive CF-2002-13R2 supersedes Canadian airworthiness directive CF-2002-13R1. Canadian airworthiness directive CF-2002-13R2 revises the requirement for P/N 46500-5 by mandating repetitive inspections of P/N 46500-5 and its corresponding uplock roller, instead of repetitive replacement. Canadian airworthiness directive CF-2002-13R2 also introduces a new, improved uplock assembly, P/N 46500-7. The repetitive replacement of P/N 46500-3 and the repetitive inspections of P/N 46500-5 and corresponding uplock roller are terminated by replacement with P/N

46500-7. Also, Canadian airworthiness directive CF-2002-13R2 removes airplanes that have been modified in production from the applicability.

#### Relevant Service Information

We have reviewed Bombardier Temporary Revision (TR) 32-191 and TR 32-192, both dated May 29, 2006, to the Bombardier Q400 Dash 8 Aircraft Maintenance Manual (AMM), PSM 1-84-2. TR 32-191 describes procedures for removing an uplock roller from the MLG uplock assembly. TR 32-192 describes procedures for installing an uplock roller in the MLG uplock assembly.

TCCA issued Canadian airworthiness directive CF-2002-13R2, dated May 19, 2005, to ensure the continued airworthiness of these airplanes in Canada.

#### FAA's Determination and Requirements of the Proposed AD

This airplane model is manufactured in Canada and is type certificated for operation in the United States under the provisions of section 21.29 of the Federal Aviation Regulations (14 CFR 21.29) and the applicable bilateral airworthiness agreement. Pursuant to this bilateral airworthiness agreement, TCCA has kept the FAA informed of the situation described above. We have examined TCCA's findings, evaluated all pertinent information, and determined that AD action is necessary for airplanes of this type design that are certificated for operation in the United States.

This proposed AD would supersede AD 2002-08-05 and would retain the requirements of the existing AD; except that this proposed AD would revise the requirement for replacing the left and right MLG uplock assemblies by allowing replacement with modified or improved uplock assemblies, P/N 46500-5 or -7, respectively. This proposed AD would also require the following actions:

- *For MLG uplock assembly, P/N 46500-5:* Repetitive detailed dimensional inspections of the surface of the uplock hatch lower jaw of the MLG uplock assembly for the presence of a wear groove and replacement of the uplock assembly with an improved uplock assembly, P/N 46500-7, if necessary.

- *For MLG uplock assembly, P/N 46500-5:* Repetitive general visual inspections of the uplock roller of the MLG uplock assembly to ensure that it rotates freely and replacement of the uplock roller with a new uplock roller if necessary.

Also, this proposed AD would allow optional replacement of the left and right MLG uplock assemblies with improved uplock assemblies, P/N 46500-7, which ends the requirements of the AFM revision and repetitive replacement and inspections. This proposed AD also would remove airplanes from the applicability.

#### Difference Between the Proposed AD and Canadian Airworthiness Directive

Canadian airworthiness directive CF-2002-13R2 specifies replacing the uplock roller of a certain MLG uplock assembly in accordance with Chapter 32-31-21 of the Bombardier Q400 Dash 8 AMM, PSM 1-84-2, if the uplock roller does not rotate freely. However, Chapter 32-31-21, Revision 20, dated May 5, 2005, of the Bombardier Q400 Dash 8 AMM does not include a procedure for accomplishing the replacement. Therefore, this proposed AD would require accomplishing the replacement in accordance with Bombardier TR 32-191 and TR 32-192. We have coordinated this difference with TCCA and Bombardier.

#### Clarification of Compliance Time

Canadian airworthiness directive CF-2002-13R2 specifies replacing the MLG uplock assembly if the wear groove depth of the uplock latch lower jaw exceeds 0.007 inch (in paragraph C.1.). Canadian airworthiness directive CF-2002-13R2 also specifies replacing the uplock roller if it does not rotate freely (in paragraph C.2.). However, in both cases, Canadian airworthiness directive CF-2002-13R2 does not explicitly specify the compliance time for accomplishing these actions. This proposed AD would require accomplishing these actions before further flight.

#### Clarification of Inspection Terminology

The "inspection" of the uplock roller specified in Canadian airworthiness directive CF-2002-13R2 is referred to as a "general visual inspection" in this proposed AD. We have included the definition for a general visual inspection as a note in the proposed AD.

#### Change to Existing AD

This proposed AD would retain all requirements of AD 2002-08-05. Since AD 2002-08-05 was issued, the AD format has been revised, and certain paragraphs have been rearranged. As a result, the corresponding paragraph identifiers have changed in this proposed AD, as listed in the following table:

REVISED PARAGRAPH IDENTIFIERS

Requirement in AD 2002-08-05	Corresponding requirement in this proposed AD
paragraph (a) .....	paragraph (f).
paragraph (b) .....	paragraph (g).
paragraph (c) .....	paragraph (h).

Note 2 of AD 2002-08-05 was inadvertently misplaced in paragraph (b)(2) instead of paragraph (c)(2) of the existing AD. Accordingly, we have

moved Note 2 to paragraph (h)(2) in this proposed AD.

Paragraph (c)(2) of AD 2002-08-05 (corresponding to paragraph (h)(2) of this proposed AD) requires replacing an uplock roller if a low friction liner is not present, in accordance with the Accomplishment Instructions of Bombardier DHC-8 Alert Service Bulletin A84-32-15, dated February 4, 2002. After the effective date of this AD, if the low friction liner is not present, operators must accomplish the replacement in accordance with paragraph (i)(2) of this proposed AD. We

have revised paragraph (h)(2) of this proposed AD accordingly.

**Explanation of Change to Applicability**

We have revised the applicability of the proposed AD to identify model designations as published in the most recent type certificate data sheet for the affected models.

**Costs of Compliance**

The following table provides the estimated costs, at an average labor rate of \$80 per work hour, for U.S. operators to comply with this proposed AD.

ESTIMATED COSTS

Action	Work hours	Parts	Cost per airplane	Number of U.S.-registered airplanes	Fleet cost
AFM revision (required by AD 2002-08-05) .....	1	None .....	\$80 .....	21	\$1,680.
Replacement of uplock assemblies (required by AD 2002-08-05).	4	No charge ...	\$320, per replacement cycle.	21	\$6,720 per replacement cycle.
Inspection of uplock rollers (required by AD 2002-08-05).	1	None .....	\$80 .....	21	\$1,680.
Inspections of uplock assemblies and uplock rollers (new proposed action).	5	None .....	\$400 .....	21	\$8,400.
Terminating action (new proposed action) .....	4	No charge ...	\$320 .....	21	\$6,720.

**Authority for This Rulemaking**

Title 49 of the United States Code specifies the FAA's authority to issue rules on aviation safety. Subtitle I, Section 106, describes the authority of the FAA Administrator. Subtitle VII, Aviation Programs, describes in more detail the scope of the Agency's authority.

We are issuing this rulemaking under the authority described in Subtitle VII, Part A, Subpart III, Section 44701, "General requirements." Under that section, Congress charges the FAA with promoting safe flight of civil aircraft in air commerce by prescribing regulations for practices, methods, and procedures the Administrator finds necessary for safety in air commerce. This regulation is within the scope of that authority because it addresses an unsafe condition that is likely to exist or develop on products identified in this rulemaking action.

**Regulatory Findings**

We have determined that this proposed AD would not have federalism implications under Executive Order 13132. This proposed AD 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.

For the reasons discussed above, I certify that the 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. 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.

We prepared a regulatory evaluation of the estimated costs to comply with this proposed AD and placed it in the AD docket. See the ADDRESSES section for a location to examine the regulatory evaluation.

**List of Subjects in 14 CFR Part 39**

Air transportation, Aircraft, Aviation safety, Safety.

**The Proposed Amendment**

Accordingly, under the authority delegated to me by the Administrator, the FAA proposes to amend 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. The Federal Aviation Administration (FAA) amends § 39.13 by removing amendment 39-12713 (67 FR 19101, April 18, 2002) and adding

the following new airworthiness directive (AD):

**Bombardier, Inc. (Formerly de Havilland, Inc.):** Docket No. FAA-2006-26050; Directorate Identifier 2006-NM-078-AD.

**Comments Due Date**

(a) The FAA must receive comments on this AD action by November 13, 2006.

**Affected ADs**

(b) This AD supersedes AD 2002-08-05.

**Applicability**

(c) This AD applies to Bombardier Model DHC-8-400 series airplanes, certificated in any category; serial numbers 4001 and 4003 through 4087 inclusive; equipped with main landing gear (MLG) uplock assembly part numbers (P/Ns) 46500-3 and -5.

**Unsafe Condition**

(d) This AD results from development of a terminating action. We are issuing this AD to ensure that the flightcrew has the procedures necessary to address failure of an MLG to extend following a gear-down selection; and to detect and correct such failure, which could result in a gear-up landing and possible injury to passengers and crew.

**Compliance**

(e) You are responsible for having the actions required by this AD performed within the compliance times specified, unless the actions have already been done.

**Requirements of AD 2002-08-05**

*Revision of FAA-Approved Airplane Flight Manual (AFM)*

(f) Within 3 days after April 23, 2002 (the effective date of AD 2002-08-05), amend all

copies of the FAA-approved Bombardier Series 400 AFM, PSM 1-84-1A (for Models 400, 401, and 402), by adding the following procedure to the Limitations section of the AFM and opposite page 4-21-1 of the AFM; and advise all flightcrew members of these changes. (The revision may be accomplished by inserting a copy of this AD into the Limitations section of the AFM and affected paragraphs of the AFM.):

“If ONE main landing gear fails to extend after performing landing gear extension per normal procedures given in paragraph 4.3.7 and alternate extension procedures per paragraph 4.21.1 of the AFM:

1. Visually confirm that the affected gear has not extended and that the associated doors have opened.

2. Ensure No. 2 hydraulic system pressure and quantity are normal and the following landing gear advisory lights are illuminated: selector lever amber, gear green locked down (nose and non-affected main gear), red gear unlocked (affected main gear) and all amber doors open.

3. NOSE L/G RELEASE handle—Return to the stowed position.

4. LANDING GEAR ALTERNATE EXTENSION door—Close fully.

5. MAIN L/G RELEASE handle—Return to the stowed position.

6. LANDING GEAR ALTERNATE RELEASE door—Close fully.

7. LANDING GEAR lever—DN.

8. L/G DOWN SELECT INHIBIT SW—Normal and guarded. Check amber doors open advisory lights out (nose and non-affected main gear) and LDG GEAR INOP caution light out.

9. LANDING GEAR lever—UP Check all gear, door and LANDING GEAR lever advisory lights out.

10. With minimum delay, LANDING GEAR lever—DN. Check 3 green gear locked down advisory lights illuminate, all amber doors open, red gear unlocked and selector lever amber advisory lights out.

11. Items 9 and 10 may be repeated in an effort to achieve 3 gear down and locked.

#### CAUTION

Should the LDG GEAR INOP caution light illuminate, or loss of no. 2 hydraulic system pressure or quantity, or any abnormality in landing gear system indication other than those associated with the affected main landing gear be experienced, see paragraph 4.21.1 ALTERNATE LANDING GEAR EXTENSION.”

Accomplishing the actions specified in paragraph (k) of this AD terminates the requirements of this paragraph, and after the replacement has been done, the AFM limitation may be removed from the AFM.

#### Replacement of Uplock Assembly with New Replacement Parts and Requirements

(g) At the later of the times specified in paragraph (g)(1) or (g)(2) of this AD: Replace the left and right MLG uplock assemblies, P/N 46500-3, with new or overhauled uplock assemblies having P/N 46500-3, -5, or -7, according to a method approved by either the Manager, New York Aircraft Certification Office (ACO), FAA; or Transport Canada Civil Aviation (TCCA) (or its delegated

agent). Using Tasks 32-31-21-000-801 and 32-31-21-400-801 of Chapter 32-31-21 of Bombardier Q400 Dash 8 Aircraft Maintenance Manual (AMM), PSM 1-84-2, is one approved method. For any uplock assembly having P/N 46500-3, repeat the replacement thereafter at intervals not to exceed 2,500 flight hours or 3,000 flight cycles, whichever occurs earlier. For any uplock assembly having P/N 46500-5, do the actions required by paragraph (i) of this AD. Replacing an uplock assembly with a new or overhauled uplock assembly having P/N 46500-7 terminates the requirements of this paragraph, for that uplock assembly only.

(1) Before the accumulation of 2,500 total flight hours or 3,000 total flight cycles on an uplock assembly, whichever occurs earlier; or

(2) Within 14 days after April 23, 2002.

#### One-Time Inspection of MLG Uplock Rollers With Added Inspection Definition

(h) Within 30 days after April 23, 2002, do a general visual inspection of the left and right MLG uplock rollers for the presence of an inner low friction (black-colored) liner, in accordance with the Accomplishment Instructions of Bombardier DHC-8 Alert Service Bulletin A84-32-15, dated February 4, 2002; and, before further flight, do the actions required by paragraph (h)(1) or (h)(2) of this AD.

**Note 1:** For the purposes of this AD, a general visual inspection is: “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 ensure visual access to all 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.”

#### Corrective Actions

(1) If a low friction liner is present, reinstall the existing uplock roller; or install a new uplock roller, P/N 46575-1, having a low friction liner; on the shock strut of the MLG in accordance with the service bulletin.

(2) If a low friction liner is not present, replace the existing uplock roller with a new uplock roller, P/N 46575-1, having a low friction liner, on the shock strut of the MLG in accordance with the service bulletin. After the effective date of this AD, if the low friction liner is not present, replace the uplock roller in accordance with paragraph (i)(2) of this AD.

**Note 2:** Bombardier DHC-8 Alert Service Bulletin A84-32-15, dated February 4, 2002, references Chapter 32-11-01 of Bombardier Q400 Dash 8 AMM, PSM 1-84-2, as an additional source of service information for procedures to replace an MLG uplock roller.

#### New Requirements of This AD

##### Repetitive Inspections and Replacement if Necessary of a Certain Uplock Assembly

(i) For any MLG uplock assembly having P/N 46500-5, do the inspections specified in paragraphs (i)(1) and (i)(2) of this AD at the later of the following compliance times: Before the accumulation of 2,500 total flight hours or 3,000 total flight cycles on the uplock assembly, whichever occurs first; or within 90 days after the effective date of this AD. Repeat the inspections thereafter at intervals not to exceed 400 total flight hours or 480 total flight cycles, whichever occurs first. Replacement of an uplock assembly in accordance with paragraph (i)(1) of this AD terminates the repetitive inspections of paragraphs (i)(1) and (i)(2) of this AD, for that uplock assembly only.

(1) Do a detailed dimensional inspection of the surface of the uplock hatch lower jaw for the presence of a wear groove and measure the wear groove depth to an accuracy of 0.001 inch, according to a method approved by either the Manager, New York ACO; or TCCA (or its delegated agent). Using Task 32-31-21-220-801 of the Bombardier Q400 Dash 8 AMM, PSM 1-84-2, is one approved method. If the groove depth exceeds 0.007 inch, before further flight, replace the uplock assembly with a new or serviceable uplock assembly, P/N 46500-7, according to a method approved by either the Manager, New York ACO; or TCCA (or its delegated agent). Using Tasks 32-31-21-000-801 and 32-31-21-400-801 of Chapter 32-31-21 of the Bombardier Q400 Dash 8 AMM, PSM 1-84-2, is one approved method.

(2) Do a general visual inspection of the uplock roller, P/N 46575-1, of the MLG uplock assembly to ensure that it rotates freely. If the uplock roller does not rotate freely, before further flight, replace the uplock roller with a new uplock roller, P/N 46575-1, in accordance with Bombardier Temporary Revision (TR) 32-191 and Bombardier TR 32-192, both dated May 29, 2006.

(j) When the information in Bombardier TR 32-191 and Bombardier TR 32-192, both dated May 29, 2006, is included in the AMM, the AMM is approved as an acceptable method of compliance for the replacement specified paragraph (i)(2) of this AD.

##### Optional Terminating Action for AFM Revision, Repetitive Replacements, and Repetitive Inspections

(k) Replacing the left and right MLG uplock assemblies having P/N 46500-3 or -5 with new or overhauled uplock assemblies having P/N 46500-7 terminates the requirements of paragraphs (f), (g), (h), and (i) of this AD, as applicable. After the replacements have been done, the AFM limitation required by paragraph (f) of this AD may be removed from the AFM.

##### Alternative Methods of Compliance (AMOCs)

(l)(1) The Manager, New York ACO, has the authority to approve AMOCs for this AD, if requested in accordance with the procedures found in 14 CFR 39.19.

(2) Before using any AMOC approved in accordance with § 39.19 on any airplane to which the AMOC applies, notify the

appropriate principal inspector in the FAA Flight Standards Certificate Holding District Office.

(3) AMOCs approved previously in accordance with AD 2002-08-05, are approved as AMOCs for the corresponding provisions of this AD.

#### Related Information

(m) Canadian airworthiness directive CF-2002-13R2, dated May 19, 2005, also addresses the subject of this AD.

Issued in Renton, Washington, on October 3, 2006.

**Kalene C. Yanamura,**

*Acting Manager, Transport Airplane*

*Directorate, Aircraft Certification Service.*

[FR Doc. E6-17005 Filed 10-12-06; 8:45 am]

**BILLING CODE 4910-13-P**

## COMMODITY FUTURES TRADING COMMISSION

### 17 CFR Part 4

RIN 3038-AC33

### Electronic Filing of Notices of Exemption and Exclusion Under Part 4 of the Commission's Regulations

**AGENCY:** Commodity Futures Trading Commission.

**ACTION:** Proposed rule.

**SUMMARY:** The Commodity Futures Trading Commission ("Commission" or "CFTC") is proposing to amend Commission regulations to require that notices of exemption or exclusion under Part 4 of the Commission's regulations submitted to National Futures Association ("NFA") be filed electronically.

The Commission previously has authorized NFA to receive and to process notices of exemption or exclusion from certain of the Commission's Part 4 regulations. Currently, these notices are filed in paper form with NFA. The Commission is proposing to amend the regulations that require filing of a notice to require that such notice be filed electronically with NFA. The Commission is further proposing that the submission of a notice through NFA's electronic exemption filing system by a person duly authorized to bind the submitter be permitted in lieu of the manual signature currently required by each of these regulations.

In addition, the Commission also is proposing technical amendments that would remove the procedure for making filings with the Commission required by Part 4, and revise other sections of Part 4 to refer to filings made with NFA rather than the Commission. Amendments to Commission

regulations adopted in 2002 no longer require that any filings under Part 4 be submitted to the Commission; therefore, the regulation specifying the procedure for filing with the Commission is no longer necessary. Further, two sections of Part 4 that refer to filings made with the Commission inadvertently were not amended in 2002 to include corresponding changes indicating that such filings would henceforth be made with NFA.

**DATES:** Comments must be received on or before November 13, 2006.

**ADDRESSES:** You may submit comments, identified by RIN 3038-AC33, by any of the following methods:

- Federal eRulemaking Portal: <http://www.regulations.gov>. Follow the instructions for submitting comments.
- E-mail: [secretary@cftc.gov](mailto:secretary@cftc.gov). Include "Electronic Filing of Part 4 Exemptions" in the subject line of the message.
- Fax: (202) 418-5521.
- Mail: Send to Eileen Donovan, Acting Secretary of the Commission, Commodity Futures Trading Commission, 1155 21st Street, NW., Washington DC 20581.
- Courier: Same as Mail above.

All comments received will be posted without change to <http://www.cftc.gov>, including any personal information provided.

#### FOR FURTHER INFORMATION CONTACT:

Eileen R. Chotiner, Futures Trading Specialist, at (202) 418-5467, or Kevin P. Walek, Assistant Director, at (202) 418-5463, Division of Clearing and Intermediary Oversight, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, NW., Washington, DC 20581. Electronic mail: [echotiner@cftc.gov](mailto:echotiner@cftc.gov) or [kwalek@cftc.gov](mailto:kwalek@cftc.gov).

#### SUPPLEMENTARY INFORMATION:

##### I. Background

Part 4 of the Commission's regulations applies to the operation of commodity pool operators ("CPOs") and commodity trading advisors ("CTAs"). Generally, a person who operates a commodity pool must register as a CPO,<sup>1</sup> and a person who manages clients' trading must register as a CTA.<sup>2</sup> Under Commission Regulation 4.5, certain "otherwise regulated persons" are excluded from the CPO definition. These persons

<sup>1</sup> Regulation 4.10(d)(1) defines a pool as "any investment trust, syndicate or similar form of enterprise operated for the purpose of trading commodity interests." Commission regulations cited to herein are found at 17 CFR Ch. I (2006).

<sup>2</sup> The Commodity Exchange Act ("Act") defines a CTA as any person who "for compensation or profit, engages in the business of advising others \* \* \* as to the value of or the advisability of trading in" commodity interests. 7 U.S.C. 1a(6) (2000).

include registered investment companies, banks and trust companies, insurance companies, and fiduciaries of ERISA pension plans. A person who qualifies for the exclusion must file a notice of eligibility with NFA.<sup>3</sup>

Commission regulations also make certain exemptions from CPO and CTA registration available to persons who meet specified criteria. Regulation 4.13 permits exemption from registration for CPOs that limit their activities to small or family pools; or whose participants are highly sophisticated; or whose pools limit participants to SEC "accredited investors"<sup>4</sup> as that term is defined in the regulations promulgated by the Securities and Exchange Commission ("SEC") and limit trading of commodity interests to a minimum amount specified in the regulation. A notice claiming exemption from registration as a CPO must be filed with NFA.

A CTA is exempt from registration if it meets criteria specified in Regulation 4.14, including: it furnishes trading advice solely to commodity pools for which it is the registered CPO or for which it is exempt from CPO registration; it provides advice solely incidental to the conduct of one of certain businesses or professions listed in the Act or the Commission's regulations; it is registered with the Commission in another capacity and its advice is solely in connection with acting in that other capacity; it does not manage client accounts or provide commodity trading advice based on, or tailored to, the financial positions of particular clients; or it is an SEC-registered investment adviser whose futures advice is incidental to providing securities trading advice to the "otherwise regulated" trading vehicles specified in Regulation 4.5, or to CPOs of pools operated pursuant to the exemptions in Regulations 4.13(a)(3) and (4). A notice must be filed to claim the exemption available to registered investment advisers who meet the criteria set forth in Regulation 4.14(a)(8); the other exemptions from CTA registration are self-executing.<sup>5</sup>

Registered CPOs are required to provide a disclosure document to prospective participants that includes disclosure of risks and information such as the business backgrounds of persons

<sup>3</sup> NFA is a registered futures association under the Act. 7 U.S.C. 21 (2000).

<sup>4</sup> 17 CFR 230.501(a) (2006).

<sup>5</sup> A statutory exemption from CTA registration exists in Section 4m(1) of the Act for a person who has not had more than 15 clients during a 12-month period and is not otherwise holding itself out as a CTA. 7 U.S.C. 6m (2000). A person who qualifies for this exemption is not required to file a notice claiming the exemption.