

indirectly a savings and loan holding company, or who otherwise participated directly or indirectly in the conduct of the affairs of a savings and loan holding company on October 13, 2006, may continue to hold the position with the savings and loan holding company.

(2) This exemption expires on September 5, 2007, unless the savings and loan holding company or the person files an application seeking a case-by-case exemption for the person under § 585.110 by that date. If the savings and loan holding company or the person files such an application, the temporary exemption expires on:

(i) The date of issuance of an OTS order approving the application under § 585.130(a);

(ii) The expiration of the 20-day period for filing a request for hearing under § 585.130(b) provided there is no timely request for hearing following the issuance of an OTS order denying the application under that section;

(iii) The date that OTS denies a timely request for hearing under § 585.140(a) following the issuance of an OTS order denying the application under § 585.130(b);

(iv) The date that the Director issues a decision under § 585.140(d); or

(v) The date an applicant withdraws the application.

**§ 585.110 How do I apply for a case-by-case exemption?**

(a) *Who may file.* (1) A savings and loan holding company or a person who was convicted of a criminal offense described in § 585.40 or who has agreed to enter into a pre-trial diversion or similar program in connection with a prosecution for such a criminal offense (“you”) may file an application seeking an OTS order granting an exemption from the prohibitions in this part.

(2) You may seek an exemption only for a designated position (or positions) with respect to a named savings and loan holding company.

(3) You may not file an application less than one year after the latter of the date of OTS’s denial of the same exemption under § 585.130(b), § 585.140(a)(2) or § 585.140(d).

(b) *Application and review procedures.* You may seek OTS approval by filing your application with OTS under the standard treatment described in 12 CFR part 516, subpart A of this chapter. OTS will review your application under 12 CFR part 516, subpart E of this chapter (excluding 12 CFR 516.270 and 516.280).

(c) *Prohibition pending OTS action.* Unless you are exempt under § 585.100(b), the prohibitions in

§ 585.30 continue to apply pending OTS action on your application.

**§ 585.120 What factors will OTS consider in reviewing my application?**

(a) *OTS review.* (1) In determining whether to approve an exemption application filed under § 585.110, OTS will consider the extent to which the position that is the subject of your application enables a person to:

(i) Participate in the major policymaking functions of the savings and loan holding company; or

(ii) Threaten the safety and soundness of any insured depository institution that is controlled by the savings and loan holding company, the interests of its depositors, or the public confidence in the insured depository institution.

(2) OTS will also consider whether you have demonstrated the person’s fitness to hold the described position. Some positions may be approved without an extensive review of a person’s fitness because the position does not enable a person to take the actions described in paragraph (a)(1) of this section.

(b) *Factors.* In making the determinations under paragraph (a) of this section, OTS will consider the following factors:

(1) The position;

(2) The amount of influence and control a person holding the position will be able to exercise over the affairs and operations of the savings and loan holding company and the insured depository institution;

(3) The ability of the management of the savings and loan holding company to supervise and control the activities of a person holding the position;

(4) The level of ownership that the person will have at the savings and loan holding company;

(5) The specific nature and circumstances of the criminal offense. The question whether a person who was convicted of a crime or who agreed to enter into a pretrial diversion or similar program for a crime was guilty of that crime is not relevant;

(6) Evidence of rehabilitation; and

(7) Any other relevant factor.

**§ 585.130 How will I know if my application is approved?**

(a) *Approval.* If OTS approves your application, OTS will issue an approval order. An approval order will include a summary of the relevant factors that OTS considered under § 585.120, will require fidelity bond coverage for the position to the same extent as similar positions with the SLHC. The approval order may include such other conditions as may be appropriate.

(b) *Denial.* If OTS denies your application, OTS will issue a denial order. The denial order will include the following written information:

(1) A summary of the relevant factors that OTS considered under § 585.120; and

(2) A statement indicating that you may file a written request demonstrating good cause for a hearing on the denial of your application, and that you must file this request with OTS within 20 days of the date of issuance of the order.

**§ 585.140 What procedures govern a hearing on my application?**

(a) *OTS review of hearing request.* OTS will review your hearing request to determine if you have demonstrated good cause for a hearing on your application. Within 30 days after the filing of a timely request for a hearing, OTS will notify you in writing of its decision to grant or deny the hearing request. If OTS grants your request for a hearing, it will order a hearing to be commenced within 60 days of the issuance of the notification. Upon the request of a party, the OTS may order a later hearing date.

(b) *Hearing procedures.* Hearing procedures are set out at 12 CFR part 509, subpart D of this chapter.

Dated: April 30, 2007.

By the Office of Thrift Supervision.

**John M. Reich,**

*Director.*

[FR Doc. E7-8677 Filed 5-7-07; 8:45 am]

BILLING CODE 6720-01-P

**DEPARTMENT OF TRANSPORTATION**

**Federal Aviation Administration**

**14 CFR Part 39**

[Docket No. FAA-2006-26775; Directorate Identifier 2007-CE-01-AD; Amendment 39-15042; AD 2007-10-01]

RIN 2120-AA64

**Airworthiness Directives; Air Tractor, Inc. Model AT-602 Airplanes**

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

**ACTION:** Final rule.

**SUMMARY:** We are adopting a new airworthiness directive (AD) for certain Air Tractor, Inc. (Air Tractor) Model AT-602 airplanes. This AD requires you to install access holes to do repetitive detailed visual inspections for cracks in the horizontal stabilizer brace tube assembly, and if any cracks are found as a result of a visual inspection, to replace

the horizontal stabilizer brace tube assembly with a new design horizontal stabilizer brace tube assembly. The installation of the new design horizontal stabilizer brace tube assembly is terminating action for the repetitive inspection requirement. This AD results from two reports of Model AT-602 airplanes with cracked horizontal stabilizer brace tube assemblies. We are issuing this AD to detect and correct cracks in the horizontal stabilizer brace tube assembly, which could result in failure of the horizontal stabilizer. This failure could affect the ability to control pitch with consequent loss of control.

**DATES:** This AD becomes effective on June 12, 2007.

On June 12, 2007 the Director of the Federal Register approved the incorporation by reference of certain publications listed in this AD.

**ADDRESSES:** For service information identified in this AD, contact Air Tractor Inc., P.O. Box 485, Olney, Texas 76374; telephone: (940) 564-5616; fax: (940) 564-5612.

To view the AD docket, go to the Docket Management Facility; U.S. Department of Transportation, 400 Seventh Street, SW., Nassif Building, Room PL-401, Washington, DC 20590-

001 or on the Internet at <http://dms.dot.gov>. The docket number is FAA-2006-26775; Directorate Identifier 2007-CE-01-AD.

**FOR FURTHER INFORMATION CONTACT:** Andrew McAnaul, Aerospace Engineer, ASW-150 (c/o MIDO-43), 10100 Reunion Place, Suite 650, San Antonio, Texas 78216; telephone: (210) 308-3365; fax: (210) 308-3370.

**SUPPLEMENTARY INFORMATION:**

**Discussion**

On January 31, 2007, we issued a proposal to amend part 39 of the Federal Aviation Regulations (14 CFR part 39) to include an AD that would apply to certain Air Tractor Model AT-602 airplanes. This proposal was published in the **Federal Register** as a notice of proposed rulemaking (NPRM) on February 6, 2007 (72 FR 5359). The NPRM proposed to require you to install access holes to do repetitive detailed visual inspections for cracks in the horizontal stabilizer brace tube assembly, and if any cracks are found as a result of a visual inspection, to replace the horizontal stabilizer brace tube assembly with a new design horizontal stabilizer brace tube assembly. The installation of the new design horizontal

stabilizer brace tube assembly is terminating action for the repetitive inspection requirement.

**Comments**

We provided the public the opportunity to participate in developing this AD. We received no comments on the proposal or on the determination of the cost to the public.

**Conclusion**

We have carefully reviewed the available data and determined that air safety and the public interest require adopting the AD as proposed except for minor editorial corrections. We have determined that these minor corrections:

- Are consistent with the intent that was proposed in the NPRM for correcting the unsafe condition; and
- Do not add any additional burden upon the public than was already proposed in the NPRM.

**Costs of Compliance**

We estimate that this AD affects 128 airplanes in the U.S. registry.

We estimate the following costs to do the installation of access holes to do visual inspections:

Labor cost	Parts cost	Total cost per airplane	Total cost on U.S. operators
1 work-hour × \$80 per hour = \$80 .....	\$5	\$85	\$10,880

We estimate the following costs to do each visual inspection for cracks of the horizontal stabilizer brace tube assembly:

Labor cost	Parts cost	Total cost per airplane	Total cost on U.S. operators for initial inspection
1 work-hour × \$80 per hour = \$80 .....	Not Applicable	\$80	\$10,240

We estimate the following costs to do any necessary replacement of the horizontal stabilizer brace tube assembly with a new design horizontal stabilizer brace tube assembly that will be required based on the results of the inspection or as the terminating action for the repetitive inspection

requirement. We have no way of determining the number of airplanes that will need this replacement:

Labor cost	Parts cost	Total cost per airplane
35 work-hours × \$80 per hour = \$2,800 .....	\$896	\$3,696

**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 AD.

**Regulatory Findings**

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

For the reasons discussed above, I certify that this AD:

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 summary of the costs to comply with this AD (and other information as included in the Regulatory Evaluation) and placed it in the AD Docket. You may get a copy of this summary by sending a request to us at the address listed under **ADDRESSES**.

Include "Docket No. FAA-2006-26775; Directorate Identifier 2007-CE-01-AD" in your request.

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

Air transportation, Aircraft, Aviation safety, Incorporation by reference, Safety.

**Adoption of the Amendment**

■ Accordingly, under 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. FAA amends § 39.13 by adding the following new AD:

**2007-10-01 Air Tractor Inc.:** Amendment 39-15042; Docket No. FAA-2006-26775; Directorate Identifier 2007-CE-01-AD.

**Effective Date**

(a) This AD becomes effective on June 12, 2007.

**Affected ADs**

(b) None.

**Applicability**

(c) This AD applies to Model AT-602 airplanes, all serial numbers through 602-0695 that:

- (1) Have horizontal stabilizer brace tube assembly, part number (P/N) 30012-7, installed; and
- (2) Are certificated in any category.

**Unsafe Condition**

(d) This AD results from two reports of Model AT-602 airplanes with cracked horizontal stabilizer brace tube assemblies. We are issuing this AD to detect and correct cracks in the horizontal stabilizer brace tube assembly, which could result in failure of the horizontal stabilizer. This failure could affect the ability to control pitch with consequent loss of control.

**Compliance**

(e) To address this problem, you must do the following, unless already done:

Actions	Compliance	Procedures
(1) Do the following: (i) Install access holes for visual inspection of the P/N 30012-7, horizontal stabilizer brace tube assembly. (ii) Conduct a detailed visual inspection for cracks in the P/N 30012-7 horizontal stabilizer brace tube assembly.	Install the access holes and do the initial inspection upon accumulating 2,000 hours time-in-service (TIS) or within the next 60 days after June 12, 2007 (the effective date of this AD), whichever occurs later. Repetitively inspect thereafter at intervals not to exceed 100 hours TIS. Replacement of the P/N 30012-7 horizontal stabilizer brace tube assembly with a new design P/N 30766-1 horizontal stabilizer brace tube assembly following paragraph (e)(2) of this AD is terminating action for the repetitive inspection requirement of this AD.	Follow Snow Engineering Co. Service Letter #235, dated August 25, 2004, revised October 24, 2006.
(2) Replace the P/N 30012-7 horizontal stabilizer brace tube assembly with a new design P/N 30766-1 horizontal stabilizer brace tube assembly.	Before further flight after any inspection required by paragraph (e)(1) of this AD where cracks are found. The installation of a new design P/N 30766-1 horizontal stabilizer brace tube assembly is terminating action for the repetitive inspection requirement of this AD.	Follow Snow Engineering Co. Service Letter #129A, dated August 7, 2004, revised November 15, 2005; Snow Engineering Co. Service Letter #235, dated August 25, 2004, revised October 24, 2006; and Snow Engineering Co. Drill Template—602, Drawing Number SL129-602, dated August 2, 2004.
(3) Do not install any P/N 30012-7 horizontal stabilizer brace tube assembly.	As of June 12, 2007 (the effective date of this AD).	Not Applicable.

**Alternative Methods of Compliance (AMOCs)**

(f) The Manager, Fort Worth Airplane Certification Office, FAA, has the authority to approve AMOCs for this AD, if requested using the procedures found in 14 CFR 39.19. Send information to ATTN: Andrew McAnaul, Aerospace Engineer, ASW-150 (c/o MIDO-43), 10100 Reunion Place, Suite 650, San Antonio, Texas 78216; telephone: (210) 308-3365; fax: (210) 308-3370. Before using any approved AMOC on any airplane to which the AMOC applies, notify your appropriate principal inspector (PI) in the FAA Flight Standards District Office (FSDO), or lacking a PI, your local FSDO.

**Related Information**

(g) To get copies of the service information referenced in this AD, contact Air Tractor Inc., P.O. Box 485, Olney, Texas 76374; telephone: (940) 564-5616; fax: (940) 564-5612. To view the AD docket, go to the Docket Management Facility; U.S. Department of Transportation, 400 Seventh Street, SW., Nassif Building, Room PL-401, Washington, DC, or on the Internet at <http://dms.dot.gov>. The docket number is Docket No. FAA-2006-26775; Directorate Identifier 2007-CE-01-AD.

**Material Incorporated by Reference**

(h) You must use Snow Engineering Co. Service Letter #129A, dated August 7, 2004, revised November 15, 2005; Snow Engineering Co. Service Letter #235, dated August 25, 2004, revised October 24, 2006; and Snow Engineering Co. Drill Template—602, Drawing Number SL129-602, dated August 2, 2004, to do the actions required by this AD, unless the AD specifies otherwise.  
(1) The Director of the Federal Register approved the incorporation by reference of this service information under 5 U.S.C. 552(a) and 1 CFR part 51.  
(2) For service information identified in this AD, contact Air Tractor Inc., P.O. Box

485, Olney, Texas 76374; telephone: (940) 564-5616; fax: (940) 564-5612.

(3) You may review copies at the FAA, Central Region, Office of the Regional Counsel, 901 Locust, Kansas City, Missouri 64106; or at the National Archives and Records Administration (NARA). For information on the availability of this material at NARA, call 202-741-6030, or go to: [http://www.archives.gov/federal\\_register/code\\_of\\_federal\\_regulations/ibr\\_locations.html](http://www.archives.gov/federal_register/code_of_federal_regulations/ibr_locations.html).

Issued in Kansas City, Missouri, on April 27, 2007.

**David R. Showers,**

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

[FR Doc. E7-8671 Filed 5-7-07; 8:45 am]

**BILLING CODE 4910-13-P**

## DEPARTMENT OF TRANSPORTATION

### Federal Aviation Administration

#### 14 CFR Part 39

[Docket No. FAA-2007-28100; Directorate Identifier 2007-NM-103-AD; Amendment 39-15045; AD 2007-10-04]

RIN 2120-AA64

#### **Airworthiness Directives; McDonnell Douglas Model DC-9-81 (MD-81), DC-9-82 (MD-82), DC-9-83 (MD-83), DC-9-87 (MD-87), and MD-88 Airplanes**

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

**ACTION:** Final rule; request for comments.

**SUMMARY:** The FAA is adopting a new airworthiness directive (AD) for all McDonnell Douglas Model DC-9-81 (MD-81), DC-9-82 (MD-82), DC-9-83 (MD-83), DC-9-87 (MD-87), and MD-88 airplanes. This AD requires repetitive inspections to detect cracks in the horizontal stabilizer, and related investigative/corrective actions if necessary. This AD results from reports of cracks found in the horizontal stabilizer—in the upper and lower aft skin panels at the aft inboard corner at station XH = 8.2, and in the rear spar upper caps adjacent to the aft skin panel at station XH = 10.0. We are issuing this AD to detect and correct cracks in the upper and lower aft skin panels and rear spar upper caps, which, if not corrected, could lead to the loss of overall structural integrity of the horizontal stabilizer.

**DATES:** This AD becomes effective May 23, 2007.

The Director of the Federal Register approved the incorporation by reference of a certain publication listed in the AD as of May 23, 2007.

We must receive comments on this AD by July 9, 2007.

**ADDRESSES:** Use one of the following addresses to submit comments on this 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 Boeing Commercial Airplanes, Long Beach Division, 3855 Lakewood Boulevard, Long Beach, California 90846, Attention: Data and Service Management, Dept. C1-L5A (D800-0024), for service information identified in this AD.

**FOR FURTHER INFORMATION CONTACT:** Roger Durbin, Aerospace Engineer, Airframe Branch, ANM-120L, FAA, Los Angeles Aircraft Certification Office, 3960 Paramount Boulevard, Lakewood, California 90712-4137; telephone (562) 627-5233; fax (562) 627-5210.

#### **SUPPLEMENTARY INFORMATION:**

##### **Discussion**

We have received reports of cracks found in the horizontal stabilizer—in the upper and lower aft skin panels at the aft inboard corner at station XH = 8.2, and in the rear spar upper caps adjacent to the aft skin panel at station XH = 10.0. These cracks were found during maintenance visual inspections.

The cause of the cracking is still under investigation. If not corrected, the cracked upper and lower aft skin panels and rear spar upper caps could lead to the loss of overall structural integrity of the horizontal stabilizer.

##### **Relevant Service Information**

We have reviewed Boeing Alert Service Bulletin MD80-55A065, dated April 25, 2007. The service bulletin describes procedures for repetitive low- and high-frequency eddy current inspections to detect cracks of the horizontal stabilizer's upper and lower aft skin panels and rear spar upper caps. The service bulletin provides options for corrective action based on crack length, location, and reparability; these options include some combination of the following actions:

- Stop drilling the end of the crack;
- Trimming the crack and installing a filler;
- Installing a skin panel splice or rear spar upper cap splice;
- Replacing the skin panel or rear spar upper cap with a new part; and
- Repeating the inspection of the cracked area (including aft skin panels, skin panel splice, and rear spar upper cap).

The repetitive inspection intervals, which range from 200 to 2,600 flight cycles, depend on the option used.

Accomplishing the actions specified in the service information is intended to adequately address the unsafe condition.

#### **FAA's Determination and Requirements of This AD**

The unsafe condition described previously is likely to exist or develop on other airplanes of the same type design. For this reason, we are issuing this AD to detect and correct cracks in the upper and lower aft skin panels and rear spar upper caps, which, if not corrected, could lead to the loss of overall structural integrity of the horizontal stabilizer. This AD requires accomplishing the actions specified in the service information described previously, except as discussed under "Differences Between the AD and the Service Bulletin" below.

#### **Differences Between the AD and the Service Bulletin**

The service bulletin specifies that any splice installed as part of a crack repair option be inspected within 20,000 flight cycles after the repair. But the service bulletin notes that the type, method, and repetitive interval for this inspection will be identified by Boeing at a later date. (See paragraph 1.E., note (a) of Tables 1 and 2 of the service bulletin.) To ensure continued safety, we have determined that this inspection and its repetitive interval must be adequately defined. Therefore, this AD requires that the inspection type, method, and repetitive interval be approved either by the FAA, or in accordance with data that meet the certification basis of the airplane and that have been approved by an Authorized Representative for the Boeing Commercial Airplanes Delegation Option Authorization Organization whom we have authorized to make those findings.

For a crack that meets the Condition 2 criteria specified in Table 1 or Table 3 in paragraph 1.E. of the service bulletin, Options 1 and 2 specify temporary repairs followed by repetitive inspections of the area, but provide no