

floating-rate instruments that reset in response to changes in the consumer price index (CPI) as published by the Bureau of Labor Statistics. Enterprise issuance of CPI-linked instruments is tied to swap market transactions intended to create desired synthetic debt structure and terms. In such cases, the true economic position nets to the payment terms of the related derivative contract. Accordingly, in order to accommodate and address the existence

of CPI-linked instruments in the Enterprises' portfolios, the net synthetic position shall be evaluated in the stress test. That is, for CPI-linked instruments tied to swap transactions that are formally linked in a hedge accounting relationship, the Enterprise should substitute the CPI-linked instrument's coupon payment terms with those of the related swap contract.

[g] Pre-refunded municipal bonds also require special treatments. Pre-refunded municipal bonds are collateralized by

securities that are structured to fund all the cash flows of the refunded municipal bonds until the bonds are callable. Since the call date for the bonds, also referred to as the pre-refunded date, is a more accurate representation of the payoff date than the contractual maturity date of the bonds, the stress test models the bonds to mature on the call date.

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3.9.2 * * *

TABLE 3-70—ALTERNATIVE MODELING TREATMENT INPUTS

Variable	Description
TYPE	Type of item (asset, liability or off-balance sheet item)
BOOK	Book Value of item (amount outstanding adjusted for deferred items)
FACE	Face Value or notional balance of item for off-balance sheet items
REMATUR	Remaining Contractual Maturity of item in whole months. Any fraction of a month equals one whole month.
RATE	Interest Rate
INDEX	Index used to calculate Interest Rate
FAS115	Designation that the item is recorded at fair value, according to FAS 115
RATING	Instrument or counterparty rating
FHA	In the case of off-balance sheet guarantees, a designation indicating 100% of collateral is guaranteed by FHA
MARGIN	Margin over an Index

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3.10.3.6.2 * * *

[a] * * *
1. Fair Values

- a. The valuation impact of any Applicable Fair Value Standards (AFVS), cumulative from their time of implementation, will be reversed out of the starting position data, by debiting any accumulated credits, and crediting any accumulated debits.
- (1) AFVS are defined as GAAP pronouncements that require recognition of periodic changes in fair value, e.g., EITF 99-20, FAS 65, FAS 87, FAS 115, FAS 133, FAS 140, FAS 149 and FIN 45.
- (2) The GAAP pronouncements covered by this treatment are subject to OPHEO review. The Enterprises will submit a list of standards and pronouncements which are being reversed in the RBC Reports.
- b. After reversing the valuation impact of AFVS, any affected activities are rebooked as follows:
 - (1) If absent the adoption of the AFVS, the affected transactions would have been accounted for on an historical cost basis, they are rebooked and presented as if they had always been accounted for on

an historical cost basis. (The historical cost basis may include amortization from the time of the activity to the beginning of the stress test.)
(2) To the extent that transactions would not have been accounted for on an historical cost basis, they are accounted for as if they were income and expense activities.

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Dated: June 6, 2006.
James B. Lockhart III,
Acting Director, Office of Federal Housing Enterprise Oversight.
[FR Doc. 06-5330 Filed 6-23-06; 8:45 am]
BILLING CODE 4220-01-P

DEPARTMENT OF TRANSPORTATION
Federal Aviation Administration
14 CFR Part 39
[Docket No. 2003-NM-114-AD]
RIN 2120-AA64

Airworthiness Directives; Saab Model SAAB-Fairchild SF340A (SAAB/SF340A) and SAAB 340B Airplanes

AGENCY: Federal Aviation Administration, DOT.

ACTION: Supplemental notice of proposed rulemaking; reopening of comment period.

SUMMARY: This document revises an earlier proposed airworthiness directive (AD), applicable to certain Saab Model SAAB-Fairchild SF340A (SAAB/SF340A) and SAAB 340B airplanes, that would have required modification of the hot detection system of the tail pipe harness of the engine nacelles. This new action revises the original NPRM by reducing the compliance time for the modification and adding repetitive inspections. The actions specified by this new proposed AD are intended to prevent false warning indications to the flightcrew from the hot detection system due to discrepancies of the harness, which could result in unnecessary aborted takeoffs on the ground or an in-flight engine shutdown. This action is intended to address the identified unsafe condition.

DATES: Comments must be received by July 21, 2006.

ADDRESSES: Submit comments in triplicate to the Federal Aviation Administration (FAA), Transport Airplane Directorate, ANM-114, Attention: Rules Docket No. 2003-NM-114-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-nprmcomment@faa.gov*. Comments sent via fax or the Internet must contain "Docket No. 2003-NM-114-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 or 2000 or ASCII text.

The service information referenced in the proposed rule may be obtained from Saab Aircraft AB, SAAB Aircraft Product Support, S-581.88, Linköping, Sweden. This information may be examined at the FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington.

FOR FURTHER INFORMATION CONTACT: Mike Borfitz, Aerospace Engineer, International Branch, ANM-116, Transport Airplane Directorate, FAA, 1601 Lind Avenue, SW., Renton, Washington 98055-4056; telephone (425) 227-2677; fax (425) 227-1149.

SUPPLEMENTARY INFORMATION:

Comments Invited

Interested persons are invited to participate in the making of the proposed rule by submitting such written data, views, or arguments as they may desire. Communications shall identify the Rules Docket number and be submitted in triplicate to the address specified above. All communications received on or before the closing date for comments, specified above, will be considered before taking action on the proposed rule. The proposals contained in this action may be changed in light of the comments received.

Submit comments using the following format:

- Organize comments issue-by-issue. For example, discuss a request to change the compliance time and a request to change the service bulletin reference as two separate issues.
- For each issue, state what specific change to the proposed AD is being requested.
- Include justification (e.g., reasons or data) for each request.

Comments are specifically invited on the overall regulatory, economic, environmental, and energy aspects of the proposed rule. All comments submitted will be available, both before and after the closing date for comments, in the Rules Docket for examination by interested persons. A report summarizing each FAA-public contact

concerned with the substance of this proposal will be filed in the Rules Docket.

Commenters wishing the FAA to acknowledge receipt of their comments submitted in response to this action must submit a self-addressed, stamped postcard on which the following statement is made: "Comments to Docket Number 2003-NM-114-AD." The postcard will be date stamped and returned to the commenter.

Availability of NPRMs

Any person may obtain a copy of this NPRM by submitting a request to the FAA, Transport Airplane Directorate, ANM-114, Attention: Rules Docket No. 2003-NM-114-AD, 1601 Lind Avenue, SW., Renton, Washington 98055-4056.

Discussion

A proposal to amend part 39 of the Federal Aviation Regulations (14 CFR part 39) to add an airworthiness directive (AD), applicable to certain Saab Model SAAB SF340A and SAAB 340B series airplanes, was published as a notice of proposed rulemaking (NPRM) in the *Federal Register* on April 1, 2004 (69 FR 17101). That NPRM would have required modification of the hot detection system of the tail pipe harness of the engine nacelles. That NPRM was prompted by reports of false warning indications to the flightcrew from the hot detection system of the tail pipe harness of the engine nacelles. That condition, if not corrected, could result in unnecessary aborted takeoffs on the ground or an in-flight engine shutdown.

Actions Since Issuance of Original NPRM

Since the issuance of the original NPRM, we have been receiving reports from operators indicating new incidents of false warning indications to the flightcrew from the hot detection system of the tail pipe harness of the engine nacelles. We have determined that, the unsafe condition is severe enough to justify adding repetitive general visual inspections after accomplishing the modification, in order to maintain an appropriate level of safety. The one-time inspection specified in the original NPRM was determined to be appropriate in consideration of the safety implications at that time. However, in light of the additional reports, we have added repetitive inspections at intervals not to exceed 12 months to paragraph (a) of this supplemental NPRM.

This supplemental NPRM also requires that operators report the results of all hot tail pipe events to the Swedish

Civil Aviation Authority (Luftfartsstyrelsen). Because the cause of the events is not known, these required reports will help determine the extent of the problem in the affected fleet. Based on the results of these reports, we may determine that further corrective action is warranted.

New Relevant Service Information

We have received Saab Service Bulletin 340-26-030, Revision 01, dated November 14, 2003. (The original NPRM refers to Service Bulletin 340-26-030, dated October 28, 2002, as the appropriate source of service information for accomplishing the proposed actions.) Revision 01 of the service bulletin adds no significant changes to the original issue and has been added to the supplemental NPRM as the appropriate source of service information for accomplishing the actions.

Comments

Due consideration has been given to the comments received in response to the original NPRM.

Request To Add Certain Repetitive Inspection Requirements

Mesaba Airlines states that initially it had problems with false warning indications from the hot detection system, and after several attempts, came up with a process to seal the tail pipe hot detectors with thixotropic sealant. The commenter notes that the work instructions it developed were added to Saab Service Bulletin 340-26-029, and adds that it has had success with this new process and has had a low number of false warning indications. The commenter states that the inspection and application of sealant specified in its Maintenance Review Board (MRB) Item 26-12-01 (Bench Check of Exhaust Duct Overtemp Spot Detectors) are done every 6,000 flight hours; the replacement of the spot detectors is done at the same time. (The inspection is referenced as Task #0600-454-01E and Task #0600-464-01E, and the application of sealant is referenced as Chapter 26-12-05, in the SAAB 340 Airplane Maintenance Manual.) The commenter asks that this visual inspection of the harness and associated terminal ends, and application of thixotropic sealant to the detector/terminal end areas every 6,000 flight hours be added to the original NPRM. The commenter adds that these actions would be done in conjunction with the replacement of the spot detectors.

We partially agree with the commenter. We agree that additional general visual inspections, as identified

by the commenter, are necessary. We do not agree that those inspections can be done at intervals of 6,000 flight hours, as specified in the referenced maintenance manual. In light of the additional incidents that have occurred, a repetitive interval of 6,000 flight hours would not address the unsafe condition in a timely manner. We have revised paragraph (a) of this supplemental NPRM to specify accomplishing a general visual inspection for discrepancies of the heat shrink sleeve, thixotropic sealant, and connectors for damage and/or corrosion, and doing all applicable repairs. We find that repetitive inspections and maintenance done every 12 months will result in a decrease in incidents of false warning indications to the flightcrew from the hot detection system. Additionally, we do not agree to add replacement of the spot detectors in conjunction with the actions because such replacement is an on-condition action.

Request To Add Parts Cost

Saab Aircraft states that in the "Cost Impact" section of the original NPRM we have specified that required parts would be free of charge. The commenter notes that Paragraph 1.G. (Material—Cost and Availability) of the referenced service bulletin specifies, "Price and availability for Modification Kit No. SAAB 340-26-3-01/02 will be furnished on request." The commenter provided the parts cost for the kits and asked that the cost be added to the original NPRM. We agree, and we have changed the cost impact section of this supplemental NPRM to reflect the parts cost.

Explanation of Change to Applicability

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

Explanation of Change to Costs of Compliance

After the original NPRM was issued, we reviewed the figures we have used over the past several years to calculate AD costs to operators. To account for various inflationary costs in the airline industry, we find it necessary to increase the labor rate used in these calculations from \$65 per work hour to \$80 per work hour. The cost impact information, below, reflects this increase in the specified hourly labor rate.

Conclusion

Since certain changes expand the scope of the original NPRM, we have

determined that it is necessary to reopen the comment period to provide additional opportunity for public comment.

Cost Impact

We estimate that 280 airplanes of U.S. registry would be affected by this supplemental NPRM.

It would take about 10 work hours per airplane to accomplish the proposed modification, at an average labor rate of \$80 per work hour. Required parts cost would be between \$218 and \$2,253. Based on these figures, the cost impact of the proposed modification on U.S. operators is estimated to be between \$1,018 and \$3,053 per airplane.

It would take about 1 work hour per airplane to accomplish the proposed inspection and application of sealant, at an average labor rate of \$80 per work hour. Based on these figures, the cost impact of this proposed action on U.S. operators is estimated to be \$22,400, or \$80 per airplane, per inspection cycle.

The cost impact figures discussed above are based on assumptions that no operator has yet accomplished any of the proposed requirements of this AD action, and that no operator would accomplish those actions in the future if this AD were not adopted. The cost impact figures discussed in AD rulemaking actions represent only the time necessary to perform the specific actions actually required by the AD. These figures typically do not include incidental costs, such as the time required to gain access and close up, planning time, or time necessitated by other administrative actions.

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 Impact

The regulations proposed herein 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. Therefore, it is determined that this proposal would not have federalism implications under Executive Order 13132.

For the reasons discussed above, I certify that this 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) if promulgated, will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act. A copy of the draft regulatory evaluation prepared for this action is contained in the Rules Docket. A copy of it may be obtained by contacting the Rules Docket at the location provided under the caption **ADDRESSES**.

List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Safety.

The Proposed Amendment

Accordingly, pursuant to the authority delegated to me by the Administrator, the Federal Aviation Administration proposes to amend 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 the following new airworthiness directive:

Saab Aircraft AB: Docket 2003-NM-114-AD.

Applicability

Model SAAB-Fairchild SF340A (SAAB/SF340A) airplanes, serial numbers -004 through -159 inclusive, and SAAB 340B airplanes, serial numbers -160 through -459 inclusive, certificated in any category.

Compliance

Required as indicated, unless accomplished previously.

To prevent false warning indications to the flightcrew from the hot detection system of the tail pipe harness of the engine nacelles due to discrepancies of the harness, which could result in unnecessary aborted takeoffs

on the ground or an in-flight engine shutdown, accomplish the following:

Modification/Repetitive Inspections

(a) Within 12 months after the effective date of this AD: Modify the hot detection system of the tail pipe harness of the engine nacelles (including a general visual inspection of the heat shrink sleeve, thixotropic sealant, and connectors for damage and/or corrosion, and all applicable repairs), by doing all the actions specified in the Accomplishment Instructions of Saab Service Bulletin 340-26-030, Revision 01, dated November 14, 2003. All applicable repairs must be done before further flight in accordance with the service bulletin. Repeat the general visual inspection thereafter at intervals not to exceed 12 months.

Note 1: For the purposes of this AD, a general visual inspection is defined as: "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 enhance visual access to all exposed 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."

(b) Accomplishing the modification/repetitive inspections specified in Saab Service Bulletin 340-26-030, dated October 28, 2002; or Saab Service Bulletins 340-26-018, Revision 02, and 340-26-029, both dated October 28, 2002; before the effective date of this AD, is considered acceptable for compliance with the modification required by paragraph (a) of this AD.

Reporting Requirement

(c) Within 30 days after any false warning indication to the flightcrew from the hot detection system of the tail pipe harness of the engine nacelles occurs: Submit a report containing the information specified in paragraphs (c)(1), (c)(2), (c)(3), and (c)(4) of this AD to the Swedish Civil Aviation Authority (Luftfartsstyrelsen)—Attn: Mr. Christer Sundqvist, SAAB 340 Certification Manager, SE-601 79, Norrköping, Sweden. Under the provisions of the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*), the Office of Management and Budget (OMB) has approved the information collection requirements contained in this AD and has assigned OMB Control Number 2120-0056.

(1) The date and time, weather conditions, and phase of flight of the warning.

(2) The action taken by the crew to address the warning (aborted takeoff, high speed/high energy abort requiring inspection, return for landing, in-flight diversion, declared emergency, ATC priority handling requested or given, or engine shutdown).

(3) The action taken by maintenance to address/correct the warning.

(4) Time-in-service on the airplane since the last inspection accomplished in accordance with paragraph (a) of this AD.

Alternative Methods of Compliance (AMOCs)

(d)(1) In accordance with 14 CFR 39.19, the Manager, International Branch, ANM-116, Transport Airplane Directorate, FAA, is authorized to approve AMOCs for this AD.

(2) Before using any AMOC approved in accordance with 14 CFR 39.19 on any airplane to which the AMOC applies, notify the appropriate principal inspector in the FAA Flight Standards Certificate Holding District Office.

Note 2: The subject of this AD is addressed in Swedish airworthiness directive 1-184, dated October 28, 2002.

Issued in Renton, Washington, on June 19, 2006.

Ali Bahrami,

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

[FR Doc. E6-10014 Filed 6-23-06; 8:45 am]

BILLING CODE 4910-13-P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA-2006-25174; Directorate Identifier 2005-NM-007-AD]

RIN 2120-AA64

Airworthiness Directives; Learjet Model 45 Airplanes

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

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: The FAA proposes to adopt a new airworthiness directive (AD) for certain Learjet Model 45 airplanes. This proposed AD would require revising the Airworthiness Limitations section of the airplane maintenance manual to incorporate certain inspections and compliance times to detect fatigue cracking of certain principal structural elements (PSEs). This proposed AD results from new and more restrictive life limits and inspection intervals for certain PSEs. We are proposing this AD to ensure that fatigue cracking of various PSEs is detected and corrected; such fatigue cracking could adversely affect the structural integrity of these airplanes.

DATES: We must receive comments on this proposed AD by August 10, 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 Learjet, Inc., One Learjet Way, Wichita, Kansas 67209-2942, for the service information identified in this proposed AD.

FOR FURTHER INFORMATION CONTACT:

Steve Litke, Aerospace Engineer, Airframe Branch, ACE-118W, FAA, Wichita Aircraft Certification Office, 1801 Airport Road, Room 100, Mid-Continent Airport, Wichita, Kansas 67209; telephone (316) 946-4127; fax (316) 946-4107.

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 "FAA-2006-25174; Directorate Identifier 2005-NM-007-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 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