

meeting will provide interested parties the opportunity to present viewpoints that will inform FSIS' decisionmaking for determining the equivalence of foreign meat and poultry inspection systems to the U.S. inspection system.

FSIS will hold a conference, "Federal/State Conference on Food Safety." This conference will focus on how FSIS and State agencies can effectively allocate resources at the Federal, State, and local levels of governments to improve food safety.

Also, the Agency is in the initial planning phases to develop a national food safety symposium to continue the dialogue on animal production food safety issues, research needs, and farm-to-slaughter strategies.

The list of meetings follows:

Meeting	Location	Date
<i>E. coli</i> Verification Testing Conference	Washington, DC	Sept. 12-13, 1996.
National Implementation Conference	Washington, DC	Sept. 30 through Oct. 3, 1996.
International Meeting on Implementation	Washington, DC	Oct. 8, 1996.
Public Hearing on Criteria for Equivalence of Foreign Inspection Systems	Washington, DC	Oct. 9-10, 1996.
Public Meeting on HACCP-based Inspection Models (Pilots)	Washington, DC	To Be Announced.
Meeting with State Directors of Meat and Poultry Inspection Programs	Washington, DC	Oct. 29, 1996.
Federal/State Conference on Food Safety	Washington, DC	Oct. 30, 1996.
Demonstration Projects for Small Plants	Washington, DC	Oct. 31, 1996.
Regional Implementation Conferences	Chicago	Oct. 15, 1996.
	Kansas City	Oct. 17, 1996.
	Dallas	Oct. 22, 1996.
	Oakland	Oct. 24, 1996.
	Boston	Nov. 7, 1996.
	Atlanta	Nov. 13, 1996.
Joint FSIS/FDA Conference Time and Temperature	Washington, DC	Nov. 18-20, 1996.
Second <i>E. coli</i> Conference	Washington, DC	Apr. 1997.
<i>Salmonella</i> Conference	Washington, DC	To Be Announced.

Information on each conference will be included in separate notices in the Federal Register. FSIS will try to adhere to the above schedule; any changes will be indicated in the Federal Register notice pertaining to that meeting.

Done at Washington, DC, on: August 16, 1996.

Michael R. Taylor,

Acting Under Secretary for Food Safety.

[FR Doc. 96-21345 Filed 8-16-96; 2:52 pm]

BILLING CODE 3410-DM-P

FEDERAL HOUSING FINANCE BOARD

12 CFR Parts 932 and 941

[No. 96-56]

Federal Home Loan Bank Directors' Compensation and Expenses

AGENCY: Federal Housing Finance Board.

ACTION: Final rule.

SUMMARY: The Federal Housing Finance Board (Finance Board) is amending its regulation on the compensation of Federal Home Loan Bank (Bank) directors. The existing Finance Board regulation on the compensation of Bank directors subjects the payment of fees and expenses to limits set by the Finance Board. Those limits and other criteria are contained in the Finance Board's Directors' Fees and Allowances Policy (Policy), which essentially imposes a uniform directors' compensation structure on all Banks.

The final rule, in conjunction with the repeal of the Policy, permits each Bank, within certain standards of reasonableness set forth in the regulation, to implement its own policy on director compensation beginning in 1997 and allows each Bank to pay its directors for such expenses as are payable by the Bank to its senior officers, effective immediately.

The amended regulation also codifies an important provision of the Finance Board's Policy, which will be rescinded in its entirety as of the end of 1996, requiring that meetings of a Bank's board of directors be held within the United States.

Finally, the final rule amends a provision of the Finance Board's regulation governing the compensation and expenses of the private citizen member of the board of directors of the Office of Finance (OF) to cross-reference the amended regulation on the compensation of Bank directors, instead of the Policy.

EFFECTIVE DATE: September 20, 1996.

FOR FURTHER INFORMATION CONTACT:

Patricia L. Sweeney, Program Analyst, District Banks Secretariat, (202) 408-2872; or Eric M. Raudenbush, Attorney-Advisor, Office of General Counsel, (202) 408-2932; Federal Housing Finance Board, 1777 F Street, NW., Washington, DC 20006.

SUPPLEMENTARY INFORMATION:

I. Statutory and Regulatory Background

Subsection 7(i) of the Federal Home Loan Bank Act (Bank Act) permits each

Bank, with the approval of the Finance Board, to pay its directors reasonable compensation and necessary expenses for the time required of them in the performance of their Bank-related duties, in accordance with resolutions adopted by such directors. 12 U.S.C. 1427(i) (1994). A general provision on Bank directors' compensation, which appears at § 932.27 of the Finance Board's regulations, provides merely that directors' fees shall be established by each Bank within limits set by the Finance Board. See 12 CFR 932.27 (1995).

The Finance Board has exercised its statutory responsibility to approve Bank director compensation and expenses largely through the Policy, adopted by resolution of its Board of Directors on February 23, 1993. See Finance Board Resolution No. 93-12 (Feb. 23, 1993). The Policy establishes a maximum fee of \$1,200 per day payable to the Chair of a Bank's board of directors when presiding over meetings of the board or its executive committee, and a maximum fee of \$650 per day payable to all other directors for attendance at board, committee, or other meetings for which a fee is authorized. Under the Policy, daily meeting fees are the only authorized source of compensation for Bank directors; the Policy does not provide for payment of either a retainer, or non-cash benefits to directors. The Policy also sets forth generally the categories of expenses that are payable to Bank directors and identifies several specific expense items the payment of

which is either authorized or prohibited.

The Banks first became subject to a formal policy on directors fees and expenses in 1974, when the former Federal Home Loan Bank Board (FHLBB) (the Finance Board's predecessor agency) adopted a policy that revised, clarified and incorporated the various resolutions, minute entries and interpretations on director compensation and expenses that had been issued by the FHLBB since its creation in 1932. The FHLBB policy was amended several times, lastly in 1986, when the current dual \$1200/\$650 per day meeting fee caps were incorporated. When the Finance Board succeeded the FHLBB as regulator of the Bank system in 1989, the FHLBB's policy on Bank directors' fees and expenses remained in effect, as provided by the Financial Institutions Reform Recovery and Enforcement Act's (FIRREA) provision on the continuation of orders, resolutions, determinations and regulations of the FHLBB. See Pub. L. No. 101-73, section 401(h), 103 Stat. 183 (1989) (codified at 12 U.S.C. 1437 note). The Policy is essentially identical to the FHLBB's 1986 policy.

The Bank Act currently vests in the Finance Board the responsibility to supervise the Bank System, to regulate it for financial safety and soundness, and to pass upon most matters of corporate governance of the Banks. A series of studies and reports mandated by the Housing and Community Development Act of 1992, Pub. L. No. 102-550, section 1393, 106 Stat. 3672 (1992), including a report prepared by the Finance Board in April 1993, concluded that the Finance Board's authority over Bank corporate governance is in conflict with the agency's primary role as Bank system regulator. Since the completion of these studies, the Finance Board has been working closely with the Banks to implement regulatory and policy changes designed to devolve to the Banks the authority to set policy on matters of corporate governance, to the extent permissible under the Bank Act. In conjunction with these efforts, two separate task forces composed of senior officials of the Banks have recommended that the Finance Board rescind the Policy and establish broad guidelines within which the Banks' boards of directors can set the structure and limits for the compensation of their directors.

In conformity with these recommendations and as part of its policy to devolve matters of corporate governance to the Banks, the Finance Board published in the Federal Register

on April 22, 1996 a proposal to replace its existing regulation on Bank directors' compensation and the Policy adopted thereunder with a comprehensive regulation on Compensation and Expenses of Bank Directors, intended to allow the Banks greater freedom to develop and implement their own directors' compensation plans, while establishing clear and enforceable regulatory limitations. See 61 FR 17603 (1996). The Finance Board received six comment letters, all of which were from FHLBanks. While some commenters objected to particular provisions of the proposed rule, all believed that it was an improvement over the existing regulatory/policy scheme.

II. Analysis of the Final Rule and Public Comments on the Proposed Rule

The final rule provides for the addition of a new section 932.26 to the Finance Board's regulations and for the revision of sections 932.27 and 941.7(f)(2) thereof to contain entirely new text.

Section 932.26 is adopted as proposed. This section codifies a provision of the Policy requiring that meetings of a Bank's board of directors and its committees usually should be held within the district served by that Bank and prohibiting Banks from holding any such meetings outside the borders of the United States.

Amended section 932.27, entitled "Compensation and Expenses of Bank Directors," is intended to limit the total dollar pool available to each Bank to compensate its directors to an appropriate level, while providing the Banks with maximum flexibility to devise their own directors' compensation schemes within the dollar limit. The regulation is not designed to answer specific compensation issues; rather, it is intended to empower each Bank to exercise its reasonable discretion to decide how to compensate its directors, and thereby to allow many practices that are not explicitly authorized under the Policy, including, without limitation: the payment of retainer fees, the provision of non-cash benefits and the payment of meeting fees for participation in telephonic meetings.

Paragraph (a) of new section 932.27 defines three terms—"compensation," "average compensation per director" and "maximum compensation." The latter definition did not appear in the proposed rule and was added for the reasons discussed below.

Paragraph (b) of new section 932.27 is the operative provision with respect to the compensation of directors. It requires each Bank to adopt annually,

by resolution of its board of directors, a written policy to provide for the payment of "reasonable compensation" to its directors for their work on Bank-related matters. In conjunction with the definition of "Compensation" contained in paragraph (a), paragraph (b) is intended to permit the Banks to remunerate their directors in a wide variety of fashions, including through the use of daily meeting fees, retainer fees, cash or non-cash fringe benefits, deferred payments, incentive payments, or combinations thereof. Because the timetable for transition from the Policy to the new regulatory scheme was unclear under the proposed rule, the final rule specifically provides that the Banks' policies on director compensation shall take effect beginning in 1997. Bank directors will continue to be compensated in the manner prescribed in the Policy until December 31, 1996, at which time the Finance Board intends to rescind the Policy in its entirety.

Under paragraph (b), which is otherwise identical to that set forth in the proposed rule, the text of each Bank's policy must detail the types of Bank-related meetings or other activities in which its directors are required or expected to participate and for which they may be compensated. In addition, the policy must explain fully the methodology for determining the amounts and the circumstances under which the Bank's directors may be paid, including, if applicable: setting forth rates of compensation for participation in Bank-related activities; setting forth any retainer fees payable to directors and the circumstances under which they may be paid; explaining the rationale for any graduated meeting or retainer fee scales; and detailing any non-cash fringe benefits to be provided to directors, including the approximate cash value thereof.

Paragraph (c) of new section 932.27 sets forth the substantive limits on Bank directors' compensation that must be reflected in each Bank's policy on director compensation. The introductory text to paragraph (c)(1) provides for a \$28,000 cap on each Bank's annual "average compensation per director" (ACPD). ACPD is defined in paragraph (a) as the sum of the maximum compensation for all directors serving on a Bank's board of directors, divided by the total number of directors serving on that Bank's board. In turn, the term "maximum compensation" is defined in paragraph (a) as the maximum total compensation that would be paid to a director in a given year under the Bank's policy on director compensation if that director

attended all meetings and fulfilled all duties assigned to or otherwise expected of him or her for that year. The definition of "maximum compensation" has been added to the final rule and the term has been incorporated into the definition of ACPD, in part, to make clear that ACPD refers to the maximum amount of compensation that directors have the potential to earn if they fulfill all duties for which they may be compensated, including without limitation, attendance at meetings and service as board or committee chairs or vice-chairs.

By capping the ACPD, new section 932.27 effectively limits the total pool of money available to each Bank to compensate its directors (to \$28,000 times the total number of directors), but, because each Bank has a different number of directors, this has been expressed in terms of "compensation per director" instead of as a lump sum. Because the regulation caps only the average amount that may be paid to a Bank's directors, a Bank policy may be structured so that one or more directors could earn more than \$28,000 in a year, as long as the average maximum compensation of all of the Bank's directors do not exceed that amount.

Two of the commenters specifically opposed the inclusion in the regulation of any dollar cap on director compensation. One expressed a belief that placing an "artificial limit" on compensation will cause all Banks' compensation of directors to rise to the maximum level regardless of other relevant factors and both opined that each board should be free to set its own compensation levels based upon the services performed by each director and compensation practices at comparable institutions (taking into account the FHLBanks' status as government-sponsored enterprises), subject to regulatory parameters based on safety and soundness considerations.

After considering the agency's statutory responsibility to "approve" Bank directors' compensation, see 12 U.S.C. 1427(i), the Bank Act's requirement that such compensation be "reasonable," see *id.*, and the preference for providing a clear regulatory standard, the Finance Board has concluded that a dollar cap on compensation is necessary and appropriate. Specifically, the Finance Board has concluded that an ACPD cap of \$28,000 is sufficient to allow the Banks to attract high quality individuals to serve on their boards of directors, yet is moderate enough, considering market rates, the Banks' GSE status and the general duties of Bank directors, to

qualify as "reasonable compensation" under the Bank Act.

As provided in paragraph (c)(2) of new section 932.27, the cap on ACPD will increase automatically, beginning in 1998, to reflect the previous year's change in the Consumer Price Index (CPI). The proposed rule provided for the adjustment to occur beginning in 1997, but because the regulation was changed in the final rule to provide that the Banks' policies will take effect beginning in 1997 instead of 1996, the timetable for CPI adjustment was also moved back by one year.

Paragraph (c)(1)(i) of new section 932.27 requires that, keeping within the stated cap on ACPD, each Bank's policy on director compensation should be designed such that, the actual compensation paid to each director in a given year reflects both the amount of time that the director has spent on Bank-related business and the level of responsibility the director has assumed with respect to his or her role on the Bank's board of directors during that year. This paragraph has been expanded in the final rule to make clear that each Bank's policy must in some way ensure that a director's failure to attend meetings or to fulfill other assigned duties has a tangible negative effect on the actual compensation paid to that director. Specifically, the requirement that a directors' annual compensation must reflect the amount of time spent on official Bank business is intended to ensure that Bank directors are being paid for meetings they actually attend and duties they actually perform for each Bank.

As proposed, paragraph (c)(1)(ii) would have required each Bank to pay its Chair: (1) More than any other director and (2) at least 125 percent of the Bank's ACPD. In the final rule, this provision has been modified slightly to require only that the "maximum compensation" that can be paid to the chair in a given year if he or she fulfills all of his or her duties—as opposed to the actual amount paid to the chair—conform to the requirements set forth in the paragraph. This change was made because, as noted by one commenter, under the proposed rule, compliance with the requirement that the chair earn at least 125 percent of the ACPD for that Bank could have created an apparent conflict with paragraph (c)(1)(i) if a Bank's chair has unexpectedly low meeting attendance during a given year. The change is intended to clarify that each Bank's policy should be structured so that, assuming the chair fulfills all of his or her duties, he or she will be paid more than any other director and will earn at least 125 percent of the ACPD.

If, in fact, the chair does not fulfill all of his or her duties in a given year and this causes him or her to receive less than another director or less than 125 percent of the ACPD, this would not result in a violation of the regulation.

In the proposed rule, the Finance Board specifically requested comment on whether to include as part of the final regulation a provision under which a portion of each Bank's directors' annual compensation would be contingent upon that Bank's achievement of performance-related goals such as meeting particular earnings targets, achieving a satisfactory regulatory examination, or fulfilling the Bank's housing finance mission. Four of the commenters were opposed to including a requirement that a portion of a FHLBank's directors' compensation be incentive-based. Several commenters noted that incentive payments to board directors are traditionally made in the form of corporate stock and cited the prohibition against individual ownership of Bank stock, as well as the stock's non-equity nature, as reasons not to include an incentive component. In addition, concern that such a requirement would cause undue focus on short-term performance and the limited role in corporate governance played by the Bank boards were given as reasons not to include an incentive requirement in the regulation. One commenter supported the inclusion of a performance-based compensation requirement in the regulation only if it were designed to allow directors to receive compensation in addition to that provided for in the proposed regulation if performance goals are reached.

After reviewing the comment letters and considering various methods by which an incentive component could be included in the regulation, the Finance Board has concluded that, given the agency's long-term policy to devolve management authority to the Banks, as well as the ambiguous connection between the actions of individual directors and the achievement of annual performance targets by the Bank, a mandatory incentive requirement would be of dubious value and would undermine the intended devolutionary effect of the regulation. Therefore, such a requirement has not been included in the final rule. The regulation would allow a Bank to include an incentive component of its own creation in its compensation policy, if it so chooses, so long as the policy conforms to the requirements set forth in paragraph (c) of the regulation.

Paragraph (d) of new section 932.27 allows each Bank to pay its directors such Bank-related travel, subsistence

and other related expenses as are payable to senior officers of the Bank under the Bank's travel policy, except for gift or entertainment expenses. This provision, which is adopted as proposed, is intended to tie payment of directors' expenses to existing Bank policies which are subject to regulatory examination and which may be amended at the discretion of the Bank. Unlike the compensation provisions, which will not take effect until January 1, 1997, because the Banks already have established executive travel policies in place, the expenses provision may be implemented by the Banks as of the effective date of the rule, at which time the Finance Board intends to rescind the portion of the Policy governing director expenses.

Subsection (e) of new section 932.27, which did not appear in the proposed rule, requires each Bank to publish as separate items in its annual report: the total compensation paid to all of its directors, collectively, in the previous year; the total expenses paid to all its directors, collectively, in the previous year; and a summary of its policy on director compensation. In the proposed rule, the Finance Board requested comment on whether the new regulation should include a requirement that the Banks' policies on director compensation be made available to the public through either the Finance Board or the FHLBanks and, if so, should the policies be disseminated as a matter of course, or merely made available upon request. Three commenters specifically objected to the publication or distribution of director compensation policies as a matter of course, while the remaining three suggested that the regulation require that disclosures be made to the shareholders through Bank annual reports or other similar documents. However, two of the commenters made the latter suggestion in connection with their respective suggestions that the final regulation not include any kind of dollar limit on directors' compensation.

After considering the comment letters received, the greater autonomy that the Banks will have to set compensation levels under the new regulation and the public purpose that these government-sponsored enterprises were created by statute to carry out, the Finance Board has determined that it is appropriate to require the Banks to disclose the above-described summary information to their member institutions and the public. Accordingly, paragraph (e) is included in the final rule.

Finally, a new provision has been added to the final rule that amends section 941.7(f)(2) of the Finance

Board's regulations. The existing regulatory provision requires that the OF pay its private citizen board member compensation and expenses in accordance with the Policy. However, because the Policy will be rescinded in its entirety at the end of 1996, this provision is being amended to require that the OF pay its private citizen board member compensation and expenses under a policy conforming to the guidelines of new section 932.27. New section 941.7(f)(2) provides for some minor modifications to section 932.27 for purposes of the cross-reference to account for the fact that the provision applies to only one OF director, as opposed to an entire board. The Finance Board considered including in the final rule an entirely separate compensation provision for the OF, but decided simply to cross-reference new section 932.27 pending a more comprehensive review of the structure of the OF board of directors.

III. Regulatory Flexibility Act

The final rule applies only to the Banks, which do not come within the meaning of "small entities," as defined in the Regulatory Flexibility Act. See 5 U.S.C. 601(6). Therefore, in accordance with 5 U.S.C. 605(b), the Finance Board hereby certifies that this final rule will not have a significant economic impact on a substantial number of small entities.

List of Subjects

12 CFR Part 932

Conflict of interests, Federal home loan banks, Reporting and recordkeeping requirements.

12 CFR Part 941

Organization and functions (Government agencies).

Accordingly, chapter IX, title 12, Code of Federal Regulations, is hereby amended as follows:

PART 932—ORGANIZATION OF THE BANKS

1. The authority citation for part 932 continues to read as follows:

Authority: 12 U.S.C. 1442a, 1422b, 1426, 1427, 1464; 18 U.S.C. 207; 42 U.S.C. 8101 *et seq.*

2. Section 932.26 is added to read as follows:

§ 932.26 Site of board of directors and committee meetings.

Meetings of a Bank's board of directors and committees thereof usually should be held within the district served by the Bank. No meetings of a Bank's board of directors and

committees thereof may be held in any location that is not within the United States, including its possessions and territories.

3. Section 932.27 is revised to read as follows:

§ 932.27 Compensation and expenses of bank directors.

(a) *Definitions.* As used in this section:

(1) *Compensation* means any payment of money or provision of any other thing of value (or the accrual of a right to receive money or a thing of value in a subsequent year) in consideration of a director's performance of official duties for the Bank, including, without limitation, retainer fees, daily meeting fees, incentive payments and fringe benefits.

(2) *Maximum compensation* means the maximum total compensation that would be paid to a director in a given year under the Bank's policy on director compensation if that director attended all meetings and fulfilled all duties assigned to or otherwise expected of him or her for that year.

(3) *Average compensation per director* (ACPD) means the sum of the maximum compensation for all directors serving on a Bank's board of directors, divided by the total number of directors designated by the Federal Housing Finance Board to serve on the Bank's board for that year.

(b) *Annual compensation.* For 1997 and each subsequent year, each Bank's board of directors shall adopt annually by resolution a written policy to provide for the payment to Bank directors of reasonable compensation for the performance of their duties as members of the Bank's board, subject to the requirements set forth in paragraph (c) of this section. At a minimum, such policy shall address the activities or functions for which attendance is necessary and appropriate and may be compensated, and shall explain and justify the methodology for determining the amount of compensation to be paid to directors.

(c) *Policy requirements.* Payment to directors under each Bank's policy on director compensation may be based upon factors that the Bank determines to be appropriate, but each Bank's policy shall conform to the following requirements:

(1) The annual ACPD for each Bank shall not exceed the amount calculated in accordance with paragraph (c)(2) of this section. Within this limit:

(i) The total actual compensation received by each director in a year shall reflect both the amount of time spent on official Bank business and the level of

responsibility assumed by that director, such that greater or lesser attendance at board and committee meetings and greater or lesser responsibility assumed by a director during a given year will be reflected in the actual compensation received by the director for that year; and

(ii) The maximum compensation for the chair of each Bank's board of directors in a given year shall not be equaled or exceeded by the maximum compensation of any other director for that year and shall not be less than 125 percent of the Bank's ACPD for that year.

(2) The limit on ACPD for each Bank shall be \$28,000 for 1997. For 1998 and subsequent years, the limit on ACPD shall be adjusted annually to reflect the preceding year's change in the Consumer Price Index (CPI) for all urban consumers, as published by the Bureau of Labor Statistics. Each year, as soon as practicable after the publication of the previous year's CPI, the Board shall publish notice, by Federal Register, distribution of a memorandum, or otherwise, of the CPI-adjusted limit on ACPD.

(d) *Expenses.* Each Bank may pay its directors for such necessary and reasonable travel, subsistence and other related expenses incurred in connection with the performance of their official duties as are payable to senior officers of the Bank under the Bank's travel policy, except that directors may not be paid for gift or entertainment expenses.

(e) *Disclosure.* Each Bank shall, in its annual report:

(1) State the sum of the total actual compensation paid to its directors in that year;

(2) State the sum of the total actual expenses paid to its directors in that year; and

(3) Summarize its policy on director compensation.

PART 941—OPERATIONS OF THE OFFICE OF FINANCE

1. The authority for part 941 is revised to read as follows:

Authority: 12 U.S.C. 1422b, 1431.

2. Section 941.7(f)(2) is revised to read as follows:

§ 941.7 Office of Finance Board of Directors.

* * * * *

(f) * * *

(2) *Private Citizen member.* The Office of Finance shall pay compensation and expenses to the Private Citizen member of the OF board of directors in accordance with the requirements for payment of compensation and expenses

to Bank directors set forth in section 932.27 of this chapter, except that, for these purposes:

(i) The Office of Finance policy on director compensation must be approved by the board of directors of the Finance Board;

(ii) Section 932.27(a)(3) and (c)(1)(ii) of this chapter shall not apply; and

(iii) The terms "average compensation per director" and "ACPD," as used in § 932.27 of this chapter, shall mean "maximum compensation of the Private Citizen member".

By the Board of Directors of the Federal Housing Finance Board.

Dated: July 25, 1996.

Bruce A. Morrison,
Chairman.

[FR Doc. 96-21187 Filed 8-20-96; 8:45 am]

BILLING CODE 6725-01-U

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 95-NM-124-AD; Amendment 39-9687; AD 96-14-05]

RIN 2120-AA64

Airworthiness Directives; Boeing Model 767 Series Airplanes

AGENCY: Federal Aviation Administration, DOT.

ACTION: Final rule; correction.

SUMMARY: This document corrects information that appeared in airworthiness directive (AD) 96-14-05, amendment 39-9687, which was published in the Federal Register on July 9, 1996 (61 FR 35938). This AD is applicable to certain Boeing Model 767 series airplanes. Among other things, it supersedes a previously issued AD, requires inspections of the control rods of the outboard leading edge slat, and requires the installation of a modification that terminates the requirement for repetitive inspections. This action corrects the listed line numbers of airplanes subject to certain parts of the rule.

DATES: Effective August 13, 1996.

The incorporation by reference of certain publications listed in the regulations was previously approved by the Director of the Federal Register as of August 13, 1996 (61 FR 35938, July 9, 1996).

FOR FURTHER INFORMATION CONTACT: Kristin Larson, Aerospace Engineer, Systems and Equipment Branch, ANM-130S, FAA, Seattle Aircraft Certification

Office, 1601 Lind Avenue, SW., Renton, Washington; telephone (206) 227-1760; fax (206) 227-1181.

SUPPLEMENTARY INFORMATION: On June 27, 1996, the FAA issued AD 96-14-05, amendment 39-9687; (61 FR 35938, July 9, 1996), which is applicable to certain Boeing Model 767 series airplanes and supersedes AD 90-20-16, amendment 39-6726 (55 FR 37858, September 14, 1990). That AD requires a one-time visual inspection to determine the date of manufacture of the control rods of the outboard leading edge slat, and follow-on actions (i.e., repetitive ultrasonic inspection), if necessary. It also requires replacement of the control rod ends and attach bolts, for certain airplanes. For operators accomplishing the (follow-on) repetitive ultrasonic inspections, the AD requires the replacement of the control rod with a new control rod manufactured after June 1983; this replacement constitutes terminating action for the repetitive inspections.

As published, paragraph (b) of AD 96-14-05 indicated that only certain airplanes were subject to its requirements. Those airplanes were specified as ones having line numbers "1 through 264 inclusive, and 266 through 273 inclusive." However, due to a typographical error, the final number in this sequence of line numbers was incorrect: what was published as line number "273," should have been line number "272." The airplane having line number 273 is not subject to the requirements of paragraph (b) of this AD.

Action is taken herein to correct this typographical error in paragraph (b).

Since no other part of the regulatory information has been changed, the final rule is not being republished.

The effective date of the AD remains August 13, 1996.

Accordingly, the final rule document (FR DOC. 96-16950), which was published on July 9, 1996, at 61 FR 35938, is corrected as follows:

§ 39.13 [Corrected]

On page 35940, in the second column, the text of paragraph (b) of AD 96-14-05, amendment 39-9687, is corrected to read as follows:

* * * * *

(b) For airplanes having line number 1 through 264 inclusive, and 266 through 272 inclusive: Within the next 2,500 landings or 18 months after October 23, 1990 (the effective date of AD 90-20-16, amendment 39-6726, whichever occurs first, replace the control rod end and attach bolt with a new configuration control rod end and attach bolt on each wing, in accordance