

shall review each quarterly report and annual report issued by the Enterprise and such reports shall include certifications by such officers as required by section 302 of the SOA, as amended from time to time.

■ 11. Add new § 1710.18 to read as follows:

§ 1710.18 Change of audit partner.

An Enterprise may not accept audit services from an external auditing firm if the lead or coordinating audit partner who has primary responsibility for the external audit of the Enterprise, or the external audit partner who has responsibility for reviewing the external audit has performed audit services for the Enterprise in each of the five previous fiscal years.

■ 12. Add new § 1710.19 to read as follows:

§ 1710.19 Compliance and risk management programs; compliance with other laws.

(a) *Compliance program.* (1) An Enterprise shall establish and maintain a compliance program that is reasonably designed to assure that the Enterprise complies with applicable laws, rules, regulations, and internal controls.

(2) The compliance program shall be headed by a compliance officer, however styled, who reports directly to the chief executive officer of the Enterprise. The compliance officer shall report regularly to the board of directors or an appropriate committee of the board of directors on compliance with and the adequacy of current compliance policies and procedures of the Enterprise, and shall recommend any adjustments to such policies and procedures that he or she considers necessary and appropriate.

(b) *Risk management program.* (1) An Enterprise shall establish and maintain a risk management program that is reasonably designed to manage the risks of the operations of the Enterprise.

(2) The risk management program shall be headed by a risk management officer, however styled, who reports directly to the chief executive officer of the Enterprise. The risk management officer shall report regularly to the board of directors or an appropriate committee of the board of directors on compliance with and the adequacy of current risk management policies and procedures of the Enterprise, and shall recommend any adjustments to such policies and procedures that he or she considers necessary and appropriate.

(c) *Compliance with other laws.* (1) If an Enterprise deregisters or has not registered its common stock with the U.S. Securities and Exchange

Commission (Commission) under the Securities Exchange Act of 1934, the Enterprise shall comply or continue to comply with sections 301, 302, 304, 402, and 406 of the SOA, as amended from time to time, subject to such requirements as provided by § 1710.30 of this part.

(2) An Enterprise that has its common stock registered with the Commission shall maintain such registered status, unless it provides 60 days prior written notice to the Director stating its intent to deregister and its understanding that it will remain subject to the requirements of sections 301, 302, 304, 402, and 406 of the SOA, as amended from time to time, subject to such requirements as provided by § 1710.30 of this part.

■ 13. Add new subpart D to read as follows:

Subpart D—Modification of Certain Provisions

§ 1710.30 Modification of certain provisions.

In connection with standards of Federal or state law (including the Revised Model Corporation Act) or NYSE rules that are made applicable to an Enterprise by §§ 1710.10, 1710.11, 1710.12, 1710.17, and 1710.19 of this part, the Director, in his or her sole discretion, may modify the standards contained in this part in accordance with 5 U.S.C. 553 and upon written notice to the Enterprise.

Dated: March 31, 2005.

Stephen A. Blumenthal,

Acting Director, Office of Federal Housing Enterprise Oversight.

[FR Doc. 05-6781 Filed 4-5-05; 8:45 am]

BILLING CODE 4220-01-P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA-2004-18561; Directorate Identifier 2004-NM-13-AD; Amendment 39-14042; AD 2005-07-18]

RIN 2120-AA64

Airworthiness Directives; McDonnell Douglas Model DC-9-15F Airplanes Modified In Accordance With Supplemental Type Certificate (STC) SA1993SO; and Model DC-9-10, DC-9-20, DC-9-30, DC-9-40, and DC-9-50 Series Airplanes in All-Cargo Configuration, Equipped With a Main-Deck Cargo Door

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

ACTION: Final rule.

SUMMARY: The FAA is adopting a new airworthiness directive (AD) for the airplanes listed above. For certain airplanes, this AD requires inspecting to determine the airplane's cargo configuration, and reporting findings to the FAA. For airplanes modified in accordance with a certain STC or with a cargo configuration that deviates from the as-delivered configuration, this AD requires revising certain manuals and manual supplements to specify certain cargo limitations. This AD also requires relocating all cargo restraints on the main cargo deck. This AD is prompted by reports that deficiencies related to the cargo loading system may exist on all McDonnell Douglas Model DC-9-15F airplanes modified in accordance with STC SA1993SO. We are issuing this AD to ensure that cargo in the main cabin is adequately restrained and to prevent failure of components of the cargo loading system, failure of the floor structure, or shifting of cargo. Any of these conditions could cause cargo to exceed load distribution limits or cause damage to the fuselage or control cables, which could result in reduced controllability of the airplane.

DATES: This AD becomes effective May 11, 2005.

Docket: The AD docket contains the proposed AD, comments, and any final disposition. You can 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 U.S. Department of Transportation, 400 Seventh Street, SW., room PL-401, Washington, DC. This docket number is FAA-2004-18561; the directorate identifier for this docket is 2004-NM-13-AD.

FOR FURTHER INFORMATION CONTACT:

Rany Azzi, Aerospace Engineer, Airframe Branch, ACE-117A, FAA, Atlanta Aircraft Certification Office, One Crown Center, 1895 Phoenix Boulevard, suite 450, Atlanta, Georgia 30349; telephone (770) 703-6083; fax (770) 703-6097.

SUPPLEMENTARY INFORMATION: The FAA proposed to amend 14 CFR Part 39 with an AD for McDonnell Douglas Model DC-9-15F airplanes modified in accordance with supplemental type certificate (STC) SA1993SO; and Model DC-9-11-DC-9 12, DC-9-13, DC-9-14, DC-9-15, DC-9-15F, DC-9-21, DC-9-31, DC-9-32, DC-9-32 (VC-9C), DC-9-32F, DC-9-33F, DC-9-34, DC-9-34F, DC-9-32F (C-9A, C-9B), DC-9-41, and DC-9-51 airplanes in all-cargo configuration. For certain airplanes, that action, published in the **Federal Register** on July 8, 2004 (69 FR 41204), proposed to require inspecting to determine the airplane's cargo configuration, and reporting findings to the FAA. For airplanes modified in accordance with a certain STC or with a cargo configuration that deviates from the as-delivered configuration, that action proposed to require revising certain manuals and manual supplements to specify certain cargo limitations. That action also proposed to require relocating all cargo restraints on the main cargo deck.

Comments

We provided the public the opportunity to participate in the development of this AD. We have considered the comments that have been submitted on the proposed AD.

Support for the Proposed AD

One commenter supports the intent of the proposed AD and concurs with the proposed actions.

Request To Revise Applicability Statement

One commenter, an operator, requests that we revise the applicability of the proposed AD. The commenter states that certain airplanes in its fleet were originally delivered as passenger airplanes but have been modified by various STCs to all-cargo configuration. None of these airplanes were modified in accordance with STC SA1993SO, and none has a main deck cargo door. The commenter notes that the Costs of Compliance section of the proposed AD

indicates that a total of 33 airplanes worldwide (including 30 of U.S. registry) would be affected by the proposal. The commenter questions the accuracy of this number because it operates 74 airplanes in cargo configuration (including the airplanes described previously that were originally delivered as passenger airplanes).

We concur with the commenter's request to revise the applicability of this AD. Our intent was to make the requirements of this AD apply to airplanes delivered by the original equipment manufacturer (OEM) with, or modified by a third party to have, a main-deck cargo door that accommodates certain unit loading devices. Accordingly, we have revised the applicability of this AD to specify that this AD applies to Model DC-9-11, DC-9-12, DC-9-13, DC-9-14, DC-9-15, DC-9-15F, DC-9-21, DC-9-31, DC-9-32, DC-9-32 (VC-9C), DC-9-32F, DC-9-33F, DC-9-34, DC-9-34F, DC-9-32F (C-9A, C-9B), DC-9-41, and DC-9-51 airplanes in all-cargo configuration, and equipped with a main-deck cargo door. We have determined that only 8 of the commenter's 74 airplanes would be in this category. This AD also continues to apply to Model DC-9-15F airplanes modified in accordance with supplemental type certificate (STC) SA1993SO.

Request To Allow Records Review or Extend Compliance Time

The same commenter requests that we revise the proposed AD to allow determining the details of the cargo configuration from airplane records without performing the inspection of the main deck cargo compartment. The commenter states that it can determine the cargo configuration of its airplanes by reviewing the airplane records. The commenter further requests that we extend the compliance time from 60 days after the effective date to 6 months or longer after the effective date if we do not agree that a records review is an acceptable method of complying with the proposed requirements. The commenter states that the proposed 60-day compliance time would be unduly burdensome.

We do not agree that a records review is an acceptable method of complying with the requirements of this AD. We proposed this AD because we are aware that some airplanes delivered by the OEM in all-cargo configuration, with a main-deck cargo door, have been modified to a configuration similar to that provided by STC SA1993SO without any documentation in the airplane records. As explained in the

proposed AD, the configuration provided by STC SA1993SO and similar configurations have deficiencies including inadequate design of the cargo loading system, inadequate loading procedures, and lack of identification of loading devices and restraining methods. We find that it is necessary to require an inspection of the main deck cargo compartment to determine the exact and accurate details of the airplane's cargo configuration.

We also do not agree to extend the compliance time beyond the proposed 60 days. As we explained in the preamble of the proposed AD, in developing the compliance time for the proposed actions, we considered the degree of urgency associated with addressing the subject unsafe condition, and the time that would be necessary to accomplish the proposed requirements. Based on these factors, we find that a 60-day compliance time for completing the required inspection and report represents an appropriate period of time for affected airplanes to continue to operate without compromising safety. Specifically considering the commenter's fleet, as we stated previously, only 8 of the commenter's 74 cargo airplanes are subject to the requirements of this AD. Therefore, we find that 60 days constitutes an appropriate compliance time in which neither safety nor the commenter's operations will be adversely affected. We have not changed the final rule in this regard.

Request To Limit Applicability of Manual Revisions and Cargo Restraint Relocation

The same commenter notes that the proposed manual revisions in paragraph (h) of the proposed AD do not take into consideration the different cargo zones and loading configurations for DC-9-30 and DC-9-40 series airplanes. The commenter states that the requirements of paragraphs (h) and (i) of the proposed AD appear to target a specific configuration and series, such as a Model DC-9-15F airplane modified in accordance with STC SA1993SO. The commenter wants the FAA to first accomplish a thorough evaluation of the details of each specific STC cargo configuration before subjecting an operator to a limitation on cargo loading, or a modification to the cargo configuration. The commenter requests that we revise the proposed AD to make paragraphs (h) and (i) apply only to airplanes that have been modified by STC SA1993SO, and to specify that requirements for other airplanes will be issued after an evaluation of the configuration details submitted as

required by paragraph (f) of the proposed AD.

We do not concur. We have determined that the limitations stated in paragraph (h) and the requirements stated in paragraph (i) of this AD can be applied to most airplanes subject to this AD, regardless of model or configuration. Should an operator find that it is unable to comply with the specific requirements of this AD, that operator must request approval of an alternative method of compliance with

the reporting requirements of paragraph (f) of this AD, as provided by paragraph (j) of this AD. We will determine whether or not the operator's fleet's cargo configuration exhibits the same unsafe conditions exhibited by airplanes modified in accordance with STC SA1993SO or airplanes in similar configurations. We have not changed the final rule in this regard.

Conclusion

We have carefully reviewed the available data, including the comments

that have been submitted, and determined that air safety and the public interest require adopting the AD as proposed.

Costs of Compliance

This AD affects about 3 airplanes of U.S. registry, out of 5 airplanes modified in accordance with STC SA1993SO worldwide. The following table provides the estimated costs for U.S. operators of these airplanes to comply with this AD.

ESTIMATED COSTS—AIRPLANES MODIFIED IN ACCORDANCE WITH STC SA1993SO

Action	Work hours	Average labor rate per hour	Parts	Cost per airplane	Fleet cost
Manual changes	1	\$65	None	\$65	\$195
Relocation of cargo restraints on main deck	24	65	None	1,560	4,680

This AD also affects about 27 airplanes of U.S. registry out of 28 airplanes worldwide that are in all-cargo

configuration. The following table provides the estimated costs for U.S.

operators of these airplanes to comply with this AD.

ESTIMATED COSTS—AIRPLANES IN ALL-CARGO CONFIGURATION

Action	Work hours	Average labor rate per hour	Parts	Cost per airplane	Fleet cost
Inspection/Reporting	8	\$65	None	\$520	\$14,040

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 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 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 AD. 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.

Adoption of the Amendment

■ Accordingly, under the authority delegated to me by the Administrator, the FAA amends 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 FAA amends § 39.13 by adding the following new airworthiness directive (AD):

2005-07-18 McDonnell Douglas:

Amendment 39-14042. Docket No. FAA-2004-18561; Directorate Identifier 2004-NM-13-AD.

Effective Date

(a) This AD becomes effective May 11, 2005.

Affected ADs

(b) None.

Applicability

(c) This AD applies to McDonnell Douglas Model DC-9-15F airplanes modified in accordance with supplemental type certificate (STC) SA1993SO; and Model DC-9-11, DC-9-12, DC-9-13, DC-9-14, DC-9-15, DC-9-15F, DC-9-21, DC-9-31, DC-9-32, DC-9-32 (VC-9C), DC-9-32F, DC-9-33F, DC-9-34, DC-9-34F, DC-9-32F (C-9A, C-9B), DC-9-41, and DC-9-51 airplanes in all-cargo configuration, equipped with a main-deck cargo door; certificated in any category.

Unsafe Condition

(d) This AD was prompted by reports that deficiencies related to the cargo loading system may exist on all McDonnell Douglas Model DC-9-15F airplanes modified in accordance with STC SA1993SO. We are

issuing this AD to ensure that cargo in the main cabin is adequately restrained and to prevent failure of components of the cargo loading system, failure of the floor structure, or shifting of cargo. Any of these conditions could cause cargo to exceed load distribution limits or cause damage to the fuselage or control cables, which could result in reduced controllability of the airplane.

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.

Airplanes Not Modified in Accordance With STC SA1993SO: Inspection and Reporting

(f) For airplanes not modified in accordance with STC SA1993SO:

Within 60 days after the effective date of this AD, perform an inspection of the main deck cargo compartment to determine the details of the airplane's cargo configuration. Within 60 days after the effective date of this AD, submit a report of the details of the airplane's cargo configuration through the FAA Principal Maintenance Inspector (PMI), or the cognizant Flight Standards District Office, as applicable, to the Manager, Atlanta Aircraft Certification Office (ACO), FAA, Small Airplane Directorate. The report must include the airplane serial number, inspection results, and the information specified in paragraphs (f)(1), (f)(2), (f)(3), and (f)(4) of this AD. Under the provisions of the Paperwork Reduction Act of 1980 (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) Restraint system: Does the airplane have vertical side restraints installed on the main deck floor? How many vertical side restraints are installed per airplane side?

(2) Vertical fore/aft restraints: How many vertical fore/aft restraints are installed on each end of a pallet position?

(3) For airplanes with missing vertical side restraints: Is a bump rail installed?

(4) Unit Loading Devices (ULDs): What type/model ULDs are used for cargo carriage in affected airplanes? Obtain NAS 3610 designation from affixed data plate as required by Technical Standard Order (TSO) C90a, b, c, or designation provided by STC or other approved means. Is there a manual or document that indicates the type/model of ULDs to use? If there is such a manual or document, include the manual/document number and revision level in the report required by paragraph (f) of this AD.

Airplanes Deviating From Original Configuration: Required Action

(g) During the inspection required by paragraph (f) of this AD, if the airplane's cargo configuration deviates from the original configuration as delivered by McDonnell Douglas (including, but not limited to, missing vertical side restraints or revised fore/aft restraint configuration), accomplish paragraphs (h) and (i) of this AD.

Manual Revisions

(h) For airplanes modified in accordance with STC SA1993SO and airplanes specified in paragraph (g) of this AD: Within 90 days after the effective date of this AD, revise the Limitations section of the airplane flight manual (AFM), the AFM supplements, the Limitations section of the airplane weight and balance manual (AWBM), and the AWBM supplements to include the information specified below. This may be accomplished by inserting a copy of this AD into the affected manual or supplement. After accomplishment of these revisions, the airplane must be operated in accordance with these limitations.

"REDUCTION IN CARGO LOADS AS FOLLOWS:

- Zone 1 (most forward): Limited to a maximum of 4,000 pounds,
- Zones 2 through 7: Limited to a maximum of 5,200 pounds each,
- Zone 8 (most aft): Limited to a maximum of 2,000 pounds.

Note: The maximum total payload that can be carried on the main deck is limited to the lesser of:

- The approved cargo barrier weight limit,
- Weight permitted by the approved maximum zero-fuel weight,
- Weight permitted by the approved main deck position weights,
- Weight permitted by the approved main deck running load or distributed load limitations, or
- Approved cumulative zone or fuselage monocoque structural loading limitations (including lower hold cargo).

Limitations:

Use only unit loading devices (ULDs) (containers and pallets) that are structurally compatible with the cargo loading system. One means of establishing compatibility is through compliance with the specifications of NAS 3610 for ULDs approved under Technical Standard Order (TSO) C90a, b, or c; or as provided by the appropriate instructions of a Supplemental Type Certificate or other approved means. Alternative methods of compliance can be obtained as specified in paragraph (j) of this AD.

Ensure proper restraining of the ULDs by engaging all cargo loading system restraints.

The center-of-gravity shift of each ULD must not exceed 10 percent of its base longitudinal or lateral directions.

Relocation of Cargo Restraints

(i) For airplanes modified in accordance with STC SA1993SO and airplanes specified in paragraph (g) of this AD: Within 90 days after the effective date of this AD, relocate all fore/aft cargo restraints in the main cargo deck to left and right buttock lines 22.0 and 44.5.

Alternative Methods of Compliance (AMOCs)

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

Material Incorporated by Reference

- (k) None.

Issued in Renton, Washington, on March 25, 2005.

Ali Bahrami,

Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 05-6757 Filed 4-5-05; 8:45 am]

BILLING CODE 4910-13-P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 83-ANE-14-AD; Amendment 39-14043; AD 83-08-01R2]

RIN 2120-AA64

Airworthiness Directives; Hartzell Propeller Inc. (Formerly TRW Hartzell Propeller) Models HC-B3TN-2, HC-B3TN-3, HC-B3TN-5, HC-B4TN-3, HC-B4TN-5, HC-B4MN-5, and HC-B5MP-3 Turbopropellers

AGENCY: Federal Aviation Administration, DOT.

ACTION: Final rule.

SUMMARY: The FAA is revising an existing airworthiness directive (AD), that is applicable to Hartzell Propeller Inc. (formerly TRW Hartzell Propeller) models HC-B3TN-2, HC-B3TN-3, HC-B3TN-5, HC-B4TN-3, HC-B4TN-5, HC-B4MN-5, and HC-B5MP-3 turbopropellers. That AD requires, before further flight, that all new propellers being installed and all serviceable propellers being reinstalled, are attached using part number (P/N) B-3339 bolts and P/N A-2048-2 washers, and that the bolts are properly torqued. That AD also requires a onetime torque-check of P/N A-2047 bolts that are already installed through propellers and replacement of those bolts if necessary, with P/N B-3339 bolts and P/N A-2048-2 washers. This AD requires the same actions, and includes the use of other equivalent FAA-approved serviceable bolts and washers. This AD results from the need to make nonsubstantive wording changes and additions to clarify that terminating action is achieved by attaching propellers with P/N B-3339 bolts and P/N A-2048-2 washers or other equivalent FAA-approved serviceable bolts and washers, to the engine flange, as instructed in the compliance section of this AD. We are issuing this AD to preclude propeller attaching bolt failures or improperly secured propellers, which could lead to separation of the propeller from the airplane.