

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 removing amendment 39-5597 (52 FR 10736, April 3, 1987), and by adding a new airworthiness directive (AD), to read as follows:

Lockheed: Docket 96-NM-59-AD.

Supersedes AD 87-07-10, Amendment 39-5597.

Applicability: Model L-1011 series airplanes equipped with Rolls Royce RB211-22B engines, certificated in any category.

Note 1: If an operator has accomplished the requirements of paragraphs (a) and (b) of this AD on any affected airplane and, subsequently, installs a different Model RB211-22B engine on that airplane, the airplane and all installed engines are still subject to the requirements of this AD.

Note 2: This AD applies to each airplane identified in the preceding applicability provision, regardless of whether it has been otherwise modified, altered, or repaired in the area subject to the requirements of this AD. For airplanes that have been modified, altered, or repaired so that the performance of the requirements of this AD is affected, the owner/operator must request approval for an alternative method of compliance in accordance with paragraph (e) of this AD. The request should include an assessment of the effect of the modification, alteration, or repair on the unsafe condition addressed by this AD; and, if the unsafe condition has not been eliminated, the request should include specific proposed actions to address it.

Compliance: Required as indicated, unless accomplished previously.

To detect and correct bearing failure, which could lead to a fire in the gearbox, accomplish the following:

(a) Within 8,000 flight hours or 30 months after May 8, 1987 (the effective date of AD 87-07-10, amendment 39-5597), whichever

occurs first, accomplish the procedures specified in the Accomplishment Instructions of the service bulletins listed in paragraphs (a)(1) and (a)(2) of this AD.

(1) Lockheed Service Bulletin 093-26-036, dated April 1, 1986, *Installation of Fire Detector Segment*; and

(2) Lockheed Service Bulletin 093-71-067, Revision 1, dated April 1, 1986, *Gearbox Breather Duct Modification*.

(b) Within 8,000 flight hours or 30 months after May 8, 1987, whichever occurs first, accomplish the procedures specified in the Accomplishment Instructions of the service bulletins listed in paragraphs (b)(1) and (b)(2) of this AD.

(1) Rolls Royce Service Bulletin RB.211-72-4666, Revision 3, dated October 14, 1977, *Introduction of Vent Air Tube in Gear Compartment*; and

(2) Rolls Royce Service Bulletin RB.211-72-8138, dated March 21, 1986, *Installation of Additional No. 7 Fire Sensor*.

(c) For airplanes on which Rolls Royce Service Bulletin RB.211-72-4666, Revision 3, dated October 14, 1977, and Rolls Royce Service Bulletin RB.211-72-3878, Revision 3, dated June 25, 1976, have been accomplished in accordance with paragraph C of AD 87-07-10: Within 48 months or 16,000 flight hours after the effective date of this AD, whichever occurs first, accomplish the actions specified in paragraphs (a) and (b) of this AD.

(d) Accomplishment of the requirements of paragraphs (a) and (b) of this AD; or accomplishment of the requirements of paragraph (c) of this AD; constitutes terminating action for the requirements of AD 85-09-03, amendment 39-5056. The AFM limitations required by AD 85-09-03 may be removed following accomplishment of the terminating action.

(e) An alternative method of compliance or adjustment of the compliance time that provides an acceptable level of safety may be used if approved by the Manager, Atlanta Aircraft Certification Office (ACO), FAA, Small Airplane Directorate. Operators shall submit their requests through an appropriate FAA Principal Maintenance Inspector, who may add comments and then send it to the Manager, Atlanta ACO.

Note 3: Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the Atlanta ACO.

(f) Special flight permits may be issued in accordance with sections 21.197 and 21.199 of the Federal Aviation Regulations (14 CFR 21.197 and 21.199) to operate the airplane to a location where the requirements of this AD can be accomplished.

Issued in Renton, Washington, on July 11, 1997.

James V. Devany,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 97-18935 Filed 7-17-97; 8:45 am]

BILLING CODE 4910-13-U

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 97-NM-03-AD]

RIN 2120-AA64

Airworthiness Directives; Boeing Model 727 Series Airplanes

AGENCY: Federal Aviation Administration, DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: This document proposes the adoption of a new airworthiness directive (AD) that is applicable to all Boeing Model 727 series airplanes. This proposal would require repetitive inspections to detect cracks in the forward flange of the vertical beam of the aft fuselage bulkhead at certain buttock lines, and installation of a splice repair, if necessary. The proposed AD also would require installation of a preventative modification on the door frames in certain cases. This proposal is prompted by reports of fatigue cracks found in the vertical beam web and forward flange of the aft fuselage bulkhead. The actions specified by the proposed AD are intended to detect and correct such fatigue cracking, which could result in the inability of the subject vertical beam to withstand the fail-safe loads, and consequent loss of cabin pressurization.

DATES: Comments must be received by August 25, 1997.

ADDRESSES: Submit comments in triplicate to the Federal Aviation Administration (FAA), Transport Airplane Directorate, ANM-103, Attention: Rules Docket No. 97-NM-03-AD, 1601 Lind Avenue, SW., Renton, Washington 98055-4056. Comments may be inspected at this location between 9:00 a.m. and 3:00 p.m., Monday through Friday, except Federal holidays.

The service information referenced in the proposed rule may be obtained from Boeing Commercial Airplane Group, P.O. Box 3707, Seattle, Washington 98124-2207.

This information may be examined at the FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington.

FOR FURTHER INFORMATION CONTACT: Walter Sippel, Aerospace Engineer, Airframe Branch, ANM-120S, FAA, Seattle Aircraft Certification Office, 1601 Lind Avenue, SW., Renton, Washington; telephone (425) 227-2774; fax (425) 227-1181.

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 notice may be changed in light of the comments received.

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 notice must submit a self-addressed, stamped postcard on which the following statement is made: "Comments to Docket Number 97-NM-03-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-103, Attention: Rules Docket No. 97-NM-03-AD, 1601 Lind Avenue, SW., Renton, Washington 98055-4056.

Discussion

The FAA has received reports of fatigue cracks in the vertical beam web and forward flange of the aft fuselage bulkhead at body station 1183 at the left and right buttock lines 17.8. This cracking occurred on Boeing Model 727 series airplanes. These cracks were discovered during inspections conducted as part of the Supplemental Structural Inspection Document (SSID) program, required by AD 84-21-05, amendment 39-4920 (49 FR 38931, October 2, 1984). Investigation revealed that such cracking was caused by pressurization cycles. Such fatigue cracking, if not detected and corrected in a timely manner, could result in the inability of the subject vertical beam to withstand the fail-safe loads, and consequent loss of cabin pressurization.

Explanation of Relevant Service Information

The FAA has reviewed and approved Boeing Service Bulletin 727-53-0210, dated April 1, 1993, as revised by Notice of Status Change 727-53-0210 NSC 1, dated June 17, 1993, and Notice of Status Change 727-53-0210 NSC 2, dated September 21, 1995. The service bulletin describes procedures for repetitive close visual inspections and high frequency eddy current (HFEC) inspections to detect cracks in the forward flange of the vertical beam at left and right buttock lines 17.8 from water lines 265 through 288 inclusive, and installation of a splice repair, if necessary. The service bulletin also describes procedures for installation of a preventative modification on the door frames in certain cases. Accomplishment of the splice repair and the preventative modification will minimize the possibility of cracks in the vertical beam and forward flange of the aft fuselage bulkhead. (The service bulletin references Boeing Service Bulletin 727-53-0055 as an additional source of service information for identical procedures to repair and modify the affected area.)

Explanation of Requirements of Proposed Rule

Since an unsafe condition has been identified that is likely to exist or develop on other products of this same type design, the proposed AD would require repetitive close visual inspections and HFEC inspections to detect cracks in the forward flange of the vertical beam at left and right buttock lines 17.8 from water lines 265 through 288 inclusive, and installation of a splice repair, if necessary. The proposed AD also would require installation of a preventative modification on the door frames in certain cases. The actions would be required to be accomplished in accordance with the service bulletin described previously.

Cost Impact

There are approximately 1,560 Boeing Model 727 series airplanes of the affected design in the worldwide fleet. The FAA estimates that 1,054 airplanes of U.S. registry would be affected by this proposed AD.

It would take approximately 2 work hours per airplane to accomplish the proposed inspections, and that the average labor rate is \$60 per work hour. Based on these figures, the cost impact of the inspection proposed by this AD on U.S. operators is estimated to be

\$126,480, or \$120 per airplane, per inspection cycle.

Should an operator be required to accomplish the proposed preventative modification, it would take approximately 100 work hours per airplane to accomplish, at an average labor rate of \$60 per work hour. The cost of required parts could range between \$910 and \$1,042 per preventative modification kit (2 kits per airplane). Based on these figures, the cost impact of the preventative modification proposed by this AD on U.S. operators is estimated to be between \$7,820, and \$8,084 per airplane.

Should an operator be required to accomplish the proposed splice repair, it would take approximately 148 work hours per airplane to accomplish, at an average labor rate of \$60 per work hour. Required parts would cost approximately \$3,545 per airplane (\$1,756 for the left side splice repair kit and \$1,789 for the right side splice repair kit). Based on these figures, the cost impact of the proposed splice repair on U.S. operators is estimated to be \$12,425 per airplane.

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.

Regulatory Impact

The regulations proposed herein would not have substantial direct effects 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, in accordance with Executive Order 12612, it is determined that this proposal would not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.

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:

Boeing: Docket 97–NM–03–AD.

Applicability: All Model 727 series airplanes, certificated in any category.

Note 1: This AD applies to each airplane identified in the preceding applicability provision, regardless of whether it has been otherwise modified, altered, or repaired in the area subject to the requirements of this AD. For airplanes that have been modified, altered, or repaired so that the performance of the requirements of this AD is affected, the owner/operator must request approval for an alternative method of compliance in accordance with paragraph (d) of this AD. The request should include an assessment of the effect of the modification, alteration, or repair on the unsafe condition addressed by this AD; and, if the unsafe condition has not been eliminated, the request should include specific proposed actions to address it.

Compliance: Required as indicated, unless accomplished previously.

To detect and correct fatigue cracking in the forward flange of the vertical beam of the aft pressure bulkhead, which could result in the inability of the subject vertical beam to withstand the fail-safe loads, and consequent loss of cabin pressurization, accomplish the following:

(a) Perform a close visual inspection and a high frequency eddy current (HFEC) inspection to detect cracks in the forward flange of the vertical beam at left and right buttock line 17.8 from water lines 265 through 288 inclusive, in accordance with Boeing Service Bulletin 727–53–0210, dated April 1, 1993, as revised by Notice of Status Change 727–53–0210 NSC 1, dated June 17, 1993, and Notice of Status Change 727–53–0210 NSC 2, dated September 21, 1995; at the time specified in paragraph (a)(1) or (a)(2) of this AD, as applicable.

(1) For airplanes on which the preventative modification specified in Boeing Service Bulletin 727–53–0210, dated April 1, 1993; or Boeing Service Bulletin 727–53–0055, Revision 6, dated February 28, 1986, Revision 7, dated March 5, 1987, Revision 8, dated December 17, 1987, or Revision 9, dated August 3, 1989; has not been

accomplished: Inspect prior to the accumulation of 18,500 total flight cycles, or within 1,500 flight cycles after the effective date of this AD, whichever occurs later.

(2) For airplanes on which the preventative modification specified in Boeing Service Bulletin 727–53–0210, dated April 1, 1993, or Boeing Service Bulletin 727–53–0055, Revision 6, dated February 28, 1986, Revision 7, dated March 5, 1987, Revision 8, dated December 17, 1987, or Revision 9, dated August 3, 1989, has been accomplished: Inspect prior to the accumulation of 40,000 flight cycles since installation of preventative modification, or with 1,500 flight cycles after the effective date of this AD, whichever occurs later. Repeat the close visual and HFEC inspections thereafter at intervals not to exceed 6,000 flight cycles.

Note 2: The compliance times specified in paragraphs (a)(1) or (a)(2) of this AD remain the same regardless of whether any splice repair has or has not been accomplished in accordance with any service bulletin specified in those paragraphs.

(b) If no crack is detected during any inspection required by paragraph (a)(1) or (a)(2) of this AD, accomplish paragraph (b)(1) or (b)(2) of this AD.

(1) Prior to further flight, install the preventative modification on the door frames in accordance with Boeing Service Bulletin 727–53–0210, dated April 1, 1993, as revised by Notice of Status Change 727–53–0210 NSC 1, dated June 17, 1993, and Notice of Status Change 727–53–0210 NSC 2, dated September 21, 1995. Prior to the accumulation of 40,000 flight cycles following accomplishment of the preventative modification, accomplish the close visual and HFEC inspections specified in paragraph (a) of this AD. Repeat those inspections thereafter at intervals not to exceed 6,000 flight cycles. Or

(2) Repeat the close visual and HFEC inspections required by paragraph (a) of this AD thereafter at the intervals not to exceed 3,000 flight cycles.

(c) If any crack is detected during any inspection required by paragraph (a)(1), (a)(2), or (a)(3) of this AD, prior to further flight, install the splice repair kits in accordance with Boeing Service Bulletin 727–53–0210, dated April 1, 1993, as revised by Notice of Status Change 727–53–0210 NSC 1, dated June 17, 1993, and Notice of Status Change 727–53–0210 NSC 2, dated September 21, 1995. Prior to further flight following accomplishment of the splice repair, install the splice repair with the preventative modification on the door frames in accordance with the service bulletin. Prior to the accumulation of 40,000 flight cycles following accomplishment of the preventative modification, accomplish the close visual and HFEC inspections specified in paragraph (a) of this AD. Repeat those inspections thereafter at intervals not to exceed 6,000 flight cycles.

(d) An alternative method of compliance or adjustment of the compliance time that provides an acceptable level of safety may be used if approved by the Manager, Seattle Aircraft Certification Office (ACO), FAA, Transport Airplane Directorate. Operators

shall submit their requests through an appropriate FAA Principal Maintenance Inspector, who may add comments and then send it to the Manager, Seattle ACO.

Note 3: Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the Seattle ACO.

(e) Special flight permits may be issued in accordance with sections 21.197 and 21.199 of the Federal Aviation Regulations (14 CFR 21.197 and 21.199) to operate the airplane to a location where the requirements of this AD can be accomplished.

Issued in Renton, Washington, on July 11, 1997.

James V. Devany,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 97–18936 Filed 7–17–97; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

17 CFR Parts 202, 230, 232, 239, 270, and 274

[Release Nos. 33–7430, IC–22747, File No. S7–19–97]

RIN 3235–AG73

Registration Under the Securities Act of 1933 of Certain Investment Company Securities

AGENCY: Securities and Exchange Commission.

ACTION: Proposed rules.

SUMMARY: The Commission is proposing amendments to the rule and the form under the Investment Company Act of 1940 that prescribe the method by which certain investment companies calculate and pay registration fees under the Securities Act of 1933. The proposed amendments are designed to implement the provisions of the National Securities Markets Improvement Act of 1996 that simplify the method of determining the amount of these fees.

DATES: Comments must be received on or before August 18, 1997.

ADDRESSES: Comments should be submitted in triplicate to Jonathan G. Katz, Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Stop 6–9, Washington, DC 20549. Comments also may be submitted electronically at the following E-mail address: rule-comments@sec.gov. All comment letters should refer to File No. S7–19–97; this file number should be included on the subject line if E-mail is used. Comment letters will be available for public inspection and copying in the Commission's Public Reference Room,