

(1) Required annual Distributions under §§ 107.1540(a)(1), and any Distributions under §§ 107.1550 and 107.1560, must be made no later than the second Payment Date following the end of your fiscal year;

(2) Required Distributions under § 107.1540(b) must be made no later than the first Payment Date following the end of the applicable fiscal quarter;

(3) Optional Distributions under § 107.1540(a)(2) and § 107.1570 may be made on any date.

(b) *Conditions for making distribution.* All Distributions under this § 107.1575 are subject to the following conditions:

(1) You must obtain SBA's written approval before the distribution date;

(2) You must use the distribution date as the ending date of the period for which you compute your Earmarked Profits, Prioritized Payments, Adjustments, Charges, Profit Participation, Retained Earnings Available for Distributions, liquidity ratio, Capital Impairment, and any other applicable computations required under §§ 107.1500 through 107.1570;

(3) If your Distribution includes an amount which SBA will apply as a redemption of Participating Securities, the effective date of such redemption, for all purposes including future computations of Prioritized Payments, will be the next Payment Date following the distribution date.

40. In § 107.1580, the introductory text of paragraph (a) is proposed to be revised to read as follows:

**§ 107.1580 Special rules for In-Kind Distributions by Licensees.**

(a) *In-Kind distributions.* A Distribution under §§ 107.1540, 107.1560 or 107.1570 may consist of securities (an "In-Kind Distribution"). Such a Distribution must satisfy the conditions in this paragraph (a).

\* \* \* \* \*

41. Section 107.1590 is proposed to be amended by removing paragraph (c), redesignating paragraph (d) as paragraph (c), and revising paragraph (a)(1) to read as follows:

**§ 107.1590 Special rules for companies licensed on or before March 31, 1993.**

\* \* \* \* \*

(a) *Election to exclude pre-existing portfolio.* \* \* \*

(1) The proceeds of your first issuance of Participating Securities are not used to refinance outstanding Debentures (see § 107.1585(a)). SBA will consider payment or prepayment of any outstanding Debenture to be a refinancing unless you demonstrate to SBA's satisfaction that you can pay the

Debenture principal without relying on the proceeds of the Participating Securities.

\* \* \* \* \*

42. In § 107.1600, the first sentence of paragraph (a) and paragraph (b) are proposed to be revised to read as follows:

**§ 107.1600 SBA authority to issue and guarantee Trust Certificates.**

(a) *Authorization.* Sections 319 (a) and (b) of the Act authorize SBA or its CRA to issue TCs, and SBA to guarantee the timely payment of the principal and interest thereon. \* \* \*

(b) *Periodic exercise of authority.* SBA will issue guarantees of Debentures and Participating Securities under section 303 and of TCs under section 319 of the Act at three month intervals, or at shorter intervals, taking into account the amount and number of such guarantees or TCs.

\* \* \* \* \*

43. Section 107.1720 is proposed to be added to subpart I to read as follows:

**§ 107.1720 Characteristics of SBA's guarantee.**

If SBA agrees to guarantee a Licensee's Debentures or Participating Securities, such guarantee will be unconditional, irrespective of the validity, regularity or enforceability of the Debentures or Participating Securities or any other circumstances which might constitute a legal or equitable discharge or defense of a guarantor. Pursuant to its guarantee, SBA will make timely payments of principal and interest on the Debentures or the Redemption Price of and Prioritized Payments on the Participating Securities.

44. In § 107.1820, paragraph (e)(9) is proposed to be revised to read as follows:

**§ 107.1820 Conditions affecting issuers of Preferred Securities and/or Participating Securities.**

\* \* \* \* \*

(e) *Restricted Operations Conditions.* \* \* \*

(9) *Failure to meet investment requirements.* You fail to make the amount of Equity Capital Investments required for Participating Securities (§ 107.1500(b)(4)), if applicable to you; or you fail to maintain as of the end of each fiscal year the investment ratios or amounts required for Leverage in excess of 300 percent of Leverageable Capital (§ 107.1160 (c)) or Preferred Securities in excess of 100 percent of Leverageable Capital (§ 107.1160(d)), if applicable to you. In determining whether you have met the maintenance requirements in

§ 107.1160(c) or (d), SBA will disregard any prepayment, sale, or disposition of Venture Capital Financings, any increase in Leverageable Capital, and any receipt of additional Leverage, within 120 days prior to the end of your fiscal year.

\* \* \* \* \*

45. In § 107.1830, paragraph (a) is revised to read as follows:

**§ 107.1830 Licensee's Capital Impairment—definition and general requirements.**

(a) *Applicability of this section.* This § 107.1830 applies to Leverage issued on or after April 25, 1994. For Leverage issued before April 25, 1994, you must comply with paragraphs (e) and (f) of this section and the Capital Impairment regulations in this part in effect when you issued your Leverage. For all Leverage issued, you must also comply with any contractual provisions to which you have agreed.

\* \* \* \* \*

Dated: September 25, 1997.

**Aida Alvarez,**  
Administrator.

[FR Doc. 97-26720 Filed 10-10-97; 8:45 am]

BILLING CODE 8025-01-P

## DEPARTMENT OF TRANSPORTATION

### Federal Aviation Administration

#### 14 CFR Part 39

[Docket No. 97-NM-77-AD]

RIN 2120-AA64

#### Airworthiness Directives; Airbus Model A310 Series Airplanes

**AGENCY:** Federal Aviation Administration, DOT.

**ACTION:** Notice of proposed rulemaking (NPRM).

**SUMMARY:** This document proposes the superseding of an existing airworthiness directive (AD), applicable to all Airbus Model A310 series airplanes, that currently requires measurement of the force required to move the interior control handle of the emergency exit doors, and various follow-on corrective actions, if necessary. This action would add repetitive functional tests to measure the force necessary to move the interior control handle of the emergency exit doors; and adjusting an emergency exit door or replacing the bearing of the door lifting mechanism, if necessary. This proposal is prompted by reports of seizure of a bearing and increased door handle forces that were outside the limits of the required hand forces due to

seizure of two teflon line bearings on the lifting shaft. The actions specified by the proposed AD are intended to prevent impeding passenger evacuation during an emergency due to difficulty in lifting the interior control handle that is used to open the emergency exit door.

**DATES:** Comments must be received by November 10, 1997.

**ADDRESSES:** Submit comments in triplicate to the Federal Aviation Administration (FAA), Transport Airplane Directorate, ANM-103, Attention: Rules Docket No. 97-NM-77-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 Airbus Industrie, 1 Rond Point Maurice Bellonte, 31707 Blagnac Cedex, France. This information may be examined at the FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington.

**FOR FURTHER INFORMATION CONTACT:** Charles Huber, Aerospace Engineer, Standardization Branch, ANM-113, FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington 98055-4056; telephone (425) 227-2589; 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 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-77-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-77-AD, 1601 Lind Avenue, SW., Renton, Washington 98055-4056.

##### **Discussion**

On April 5, 1995, the FAA issued AD 95-08-07, amendment 39-9196 (60 FR 19155, April 17, 1995), applicable to all Airbus Model A310 series airplanes, to require measurement of the force required to move the interior control handle of the emergency exit doors, and various follow-on corrective actions, if necessary. That action was prompted by a report that, during routine maintenance, excessive force was required to lift the interior control handle of the emergency exit door. The requirements of that AD are intended to prevent impeding passenger evacuation during an emergency due to difficulty in lifting the interior control handle that is used to open the emergency exit door.

##### **Actions Since Issuance of Previous Rule**

Since issuance of AD 95-08-07, the Direction Générale de l'Aviation Civile (DGAC), which is the airworthiness authority for France, advises that, during the inspection required by that AD, the seizure of one bearing was found on an affected airplane. The DGAC also advises that, following accomplishment of the inspection required by that AD, increased door handle forces that were outside the limits of the required hand forces were required to lift the interior control handle of the emergency exit doors. The cause of the excessive force was attributed to the seizure of two teflon line bearings on the lifting shaft. This condition, if not corrected, could impede passenger evacuation during an emergency due to difficulty in lifting the interior control handle that is used to open the emergency exit door.

##### **Explanation of Relevant Service Information**

Airbus has issued Service Bulletin A310-52-2060, dated July 22, 1996, which describes procedures for performing repetitive functional tests to measure the force necessary to move the interior control handle of the emergency exit doors; and adjusting an exit door or replacing the bearings of the door lifting mechanism, if necessary. The DGAC

classified this service bulletin as mandatory and issued French airworthiness directive 96-239-205(B), dated October 23, 1996, in order to assure the continued airworthiness of these airplanes in France.

##### **FAA's Conclusions**

This airplane model is manufactured in France and is type certificated for operation in the United States under the provisions of section 21.29 of the Federal Aviation Regulations (14 CFR 21.29) and the applicable bilateral airworthiness agreement. Pursuant to this bilateral airworthiness agreement, the DGAC has kept the FAA informed of the situation described above. The FAA has examined the findings of the DGAC, reviewed all available information, and determined that AD action is necessary for products of this type design that are certificated for operation in the United States.

##### **Explanation of Requirements of Proposed Rule**

Since an unsafe condition has been identified that is likely to exist or develop on other airplanes of the same type design registered in the United States, the proposed AD would supersede AD 95-08-07 to continue to require measurement of the force required to move the interior control handle of the emergency exit doors, and various follow-on corrective actions, if necessary. The proposed AD also would require repetitive functional tests to measure the force necessary to move the interior control handle of the emergency exit doors; and adjusting an exit door or replacing the bearings of the door lifting mechanism, if necessary. The actions would be required to be accomplished in accordance with the service bulletin described previously; except that any discrepancy of the mechanism inside the emergency exit door would be required to be repaired in accordance with a method approved by the FAA.

##### **Differences Between the Proposal and the Relevant French AD**

This proposed rule would differ from the parallel French airworthiness directive 96-239-205(B), in that it would exclude from the applicability those airplanes that have been modified in accordance with Supplemental Type Certificate (STC) ST0001NY. This STC, which was issued by the FAA, converted airplanes from a passenger to a cargo-carrying configuration. Thus, the emergency exit doors of these airplanes are no longer available for use. Therefore, the FAA has determined that Airbus Model A310 series airplanes that have been modified in accordance with

the identified STC are not subject to the addressed unsafe condition.

### Interim Action

This is considered to be interim action until final action is identified, at which time the FAA may consider further rulemaking.

### Cost Impact

There are approximately 6 Airbus Model A310 series airplanes of U.S. registry that would be affected by this proposed AD.

The actions that are currently required by AD 95-08-07 take approximately 1 work hour per airplane to accomplish, at an average labor rate of \$60 per work hour. Based on these figures, the cost impact of the currently required actions on U.S. operators is estimated to be \$360, or \$60 per airplane.

The new actions that are proposed in this AD action would take approximately 1 work hour per airplane to accomplish, at an average labor rate of \$60 per work hour. Based on these figures, the cost impact of the proposed requirements of this AD on U.S. operators is estimated to be \$360, or \$60 per airplane.

The cost impact figures discussed above are based on assumptions that no operator has yet accomplished any of the current or 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 removing amendment 39-9196 (60 FR 19155, April 17, 1995), and by adding a new airworthiness directive (AD), to read as follows:

**Airbus Industrie:** Docket 97-NM-77-AD. Supersedes AD 95-08-07, Amendment 39-9196.

**Applicability:** All Model A310 series airplanes, except those airplanes that have been modified in accordance with Supplemental Type Certificate (STC) ST0001NY; 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 (f) 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 prevent impeding passenger evacuation during an emergency due to difficulty in lifting the interior control handle that is used to open the emergency exit door, accomplish the following:

#### Restatement of Requirements of AD 95-08-07, Amendment 39-9196

(a) Within 60 days after May 2, 1995 (the effective date of AD 95-08-07), measure the amount of force required to move the interior control handle of the emergency exit doors, in accordance with Airbus All Operators Telex (AOT) 52-08, Revision 1, dated December 1, 1994.

(b) If the force required to move the interior control handle of the door is equal to or does not exceed 20 daN (45 foot-pounds), no

further action is required by this paragraph for that door.

(c) If the force required to move the interior control handle of the door exceeds 20 daN (45 foot-pounds), prior to further flight, perform a full functional test of the emergency exit doors to measure the amount of force required to open the doors, in accordance with the AOT.

(1) If the force required to open the door does not exceed 20 daN (45 foot-pounds), no further action is required by this paragraph for that door.

(2) If the force required to open the door exceeds 20 daN (45 foot-pounds), prior to further flight, perform a visual inspection to detect discrepancies of the mechanism inside the door, in accordance with the AOT.

(i) If no discrepancy is found, prior to further flight, replace seized bearings with new or serviceable bearings, in accordance with AOT.

(ii) If any discrepancy is found, prior to further flight, repair the discrepancy in accordance with a method approved by the Manager, Standardization Branch, ANM-113, FAA, Transport Airplane Directorate.

(d) Within 10 days after accomplishing the inspection required by paragraph (a) of this AD, submit a report of the findings of discrepancies to Airbus Industrie, Engineering Services, Attention: Mr. R. Filaquier, AI/SE E121, 1 Rond Point Maurice Bellonte, 31707 Blagnac Cedex, France. Information collection requirements contained in this regulation have been approved by the Office of Management and Budget (OMB) under the provisions of the Paperwork Reduction Act of 1980 (44 U.S.C. 3501 *et seq.*) and have been assigned OMB Control Number 2120-0056.

### New Requirements of This AD

(e) Within 3 months after the effective date of this AD, perform a functional test to measure the force necessary to move the interior control handle of the emergency exit doors, in accordance with Airbus Service Bulletin A310-52-2060, dated July 22, 1996.

(1) If the emergency exit door opens and the force required to move the interior control handle is less than or equal to the limits specified in the service bulletin, repeat the test thereafter at intervals not to exceed 3 months.

(2) If the emergency exit door does not open or the force required to move the interior handle is greater than the limits specified in the service bulletin, prior to further flight, perform an inspection to detect discrepancies of the mechanisms inside the door, in accordance with the service bulletin.

(i) If no discrepancy is detected, prior to further flight, replace the bearings with new bearings, in accordance with the service bulletin. Repeat the test thereafter at intervals not to exceed 3 months.

(ii) If any discrepancy is detected, prior to further flight, adjust the emergency exit doors in accordance with the service bulletin. Repeat the test thereafter at intervals not to exceed 3 months.

(f) 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,

Standardization Branch, ANM-113. Operators shall submit their requests through an appropriate FAA Principal Maintenance Inspector, who may add comments and then send it to the Manager, Standardization Branch, ANM-113.

**Note 2:** Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the Standardization Branch, ANM-113.

(g) 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 October 7, 1997.

**James V. Devany,**

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

[FR Doc. 97-27090 Filed 10-10-97; 8:45 am]

BILLING CODE 4910-13-P

## DEPARTMENT OF TRANSPORTATION

### Federal Aviation Administration

#### 14 CFR Part 39

[Docket No. 97-NM-127-AD]

RIN 2120-AA64

#### **Airworthiness Directives; British Aerospace (Jetstream) Model 4101 Airplanes**

**AGENCY:** Federal Aviation Administration, DOT.

**ACTION:** Notice of proposed rulemaking (NPRM).

**SUMMARY:** This document proposes to revise an existing airworthiness directive (AD), applicable to certain British Aerospace (Jetstream) Model 4101 airplanes, that currently requires an inspection to determine the thickness of the intercostal that attaches the third crew member seat to the floor structure in the flight compartment, and replacement, if necessary. That AD was prompted by a report from the manufacturer indicating that intercostals have been installed that are not of sufficient thickness (and consequent strength) to support the third crew member seat during emergency landing dynamic conditions. The actions specified by that AD are intended to prevent the failure of this intercostal during an emergency landing, which could consequently result in injury to the flight crew. This action would revise the applicability of the existing AD by removing several airplanes.

**DATES:** Comments must be received by November 10, 1997.

**ADDRESSES:** Submit comments in triplicate to the Federal Aviation Administration (FAA), Transport Airplane Directorate, ANM-103, Attention: Rules Docket No. 97-NM-127-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 AI(R) American Support, Inc., 13850 Mclearen Road, Herndon, Virginia 20171. This information may be examined at the FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington.

**FOR FURTHER INFORMATION CONTACT:** William Schroeder, Aerospace Engineer, Standardization Branch, ANM-113, FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington 98055-4056; telephone (425) 227-2148; 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 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-127-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-127-AD, 1601 Lind Avenue, SW., Renton, Washington 98055-4056.

##### **Discussion**

On May 12, 1997, the FAA issued AD 97-11-02, amendment 39-10031 (62 FR 28795, May 28, 1997), applicable to certain British Aerospace (Jetstream) Model 4101 airplanes, to require a one-time inspection to determine the thickness of the intercostal that attaches the third crew member seat to the floor structure in the flight compartment to determine the thickness of this part, and replacement with a new intercostal of the correct thickness, if necessary. That action was prompted by a report from the manufacturer indicating that intercostals have been installed that are not of sufficient thickness (and consequent strength) to support the third crew member seat during emergency landing dynamic conditions. The requirements of that AD are intended to prevent the failure of this intercostal during an emergency landing, which could consequently result in injury to the flight crew.

##### **Actions Since Issuance of Previous Rule**

Since the issuance of that AD, the manufacturer has issued Alert Service Bulletin J41-A53-030, Revision 1, dated August 8, 1996, and Revision 2, dated February 14, 1997. The inspection and replacement procedures described in these revisions are identical to those described in the original version of the service bulletin (which was referenced in AD 97-11-02). The only change effected by Revisions 1 and 2 is to remove airplanes having constructors numbers 41044, 41068, 41069, and 41070 from the effectivity listing of the alert service bulletin, since these airplanes are not subject to the addressed unsafe condition. The Civil Aviation Authority (CAA), which is the airworthiness authority for the United Kingdom, classified these alert service bulletins as mandatory.

The FAA has been advised that Jetstream Aircraft Limited has revised its corporate name to British Aerospace Regional Aircraft.

##### **FAA's Conclusions**

This airplane model is manufactured in the United Kingdom and is type certificated for operation in the United States under the provisions of § 21.29 of the Federal Aviation Regulations (14 CFR 21.29) and the applicable bilateral airworthiness agreement. Pursuant to this bilateral airworthiness agreement, the CAA has kept the FAA informed of the situation described above. The FAA