

# Rules and Regulations

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This section of the FEDERAL REGISTER contains regulatory documents having general applicability and legal effect, most of which are keyed to and codified in the Code of Federal Regulations, which is published under 50 titles pursuant to 44 U.S.C. 1510.

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## FEDERAL RESERVE SYSTEM

### 12 CFR Part 248

[Docket No. R-1643]

RIN 7100-AF33

## FEDERAL DEPOSIT INSURANCE CORPORATION

### 12 CFR Part 351

RIN 3064-AE88

## COMMODITY FUTURES TRADING COMMISSION

### 17 CFR Part 75

RIN 3038-AE72

## SECURITIES AND EXCHANGE COMMISSION

### 17 CFR Part 255

[Release No. BHCA-6; File No. S7-30-18]

RIN 3235-AM43

### Revisions to Prohibitions and Restrictions on Proprietary Trading and Certain Interests in, and Relationships With, Hedge Funds and Private Equity Funds

**AGENCY:** Board of Governors of the Federal Reserve System (Board); Federal Deposit Insurance Corporation (FDIC); Securities and Exchange Commission (SEC); and Commodity Futures Trading Commission (CFTC), collectively, the Agencies.

**ACTION:** Final rule; correction.

**SUMMARY:** The Agencies published a final rule in the **Federal Register** on July 22, 2019, that adopted final rules to amend regulations implementing Section 13 of the Bank Holding Company Act (the Volcker Rule) in a manner consistent with the statutory amendments made pursuant to certain sections of the Economic Growth, Regulatory Relief, and Consumer Protection Act. This document corrects

errors in amendatory instructions in the rule.

**DATES:** Effective August 6, 2019.

#### FOR FURTHER INFORMATION CONTACT:

**Board:** Flora Ahn, Special Counsel, (202) 452-2317, Gregory Frischmann, Senior Counsel, (202) 452-2803, Kirin Walsh, Attorney, (202) 452-3058, or Sarah Podrygula, Attorney, (202) 912-4658, Legal Division, Board of Governors of the Federal Reserve System, 20th and C Streets NW, Washington, DC 20551.

**FDIC:** Michael B. Phillips, Counsel, [mphillips@fdic.gov](mailto:mphillips@fdic.gov), Benjamin J. Klein, Counsel, [bklein@fdic.gov](mailto:bklein@fdic.gov), or Annmarie H. Boyd, Counsel, [aboyd@fdic.gov](mailto:aboyd@fdic.gov), Legal Division, Federal Deposit Insurance Corporation, 550 17th Street NW, Washington, DC 20429.

**SEC:** Andrew R. Bernstein, Senior Special Counsel, Sam Litz, Attorney-Adviser, Aaron Washington, Special Counsel, Office of Derivatives Policy and Trading Practices, Division of Trading and Markets, U.S. Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549.

**CFTC:** Cantrell Dumas, Special Counsel, (202) 418-5043, [cdumas@cftc.gov](mailto:cdumas@cftc.gov); Mark Fajfar, Assistant General Counsel, (202) 418-6636, [mfajfar@cftc.gov](mailto:mfajfar@cftc.gov), Office of the General Counsel; Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street NW, Washington, DC 20581.

**SUPPLEMENTARY INFORMATION:** This document corrects errors in amendatory instructions in a final rule published on July 22, 2019, affecting 12 CFR 248.11, 12 CFR 351.11, 17 CFR 75.11, and 17 CFR 255.11 of the Agencies' regulations.

#### Correction

■ In final rule FR Doc. 2019-15019 published in the **Federal Register** on July 22, 2019 (84 FR 35008), beginning on page 35020, make the following corrections:

■ 1. On page 35020, in the third column, correct amendatory instruction 11 to read as follows:

“11. Revise paragraph (a)(6) to read as follows:”

■ 2. On page 35021, in the second column, correct amendatory instruction 16 to read as follows:

“16. Revise paragraph (a)(6) to read as follows:”

■ 3. On page 35022, in the first column, correct amendatory instruction 21 to read as follows:

“21. Revise paragraph (a)(6) to read as follows:”

■ 4. On page 35022, in the second column, correct amendatory instruction 26 to read as follows:

“26. Revise paragraph (a)(6) to read as follows:”

Board of Governors of the Federal Reserve System, July 26, 2019.

**Ann E. Mishback,**

*Secretary of the Board.*

Federal Deposit Insurance Corporation.

Dated at Washington, DC, on July 23, 2019, by the Commission.

**Valerie J. Best,**

*Assistant Executive Secretary.*

Issued in Washington, DC, on July 23, 2019, by the Commission.

**Christopher Kirkpatrick,**

*Secretary of the Commission.*

By the Securities and Exchange Commission

Dated: July 23, 2019.

**J. Lynn Taylor,**

*Assistant Secretary.*

[FR Doc. 2019-16634 Filed 8-5-19; 8:45 am]

**BILLING CODE 8011-01-P**

## DEPARTMENT OF TRANSPORTATION

### Federal Aviation Administration

#### 14 CFR Part 25

[Docket No. FAA-2018-1016; Special Conditions No. 25-753-SC]

#### Special Conditions: The Boeing Company Model 777-9 Airplane; Electronic Flight-Control System and Control-Surface-Position Awareness

**AGENCY:** Federal Aviation Administration (FAA), DOT.

**ACTION:** Final special conditions.

**SUMMARY:** These special conditions are issued for The Boeing Company (Boeing) Model 777-9 airplane. This airplane will have a novel or unusual design feature when compared to the state of technology envisioned in the airworthiness standards for transport-category airplanes. This design feature is an electronic flight-control system requiring control-surface-position awareness. The applicable airworthiness regulations do not contain adequate or

appropriate safety standards for this design feature. These special conditions contain the additional safety standards that the Administrator considers necessary to establish a level of safety equivalent to that established by the existing airworthiness standards.

**DATES:** Effective September 5, 2019.

**FOR FURTHER INFORMATION CONTACT:** Joe Jacobsen, Airplane & Flight Crew Interface Section, AIR-671, Transport Standards Branch, Policy and Innovation Division, Aircraft Certification Service, Federal Aviation Administration, 2200 South 216th Street, Des Moines, Washington 98198; telephone and fax 206-231-3158; email [joe.jacobsen@faa.gov](mailto:joe.jacobsen@faa.gov).

**SUPPLEMENTARY INFORMATION:**

**Background**

On December 6, 2013, Boeing applied for an amendment to Type Certificate No. T00001SE to include the new 777-9 airplane. This airplane, which is a derivative of the Boeing Model 777 airplane currently approved under Type Certificate No. T00001SE, is a twin-engine, transport-category airplane with seating for 495 passengers and a maximum takeoff weight of 775,000 pounds.

**Type Certification Basis**

Under the provisions of title 14, Code of Federal Regulations (14 CFR) 21.101, Boeing must show that the Model 777-9 airplane meets the applicable provisions of the regulations listed in Type Certificate No. T00001SE, or the applicable regulations in effect on the date of application for the change, except for earlier amendments as agreed upon by the FAA.

If the Administrator finds that the applicable airworthiness regulations (*i.e.*, 14 CFR part 25) do not contain adequate or appropriate safety standards for the Boeing Model 777-9 airplane because of a novel or unusual design feature, special conditions are prescribed under the provisions of § 21.16.

Special conditions are initially applicable to the model for which they are issued. Should the type certificate for that model be amended later to include any other model that incorporates the same novel or unusual design feature, or should any other model already included on the same type certificate be modified to incorporate the same novel or unusual design feature, these special conditions would also apply to the other model under § 21.101.

In addition to the applicable airworthiness regulations and special

conditions, the Boeing Model 777-9 airplane must comply with the fuel-vent and exhaust-emission requirements of 14 CFR part 34, and the noise-certification requirements of 14 CFR part 36.

The FAA issues special conditions, as defined in 14 CFR 11.19, in accordance with § 11.38, and they become part of the type certification basis under § 21.101.

**Novel or Unusual Design Features**

The Boeing Model 777-9 airplane will incorporate the following novel or unusual design feature:

An electronic flight-control system requiring control-surface-position awareness.

**Discussion**

With a response-command type of flight-control system and no direct coupling from the cockpit controller to control surface, such as on the Boeing Model 777 and 787 airplanes, the pilot is not aware of the actual surface-deflection position during flight maneuvers. This feature of this design is novel and unusual when compared to the state of technology envisioned in the airworthiness standards for transport-category airplanes. These special conditions are intended to contain the additional safety standard.

Some unusual flight conditions, arising from atmospheric conditions, or airplane or engine failures, or both, may result in full or nearly full control-surface deflection. Unless the flightcrew is made aware of excessive deflection or impending control-surface deflection limiting, piloted or the automated flight-control system control of the airplane could be inadvertently continued in a way that would cause loss of control, or other unsafe handling or performance situations.

The special conditions require that suitable annunciation be provided to the flightcrew when a flight condition exists in which nearly full control-surface deflection occurs. Suitability of such an annunciation must take into account that some pilot-demanded maneuvers, such as a rapid roll, are necessarily associated with intended full or nearly full control-surface deflection. Simple alerting systems, which would function in both intended and unexpected control-limiting situations, must be properly balanced between providing needed crew awareness and avoiding nuisance warnings.

The special conditions are derived initially from standardized requirements the Aviation Rulemaking Advisory Committee (ARAC) developed, a committee comprising representatives of

the FAA, Europe's Joint Aviation Authorities (now replaced by the European Aviation Safety Agency), and industry representatives. In the case of some of these requirements, a draft notice of proposed rulemaking has been prepared but no final rule has been issued.

The special conditions contain the additional safety standards that the Administrator considers necessary to establish a level of safety equivalent to that established by the existing airworthiness standards.

**Discussion of Comments**

The FAA issued Notice of Proposed Special Conditions No. 25-19-06-SC for the Boeing Model 777-9 airplane, which was published in the **Federal Register** on May 8, 2019 (84 FR 20053). No comments were received, and the special conditions are adopted as proposed.

**Applicability**

As discussed above, these special conditions are applicable to the Boeing Model 777-9 airplane. Should Boeing apply at a later date for a change to the type certificate to include another model incorporating the same novel or unusual design feature, these special conditions would apply to that model as well.

**Conclusion**

This action affects only a certain novel or unusual design feature on one model of airplane. It is not a rule of general applicability.

**List of Subjects in 14 CFR Part 25**

Aircraft, Aviation safety, Reporting and recordkeeping requirements.

**Authority Citation**

The authority citation for these special conditions is as follows:

**Authority:** 49 U.S.C. 106(f), 106(g), 40113, 44701, 44702, 44704.

**The Special Conditions**

Accordingly, pursuant to the authority delegated to me by the Administrator, the following special conditions are issued as part of the type certification basis for Boeing Model 777-9 airplanes.

In addition to compliance with §§ 25.143, 25.671, and 25.672, the following special conditions apply.

(1) The system design must ensure that the flightcrew is made suitably aware whenever the primary control means nears the limit of control authority. This indication should direct the pilot to take appropriate action to avoid the unsafe condition in

accordance with appropriate airplane flight manual instructions. Depending on the application, suitable annunciations may include flight-deck control position, annunciator light, or surface position indicators. Furthermore, this requirement applies at limits of control authority, not necessarily at limits of any individual surface travel.

(2) Suitability of such a display or alerting must take into account that some pilot-demanded maneuvers are necessarily associated with intended full performance, which may require full surface deflection. Therefore, simple alerting systems, which would function in both intended or unexpected control-limiting situations, must be properly balanced between needed flightcrew awareness and nuisance factors. A monitoring system, which might compare airplane motion, surface deflection, and pilot demand, could be useful for eliminating nuisance alerting.

Issued in Des Moines, Washington, on July 31, 2019.

**Victor Wicklund,**

*Manager, Transport Standards Branch, Policy and Innovation Division, Aircraft Certification Service.*

[FR Doc. 2019-16729 Filed 8-5-19; 8:45 am]

**BILLING CODE 4910-13-P**

## DEPARTMENT OF COMMERCE

### International Trade Administration

#### 15 CFR Part 315

[Docket No. 180223210-8210-01]

RIN 0625-AB14

#### Elimination of Regulations Implementing the Automotive Products Trade Act of 1965

**AGENCY:** International Trade Administration, U.S. Department of Commerce.

**ACTION:** Final rule.

**SUMMARY:** Through this final rule, the International Trade Administration (ITA), U.S. Department of Commerce, removes the regulations implementing the Automotive Products Trade Act of 1965 (Act). That statute implemented the 1965 Canada-United States Automotive Products Agreement (Auto Pact). Since the North American Free Trade Agreement (NAFTA) came into effect in 1994, trade in automotive products between the United States and Canada is no longer governed by the Auto Pact or the Act. Implementing regulations for the Act are thus obsolete and unnecessary.

**DATES:** This rule is effective August 6, 2019.

#### FOR FURTHER INFORMATION CONTACT:

Scott Kennedy, Office of Transportation and Machinery, U.S. Department of Commerce, 1401 Constitution Avenue NW, Room 38032, Washington, DC 20230; telephone: (202) 482-1474.

#### SUPPLEMENTARY INFORMATION:

##### Background

In 1965, the United States and Canada entered into the Auto Pact concerning trade between Canada and the United States in automotive parts. Under the Auto Pact, the United States agreed to accord duty-free treatment to imports of certain automotive products of Canada. Specifically, Annex B of the Auto Pact listed certain kinds of motor vehicles and fabricated components that would receive duty-free treatment upon entry into the United States, subject to a limitation relating to non-Canadian content. Annex B limited the duty-free treatment of automotive parts upon entry into the United States to those “for use as original equipment in the manufacture of motor vehicles” described in Annex B.

The United States implemented the Auto Pact through the Automotive Products Trade Act of 1965, Public Law 89-283 (the Act). The Act gave the President the authority to proclaim modifications to the Tariff Schedules of the United States (tariff schedules), as provided in the Auto Pact. Section 404 of the Act defined the term “original motor vehicle equipment” as an imported Canadian article “which has been obtained from a supplier in Canada under or pursuant to a written order, contract or letter of intent from a bona fide motor-vehicle manufacturer in the United States, and which is a fabricated component intended for use as original equipment in the manufacture in the United States of a motor vehicle.” The Act directed the Secretary of Commerce to publish periodically in the **Federal Register** a list of bona fide motor-vehicle manufacturers. In 1980, the Department of Commerce promulgated regulations to establish a procedure by which a person could apply to be determined to be a bona fide motor-vehicle manufacturer (15 CFR part 315).

Trade in automobiles and automotive products between the United States and Canada is now governed by the NAFTA, which went into effect on January 1, 1994. Imports of the products described in the Auto Pact and the Act now enter the United States duty-free, with no distinction based on the nature of the importer. The amendments to the tariff schedules proclaimed by the President

on October 21, 1965, regarding bona fide motor-vehicle manufacturers, ceased to be relevant when the NAFTA went into effect. Since that date, no person has applied to be determined to be a bona fide motor-vehicle manufacturer, and the Secretary has published no listing in the **Federal Register** of bona fide motor-vehicle manufacturers. As a result, the regulations found at 15 CFR part 315 are obsolete and unnecessary.

##### Classification

This final rule was drafted in accordance with Executive Orders 12866, 13563, and 13771. OMB has determined that this rule is not significant for purposes of Executive Orders 12866. This final rule to eliminate 15 CFR part 315 is a deregulatory action under Executive Order 13771. Since the regulation has not been utilized in almost 25 years, there are no cost savings associated with this elimination.

##### *Administrative Procedure Act and Regulatory Flexibility Act*

Pursuant to 5 U.S.C. 553(b)(B), there is good cause to waive prior notice and opportunity for public comment on this action, as notice and comment are unnecessary. This rule removes obsolete regulations that were superseded by the implementation of the NAFTA, and that will remain obsolete under the new United States-Mexico-Canada Agreement (USMCA), once that agreement is implemented. Therefore, public comment would serve no purpose and is unnecessary. There is also good cause under 5 U.S.C. 553(d)(3) to waive the 30-day delay in the date of effectiveness for this final rule. Because this rule does not alter the rights or responsibilities of any party, delaying implementation of this rule would serve no purpose.

Because prior notice and opportunity for public comment are not required pursuant to 5 U.S.C. 553, or any other law, the analytical requirements of the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) do not apply. Therefore, a regulatory flexibility analysis has not been prepared.

##### *Congressional Review Act*

This final rule is not major under the Congressional Review Act (5 U.S.C. 801 *et seq.*).

##### *Executive Order No. 13132*

This final rule does not contain policies that have federalism implications.