DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 98–SW–35–AD; Amendment 39–10866; AD 98–15–25]

RIN 2120–AA64

Airworthiness Directives; Eurocopter Deutschland GmbH Model EC 135 Helicopters

AGENCY: Federal Aviation Administration, DOT.

ACTION: Final rule; request for comments.

SUMMARY: This document publishes in the **Federal Register** an amendment adopting Airworthiness Directive (AD) 98–15–25, which was sent previously to all known U.S. owners and operators of Eurocopter Deutschland GmbH Model EC 135 helicopters by individual letters. This AD supersedes AD 98–09–11, applicable to Eurocopter Deutschland GmbH Model EC 135 helicopters, that required, before further flight, a tail rotor drive shaft vibration survey and installation of a Fenestron Shaft Retrofit Kit; inspecting the tail rotor drive shaft bearing (bearing) attaching lock plates for bent-open tabs, and broken or missing slippage marks; and visually inspecting each bearing support for cracks. This AD requires the same actions as the superseded AD, however it changes the required compliance time for the repetitive inspections. This amendment is prompted by reports of loose bearings and attachment bolts. This condition, if not corrected, could result in loose bearing attachment bolts, or cracked bearing supports, which could result in loss of drive to the tail rotor and subsequent loss of control of the helicopter.

DATES: Effective November 18, 1998, to all persons except those persons to whom it was made immediately effective by priority letter AD 98–15–25, issued on July 17, 1998, which contained the requirements of this amendment.

Comments for inclusion in the Rules Docket must be received on or before January 4, 1999.

ADDRESSES: Submit comments in triplicate to the Federal Aviation Administration (FAA), Office of the Regional Counsel, Southwest Region, Attention: Rules Docket No. 98–SW–35–AD, 2601 Meacham Blvd., Room 663, Fort Worth, Texas 76137.

FOR FURTHER INFORMATION CONTACT: Mr. Scott Horn, Aerospace Engineer, FAA, Rotorcraft Directorate, Rotorcraft Standards Staff, 2601 Meacham Blvd., Fort Worth, Texas 76137, telephone (817) 222–5125, fax (817) 222–5961.

SUPPLEMENTARY INFORMATION: On July 17, 1998, the FAA issued priority letter AD 98–15–25, applicable to Eurocopter Deutschland GmbH Model EC 135 helicopters, which requires, before further flight, a tail rotor drive shaft vibration survey and installation of a Fenestron Shaft Retrofit Kit L 535M3002 882; before further flight, and thereafter at intervals not to exceed 15 hours time-in-service (TIS), inspecting the bearing attaching lock plates for bent-open tabs, and broken or missing slippage marks; and before further flight, and thereafter at intervals not to exceed 3 hours TIS, visually inspecting each bearing support for cracks. That action was prompted by several reports of loose tail rotor drive shaft bearings and attachment bolts. This condition, if not corrected, could result in loose bearing attachment bolts, or cracked bearing supports, which could result in loss of drive to the tail rotor and subsequent loss of control of the helicopter.

The FAA previously issued AD 98–09–11 on June 18, 1998 (63 FR 34796, June 26, 1998). AD 98–09–11 contained the same requirements as this AD except that this AD requires the repetitive visual inspection of each bearing support to be conducted at intervals not to exceed 3 hours TIS instead of the previous 15 hours TIS.

Since the issuance of AD 98–09–11, it has been determined that cracks can form in additional areas outside the bend radius of the bearing support, and that the cracks can form and propagate to failure within the previously-required 15 hours TIS inspection interval.

The Luftfahrt-Bundesamt (LBA), which is the airworthiness authority for the Federal Republic of Germany, recently notified the FAA that an unsafe condition may exist on Eurocopter Deutschland GmbH Model EC 135 helicopters. The LBA advises that loosening of bolt connections at bearing supports may lead to a tail rotor failure and loss of the helicopter. The LBA issued AD 1998–033/6, dated July 9, 1998, applicable to ECD Model EC 135 helicopters.

The FAA has reviewed Eurocopter EC 135 Alert Service Bulletin No. EC 135–53A–002, Revision 1, dated July 7, 1998, which describes procedures for visually inspecting the bearing supports, and Eurocopter EC 135 Alert Service Bulletin No. EC 135–53A–005, Revision 1, dated April 6, 1998, which describes procedures for measuring vibrations on the tail rotor drive shaft and replacing roller bearing attaching hardware at bearing locations.

This helicopter model is manufactured in the Federal Republic of Germany and is type certificated for operation in the United States under the provision 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 LBA has kept the FAA informed of the situation described above. The FAA has examined the findings of the LBA, reviewed all available information, and determined that AD action is necessary for products of this type design that are certificated for operations in the United States.

Since an unsafe condition has been identified that is likely to exist or develop on other Eurocopter Deutschland GmbH Model EC 135 helicopters of the same type design, this AD requires, before further flight, a tail rotor drive shaft vibration survey and installation of a Fenestron Shaft Retrofit Kit L 535M3002 882. Also, before further flight, and thereafter at intervals not to exceed 15 hours TIS, the AD requires inspecting the bearing attaching lock plates at each bearing support for bent-open tabs, and inspecting for broken or missing slippage marks. If a bearing attaching lock plate tab is bent open, or if a slippage mark is broken or missing, the FAA must be notified. Finally, the AD requires, before further flight, and thereafter at intervals not to exceed 3 hours TIS, inspecting the bearing supports for cracks in the areas shown in the attached Figure 1, from the bend radius to the attaching screws and rivets connecting the bearing supports to the tailboom. Use of a 6-power or higher magnifying glass and a bright light are required for this inspection. If a crack is found, the cracked bearing support is to be replaced with an airworthy bearing support.

The short compliance time involved is required because the previously described critical unsafe condition can adversely affect the structural integrity and controllability of the aircraft. Therefore, the installation and an inspection are required before further flight, and this AD must be issued immediately.

Since it was found that immediate corrective action was required, notice and opportunity for prior public comment thereon were impracticable and contrary to the public interest, and good cause existed to make the AD effective immediately by individual letters issued on July 17, 1998 to all known U.S. owners and operators of Eurocopter Deutschland GmbH Model EC 135 helicopters. These conditions still exist, and the AD is hereby

published in the **Federal Register** as an amendment to section 39.13 of the Federal Aviation Regulations (14 CFR 39.13) to make it effective to all persons. The only difference between the priority letter AD and this published version of this AD is that a NOTE 2 is added to this AD to inform the reader that the procedures and limits for the vibration survey are contained in Eurocopter Deutschland document D/TA 13/98, Revision 01. This note is informational only and is not a substantive change.

The FAA estimates that 6 helicopters of U.S. registry will be affected by this AD. The 15 hours TIS inspection will take approximately 0.5 work hours and the 3 hours TIS inspection will take approximately 1.5 work hours. The average labor rate is $60 per work hour. The manufacturer has represented that they will accomplish this vibration survey and the installation of the Fenestron Shaft Retrofit kit at no cost to the owners/operators. Assuming the helicopters are operated 900 hours TIS per year, the total cost impact of the AD on U.S. operators for one year is estimated to be $172,800.

Comments Invited

Although this action is in the form of a final rule that involves requirements affecting flight safety and, thus, was not preceded by notice and an opportunity for public comment, comments are invited on this rule. Interested persons are invited to comment on this rule by submitting such written data, views, or arguments as they may desire. Communications should identify the Rules Docket number and be submitted in triplicate to the address specified under the caption **ADDRESSES.** All communications received on or before the closing date for comments will be considered, and this rule may be amended in light of the comments received. Factual information that supports the commenter's ideas and suggestions is extremely helpful in evaluating the effectiveness of the AD action and determining whether additional rulemaking action would be needed.

Comments are specifically invited on the overall regulatory, economic, environmental, and energy aspects of the rule that might suggest a need to modify the 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 that summarizes each FAA-public contact concerned with the substance of this AD will be filed in the Rules Docket.

Commenters wishing the FAA to acknowledge receipt of their comments submitted in response to this rule must submit a self-addressed, stamped postcard on which the following statement is made: ''Comments to Docket No. 98–SW–35–AD.'' The postcard will be date stamped and returned to the commenter.

The regulations adopted herein will 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 final rule does not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.

The FAA has determined that this regulation is an emergency regulation that must be issued immediately to correct an unsafe condition in aircraft, and that it is not a ''significant regulatory action'' under Executive Order 12866. It has been determined further that this action involves an emergency regulation under DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979). If it is determined that this emergency regulation otherwise would be significant under DOT Regulatory Policies and Procedures, a final regulatory evaluation will be prepared and placed in the Rules Docket. A copy of it, if filed, may be obtained from 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.

Adoption of the Amendment

Accordingly, pursuant to the authority delegated to me by the Administrator, the Federal Aviation Administration amends 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 39–10632 (63 FR 34796, June 26, 1998) and by adding a new airworthiness directive to read as follows:

98–15–25 Eurocopter Deutschland: Amendment 39–10866. Docket No. 98–SW–35–AD. Supersedes AD 98–09–11, Amendment 39–10632, Docket No. 98–SW–18–AD.

Applicability: Model EC 135 helicopters, certificated in any category.

Note 1: This AD applies to each helicopter identified in the preceding applicability provision, regardless of whether it has been modified, altered, or repaired in the area subject to the requirements of this AD. For helicopters that have been modified, altered, or repaired so that the performance of the requirements of this AD is affected, the owner/operator must use the authority provided in paragraph (d) to request approval from the FAA. This approval may address either no action, if the current configuration eliminates the unsafe condition, or different actions necessary to address the unsafe condition described in this AD. Such a request should include an assessment of the effect of the changed configuration on the unsafe condition addressed by this AD. In no case does the presence of any modification, alteration, or repair remove any helicopter from the applicability of this AD.

Compliance: Required as indicated, unless accomplished previously.

To detect loose tail rotor drive shaft bearing (bearing) attachment bolts, or cracked bearing supports, which could result in loss of drive to the tail rotor and subsequent loss of control of the helicopter, accomplish the following:

(a) Before further flight, conduct a tail rotor drive shaft vibration survey and install a Fenestron Shaft Retrofit Kit L 535M3002 882.

Note 2: Procedures and limits for the vibration survey are provided in Eurocopter Deutschland document D/TA 13/98 Revision 01.

(b) Before further flight, and thereafter at intervals not to exceed 15 hours time-in-service (TIS), at each bearing support:

(1) Inspect each bearing attaching lock plate that was installed with the Fenestron Shaft Retrofit Kit L 535M3002 882 for bent-open tabs.

(2) Inspect for broken or missing slippage marks that may indicate looseness or rotation of attaching hardware.

(3) If a lock plate tab is bent open on bearing supports A, B, or C (shown in Figure 1), or if slippage marks are broken or missing, contact the Manager, Rotorcraft Standards Staff, FAA, telephone (817) 222–5110, fax (817) 222–5961.

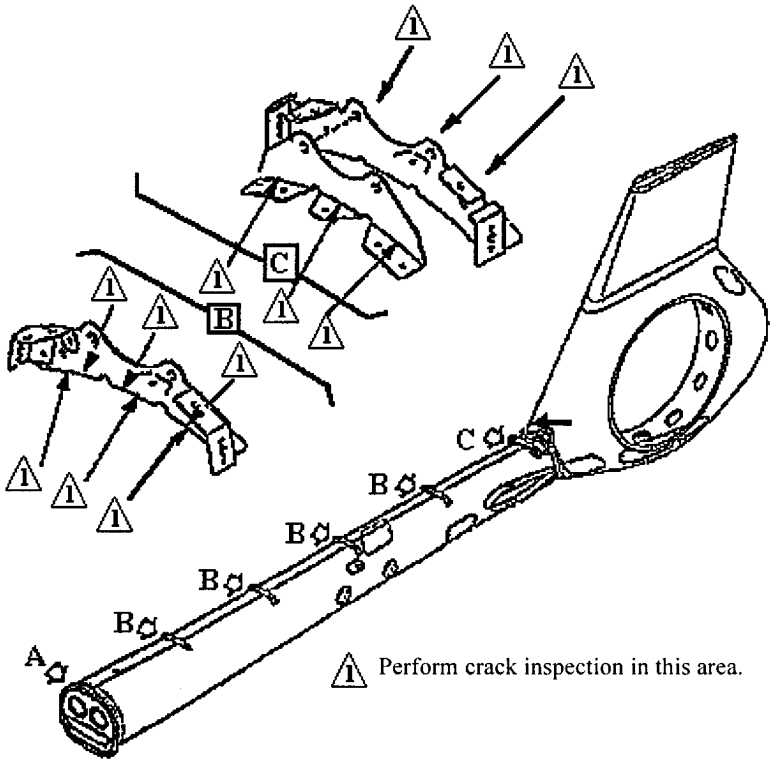

Figure 1

(c) Before further flight, and thereafter at intervals not to exceed 3 hours TIS, using a 6-power or higher magnifying glass and a bright light, visually inspect bearing supports B and C as shown in Figure 1, from the bend radius to the attaching screws and rivets connecting the bearing supports to the tailboom. If a crack is found, replace the bearing support with an airworthy bearing support.

(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, Rotorcraft Standards Staff, FAA. Operators shall submit their requests through an FAA Principal Maintenance Inspector, who may concur or comment and then send it to the Manager, Rotorcraft Standards Staff.

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

(e) Special flight permits will not be issued.

(f) This amendment becomes effective on November 18, 1998, to all persons except those persons to whom it was made immediately effective by Priority Letter AD 98–15–25, issued July 17, 1998, which contained the requirements of this amendment.

Note 4: The subject of this AD is addressed in Luftfahrt-Bundesamt (Federal Republic of Germany) AD 1998–033/6, dated July 9, 1988.

Issued in Fort Worth, Texas, on October 27, 1998.

Eric Bries,

Acting Manager, Rotorcraft Directorate, Aircraft Certification Service.

[FR Doc. 98–29375 Filed 11–2–98; 8:45 am]

BILLING CODE 4910–13–P

SECURITIES AND EXCHANGE COMMISSION

17 CFR Part 240

[Release No. 34–40608; FR–53; File No. S7–7–98]

RIN 3235–AH36

Reports To Be Made by Certain Brokers and Dealers

AGENCY: Securities and Exchange Commission.

ACTION: Final rule.

SUMMARY: The Securities and Exchange Commission (''Commission'') is amending Rule 17a–5 under the Securities Exchange Act of 1934 (''Exchange Act'') to require certain broker-dealers to file with the Commission and their designated examining authorities (''DEA'') a report prepared by an independent public accountant regarding the broker-dealer's process for preparing for the Year 2000. The report will provide valuable information on the existence and sufficiency of a broker-dealer's process for addressing Year 2000 Problems; provide an independent verification of the accuracy of the information contained in the broker-dealer's second Form BD–Y2K; aid the Commission in obtaining a more complete understanding of the industry's overall Year 2000 preparations; and identify firm-specific and industry-wide problems. The independent public accountant's report will be available to the public.

EFFECTIVE DATE: January 4, 1999.

FOR FURTHER INFORMATION CONTACT: Michael A. Macchiaroli, Associate Director, 202/942–0131; Thomas K. McGowan, Assistant Director, 202/942–4886; Lester Shapiro, Senior Accountant, 202/942–0757; or Christopher M. Salter, Staff Attorney, 202/942–0148, Division of Market Regulation, Securities and Exchange Commission, 450 Fifth Street, NW, Mail Stop 10–1, Washington, DC 20549.

SUPPLEMENTARY INFORMATION:

I. Introduction

The Commission views the Year 2000 Problem [1] as a serious issue that if not

[1] The Commission has defined the term ''Year 2000 Problem'' to include any erroneous result