

data, information, and judgment used in its quantitative and qualitative approaches.

42. The ICAAP should be enhanced and refined over time, with learning and experience (both quantitative and qualitative) contributing to its improvement. The ICAAP should evolve with changes in the risk profile and activities of the bank, as well as with advances in risk measurement and management practices. For example, a bank should incorporate in its ICAAP the introduction of new products and business lines and activities to ensure that the bank's capital plan is responsive to changes in the operational and/or business environment.

43. The board of directors and senior management have certain responsibilities in developing, implementing, and overseeing the ICAAP. The board should approve the ICAAP and its components. The board or its appropriately delegated agent should review the ICAAP and its components on a regular basis, and approve any revisions. That review should encompass the effectiveness of the ICAAP, the appropriateness of risk tolerance levels and capital planning, and the strength of control infrastructures. Senior management should continually ensure that the ICAAP is functioning effectively and as intended, under a formal review policy that is explicit and well documented. Additionally, a bank's internal audit function should play a key role in reviewing the controls and governance surrounding the ICAAP on an ongoing basis.

44. Each bank should ensure that the components of its ICAAP, including any models and their inputs, are subject to the bank's validation policies and procedures. Validation should be independent of the development, implementation, and operation of the ICAAP components, or the validation process should be subject to an independent review of its adequacy and effectiveness. Validation is generally defined as an ongoing process that includes, but is not limited to, the collection and review of developmental evidence, process verification, benchmarking, outcomes analysis, and monitoring activities used to confirm that processes are operating as designed. Validation policies and procedures should reflect the bank's business, structure, and sophistication, as well as the relative importance of each component of the ICAAP. Accordingly, a bank is encouraged to consult the agencies' existing guidance on validation.

45. A bank's ICAAP should be aligned with and be a part of the bank's wider internal governance structure and overall risk-management processes. The ICAAP should not be viewed as simply a compliance exercise. Rather, it is a dynamic and evolving process that is used by a bank to provide internal assurance that capital is adequate given the bank's risk profile. Management is responsible for ensuring that the ICAAP is fully consistent with the overall risk management framework of the bank. Information derived through the ICAAP process should influence decision making at both the consolidated and individual business-line levels, and be used to inform other management processes related to risk assessment, business planning and forecasting, pricing strategies, and performance measurement.

46. As part of the ICAAP, the board or its delegated agent, as well as appropriate senior management, should periodically review the resulting assessment of overall capital adequacy. This review, which should occur at least annually, should include an analysis of how measures of internal capital adequacy compare with other capital measures (such as regulatory, accounting-based or market-determined). Upon completion of this review, the board or its delegated agent should determine that, consistent with safety and soundness, the bank's capital takes into account all material risks and is appropriate for its risk profile. However, in the event a capital deficiency is uncovered (that is, if capital is not consistent with the bank's risk profile or risk tolerance) management should consult and adhere to formal procedures to correct the capital deficiency.

Dated: July 14, 2008.

John C. Dugan,

Comptroller of the Currency.

By order of the Board of Governors of the Federal Reserve System, July 15, 2008.

Jennifer J. Johnson,

Secretary of the Board.

Dated at Washington, DC, the 15th day of July, 2008.

By order of the Federal Deposit Insurance Corporation.

Robert E. Feldman,

Executive Secretary.

Dated: July 14, 2008.

By the Office of Thrift Supervision.

John M. Reich,

Director.

[FR Doc. E8-17555 Filed 7-30-08; 8:45 am]

BILLING CODE 4810-33-P, 6210-01-P, 6714-01-P, 6720-01-P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA-2008-0821; Directorate Identifier 2008-NE-20-AD; Amendment 39-15619; AD 2008-16-01]

RIN 2120-AA64

Airworthiness Directives; General Electric Co. (GE) CF34-8E Series Turbofan Engines

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

ACTION: Final rule; request for comments.

SUMMARY: The FAA is adopting a new airworthiness directive (AD) for GE CF34-8E series turbofan engines with certain part number (P/N) full authority digital engine controls (FADECs) installed. This AD requires reprogramming the FADEC software from version 8Ev5.40 to an FAA-approved software version. This AD results from six loss of thrust control events from the same software fault scenario. We are issuing this AD to prevent loss of thrust control and controllability of the airplane.

DATES: This AD becomes effective August 15, 2008.

We must receive any comments on this AD by September 29, 2008.

ADDRESSES: Use one of the following addresses to comment on this AD:

- *Federal eRulemaking Portal:* Go to <http://www.regulations.gov> and follow the instructions for sending your comments electronically.

- *Mail:* U.S. Docket Management Facility, Department of Transportation, 1200 New Jersey Avenue, SE., West Building Ground Floor, Room W12-140, Washington, DC 20590-0001.

- *Hand Delivery:* Deliver to Mail address above between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

- *Fax:* (202) 493-2251.

Contact General Electric Company via Lockheed Martin Technology Services, 10525 Chester Road, Suite C, Cincinnati, Ohio 45215; telephone (513) 672-8400; fax (513) 672-8422, for the service information identified in this AD.

FOR FURTHER INFORMATION CONTACT:

Kenneth Steeves, Aerospace Engineer, Engine Certification Office, FAA, Engine & Propeller Directorate, 12 New England Executive Park, Burlington, MA 01803; e-mail: kenneth.steeves@faa.gov; telephone (781) 238-7765; fax (781) 238-7199.

SUPPLEMENTARY INFORMATION: We have received reports of six events on CF34–8E turbofan engines that resulted in loss of thrust control. On March 2, 2008, the No. 1 engine on an ERJ 170 experienced a fluctuation of the interstage turbine temperature during descent that resulted in changes in thrust. The crew shut down the engine. On May 12, 2008, an ERJ 170 was at cruise when the ENG 2 Control Fault posted to the Engine Indicating and Crew Alerting System (EICAS) display. The FADEC software commanded the number two engine to idle and there was no response to throttle movement by the crew. The crew shut down the engine. Four more similar events occurred on May 29, June 10, June 14, and July 10, 2008, all resulting in loss of thrust control with an ENG 1 or 2 Control Fault message posted to the EICAS. Our investigation revealed that all events resulted from the same software fault scenario. We attribute the fault to FADEC software version 8Ev5.40. This condition, if not corrected, could result in loss of thrust control and controllability of the airplane.

FAA's Determination and Requirements of This AD

The unsafe condition described previously is likely to exist or develop on other GE CF34–8E series turbofan engines of the same type design. For that reason, we are issuing this AD to prevent loss of thrust control and controllability of the airplane.

FAA's Determination of the Effective Date

Since an unsafe condition exists that requires the immediate adoption of this AD, we have found that notice and opportunity for public comment before issuing this AD are impracticable, and that good cause exists for making this amendment effective in less than 30 days.

Comments Invited

This AD is a final rule that involves requirements affecting flight safety and was not preceded by notice and an opportunity for public comment; however, we invite you to send us any written relevant data, views, or arguments regarding this AD. Send your comments to an address listed under **ADDRESSES**. Include "AD Docket No. FAA–2008–0821; Directorate Identifier 2008–NE–20–AD" in the subject line of your comments. We specifically invite comments on the overall regulatory, economic, environmental, and energy aspects of the rule that might suggest a need to modify it.

We will post all comments we receive, without change, to <http://www.regulations.gov>, including any personal information you provide. We will also post a report summarizing each substantive verbal contact with FAA personnel concerning this AD. Using the search function of the Web site, anyone can find and read the comments in any of our dockets, including, if provided, the name of the individual who sent the comment (or signed the comment on behalf of an association, business, labor union, etc.). You may review the DOT's complete Privacy Act Statement in the **Federal Register** published on April 11, 2000 (65 FR 19477–78).

Examining the AD Docket

You may examine the AD docket on the Internet at <http://www.regulations.gov>; or in person at the Docket Operations office between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this AD, the regulatory evaluation, any comments received, and other information. The street address for the Docket Operations office (telephone (800) 647–5527) is the same as the Mail address provided in the **ADDRESSES** section. Comments will be available in the AD docket shortly after receipt.

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 the 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 summary of the costs to comply with this AD and placed it in the AD Docket. You may get a copy of this summary at the address listed under **ADDRESSES**.

List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Safety.

Adoption of the Amendment

■ Under 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. The FAA amends § 39.13 by adding the following new airworthiness directive:

2008–16–01 General Electric Co.:

Amendment 39–15619. Docket No. FAA–2008–0821; Directorate Identifier 2008–NE–20–AD.

Effective Date

- (a) This airworthiness directive (AD) becomes effective August 15, 2008.

Affected ADs

- (b) None.

Applicability

(c) This AD applies to General Electric Co. (GE) CF34–8E series turbofan engines with full authority digital electronic controls (FADECs), part numbers (P/N) 4120T00P47, 4120T00P48, 111E9320G48, or 111E9320G49, installed. These engines are installed on, but not limited to, Empresa Brasileira de Aeronautica S.A. (EMBRAER) ERJ 170 series airplanes.

Unsafe Condition

(d) This AD results from six loss of thrust control events from the same software fault scenario. We are issuing this AD to prevent loss of thrust control and controllability of the airplane.

Compliance

- (e) You are responsible for having the actions required by this AD performed within

660 flight hours time-in-service after the effective date of this AD, unless the actions have already been done.

Removal of CF34–8E FADEC Software Version 8Ev5.40

(f) For CF34–8E engines with a FADEC, P/N 4120T00P47, 4120T00P48, 111E9320G48, or 111E9320G49, installed, do either of the following:

(1) Replace the FADEC, P/N 4120T00P47, 4120T00P48, 111E9320G48, or 111E9320G49, with a FADEC P/N not listed in paragraph (c) of this AD. Or,

(2) For CF34–8E engines with a FADEC, P/N 4120T00P47, 4120T00P48, 111E9320G48, or 111E9320G49, installed, reprogram the FADEC software to an FAA approved version.

Installation Prohibition

(g) After the effective date of this AD, don't install any FADEC, P/N 4120T00P47, 4120T00P48, 111E9320G48, or 111E9320G49, onto any CF34–8E engine.

Alternative Methods of Compliance

(h) The Manager, Engine Certification Office, has the authority to approve alternative methods of compliance for this AD if requested using the procedures found in 14 CFR 39.19.

Related Information

(i) General Electric Alert Service Bulletin CF34–8E–AL S/B 73–A0019, dated June 17, 2008, contains information on removing software version 8Ev5.40 and installing an FAA-approved FADEC software version.

(j) Contact Kenneth Steeves, Aerospace Engineer, Engine Certification Office, FAA, Engine & Propeller Directorate, 12 New England Executive Park, Burlington, MA 01803; e-mail: kenneth.steeves@faa.gov; telephone (781) 238–7765; fax (781) 238–7199, for more information about this AD.

Material Incorporated by Reference

(k) None.

Issued in Burlington, Massachusetts, on July 23, 2008.

Carlos Pestana,

Acting Manager, Engine and Propeller Directorate, Aircraft Certification Service.

[FR Doc. E8–17422 Filed 7–30–08; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2006–24825; Directorate Identifier 2006–NE–17–AD; Amendment 39–15623; AD 2008–16–05]

RIN 2120–AA64

Airworthiness Directives; Rolls-Royce Deutschland Ltd & Co KG (RRD) Dart 528, 529, 532, 535, 542, and 552 Series Turboprop Engines

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

ACTION: Final rule.

SUMMARY: The FAA is superseding an existing airworthiness directive (AD) for RRD Dart 528, 529, 532, 535, 542, and 552 Series turboprop engines. That AD currently requires a dimensional inspection of the intermediate pressure turbine (IPT) disk or an ultrasonic inspection of the seal arm contact between the high pressure turbine (HPT) and the IPT disk seal arm and reworking or replacing the IPT disk if worn beyond acceptable limits. This AD continues to require those actions. This AD results from us including an incorrect engine model and omitting an engine model from the applicability of the existing AD. We are issuing this AD to prevent HPT disk failure, which can result in an uncontained engine failure and damage to the airplane.

DATES: This AD becomes effective September 4, 2008. The Director of the Federal Register previously approved the incorporation by reference of certain publications listed in the regulations on February 26, 2007 (72 FR 2610, January 22, 2007).

ADDRESSES: You can get the service information identified in this AD from Rolls-Royce Deutschland Ltd & Co KG, Eschenweg 11, D–15827 Dahlewitz, Germany; telephone 49 (0) 33–7086–1768; fax 49 (0) 33–7086–3356.

The Docket Operations office is located at Docket Management Facility, U.S. Department of Transportation, 1200 New Jersey Avenue, SE., West Building Ground Floor, Room W12–140, Washington, DC 20590–0001.

FOR FURTHER INFORMATION CONTACT: Jason Yang, Aerospace Engineer, Engine Certification Office, FAA, Engine and Propeller Directorate, 12 New England Executive Park, Burlington, MA 01803; telephone (781) 238–7747; fax (781) 238–7199.

SUPPLEMENTARY INFORMATION: The FAA proposed to amend 14 CFR part 39 by

superseding AD 2007–02–07, Amendment 39–14894 (72 FR 2610, January 22, 2007), with a proposed AD. The proposed AD applies to RRD Dart 528, 529, 532, 535, 542, and 552 Series turboprop engines. We published the proposed AD in the **Federal Register** on November 9, 2007 (72 FR 63508). That action proposed to require deleting the Dart 555 series engines from the applicability paragraph of the proposed AD, and to list the Dart 552 series turboprop engines in the applicability paragraph of the proposed AD.

Examining the AD Docket

You may examine the AD docket on the Internet at <http://www.regulations.gov>; or in person at the Docket Operations office between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this AD, the regulatory evaluation, any comments received, and other information. The street address for the Docket Operations office (telephone (800) 647–5527) is provided in the **ADDRESSES** section. Comments will be available in the AD docket shortly after receipt.

Comments

We provided the public the opportunity to participate in the development of this AD. We have considered the comments received.

Request To Correct a Typographical Error in the Costs of Compliance Section

One commenter asks us to change “turbofan engines” in the Costs of Compliance Section to “turboprop engines.” The commenter states that the Dart engine is a turboprop engine, not a “turbofan engines.”

We agree. We changed “turbofan engines” in the Costs to Comply section to “turboprop engines.”

Request To Add Airplane Models to the Applicability Paragraph

The same commenter states that paragraph (c) Applicability, appears to omit some models of airplanes that might use the engines. The commenter states that the Dart engine is installed by supplemental type certificate on certain General Dynamics Convair model airplanes, and that those airplanes can still be found in the FAA’s registry database.

We partially agree. We must identify in paragraph (c) Applicability, all engine models that are affected by this AD. We list the aircraft models that might use those engines to help readers to determine if they might have an affected engine. However, for clarity, we