

*F. Processes Governing Identification of and Response to Violations of Law or Regulations.*

The board should establish, and the covered institution should adhere to, processes<sup>50</sup> that require front line units and the independent risk management unit, consistent with their respective responsibilities to:

1. Identify known or suspected violations of law or regulations applicable to the activities conducted by their units.
2. Distinguish between violations of law or regulations that appear largely technical, inadvertent, or insignificant and those that appear willful or may involve dishonesty or misrepresentation.
3. Document all violations of law or regulations in writing and notify the CEO, Audit Committee, and the Risk Committee, including information about actions that are being taken to return the institution to compliance with the applicable law or regulatory requirement.
4. Ensure that known or suspected violations of law involving dishonesty, misrepresentation or willful disregard for requirements, whether by a customer or by any covered institution's director, manager, employee, or person or entity performing services for the covered entity, are promptly reported as required by law or regulation<sup>51</sup> and to relevant law enforcement and federal and state agencies, and take prompt action to cease such activity and prevent its recurrence.
5. Report all violations of law or regulation in a manner and on a timetable acceptable to the agency with jurisdiction over that law or regulation and establish accountability for resolving violations, even if the covered institution did not realize a loss from such violations.

At least annually, the board should review and update, as necessary, the processes related to identification of and response to violations of law or regulations.

Federal Deposit Insurance Corporation.

By order of the Board of Directors.

Dated at Washington, DC, on October 3, 2023.

**James P. Sheesley,**

*Assistant Executive Secretary.*

[FR Doc. 2023-22421 Filed 10-10-23; 8:45 am]

**BILLING CODE 6714-01-P**

**DEPARTMENT OF TRANSPORTATION**

**Federal Aviation Administration**

**14 CFR Part 39**

[Docket No. FAA-2023-1991; Project Identifier AD-2023-00700-E]

**RIN 2120-AA64**

**Airworthiness Directives; CFM International, S.A. Engines**

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

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

**SUMMARY:** The FAA proposes to adopt a new airworthiness directive (AD) for certain CFM International, S.A. (CFM) Model LEAP-1A23, LEAP-1A24, LEAP-1A24E1, LEAP-1A26, LEAP-1A26CJ, LEAP-1A26E1, LEAP-1A29, LEAP-1A29CJ, LEAP-1A30, LEAP-1A32, LEAP-1A33, LEAP-1A33B2, and LEAP-1A35A engines. This proposed AD was prompted by a report of multiple aborted takeoffs and air turn-backs (ATBs) caused by high-pressure compressor (HPC) stall, which was induced by high levels of non-synchronous vibration (NSV). Additional manufacturer investigation revealed that wear on the No. 3 bearing spring finger housing can lead to high levels of NSV. This proposed AD would require initial and repetitive calculations of the levels of NSV, inspection of the stage 2 high-pressure turbine (HPT) nozzle assembly honeycomb and HPT stator stationary seal honeycomb and, depending on the results of the calculations and inspections, replacement of certain parts. This proposed AD would also require replacement of the No. 3 bearing spring finger housing. The FAA is proposing this AD to address the unsafe condition on these products.

**DATES:** The FAA must receive comments on this proposed AD by November 27, 2023.

**ADDRESSES:** You may send comments, using the procedures found in 14 CFR 11.43 and 11.45, by any of the following methods:

- *Federal eRulemaking Portal:* Go to [regulations.gov](https://www.regulations.gov). Follow the instructions for submitting comments.
- *Fax:* (202) 493-2251.
- *Mail:* U.S. Department of

Transportation, Docket Operations, M-30, West Building Ground Floor, Room W12-140, 1200 New Jersey Avenue SE, Washington, DC 20590.

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

*AD Docket:* You may examine the AD docket at [regulations.gov](https://www.regulations.gov) by searching for and locating Docket No. FAA-2023-1991; or in person at Docket Operations between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this NPRM, any comments received, and other information. The street address for Docket Operations is listed above.

*Material Incorporated by Reference:*

- For service information identified in this NPRM, contact CFM International, S.A., GE Aviation Fleet Support, 1 Neumann Way, M/D Room 285, Cincinnati, OH 45215; phone: (877) 432-3272; email: [aviation.fleetsupport@ge.com](mailto:aviation.fleetsupport@ge.com).

- You may view this service information at the FAA, Airworthiness Products Section, Operational Safety Branch, 1200 District Avenue, Burlington, MA 01803. For information on the availability of this material at the FAA, call (817) 222-5110.

**FOR FURTHER INFORMATION CONTACT:**

Mehdi Lamnyi, Aviation Safety Engineer, FAA, 2200 South 216th Street, Des Moines, WA 98198; phone: (781) 238-7743; email: [mehdi.lamnyi@faa.gov](mailto:mehdi.lamnyi@faa.gov).

**SUPPLEMENTARY INFORMATION:**

**Comments Invited**

The FAA invites you to send any written relevant data, views, or arguments about this proposal. Send your comments to an address listed under **ADDRESSES**. Include "Docket No. FAA-2023-1991; Project Identifier AD-2023-00700-E" at the beginning of your comments. The most helpful comments reference a specific portion of the proposal, explain the reason for any recommended change, and include supporting data. The FAA will consider all comments received by the closing date and may amend this proposal because of those comments.

Except for Confidential Business Information (CBI) as described in the following paragraph, and other information as described in 14 CFR 11.35, the FAA will post all comments received, without change, to [regulations.gov](https://www.regulations.gov), including any personal information you provide. The agency will also post a report summarizing each substantive verbal contact received about this NPRM.

**Confidential Business Information**

CBI is commercial or financial information that is both customarily and actually treated as private by its owner. Under the Freedom of Information Act (FOIA) (5 U.S.C. 552), CBI is exempt from public disclosure. If your

<sup>50</sup> The covered institution may seek legal advice (from in-house or outside legal advisors) regarding any breach, including known or suspected violation of law, but the covered institution's policies and processes should state that seeking legal advice does not abrogate the requirement to report any breach.

<sup>51</sup> See, e.g., 12 CFR part 353.

comments responsive to this NPRM contain commercial or financial information that is customarily treated as private, that you actually treat as private, and that is relevant or responsive to this NPRM, it is important that you clearly designate the submitted comments as CBI. Please mark each page of your submission containing CBI as "PROPIN." The FAA will treat such marked submissions as confidential under the FOIA, and they will not be placed in the public docket of this NPRM. Submissions containing CBI should be sent to Mehdi Lamnyi, Aviation Safety Engineer, FAA, 2200 South 216th Street, Des Moines, WA 98198. Any commentary that the FAA receives which is not specifically designated as CBI will be placed in the public docket for this rulemaking.

**Background**

The FAA was notified by the engine manufacturer of three aborted takeoffs and two ATBs caused by HPC stall. Additional manufacturer investigation revealed that wear on the No. 3 bearing spring finger housing can lead to high levels of NSV, which could induce HPC stall. As a result of its investigation, the manufacturer published service information that specifies procedures for addressing this situation. This condition, if not addressed, could result in engine power loss at a critical phase of flight such as takeoff or climb, loss of engine thrust control, reduced

controllability of the airplane, and loss of the airplane.

**FAA's Determination**

The FAA is issuing this NPRM after determining that the unsafe condition described previously is likely to exist or develop on other products of the same type design.

**Related Service Information Under 1 CFR Part 51**

The FAA reviewed CFM Service Bulletin (SB) LEAP-1A-72-00-0504-01A-930A-D, Issue 001, dated June 14, 2023. This service information identifies affected No. 3 bearing spring finger housings and specifies procedures for monitoring NSV during engine operation. This service information also specifies procedures for replacing the No. 3 bearing spring finger housings, inspecting the stage 2 HPT nozzle assembly honeycomb and HPT stator stationary seal honeycomb, and replacing the stage 2 HPT nozzle assembly honeycomb and HPT stator stationary seal. This service information is reasonably available because the interested parties have access to it through their normal course of business or by the means identified in ADDRESSES.

**Proposed AD Requirements in This NPRM**

This proposed AD would require repetitive calculations of the levels of

NSV and, depending on the results of the calculations, replacement of the No. 3 bearing spring finger housing. This proposed AD would require, following the removal and replacement of the No. 3 bearing spring finger housing, inspection of the stage 2 HPT nozzle assembly honeycomb and HPT stator stationary seal honeycomb for rubs and, depending on findings, replacement of the stage 2 HPT nozzle assembly honeycomb and HPT stator stationary seal. This proposed AD would also require replacement of the No. 3 bearing spring finger housing, regardless of calculated level of NSV, at a certain time.

**Interim Action**

The FAA considers that this proposed AD would be an interim action. The design approval holder is currently developing a modification to address this issue. The FAA may consider additional rulemaking on this subject.

**Costs of Compliance**

The FAA estimates that this AD, if adopted as proposed, would affect 48 engines installed on airplanes of U.S. registry. The FAA estimates that 33 engines installed on airplanes of U.S. registry would require replacement of the No. 3 bearing spring finger housing.

The FAA estimates the following costs to comply with this proposed AD:

**ESTIMATED COSTS**

Action	Labor cost	Parts cost	Cost per product	Cost on U.S. operators
Calculate NSV data .....	1 work-hour × \$85 per hour = \$85 .....	\$0	\$85	\$4,080
Replace No. 3 bearing spring finger housing	17 work-hours × \$85 per hour = \$1,445 .....	64,590	66,035	2,179,155

The FAA estimates the following costs to do any necessary replacement and inspection that would be required

based on the results of the proposed calculation. The agency has no way of determining the number of aircraft that

might need these replacements and inspections:

**ON-CONDITION COSTS**

Action	Labor cost	Parts cost	Cost per product
Inspect stage 2 HPT nozzle assembly honeycomb and HPT stator stationary seal honeycomb.	4 work-hours × \$85 per hour = \$340 .....	\$0	\$340
Replace stage 2 HPT nozzle assembly honeycomb ...	8 work-hours × \$85 per hour = \$680 .....	58,536	59,216
Replace HPT stator stationary seal .....	8 work-hours × \$85 per hour = \$680 .....	6,855	7,535

**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.

The FAA is 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

The FAA determined that this proposed AD would not have federalism implications under Executive Order 13132. This proposed AD would 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 this proposed regulation:

- (1) Is not a “significant regulatory action” under Executive Order 12866,
- (2) Would not affect intrastate aviation in Alaska, and
- (3) Would not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

### List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Incorporation by reference, Safety.

### The Proposed Amendment

Accordingly, under the authority delegated to me by the Administrator, the FAA proposes to amend 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:

**CFM International, S.A.:** Docket No. FAA–2023–1991; Project Identifier AD–2023–00700–E.

#### (a) Comments Due Date

The FAA must receive comments on this airworthiness directive (AD) by November 27, 2023.

#### (b) Affected ADs

None.

#### (c) Applicability

This AD applies to CFM International, S.A. (CFM) Model LEAP–1A23, LEAP–1A24, LEAP–1A24E1, LEAP–1A26, LEAP–1A26CJ, LEAP–1A26E1, LEAP–1A29, LEAP–1A29CJ, LEAP–1A30, LEAP–1A32, LEAP–1A33, LEAP–1A33B2, and LEAP–1A35A engines with an installed No. 3 bearing spring finger housing having part number (P/N)

2629M62G01 and a serial number identified in Table 1 or Table 2 of CFM Service Bulletin (SB) LEAP–1A–72–00–0504–01A–930A–D, Issue 001, dated June 14, 2023 (CFM SB LEAP–1A–72–00–0504–01A–930A–D).

#### (d) Subject

Joint Aircraft System Component (JASC) Code 7230, Turbine Engine Compressor Section.

#### (e) Unsafe Condition

This AD was prompted by a report of multiple aborted takeoffs and air turn-backs caused by high-pressure compressor (HPC) stall, which was induced by high levels of non-synchronous vibration (NSV), and an additional manufacturer investigation that revealed wear on the No. 3 bearing spring finger housing. The FAA is issuing this AD to prevent HPC stall. The unsafe condition, if not addressed, could result in engine power loss at a critical phase of flight such as takeoff or climb, loss of engine thrust control, reduced controllability of the airplane, and loss of the airplane.

#### (f) Compliance

Comply with this AD within the compliance times specified, unless already done.

#### (g) Required Actions

(1) Within 125 flight cycles (FCs) after the effective date of this AD and thereafter at intervals not to exceed 125 FCs, calculate the NSV data in accordance with the Accomplishment Instructions, paragraphs 5.A.(1) and 5.A.(3), or 5.B.(1) and 5.B.(3) of CFM SB LEAP–1A–72–00–0504–01A–930A–D.

(2) If, during any calculation required by paragraph (g)(1) of this AD, the NSV data exceeds the limits specified in the Accomplishment Instructions, paragraph 5.A.(4)(a)1 or 5.B.(4)(a)1 of CFM SB LEAP–1A–72–00–0504–01A–930A–D, discontinue the calculations required by paragraph (g)(1) of this AD and within 150 FCs of performing the calculation:

(i) Remove from service the No. 3 bearing spring finger housing having P/N 2629M62G01 and a serial number identified in Table 1 or Table 2 of CFM SB LEAP–1A–72–00–0504–01A–930A–D and replace with a part eligible for installation.

(ii) Inspect the stage 2 high-pressure turbine (HPT) nozzle assembly honeycomb for rubs in accordance with the Accomplishment Instructions, paragraphs 5.A.(4)(a)3b1 or 5.B.(4)(a)3b1 of CFM SB LEAP–1A–72–00–0504–01A–930A–D.

(iii) Inspect the HPT stator stationary seal honeycomb for rubs in accordance with the Accomplishment Instructions, paragraphs 5.A.(4)(a)3b2 or 5.B.(4)(a)3b2 of CFM SB LEAP–1A–72–00–0504–01A–930A–D.

(3) If, during the inspection required by paragraph (g)(2)(ii) of this AD, the stage 2 HPT nozzle assembly honeycomb fails to meet the serviceability criteria referenced in the Accomplishment Instructions, paragraphs 5.A.(4)(a)3b1 or 5.B.(4)(a)3b1 of CFM SB LEAP–1A–72–00–0504–01A–930A–D, before further flight, replace the stage 2 HPT nozzle assembly honeycomb.

(4) If, during the inspection required by paragraph (g)(2)(iii) of this AD, the HPT stator stationary seal honeycomb fails to meet the serviceability criteria referenced in the Accomplishment Instructions, paragraphs 5.A.(4)(a)3b2 or 5.B.(4)(a)3b2 of CFM SB LEAP–1A–72–00–0504–01A–930A–D, before further flight, replace the HPT stator stationary seal.

(5) At the next piece-part exposure after the effective date of this AD, but before exceeding 9,900 cycles since new, replace the No. 3 bearing spring finger housing having P/N 2629M62G01 and a serial number identified in Table 1 of CFM SB LEAP–1A–72–00–0504–01A–930A–D with a part eligible for installation.

#### (h) Terminating Action

Replacement of the No. 3 bearing spring finger housing having P/N 2629M62G01 and a serial number identified in Table 1 or Table 2 of CFM SB LEAP–1A–72–00–0504–01A–930A–D with a part eligible for installation, as specified in paragraphs (g)(2)(i) and (g)(5) of this AD, constitutes terminating action for the calculations required by paragraph (g)(1) of this AD.

#### (i) Definition

For the purpose of this AD, a “part eligible for installation” is a No. 3 bearing spring finger housing that does not have P/N 2629M62G01 and a serial number identified in Table 1 or Table 2 of CFM SB LEAP–1A–72–00–0504–01A–930A–D.

#### (j) Alternative Methods of Compliance (AMOCs)

(1) The Manager, AIR–520, Continued Operational Safety Branch, FAA, has the authority to approve AMOCs for this AD, if requested using the procedures found in 14 CFR 39.19. In accordance with 14 CFR 39.19, send your request to your principal inspector or local Flight Standards District Office, as appropriate. If sending information directly to the manager of the branch office, send it to the attention of the person identified in paragraph (k) of this AD and email it to: [ANE-AD-AMOC@faa.gov](mailto:ANE-AD-AMOC@faa.gov).

(2) Before using any approved AMOC, notify your appropriate principal inspector, or lacking a principal inspector, the manager of the local flight standards district office/certificate holding district office.

(3) For service information that contains steps that are labeled as Required for Compliance (RC), the following provisions apply.

(i) The steps labeled as RC, including substeps under an RC step and any figures identified in an RC step, that are required by paragraph (g) of this AD must be done to comply with this AD. An AMOC is required for any deviations to RC steps required by paragraph (g) of this AD, including substeps and identified figures.

(ii) Steps not labeled as RC may be deviated from using accepted methods in accordance with the operator’s maintenance or inspection program without obtaining approval of an AMOC, provided the RC steps, including substeps and identified figures, can still be done as specified, and the airplane can be put back in an airworthy condition.

**(k) Related Information**

For more information about this AD, contact Mehdi Lamnyi, Aviation Safety Engineer, FAA, 2200 South 216th Street, Des Moines, WA 98198; phone: (781) 238-7743; email: [mehdi.lamnyi@faa.gov](mailto:mehdi.lamnyi@faa.gov).

**(l) Material Incorporated by Reference**

(1) The Director of the Federal Register approved the incorporation by reference (IBR) of the service information listed in this paragraph under 5 U.S.C. 552(a) and 1 CFR part 51.

(2) You must use this service information as applicable to do the actions required by this AD, unless the AD specifies otherwise.

(i) CFM International, S.A. Service Bulletin LEAP-1A-72-00-0504-01A-930A-D, Issue 001, dated June 14, 2023.

(ii) [Reserved]

(3) For service information identified in this AD, contact CFM International, S.A., GE Aviation Fleet Support, 1 Neumann Way, M/D Room 285, Cincinnati, OH 45215; phone: (877) 432-3272; email: [aviation.fleetsupport@ge.com](mailto:aviation.fleetsupport@ge.com).

(4) You may view this service information at FAA, Airworthiness Products Section, Operational Safety Branch, 1200 District Avenue, Burlington, MA 01803. For information on the availability of this material at the FAA, call (817) 222-5110.

(5) You may view this service information that is incorporated by reference at the National Archives and Records Administration (NARA). For information on the availability of this material at NARA, email: [fr.inspection@nara.gov](mailto:fr.inspection@nara.gov), or go to: [www.archives.gov/federal-register/cfr/ibr-locations.html](http://www.archives.gov/federal-register/cfr/ibr-locations.html).

Issued on October 3, 2023.

**Ross Landes,**

*Deputy Director for Regulatory Operations, Compliance & Airworthiness Division, Aircraft Certification Service.*

[FR Doc. 2023-22373 Filed 10-10-23; 8:45 am]

**BILLING CODE 4910-13-P**

**DEPARTMENT OF THE TREASURY****Internal Revenue Service****26 CFR Part 1**

[REG-109348-22]

RIN 1545-BQ69

**Identification of Monetized Installment Sale Transactions as Listed Transactions; Hearing Cancellation**

**AGENCY:** Internal Revenue Service (IRS), Treasury.

**ACTION:** Cancellation of a notice of public hearing on a proposed rulemaking and notice of public hearing.

**SUMMARY:** This document cancels a public hearing on proposed regulations that would identify monetized installment sale transactions and substantially similar transactions as listed transactions, a type of reportable transaction.

**DATES:** The public hearing scheduled for October 12, 2023, at 10 a.m. ET is cancelled.

**FOR FURTHER INFORMATION CONTACT:** Vivian Hayes of the Publications and Regulations Branch, Associate Chief Counsel (Procedure and Administration) at (202) 317-6901 (not a toll-free number).

**SUPPLEMENTARY INFORMATION:** A notice of proposed rulemaking and a notice of public hearing that appeared in the **Federal Register** on August 4, 2023 (88 FR 51756) announced that a public hearing being held in person and by teleconference was scheduled for October 12, 2023, at 10 a.m. ET. The subject of the public hearing is under 26 CFR part 1.

The public comment period for these regulations expired on October 3, 2023. The notice of proposed rulemaking and notice of public hearing instructed those interested in testifying at the public hearing to submit a request to testify and an outline of the topics to be addressed. We did not receive a request to testify at the Public Hearing. Therefore, the public hearing scheduled for October 12, 2023, at 10 a.m. ET is cancelled.

**Oluwafunmilayo A. Taylor,**

*Section Chief, Publications and Regulations Branch, Associate Chief Counsel (Procedure & Administration).*

[FR Doc. 2023-22468 Filed 10-10-23; 8:45 am]

**BILLING CODE 4830-01-P**

**LIBRARY OF CONGRESS****Copyright Office****37 CFR Part 210**

[Docket No. 2022-5]

**Termination Rights, Royalty Distributions, Ownership Transfers, Disputes, and the Music Modernization Act**

**AGENCY:** U.S. Copyright Office, Library of Congress.

**ACTION:** Supplemental notice of proposed rulemaking; extension of comment period.

**SUMMARY:** The U.S. Copyright Office is extending the deadline to submit comments in connection with a supplemental notice of proposed rulemaking regarding the applicability of the derivative works exception to termination rights under the Copyright Act to the new statutory mechanical blanket license established by the Music Modernization Act and other matters relevant to identifying the proper payee to whom the mechanical licensing collective must distribute royalties.

**DATES:** Initial written comments are due no later than 11:59 p.m. Eastern Time on Wednesday, November 8, 2023.

Written reply comments are due no later than 11:59 p.m. Eastern Time on Tuesday, November 28, 2023.

**ADDRESSES:** For reasons of governmental efficiency, the Copyright Office is using the *regulations.gov* system for the submission and posting of public comments in this proceeding. All comments are therefore to be submitted electronically through *regulations.gov*. Specific instructions for submitting comments are available on the Copyright Office's website at <https://copyright.gov/rulemaking/mma-termination>. If electronic submission of comments is not feasible due to lack of access to a computer or the internet, please contact the Copyright Office using the contact information below for special instructions.

**FOR FURTHER INFORMATION CONTACT:**

Rhea Efthimiadis, Assistant to the General Counsel, by email at [mefth@copyright.gov](mailto:mefth@copyright.gov) or telephone at 202-707-8350.

**SUPPLEMENTARY INFORMATION:** On September 26, 2023, the U.S. Copyright Office issued a supplemental notice of proposed rulemaking seeking comments from the public on questions regarding the applicability of the derivative works exception to termination rights under the Copyright Act to the new statutory mechanical blanket license established by the Music Modernization Act and other matters relevant to identifying the proper payee to whom the mechanical licensing collective must distribute royalties.<sup>1</sup> The supplemental notice set an October 26, 2023 deadline for submitting initial comments and a November 13, 2023 deadline for reply comments.

<sup>1</sup> 88 FR 65908 (Sept. 26, 2023).