

Reporting and recordkeeping requirements.

■ For the reasons stated in the preamble, the Finance Board amends 12 CFR part 915 as follows:

#### **PART 915—BANK DIRECTOR ELIGIBILITY, APPOINTMENT, AND ELECTIONS**

■ 1. The authority citation for part 915 continues to read as follows:

**Authority:** 12 U.S.C. 1422a(a)(3), 1422b(a), 1426, 1427, and 1432.

■ 2. Revise § 915.10(e) to read as follows:

#### **§ 915.10 Selection of appointive directors.**

\* \* \* \* \*

(e) *Financial interests.* Except as otherwise provided in this section, an appointive director may not: own any debt or equity securities issued by, or have any other financial interest in, a member of the Bank on whose board the director serves; serve as an officer or director of any member of the Bank on whose board the director serves; or serve as an officer of any Bank. An appointive director or appointive director candidate must disclose all financial interests to the Finance Board.

(1) *Investment vehicles.* An appointive director's investment in a legally recognized entity that owns debt or equity securities issued by a member is not deemed to be shares or other financial interests in a member if the appointive director neither controls the entity nor plays any role in the purchase or sale of the securities owned by the entity.

(2) *Investment accounts.* Debt or equity securities an appointive director owns through an account managed by an investment adviser registered under the Investment Advisers Act of 1940 (15 U.S.C. 80b-1 *et seq.*), for which the director pays a fee for advisory services and with respect to which the director has given the investment adviser complete investment discretion to buy and sell all securities in the account, are not deemed to be shares or other financial interests in a member if the director is not affiliated with the investment adviser and has no control over the selection of securities acquired for the account.

(3) *Holding companies.* Debt or equity securities issued by a holding company that controls one or more members of the Bank on whose board an appointive director serves are not deemed to be shares or other financial interest in a member if the assets of all such members constitute less than 35 percent of the assets of the holding company, on

a consolidated basis. Service as a director or officer of a holding company that controls one or more members of the Bank on whose board an appointive director serves is not deemed to be service as a director or officer of a member of the Bank if the assets of all such members constitute less than 35 percent of the assets of the holding company, on a consolidated basis.

(4) *Loans and deposits.* Loans obtained from a member and money placed on deposit with a member are not deemed to be a financial interest in a member if the transactions occur in the normal course of business of the member and are on terms that are no more favorable than those that would be available under like circumstances to members of the public.

(5) *Contractual relationships.* Any contractual relationship between an appointive director and one or more members of the Bank on whose board the director serves that includes a contractual right to the payment of money, is presumed not to constitute a financial interest in a member if the amount due to the director under such contracts in any calendar year is less than 10 percent of the director's adjusted gross income for that calendar year. The Finance Board will determine on a case-by-case basis whether a contractual relationship that exceeds the 10 percent threshold constitutes a financial interest in a member.

(6) *Attribution.* The Finance Board will attribute to the appointive director any debt or equity securities owned by the director's spouse or minor children and any contractual relationships between a member and the director's spouse for purposes of determining compliance with this section.

■ 3. Revise § 915.11(a) to read as follows:

#### **§ 915.11 Conflict of interests policy for Bank directors.**

(a) *Adoption of conflict of interests policy.* Each Bank shall adopt a written conflict of interests policy that applies to all Bank directors. At a minimum, the conflict of interests policy of each Bank shall:

(1) Require the directors to administer the affairs of the Bank fairly and impartially and without discrimination in favor of or against any member or nonmember borrower;

(2) Require appointive directors to comply with § 915.10(e) of this part;

(3) Prohibit the use of a director's official position for personal gain;

(4) Require directors to disclose actual or apparent conflicts of interest and establish procedures for addressing such conflicts;

(5) Provide internal controls to ensure that reports are filed and that conflicts are disclosed and resolved in accordance with this section; and

(6) Establish procedures to monitor compliance with the conflict of interests policy.

\* \* \* \* \*

#### **§ 915.16 [Removed]**

■ 4. Remove § 915.16.

#### **§ 915.17 [Removed]**

■ 5. Remove § 915.17.

#### **Appendix A to Part 915—[Removed]**

■ 6. Remove Appendix A to part 915.

Dated: June 13, 2007.

By the Board of Directors of the Federal Housing Finance Board.

**Ronald A. Rosenfeld,**

*Chairman.*

[FR Doc. E7-11749 Filed 6-18-07; 8:45 am]

**BILLING CODE 6725-01-P**

## **DEPARTMENT OF TRANSPORTATION**

### **Federal Aviation Administration**

#### **14 CFR Part 39**

[Docket No. FAA-2007-28251; Directorate Identifier 2007-CE-049-AD; Amendment 39-15099; AD 2007-12-21]

**RIN 2120-AA64**

#### **Airworthiness Directives; Hawker Beechcraft Corporation (Type Certificate No. A00010W) Previously Held by Raytheon Aircraft Company) Model 390 Airplanes**

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

**ACTION:** Final rule; request for comments.

**SUMMARY:** The FAA is adopting a new airworthiness directive (AD) to supersede AD 2006-26-08, which applies to all Hawker Beechcraft Corporation (HBC) Model 390 airplanes. AD 2006-26-08 currently requires you to repetitively inspect the hydraulic pump outlet tube on both engines and immediately replace the tube if damage is found. AD 2006-26-08 also requires you to incorporate an airplane flight manual (AFM) change that limits operation of an engine with its associated firewall hydraulic shutoff valve closed. If an engine is operated with its firewall hydraulic shutoff valve closed, you must replace the hydraulic pump outlet tube. We issued AD 2006-26-08 as an interim action while we worked with the type certificate holder to develop a design change. HBC has

now developed kits that incorporate design changes for the hydraulic pump outlet tubes and dampener supports so this AD retains the actions of AD 2006-26-08 until the new modification kits required by this AD are installed. We continued to receive additional reports of failures of the hydraulic pump outlet tube. We are issuing this AD to prevent failure of the hydraulic pump outlet tube and consequent leaking of hydraulic fluid. Such leakage could result in a fire. There is also a risk of loss of hydraulic system functions including normal gear extensions, speed brakes, roll spoilers, lift dump, and normal brakes.

**DATES:** This AD becomes effective on June 20, 2007.

On June 20, 2007, the Director of the Federal Register approved the incorporation by reference of Raytheon Aircraft Company Kit—Dampener Support Improvement, Drawing No. 390-5804 (Kit 390-5804-0001 Field Service Kit) and Raytheon Aircraft Company Kit—Hydraulic Pump Pressure Hose Installation No. 390-5805 (Kit 390-5805-0001 Field Service Kit), as referenced in Hawker Beechcraft Mandatory Service Bulletin 29-3800, Issued May 2007, as listed in this AD.

As of February 2, 2006 (71 FR 5581, February 2, 2006), the Director of the Federal Register approved the incorporation by reference of Raytheon Mandatory Service Bulletin No. SB 29-3771, dated January 2006; and Raytheon Safety Communique No. 267, dated January 2006, as listed in this AD.

We must receive any comments on this AD by August 20, 2007.

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

- *DOT Docket Web site:* Go to <http://dms.dot.gov> and follow the instructions for sending your comments electronically.

- *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.

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

- *Hand Delivery:* U.S. Department of Transportation, Docket Operations, M-30, West Building Ground Floor, Room W12-140, 1200 New Jersey Avenue, SE., Washington, DC 20590 between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

- *Federal eRulemaking Portal:* Go to <http://www.regulations.gov>. Follow the instructions for submitting comments.

To get the service information identified in this AD, contact Hawker Beechcraft Corporation, 9709 East Central, Wichita, Kansas 67291;

telephone: (800) 429-5372 or (316) 676-3140.

To view the comments to this AD, go to <http://dms.dot.gov>. The docket number is FAA-2007-28251; Directorate Identifier 2007-CE-049-AD.

**FOR FURTHER INFORMATION CONTACT:**

James P. Galstad, Propulsion Aerospace Engineer, ACE 116W, Wichita Aircraft Certification Office, 1801 Airport Road, Room 100, Wichita, Kansas 67209; telephone: (316) 946-4135; fax: (316) 946-4107.

**SUPPLEMENTARY INFORMATION:**

**Discussion**

Reports of left engine hydraulic tube assembly failures prompted us to issue AD 2006-02-51, Amendment 39-14459 (71 FR 5581, February 2, 2006). AD 2006-02-51 required repetitive inspection of the hydraulic tube assembly, correction of the symptomatic clamp to hydraulic tube chafing on the left-hand nacelle, and reporting results to the FAA.

After we issued AD 2006-02-51, we continued to receive additional reports of failures of the hydraulic pump outlet tube, including failures on the right engine on certain HBC Model 390 airplanes. This prompted us to supersede AD 2006-02-51 with AD 2006-26-08, Amendment 39-14866 (71 FR 78051, December 28, 2006).

AD 2006-26-08 currently requires you to repetitively inspect the hydraulic pump outlet tube on both engines and immediately replace the tube if damage is found. AD 2006-26-08 also requires you to incorporate an airplane flight manual (AFM) change that limits operation of an engine with its associated firewall hydraulic shutoff valve closed. If an engine is operated with its firewall hydraulic shutoff valve closed, you must replace the hydraulic pump outlet tube.

We issued AD 2006-26-08 as an interim action while we worked with the type certificate holder to develop a design change. We continued to receive additional reports of failures of the hydraulic pump outlet tube.

HBC has now developed kits that incorporate design changes for the hydraulic pump outlet tubes and dampener supports.

Failure of the hydraulic pump outlet tubes, if not prevented, could cause flammable fluid leakage in the engine nacelle. Such leakage could result in a fire. There is also a risk of loss of hydraulic system functions including normal gear extensions, speed brakes, roll spoilers, lift dump, and normal brakes.

**Relevant Service Information**

We reviewed Hawker Beechcraft Mandatory Service Bulletin No. 29-3800, issued May 2007. The service information specifies the following actions:

- Incorporating Kit No. 390-5804-0001, which replaces the pulse dampener brackets with stiffer brackets and a spacer on both engines; and
- Incorporating Kit No. 390-5805-0001, which replaces the hydraulic pump outlet tubes with integral firesleeve hoses.

Raytheon Mandatory Service Bulletin No. SB 29-3771, dated January 2006; and Raytheon Safety Communique No. 267, dated January 2006, will be retained for this AD until both kits referenced above are incorporated.

**FAA's Determination and Requirements of This AD**

We are issuing this AD because we evaluated all the information and determined the unsafe condition described previously is likely to exist or develop on other products of the same type design. This AD retains the actions of AD 2006-26-08 and requires incorporating Kit No. 390-5804-0001 and Kit No. 390-5805-0001. Upon incorporating the kits required by this AD, the repetitive inspections and replacement retained from AD 2006-26-08 are no longer necessary. The AFM limitation is still required.

We continue to work with HBC in analyzing the design of the hydraulic system of the Model 390 airplanes. Based on this analysis, we may take future rulemaking action, which could eliminate the need for the current AFM limitation.

In preparing this rule, we contacted type clubs and aircraft operators to get technical information and information on operational and economic impacts. We did not receive any information through these contacts. If received, we would have included a discussion of any information that may have influenced this action in the rulemaking docket.

**FAA's Determination of the Effective Date**

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

**Comments Invited**

This AD is a final rule that involves requirements affecting flight safety, and

we did not precede it by notice and an opportunity for public comment. We invite you to send any written relevant data, views, or arguments regarding this AD. Send your comments to an address listed under the **ADDRESSES** section. Include the docket number "FAA-2007-28251; Directorate Identifier 2007-CE-049-AD" at the beginning of your comments. We specifically invite comments on the overall regulatory, economic, environmental, and energy aspects of the AD. We will consider all comments received by the closing date and may amend the AD in light of those comments.

We will post all comments we receive, without change, to <http://dms.dot.gov>, including any personal information you provide. We will also post a report summarizing each substantive verbal contact we receive concerning this AD.

**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 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 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 regulatory evaluation of the estimated costs to comply with this AD and placed it in the AD docket.

**Examining the AD Docket**

You may examine the AD docket that contains the AD, the regulatory evaluation, any comments received, and other information on the Internet at <http://dms.dot.gov>; or in person at the Docket Management Facility between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The Docket Office (telephone (800) 647-5227) is located at the street address stated in the **ADDRESSES** section. Comments will be available in the AD docket shortly after receipt.

**List of Subjects in 14 CFR Part 39**

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

**Adoption of the Amendment**

■ Accordingly, under the authority delegated to me by the Administrator, the FAA amends 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 removing Airworthiness Directive (AD) 2006-26-08, Amendment 39-14866 (71 FR 78051, December 28, 2006), and by adding a new AD to read as follows:

**2007-12-21 Hawker Beechcraft Corporation (Type Certificate No. A00010WI previously held by Raytheon Aircraft Company):** Amendment 39-15099; Docket No. FAA-2007-28251; Directorate Identifier 2007-CE-049-AD.

**Effective Date**

(a) This AD becomes effective on June 20, 2007.

**Affected ADs**

(b) This AD supersedes AD 2006-26-08; Amendment 39-14866.

**Applicability**

(c) This AD affects the following Model 390 airplanes that are certificated in any category:

- (1) Serial numbers RB-1 through RB-49 that have Field Service Kit 390-9100 installed; and
- (2) Serial numbers RB-50 through RB-209.

**Unsafe Condition**

(d) This AD is the result of continuing failures of the hydraulic pump outlet tubes and the need to incorporate improved design. We are issuing this AD to prevent failure of the hydraulic pump outlet tube and consequent leaking of hydraulic fluid. Such leakage could result in a fire. There is also a risk of loss of hydraulic system functions including normal gear extensions, speed brakes, roll spoilers, lift dump, and normal brakes.

**Compliance**

(e) To address this problem, you must do the following, unless already done:

Actions	Compliance	Procedures
<p>(1) Visually inspect the hydraulic pump outlet tube for evidence of chafing, excessive vibration, wear, deterioration, or hydraulic fluid leakage, as follows:</p> <ul style="list-style-type: none"> <li>(i) For the left-hand (LH) engine: Remove the clamp, perform the inspection, and replace the clamp with a new one as specified in Raytheon Mandatory Service Bulletin No. SB 29-3771 after each inspection</li> <li>(ii) For the right-hand (RH) engine: Perform the inspection. Removal and replacement of the clamps are not necessary</li> </ul>	<p>Initially at whichever of the following occurs first and thereafter at intervals not to exceed 25 hours time-in-service (TIS) until the kits required in paragraph (e)(4) of this AD are incorporated:</p> <ul style="list-style-type: none"> <li>(A) Within the next 25 hours TIS after December 28, 2006 (the effective date of AD 2006-26-08); or</li> <li>(B) At the next inspection required by AD 2006-02-51.</li> </ul>	<p>Inspect following Raytheon Safety Communique No. 267, dated January 2006. Raytheon Safety Communique No. 267, dated January 2006, addresses the LH engine. Use the same inspection procedures for the RH engine hydraulic pump outlet tube (P/N 390-580037). Remove and replace the clamp (LH only) following Raytheon Mandatory Service Bulletin No. SB 29-3771, dated January, 2006.</p>

Actions	Compliance	Procedures
(2) Replace the hydraulic pump outlet tube, part number (P/N) 390-580035 (or FAA-approved equivalent) for the LH engine or P/N 390-580037 (or FAA-approved equivalent) for the RH engine.	Each and every time any of the following occurs until the kits required in paragraph (e)(4) of this AD are incorporated (i) Prior to further flight after any inspection required in paragraph (e)(1) of this AD where evidence of chafing, excessive vibration, wear, deterioration, or hydraulic fluid leakage is found; and (ii) Within 1 hour TIS following identification of an intended or unintended engine operation with the hydraulic shutoff valve closed.	Raytheon Aircraft Premier 1 Model 390 Maintenance Manual, P/N 390-590001-0015.
(3) Incorporate Raytheon Aircraft Company Part Number 390-590001-0003C3TC6, dated September 16, 2006 into the airplane flight manual (AFM).	Within 5 days after December 28, 2006 (the effective date of AD 2006-26-08).	The owner/operator holding at least a private pilot certificate as authorized by section 43.7 of the Federal Aviation Regulations (14 CFR 43.7) may do the AFM change requirement of this AD. Make an entry into the aircraft records showing compliance with this portion of the AD in accordance with section 43.9 of the Federal Aviation Regulations (14 CFR 43.9).
(4) Incorporate Kits No. 390-5804-0001 and 390-5805-0001.	At whichever of the following that occurs first: (i) Within the next 25 hours TIS after June 20, 2007 (the effective date of this AD); or (ii) Within the next 45 days after June 20, 2007 (the effective date of this AD).	Follow the instructions in the documents presented below as referenced in Hawker Beechcraft Mandatory Service Bulletin 29-3800, Issued May, 2007: (i) Raytheon Aircraft Company Kit—Dampener Support Improvement, Drawing No. 390-5804 (Kit 390-5804-0001 Field Service Kit). (ii) Raytheon Aircraft Company Kit—Hydraulic Pump Pressure Hose Installation No. 390-5805 (Kit 390-5805-0001 Field Service Kit).

(f) After the actions required in paragraph (e)(4) of this AD are done:

(1) the repetitive inspections and replacement of paragraphs (e)(1) and (e)(2) of this AD are no longer required.

(2) the requirement in paragraph (e)(3) of this AD to incorporate Raytheon Aircraft Company Part Number 390-590001-0003C3TC6, dated September 16, 2006, into the AFM remains valid.

#### Alternative Methods of Compliance (AMOCs)

(g) The Manager, Wichita Aircraft Certification Office, FAA, ATTN: James P. Galstad, Propulsion Aerospace Engineer, ACE 116W, Wichita Aircraft Certification Office, 1801 Airport Road, Room 100, Wichita, Kansas 67209; telephone: (316) 946-4135; fax: (316) 946-4107, has the authority to approve AMOCs for this AD, if requested using the procedures found in 14 CFR 39.19. Before using any approved AMOC on any airplane to which the AMOC applies, notify your appropriate principal inspector (PI) in the FAA Flight Standards District Office (FSDO), or lacking a PI, your local FSDO.

(h) AMOCs approved for AD 2006-26-08 are approved for this AD.

#### Material Incorporated by Reference

(i) You must use Raytheon Mandatory Service Bulletin No. SB 29-3771, dated January, 2006; Raytheon Safety Communique No. 267, dated January 2006; and Raytheon Aircraft Company Kit—Dampener Support Improvement, Drawing No. 390-5804 (Kit 390-5804-0001 Field Service Kit) and Raytheon Aircraft Company Kit—Hydraulic Pump Pressure Hose Installation No. 390-

5805 (Kit 390-5805-0001 Field Service Kit), as referenced in Hawker Beechcraft Mandatory Service Bulletin 29-3800, Issued May, 2007, to do the actions required by this AD, unless the AD specifies otherwise.

(1) The Director of the Federal Register approved the incorporation by reference of Raytheon Aircraft Company Kit—Dampener Support Improvement, Drawing No. 390-5804 (Kit 390-5804-0001 Field Service Kit) and Raytheon Aircraft Company Kit—Hydraulic Pump Pressure Hose Installation No. 390-5805 (Kit 390-5805-0001 Field Service Kit), as referenced in Hawker Beechcraft Mandatory Service Bulletin 29-3800, Issued May, 2007, under 5 U.S.C. 552(a) and 1 CFR part 51.

(2) On February 2, 2006 (71 FR 5581, February 2, 2006), the Director of the Federal Register approved the incorporation by reference of Raytheon Mandatory Service Bulletin No. SB 29-3771, dated January, 2006; and Raytheon Safety Communique No. 267, dated January 2006.

(3) For service information identified in this AD, contact Hawker Beechcraft Corporation, 9709 East Central, Wichita, Kansas 67291; telephone: (800) 429-5372 or (316) 676-3140.

(4) You may review copies at the FAA, Central Region, Office of the Regional Counsel, 901 Locust, Kansas City, Missouri 64106; or at the National Archives and Records Administration (NARA). For information on the availability of this material at NARA, call 202-741-6030, or go to: [http://www.archives.gov/federal\\_register/code\\_of\\_federal\\_regulations/ibr\\_locations.html](http://www.archives.gov/federal_register/code_of_federal_regulations/ibr_locations.html).

Issued in Kansas City, Missouri, on June 4, 2007.

**David R. Showers,**

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

[FR Doc. E7-11241 Filed 6-18-07; 8:45 am]

**BILLING CODE 4910-13-P**

## DEPARTMENT OF TRANSPORTATION

### Federal Aviation Administration

#### 14 CFR Part 39

[Docket No. FAA-2007-28449; Directorate Identifier 2007-SW-18-AD; Amendment 39-15103; AD 2007-09-51]

**RIN 2120-AA64**

#### **Airworthiness Directives; MD Helicopters, Inc., Model 369, YOH-6A, 369A, OH-6A, 369H, 369HM, 369HS, 369HE, 369D, 369E, 369F, and 369FF 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) 2007-09-51, sent previously to all known U.S. owners and operators of the