

complaints filed would be the percentage of borrowers in foreclosure who are represented by a lawyer as well as the number of other types of TILA violation cases. The Bureau notes that survey and other data indicate that a majority of borrowers in default would not have legal representation.¹⁰

1. The Bureau seeks comment or data on whether and if so, how the number of lawsuits alleging an ability-to-repay violation would vary under the following circumstances:

(a) The mortgage loan is conceded not to be a “qualified mortgage.”

(b) The mortgage loan is claimed to be a “qualified mortgage.”

Potential Outcomes From Litigation and Damages

As noted above, sections 1413 and 1416 of the Dodd-Frank Act provide special statutory remedies for violations of TILA section 129C(a), which can include an award of damages in the amount equal to the sum of all finance charges and fees paid by the consumer within the three-year statute of limitations and in the case of a defense to foreclosure, recoupment or set off.

1. The Bureau seeks comment on the likelihood of potential outcomes of litigation, such as dismissal, summary judgment, settlement, or judgment after trial, and the effect on costs under various scenarios including:

(a) The mortgage loan is conceded not to be a “qualified mortgage.”

(b) The mortgage loan is claimed to be a “qualified mortgage.”

2. The Bureau seeks comment and data on assumptions about a loan, such

as interest rate, purchase price, finance charges, and fees, required to calculate average amount of damages awarded in a TILA case involving a violation of the ability-to-repay requirements based on the scenarios listed above in paragraph 1.

3. The Bureau seeks comment on the impact of other aspects of damages, such as a consumer's attorney's fees, and lender's litigation costs.

Other Factors or Costs

1. The Bureau seeks comment on whether any additional factors should be considered in assessing the litigation-related costs associated with the ability-to-repay requirements.

2. The Bureau seeks comment and data on any other potential costs of ability-to-repay litigation, including:

(a) Costs associated with risks that loans are “put back” to originators by secondary market participants due to a potential ability-to-repay claim or proven violation. Factors that may determine the total cost of put backs may include: (i) Number and type of representation and warranty provisions in purchase and sale agreements going forward; (ii) number of loans that could potentially be put back; (iii) frequency of put backs being realized; and (iv) cost to lender net of any recovery through foreclosure or sale.

(b) Costs associated with extended foreclosure timelines due to ability-to-repay litigation.

Dated: May 31, 2012.

Richard Cordray,

Director, Bureau of Consumer Financial Protection.

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BILLING CODE 4810-AM-P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA-2012-0588; Directorate Identifier 2012-NM-017-AD]

RIN 2120-AA64

Airworthiness Directives; Bombardier, Inc. Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: We propose to adopt a new airworthiness directive (AD) for certain Bombardier, Inc. Model DHC-8-400 series airplanes. This proposed AD was prompted by reports of chafing between

the wire harness along the wing leading edge and the inboard end rib of the wing leading edge due to insufficient clearance. This proposed AD would require inspecting the wire harness along the leading edge for chafing damage, and repair if necessary; and relocating and installing new anchor nuts. We are proposing this AD to detect and correct chafing damage to the wire harness along the wing leading edge which, if not corrected, could lead to the loss of the airframe de-icing system, and could become a possible ignition source causing fire.

DATES: We must receive comments on this proposed AD by July 20, 2012.

ADDRESSES: You may send comments by any of the following methods:

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

For service information identified in this proposed AD, contact Bombardier, Inc., Q-Series Technical Help Desk, 123 Garratt Boulevard, Toronto, Ontario M3K 1Y5, Canada; telephone 416-375-4000; fax 416-375-4539; email thd.qseries@aero.bombardier.com; Internet <http://www.bombardier.com>. You may review copies of the referenced service information at the FAA, Transport Airplane Directorate, 1601 Lind Avenue SW., Renton, Washington. For information on the availability of this material at the FAA, call 425-227-1221.

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 proposed AD, the regulatory evaluation, any comments received, and other information. The street address for the Docket Operations office (telephone (800) 647-5527) is in the **ADDRESSES** section. Comments will be available in the AD docket shortly after receipt.

FOR FURTHER INFORMATION CONTACT: Assata Dessaline, Aerospace Engineer,

¹⁰ For example, the New York State Judiciary reported that before New York mandated settlement conferences in residential foreclosure cases, up to ninety percent of borrowers sued failed to appear and received default judgments. See State of New York Unified Court System, 2010 Report of the Chief Administrator of the Courts, at 8, 11 (2010), available at: <http://www.courts.state.ny.us/publications/pdfs/foreclosurereportnov2010.pdf>. The court stated: “The lack of representation in foreclosure cases continues to be one of the greatest challenges we face in fulfilling our statutory mandate.” *Id.* at 12. Similarly, in one of the most mature foreclosure diversion programs in the country, in Philadelphia, 4.5 percent of the homeowners who participated had legal representation. See The Reinvestment Fund, Philadelphia Residential Mortgage Foreclosure Diversion Program: Initial Report of Findings, at 10 (June 2011), available at: http://www.trfund.com/resource/downloads/policypubs/Foreclosure_Diversion_Initial_Report.pdf. In addition, a 2010 survey of foreclosure mediation programs across the United States by the Department of Justice and the Department of Housing and Urban Development reported that “legal resources for homeowners in mediation programs generally are quite limited.” Department of Justice & Department of Housing & Urban Development, Emerging Strategies for Effective Foreclosure Mediation Programs, at 6 (2010), available at: <http://www.justice.gov/atj/effective-mediation-prog-strategies.pdf>.

Avionics and Flight Test Branch, ANE-172, FAA, New York Aircraft Certification Office (ACO), 1600 Stewart Avenue, Suite 410, Westbury, New York 11590; telephone (516) 228-7301; fax (516) 794-5531.

SUPPLEMENTARY INFORMATION:

Comments Invited

We invite you to send any written relevant data, views, or arguments about this proposed AD. Send your comments to an address listed under the **ADDRESSES** section. Include "Docket No. FAA-2012-0588; Directorate Identifier 2012-NM-017-AD" at the beginning of your comments. We specifically invite comments on the overall regulatory, economic, environmental, and energy aspects of this proposed AD. We will consider all comments received by the closing date and may amend this proposed AD based on those comments.

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 we receive about this proposed AD.

Discussion

Transport Canada Civil Aviation (TCCA), which is the aviation authority for Canada, has issued Canadian Airworthiness Directive CF-2012-05, dated January 13, 2012 (referred to after this as "the MCAI"), to correct an unsafe condition for the specified products. The MCAI states:

There have been several in-service reports of chafing between the wire harness along the wing leading edge and the wing leading edge inboard end rib. The chafing condition was found to be caused by insufficient clearance between the wire harness and the structure. Chafing and damage to this wire harness could lead to the loss of the airframe de-icing system and could be a possible ignition source causing fire and the subsequent loss of the aeroplane.

This [TCCA] Airworthiness Directive (AD) mandates [a detailed] inspection of the wire harness along the leading edge [for chafing damage, and repair if necessary] and the relocation [and installation of new] anchor nut[s].

You may obtain further information by examining the MCAI in the AD docket.

Relevant Service Information

Bombardier, Inc. has issued Service Bulletin 84-57-24, dated September 30, 2011. The actions described in this service information are intended to correct the unsafe condition identified in the MCAI.

FAA's Determination and Requirements of This Proposed AD

This product has been approved by the aviation authority of another country, and is approved for operation in the United States. Pursuant to our bilateral agreement with the State of Design Authority, we have been notified of the unsafe condition described in the MCAI and service information referenced above. We are proposing this AD because we evaluated all pertinent information and determined an unsafe condition exists and is likely to exist or develop on other products of the same type design.

Costs of Compliance

Based on the service information, we estimate that this proposed AD would affect about 83 products of U.S. registry. We also estimate that it would take about 9 work-hours per product to comply with the basic requirements of this proposed AD. The average labor rate is \$85 per work-hour. Required parts would cost about \$0 per product. Where the service information lists required parts costs that are covered under warranty, we have assumed that there will be no charge for these parts. As we do not control warranty coverage for affected parties, some parties may incur costs higher than estimated here. Based on these figures, we estimate the cost of the proposed AD on U.S. operators to be \$63,495, or \$765 per product.

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 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. Is not a "significant rule" under the DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979);
3. Will not affect intrastate aviation in Alaska; and
4. 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 proposed AD and placed it in the AD docket.

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 AD:

Bombardier, Inc.: Docket No. FAA-2012-0588; Directorate Identifier 2012-NM-017-AD.

(a) Comments Due Date

We must receive comments by July 20, 2012.

(b) Affected ADs

None.

(c) Applicability

This AD applies to Bombardier, Inc. Model DHC-8-400, -401, and -402 airplanes; certificated in any category; serial numbers 4001 through 4382 inclusive.

(d) Subject

Air Transport Association (ATA) of America Code 57: Wings.

(e) Reason

This AD was prompted by reports of chafing between the wire harness along the wing leading edge and the inboard end rib of the wing leading edge due to insufficient

clearance. We are issuing this AD to detect and correct chafing damage to the wire harness along the wing leading edge which, if not corrected, could lead to the loss of the airframe de-icing system, and could become a possible ignition source causing fire.

(f) Compliance

You are responsible for having the actions required by this AD performed within the compliance times specified, unless the actions have already been done.

(g) Inspection and Repair

Within 3,000 flight hours or 18 months after the effective date of this AD, whichever occurs first: Perform a detailed inspection for chafing damage of the wire harness at the leading edge, in accordance with the Accomplishment Instructions of Bombardier Service Bulletin 84-57-24, dated September 30, 2011. If any chafing damage is found: Before further flight, repair in accordance with the Accomplishment Instructions of Bombardier Service Bulletin 84-57-24, dated September 30, 2011.

(h) Install New Anchor Nut

Within 3,000 flight hours or 18 months after the effective date of this AD, whichever occurs first: Relocate and install new anchor nuts on the leading edge, in accordance with the Accomplishment Instructions of Bombardier Service Bulletin 84-57-24, dated September 30, 2011.

(i) Other FAA AD Provisions

The following provisions also apply to this AD:

(1) *Alternative Methods of Compliance (AMOCs)*: The Manager, New York Aircraft Certification Office (ACO), ANE-170, 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 ACO, send it to ATTN: Program Manager, Continuing Operational Safety, FAA, New York ACO, 1600 Stewart Avenue, Suite 410, Westbury, New York 11590; telephone 516-228-7300; fax 516-794-5531. 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. The AMOC approval letter must specifically reference this AD.

(2) *Airworthy Product*: For any requirement in this AD to obtain corrective actions from a manufacturer or other source, use these actions if they are FAA-approved. Corrective actions are considered FAA-approved if they are approved by the State of Design Authority (or their delegated agent). You are required to assure the product is airworthy before it is returned to service.

(j) Related Information

(1) Refer to MCAI Canadian Airworthiness Directive CF-2012-05, dated January 13, 2012; and Bombardier Service Bulletin 84-57-24, dated September 30, 2011; for related information.

(2) For service information identified in this AD, contact Bombardier, Inc., Q-Series Technical Help Desk, 123 Garratt Boulevard, Toronto, Ontario M3K 1Y5, Canada; telephone 416-375-4000; fax 416-375-4539; email thd.qseries@aero.bombardier.com; Internet <http://www.bombardier.com>. You may review copies of the referenced service information at the FAA, Transport Airplane Directorate, 1601 Lind Avenue SW., Renton, Washington. For information on the availability of this material at the FAA, call 425-227-1221.

Issued in Renton, Washington, on May 24, 2012.

Michael Kaszycki,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 2012-13555 Filed 6-4-12; 8:45 am]

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DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA-2012-0598; Directorate Identifier 2012-CE-017-AD]

RIN 2120-AA64

Airworthiness Directives; HPH s. r.o. Sailplanes

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

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: We propose to adopt a new airworthiness directive (AD) for all HPH s. r.o. Models 304C, 304CZ, and 304CZ-17 sailplanes. This proposed AD results from mandatory continuing airworthiness information (MCAI) originated by an aviation authority of another country to identify and correct an unsafe condition on an aviation product. The MCAI describes the unsafe condition as the lack of a drain hole in the elevator control rod, which may allow water to accumulate in the control rod and lead to possible corrosion. This condition could cause the elevator control rod to fail, which could result in loss of control of the sailplane. We are issuing this proposed AD to require actions to address the unsafe condition on these products.

DATES: We must receive comments on this proposed AD by July 20, 2012.

ADDRESSES: You may send comments by any of the following methods:

- *Federal eRulemaking Portal*: Go to <http://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*: 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.

For service information identified in this proposed AD, contact HPH spol. s r.o., Cáslavská 126, P.O. Box 112, 284 01 Kutná Hora, Czech Republic, telephone: +420 327 512 633; fax: +420 327 513 441; email: hph@hph.cz; Internet: www.hph.cz. You may review copies of the referenced service information at the FAA, Small Airplane Directorate, 901 Locust, Kansas City, Missouri 64106. For information on the availability of this material at the FAA, call (816) 329-4148.

Examining the AD Docket

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

FOR FURTHER INFORMATION CONTACT:

Taylor Martin, Aerospace Engineer, FAA, Small Airplane Directorate, 901 Locust, Room 301, Kansas City, Missouri 64106; telephone: (816) 329-4138; fax: (816) 329-4090; email: taylor.martin@faa.gov.

SUPPLEMENTARY INFORMATION:

Comments Invited

We invite you to send any written relevant data, views, or arguments about this proposed AD. Send your comments to an address listed under the **ADDRESSES** section. Include "Docket No. FAA-2012-0598; Directorate Identifier 2012-CE-017-AD" at the beginning of your comments. We specifically invite comments on the overall regulatory, economic, environmental, and energy aspects of this proposed AD. We will consider all comments received by the closing date and may amend this proposed AD because of those comments.

We will post all comments we receive, without change, to <http://www.regulations.gov>, including any personal information you provide. We will also