

cancels EASA AD No. 2009–0004, dated January 12, 2009, contains related information.

Joint Aircraft System/Component (JASC) Code

(i) The JASC Code is 2435: Starter-Generator.

Issued in Fort Worth, Texas, on December 6, 2010.

Lance T. Gant,

Acting Manager, Rotorcraft Directorate, Aircraft Certification Service.

[FR Doc. 2010–31963 Filed 12–20–10; 8:45 am]

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DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2010–1255; Directorate Identifier 2010–CE–059–AD]

RIN 2120–AA64

Airworthiness Directives; B–N Group Ltd. Model BN–2, BN–2A, BN–2A–2, BN–2A–3, BN–2A–6, BN–2A–8, BN–2A–9, BN–2A–20, BN–2A–21, BN–2A–26, BN–2A–27, BN–2B–20, BN–2B–21, BN–2B–26, BN–2B–27, BN–2T, and BN–2T–4R Airplanes

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 the products listed above. 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:

An event has been reported where Glass Fibre Reinforced Plastic (GFRP) elevator tips have been found deformed on in-service aircraft. The outboard three inches of the elevator tip assembly profiles (top and bottom surfaces) had changed from being convex profiles to concave profiles. There is concern that this could potentially result in, or be caused by, internal structural delamination and/or failure. Such a failure could have a serious effect on the aircraft handling and could potentially result in loss of control of the aircraft.

The proposed AD would require actions that are intended to address the unsafe condition described in the MCAI.

DATES: We must receive comments on this proposed AD by February 4, 2011.

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 Airworthiness, Britten-Norman Aircraft Ltd., Bembridge Airport, Isle of Wight, PO35 5PR, United Kingdom; telephone: +44(0) 20 3371 4000; fax: +44(0) 20 3371 4001; e-mail:

jim.roberts@bnaircraft.com. 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.

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–2010–1255; Directorate Identifier 2010–CE–059–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 post a report summarizing each substantive verbal contact we receive about this proposed AD.

Discussion

The European Aviation Safety Agency (EASA), which is the Technical Agent for the Member States of the European Community, has issued AD No.: 2009–0105R2, dated March 9, 2010 (referred to after this as “the MCAI”), to correct an unsafe condition for the specified products. The MCAI states:

An event has been reported where Glass Fibre Reinforced Plastic (GFRP) elevator tips have been found deformed on in-service aircraft. The outboard three inches of the elevator tip assembly profiles (top and bottom surfaces) had changed from being convex profiles to concave profiles. There is concern that this could potentially result in, or be caused by, internal structural delamination and/or failure. Such a failure could have a serious effect on the aircraft handling and could potentially result in loss of control of the aircraft.

For the reasons stated above, the initial issue of this AD (AD 2009–0105) mandated inspection of the GFRP elevator tips and replacement of any deformed parts.

Its Revision 1 (AD 2009–0105R1) extends the compliance time by three months.

Its Revision 2 (AD 2009–0105R2) extends the compliance time by an additional three months.

Relevant Service Information

Britten-Norman Aircraft Limited has issued Service Bulletin Number BN–2/ SB 313, Issue 3, dated February 24, 2009; Drawing NB–31–235, Issue 13; Drawing NB–31–873, Issue 2; and Drawing NB–31–0906, Issue 3. The actions described in this service information are intended to correct the unsafe condition identified in the MCAI.

FAA’s Determination and Requirements of the 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 this State of Design Authority, they have notified us of the unsafe condition described in the MCAI and service information referenced above. We are proposing this AD because we evaluated all information and determined the unsafe condition exists and is likely to exist or develop on other products of the same type design.

Differences Between This Proposed AD and the MCAI or Service Information

We have reviewed the MCAI and related service information and, in general, agree with their substance. But we might have found it necessary to use different words from those in the MCAI to ensure the AD is clear for U.S. operators and is enforceable. In making these changes, we do not intend to differ substantively from the information provided in the MCAI and related service information.

We might also have proposed different actions in this AD from those in the MCAI in order to follow FAA policies. Any such differences are highlighted in a Note within the proposed AD.

Costs of Compliance

We estimate that this proposed AD will affect 135 products of U.S. registry. We also estimate that it would take about 2 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 \$10,000 per product.

Based on these figures, we estimate the cost of the proposed AD on U.S. operators to be \$1,372,950, or \$10,170 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); 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 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:

B-N Group Ltd.: Docket No. FAA-2010-1255; Directorate Identifier 2010-CE-059-AD.

Comments Due Date

- (a) We must receive comments by February 4, 2011.

Affected ADs

- (b) None.

Applicability

- (c) This AD applies to B-N Group Ltd. Models BN-2, BN-2A, BN-2A-2, BN-2A-3, BN-2A-6, BN-2A-8, BN-2A-9, BN-2A-20, BN-2A-21, BN-2A-26, BN-2A-27, BN-2B-20, BN-2B-21, BN-2B-26, BN-2B-27, BN-2T, and BN-2T-4R airplanes, all serial numbers, certificated in any category.

Subject

- (d) Air Transport Association of America (ATA) Code 27: Flight Controls.

Reason

- (e) The mandatory continuing airworthiness information (MCAI) states:

An event has been reported where Glass Fibre Reinforced Plastic (GFRP) elevator tips have been found deformed on in-service aircraft. The outboard three inches of the elevator tip assembly profiles (top and

bottom surfaces) had changed from being convex profiles to concave profiles. There is concern that this could potentially result in, or be caused by, internal structural delamination and/or failure. Such a failure could have a serious effect on the aircraft handling and could potentially result in loss of control of the aircraft.

For the reasons stated above, the initial issue of this AD (AD 2009-0105) mandated inspection of the GFRP elevator tips and replacement of any deformed parts.

Its Revision 1 (AD 2009-0105R1) extends the compliance time by three months.

Its Revision 2 (AD 2009-0105R2) extends the compliance time by an additional three months.

Actions and Compliance

- (f) Unless already done, do the following actions:

(1) Before further flight after the effective date of this AD, visually inspect for deformation of shape and signs of concavity the elevator tip assemblies (top and bottom surfaces) as instructed in paragraphs 6 and 9 of Britten-Norman Aircraft Limited Service Bulletin Number BN-2/SB 313, Issue 3, dated February 24, 2009. If no sign of deformity or concavity is found as a result of the inspection required by paragraph (f)(1) of this AD, no further action is required by this AD except for the requirements of paragraph (f)(3) of this AD.

(2) If signs of deformation or concavity are found, before further flight, inspect for delamination the elevator tip as instructed in paragraph 9 of Britten-Norman Aircraft Limited Service Bulletin Number BN-2/SB 313, Issue 3, dated February 24, 2009.

(i) If delamination is found as a result of any inspection required by this AD, before further flight, replace the elevator tip with a serviceable elevator tip following Britten-Norman Ltd. Drawing NB-31-235, Issue 13; Britten-Norman Ltd. Drawing NB-31-873, Issue 2; or Britten-Norman Ltd. Drawing NB-0906, Issue 3, as applicable to airplane models.

(ii) If no delamination is found as a result of any inspection required by this AD, at intervals not to exceed 50 hours time-in-service (TIS) and until accomplishment of paragraph (f)(2)(iii) of this AD, inspect for delamination the elevator tip as instructed in paragraph 9 of Britten-Norman Aircraft Limited Service Bulletin Number BN-2/SB 313, Issue 3, dated February 24, 2009.

(iii) Within 12 months after the effective date of this AD, unless already done as required by paragraph (f)(2)(i) of this AD, replace the elevator tip with a serviceable elevator tip following Britten-Norman Ltd. Drawing NB-31-235, Issue 13; Britten-Norman Ltd. Drawing NB-31-873, Issue 2; or Britten-Norman Ltd. Drawing NB-31-0906, Issue 3, as applicable to airplane models.

(3) After the effective date of this AD, do not install elevator tips on any airplane, unless they have already been inspected in accordance with Britten-Norman Aircraft Limited Service Bulletin Number BN-2/SB 313, Issue 3, dated February 24, 2009, and determined to be free from concavity and delamination.

FAA AD Differences

Note: This AD differs from the MCAI and/or service information as follows: No differences.

Other FAA AD Provisions

(g) The following provisions also apply to this AD:

(1) Alternative Methods of Compliance (AMOCs): The Manager, Standards Office, FAA, has the authority to approve AMOCs for this AD, if requested using the procedures found in 14 CFR 39.19. Send information to ATTN: Taylor Martin, Aerospace Engineer, FAA, Small Airplane Directorate, 901 Locust, Room 301, Kansas City, Missouri 64106; telephone: (816) 329-4138; fax: (816) 329-4090. 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.

(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.

(3) Reporting Requirements: For any reporting requirement in this AD, a federal agency may not conduct or sponsor, and a person is not required to respond to, nor shall a person be subject to a penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information displays a current valid OMB Control Number. The OMB Control Number for this information collection is 2120-0056. Public reporting for this collection of information is estimated to be approximately 5 minutes per response, including the time for reviewing instructions, completing and reviewing the collection of information. All responses to this collection of information are mandatory. Comments concerning the accuracy of this burden and suggestions for reducing the burden should be directed to the FAA at: 800 Independence Ave., SW., Washington, DC 20591, Attn: Information Collection Clearance Officer, AES-200.

Related Information

(h) Refer to MCAI EASA AD No.: 2009-0105R2, dated March 9, 2010; Britten-Norman Aircraft Limited Service Bulletin Number BN-2/SB 313, Issue 3, dated February 24, 2009, Britten-Norman Ltd. Drawing NB-31-235, Issue 13; Britten-Norman Ltd. Drawing NB-31-873, Issue 2; and Britten-Norman Ltd. Drawing NB-31-0906, Issue 3. For service information related to this AD, contact Airworthiness, Britten-Norman Aircraft Ltd., Bembridge Airport, Isle of Wight, PO35 5PR, United Kingdom; telephone: +44(0) 20 3371 4000; fax: +44(0) 20 3371 4001; e-mail: jim.roberts@bnaircraft.com. 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.

Issued in Kansas City, Missouri, on December 14, 2010.

William J. Timberlake,

Acting Manager, Small Airplane Directorate, Aircraft Certification Service.

[FR Doc. 2010-31983 Filed 12-20-10; 8:45 am]

BILLING CODE 4910-13-P

SECURITIES AND EXCHANGE COMMISSION

17 CFR Part 240

[Release No. 34-63556; File No. S7-43-10]

RIN 3235-AK88

End-User Exception to Mandatory Clearing of Security-Based Swaps

AGENCY: Securities and Exchange Commission.

ACTION: Proposed rule.

SUMMARY: In accordance with the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 ("Dodd-Frank Act"), the Securities and Exchange Commission ("Commission") is proposing new Rule 3Cg-1 under the Securities Exchange Act of 1934 ("Exchange Act") governing the exception to mandatory clearing of security-based swaps available for counterparties meeting certain conditions. The Commission is requesting comments on the proposed rule and related matters.

DATES: Comments must be received on or before February 4, 2011.

ADDRESSES: Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/proposed.shtml>); or
- Send an e-mail to rule-comments@sec.gov. Please include File No. S7-43-10 on the subject line; or
- Use the Federal eRulemaking Portal (<http://www.regulations.gov>). Follow the instructions for submitting comments.

Paper Comments

- Send paper comments in triplicate to Elizabeth M. Murphy, Secretary, Securities and Exchange Commission, 100 F Street, NE., Washington, DC 20549-1090.

All submissions should refer to File No. S7-43-10. This file number should be included on the subject line if e-mail is used. To help us process and review your comments more efficiently, please

use only one method. The Commission will post all comments on the Commission's Internet Web site (<http://www.sec.gov/rules/proposed.shtml>). Comments are also available for Web site viewing and printing in the Commission's Public Reference Room, 100 F Street, NE., Washington, DC 20549 on official business days between the hours of 10 a.m. and 3 p.m. All comments received will be posted without change; we do not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly.

FOR FURTHER INFORMATION CONTACT:

Peter Curley, Attorney Fellow, at (202) 551-5696, or Andrew Blake, Special Counsel, at (202) 551-5846, Division of Trading and Markets, Securities and Exchange Commission, 100 F Street, NE., Washington, DC 20549-7010.

SUPPLEMENTARY INFORMATION: In accordance with Section 763(a) of Title VII ("Title VII") of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, the Commission is proposing Rule 3Cg-1 under the Exchange Act to govern the exception to mandatory clearing of security-based swaps available to counterparties to security-based swaps meeting certain conditions. The Commission is soliciting comments on all aspects of the proposed rule and alternative rule language and will carefully consider any comments received.

I. Introduction

On July 21, 2010, the President signed the Dodd-Frank Act into law.¹ The Dodd-Frank Act was enacted to, among other purposes, promote the financial stability of the United States by improving accountability and transparency in the financial system.² Title VII of the Dodd-Frank Act provides the Commission and the Commodity Futures Trading Commission ("CFTC") with the authority to regulate over-the-counter ("OTC") derivatives in light of the recent financial crisis, which demonstrated the need for enhanced regulation in the OTC derivatives market.

The Dodd-Frank Act provides that the CFTC will regulate "swaps," the Commission will regulate "security-based swaps," and the CFTC and the Commission will jointly regulate "mixed swaps."³ The Dodd-Frank Act amends

¹ The Dodd-Frank Wall Street Reform and Consumer Protection Act, Pub. L. No. 111-203, 124 Stat. 1376 (2010).

² See Public Law 111-203, Preamble.

³ Section 712(d) of the Dodd-Frank Act provides that the Commission and the CFTC, in consultation