the prompt realization of loan losses by advanced approaches institutions and the removal of such loans from their balance sheets and would reduce the likelihood that advanced approaches institutions would significantly pare their risk-weighted assets in order to maintain their capital ratios during a downturn.

(f) The pace and magnitude of changes in the CCyB will depend importantly on the underlying conditions in the financial sector and the economy as well as the desired effects of the change in the CCyB. If vulnerabilities are rising gradually, then incremental increases in the level of the CCyB may be appropriate. Incremental increases would allow banks to augment their capital primarily through retained earnings and allow policymakers additional time to assess the effects of the policy change before making subsequent adjustments. However, if vulnerabilities in the financial system are building rapidly, then larger or more frequent adjustments may be necessary to increase loss-absorbing capacity sooner and potentially to mitigate the rise in vulnerabilities.

(g) The Board will also consider whether the CCyB is the most appropriate of its available policy instruments to address the financial system vulnerabilities highlighted by the framework’s judgmental assessments and empirical models. The CCyB primarily is intended to address cyclical vulnerabilities, rather than structural vulnerabilities that do not vary significantly over time. Structural vulnerabilities are better addressed through targeted reforms or permanent increases in financial system resilience. Two central factors for the Board to consider are whether advanced approaches institutions are exposed—either directly or indirectly—to the vulnerabilities identified in the comprehensive judgmental assessment or by the quantitative indicators that suggest activation of the CCyB and whether advanced approaches institutions are contributing—either directly or indirectly—to these highlighted vulnerabilities.

(h) In setting the CCyB for advanced approaches institutions that it supervises, the Board plans to consult with the OCC and FDIC on their analyses of financial system vulnerabilities and on the extent to which advanced approaches banking organizations are either exposed to or contributing to these vulnerabilities.

5. Communication of the U.S. CCyB With the Public:

(a) The Board expects to consider at least once per year the applicable level of the U.S. CCyB. The Board will review financial conditions regularly throughout the year and may adjust the CCyB more frequently as a result of those monitoring activities.

(b) Further, the Board will continue to communicate with the public in other formats regarding its assessment of U.S. financial stability, including financial system vulnerabilities. In the event that the Board considered that a change in the CCyB were appropriate, it would, in proposing the change, include a discussion of the reasons for the proposed action as determined by the particular circumstances. In addition, the Board’s biannual Monetary Policy Report to Congress, usually published in February and July, will continue to contain a section that reports on developments pertaining to the stability of the U.S. financial system.12 That portion of the report will be an important vehicle for updating the public on how the Board’s current assessment of financial system vulnerabilities bears on the setting of the CCyB.

6. Monitoring the Effects of the U.S. CCyB

(a) The effects of the U.S. CCyB ultimately will depend on the level at which it is set, the size and nature of any adjustments in the level, and the timeliness with which it is increased or decreased. The extent to which the CCyB may affect vulnerabilities in the broader financial system depends upon a complex set of interactions between required capital levels at the largest banking organizations and the economy and financial markets. In addition to the direct effects, the secondary economic effects could be amplified if financial markets extract a signal from the announcement of a change in the CCyB about subsequent actions that might be taken by the Board. Moreover, financial market participants might react by updating their expectations about future asset price or specific markets or broader economic activity based on the concerns expressed by the regulators in communications announcing a policy change.

(b) The Board will monitor and analyze adjustments by banking organizations and other financial institutions to the CCyB: whether a change in the CCyB leads to observed changes in risk-based capital ratios at advanced approaches institutions, as well as whether those adjustments are achieved passively through retained earnings, or actively through changes in capital distributions or in risk-weighted assets. Other factors to be monitored include the extent to which loan growth and interest rate spreads on loans made by affected banking organizations change relative to loan growth and loan spreads at banking organizations that are not subject to the buffer. Another consideration in setting the CCyB and other macroprudential tools is the extent to which the adjustments by advanced approaches institutions to higher capital buffers lead to migration of credit market activity outside of those banking organizations, especially to the nonbank financial sector. Depending on the amount of migration, which institutions are affected by it, and the remaining exposures of advanced approaches institutions, those adjustments could cause the Board to favor either a higher or a lower value of the CCyB.

(c) The Board will also monitor information regarding the levels of and changes in the CCyB in other countries. The Basel Committee on Banking Supervision is expected to maintain this information for member countries in a publically available form on its Web site.13 Using that data in conjunction with supervisory and publicly available datasets, the Board will be able to draw not only upon the experience of the United States but also that of other countries to refine estimates of the effects of changes in the CCyB.

By order of the Board of Governors of the Federal Reserve System, September 8, 2016.

Robert deV. Frierson,
Secretary of the Board.

[FR Doc. 2016–21970 Filed 9–15–16; 8:45 am]
BILLING CODE 6210–01–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39


RIN 2120–AA64

Airworthiness Directives; Dassault Aviation Airplanes

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

ACTION: Final rule.

SUMMARY: We are superseding Airworthiness Directive (AD) 2008–19–08, for all Dassault Aviation Model Falcon 10 airplanes. AD 2008–19–08 required repetitive replacement of the flexible hoses installed in the wing (slat) anti-icing system with new hoses. This new AD requires reducing the life limit of these flexible hoses, which reduces the repetitive replacement intervals. This AD was prompted by additional reports of collapse of the flexible hoses installed in the slat anti-icing systems on airplanes equipped with new, improved hoses. We are issuing this AD to prevent collapse of the flexible hoses in the slat anti-icing system, which could lead to insufficient anti-icing capability and, if icing is encountered in this situation, could result in reduced controllability of the airplane.

DATES: This AD is effective October 21, 2016.

The Director of the Federal Register approved the incorporation by reference of a certain publication listed in this AD as of October 11, 2007 (72 FR 51161, September 6, 2007).

ADDRESSES: For service information identified in this final rule, contact Dassault Falcon Jet Corporation, Teterboro Airport, P.O. Box 2000, South Hackensack, NJ 07606; telephone 201–440–6700; Internet http://www.dassaultfalcon.com. You may view this referenced service information

12 For the most recent discussion in this format, see box titled “Developments Related to Financial Stability” in Board of Governors of the Federal Reserve System, Monetary Policy Report to Congress, June 2016, pp. 20–21.
13 BIS, Countercyclical capital buffer (CCyB), www.bis.org/bcbs/ccyb/index.htm.
The European Aviation Safety Agency (EASA), which is the Technical Agent for the Member States of the European Union, has issued EASA Airworthiness Directive 2014–0104, dated May 7, 2014 (referred to after this as the Mandatory Continuing Airworthiness Information, or “the MCAI”), to correct an unsafe condition on all Dassault Aviation Model Falcon 10 airplanes. The MCAI states:

Occurrences were reported involving an in-service Falcon 10 aeroplane, where wing anti-ice hoses collapsed. The subsequent investigation revealed that the flexible hose, Part Number (P/N) FAL1005, collapsed because of an internal ply separation.

This condition, if not corrected, could lead to failure of the ice-protection system to remove ice accretion on the wing, possibly resulting in reduced control of the aeroplane.

To address this potential unsafe condition, EASA issued AD 2005–0020 and AD 2006–0114 [which correspond to AD 2008–19–08], respectively, imposing flight limitations and requiring replacement of the flexible hoses P/N FAL1005 with improved hoses P/N FAL1007.

Since those [EASA] ADs were issued, further occurrences were reported concerning aeroplanes with improved hoses, which led to the conclusion that the life limit of the flexible hose P/N FAL1007 must be reduced.

For the reasons above, this [EASA] AD retains the requirements of EASA AD 2006–0114, which is superseded; supersedes EASA AD 2005–0020; requires replacement of flexible hoses having P/N FAL1000, P/N 1001, P/N FAL1005, or P/N FAL1005D, and reduces the life limit of the flexible hoses P/N 1007 [which would reduce the repetitive replacement intervals].

You may examine the MCAI in the AD docket on the Internet at http://www.regulations.gov by searching for and locating Docket No. FAA–2016–6146.

Supplementary Information:

Discussion

We issued a notice of proposed rulemaking (NPRM) to amend 14 CFR part 39 to supersede AD 2008–19–08, Amendment 39–15675 (73 FR 54492, September 22, 2008) (“AD 2008–19–08”). AD 2008–19–08 applied to all Dassault Aviation Model Falcon 10 airplanes. The NPRM published in the Federal Register on May 3, 2016 (81 FR 26496) (“the NPRM”). The NPRM was prompted by additional reports of collapse of the flexible hoses installed in the slat anti-icing systems on airplanes equipped with new, improved hoses. The NPRM proposed to continue to require repetitive replacement of the flexible hoses installed in the wing (slat) anti-icing system with new hoses. The NPRM also proposed to require reducing the life limit of these flexible hoses, which would reduce the repetitive replacement intervals. We are issuing this AD to prevent collapse of the flexible hoses in the slat anti-icing system, which could lead to insufficient anti-icing capability and, if icing is encountered in this situation, could result in reduced controllability of the airplane.

The actions that are required by AD 2005–0020; requires replacement of flexible hoses having P/N FAL1000, P/N 1001, P/N FAL1005, or P/N FAL1005D, and reduces the life limit of the flexible hoses P/N 1007 [which would reduce the repetitive replacement intervals].

Conclusion

We reviewed the available data, including the comment received, and determined that air safety and the public interest require adopting this AD with the change described previously, and minor editorial changes. We have determined that these minor changes:

- Are consistent with the intent that was proposed in the NPRM for correcting the unsafe condition; and
- Do not add any additional burden upon the public than was already proposed in the NPRM.

Costs of Compliance

We estimate that this AD affects 124 airplanes of U.S. registry. The actions that are required by AD 2008–19–08, and retained in this AD, take about 8 work-hours per product, at an average labor rate of $85 per work-hour. Required parts cost about $880. Based on these figures, the estimated cost of the actions that are required by AD 2008–19–08 is up to $1,560 per product, per replacement cycle.

We also estimate that it takes about 4 work-hours per product to comply with the new basic requirements of this AD. The average labor rate is $85 per work-hour. Required parts will cost about $936 per product. Based on these figures, we estimate the cost of this AD on U.S. operators to be $158,224, or $1,276 per product.

Authority for This Rulemaking

Title 49 of the United States Code authorizes the FAA’s authority to issue rules on aviation safety. Subtitle II, 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 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.

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

§ 39.13 [Amended]

§ 39.13 [Amended]

PART 39—AIRWORTHINESS DIRECTIVES

§ 39.13 [Amended]

PART 39—AIRWORTHINESS DIRECTIVES

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PART 39—AIRWORTHINESS DIRECTIVES

§ 39.13 [Amended]

PART 39—AIRWORTHINESS DIRECTIVES

§ 39.13 [Amended]

This paragraph restates the requirements of paragraph (b) of AD 2008–19–08, with revised compliance language. As of October 27, 2008 (the effective date of AD 2008–19–08): Replace the flexible hoses installed in the slat anti-icing system with new hoses having part number (P/N) FAL1007, in accordance with the Accomplishment Instructions of Dassault Service Bulletin F10–313, Revision 1, dated May 10, 2006, within 700 flight hours since the last replacement or within 100 flight hours after October 27, 2008, whichever occurs later, and thereafter at intervals not to exceed 700 flight hours. Accomplishing the times required by paragraph (b) of (i) of this AD ends the repetitive replacements required by this paragraph.

(h) New Requirement of This AD: Hose Replacement for Certain Part Numbers

Within 65 days after the effective date of this AD: Replace any flexible hose having part number (P/N) FAL1000, P/N FAL1001, or P/N FAL1005D with a new, improved flexible hose having P/N FAL1007, using a method approved by the Manager, International Branch, ANM–116, Transport Airplane Directorate, FAA; or the European Aviation Safety Agency (EASA); or Dassault Aviation’s EASA Design Organization Approval (DOA).

(i) Life-Limit for P/N FAL1007—Repetitive Replacements

At the later of the times specified in paragraphs (i)(1) and (ii) of this AD, replace any flexible hose having part number P/N FAL1007 with a serviceable flexible hose having P/N FAL1007, using a method approved by the Manager, International Branch, ANM–116, Transport Airplane Directorate, FAA; or the EASA; or Dassault Aviation’s EASA Design Organization Approval (DOA). Thereafter, before the accumulation of 350 flight hours on any flexible hose having P/N FAL1007, replace the flexible hose with a serviceable flexible hose having P/N FAL1007.

(1) Before the accumulation of 350 flight hours on the flexible hose P/N FAL1007 since first installation on an airplane.

(2) At the earlier of the times specified in paragraphs (ii)2(i) and (ii)2(ii) of this AD.

(3) Within 200 flight hours after the effective date of this AD.

(4) Before the accumulation of 700 flight hours on the flexible hose P/N FAL1007 since first installation on an airplane, or within 65 days after the effective date of this AD, whichever occurs later.

(j) Definition of Serviceable Flexible Hose

For the purpose of this AD, a serviceable flexible hose is a flexible hose having P/N FAL1007 that has accumulated less than 350 flight hours since first installation on an airplane.

(k) Parts Installation Limitation

After accomplishing the replacement required by paragraph (h) of this AD, no person may install a flexible hose in the slat anti-icing system on any airplane, unless that hose is a serviceable flexible hose having P/N FAL1007, and thereafter repetitive hose replacements are done as required by paragraph (i) of this AD.

(l) Other FAA AD Provisions

The following provisions also apply to this AD:

(1) Alternative Methods of Compliance (AMOCs): The Manager, International Branch, ANM–116, Transport Airplane Directorate, 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 International Branch, send it to ATTN: Tom Rodriguez, Aerospace Engineer, International Branch, ANM–116, Transport Airplane Directorate, FAA, 1601 Lind Avenue SW., Renton, WA 98057–3356; telephone 425–227–1137; fax 425–227–1149. Information may be emailed to: 9–ANM–116–AMOC–REQUESTS@faa.gov. 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) Contacting the Manufacturer: For any action required in this AD to obtain corrective actions from a manufacturer, the action must be accomplished using a method approved by the Manager, International Branch, ANM–116, Transport Airplane Directorate, FAA; or the EASA; or Dassault Aviation’s EASA Design Organization Approval (DOA). If approved by the DOA, the approval must include the DOA-authorized signature.

(m) Related Information


(n) 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 this AD specifies otherwise.

(3) The following service information was approved for IBR on October 11, 2007, (72 FR 51161, September 62, 2007).


(ii) Reserved.

(iii) For service information identified in this AD, contact Dassault Falcon Jet
DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39


RIN 2120–AA64

Airworthiness Directives; Airbus Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule; request for comments.

SUMMARY: We are adopting a new airworthiness directive (AD) for certain Airbus Model A330–200, Model A330–300, Model A340–200, and Model A340–300 series airplanes. This AD requires an inspection to determine the part number and serial number of certain escape slides on the left and right sides of the airplane, and replacement if necessary. This AD was prompted by a report indicating that the aspirator on certain escape slides might have been damaged because of incorrect packing during overhaul. We are issuing this AD to detect and correct damaged aspirators on escape slides. Failure of an aspirator to inflate an escape slide could prevent deployment of the escape slide during an emergency, possibly resulting in reduced evacuation capacity from the airplane and consequent injury to occupants.

DATES: This AD becomes effective October 1, 2016.

The Director of the Federal Register approved the incorporation by reference of a certain publication listed in this AD as of October 3, 2016. We must receive comments on this AD by October 31, 2016.

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 http://www.regulations.gov. Follow the instructions for submitting comments.
• 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, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

For service information identified in this final rule, contact Airbus SAS, Airworthiness Office—EAL, 1 Road Point Maurice Bellonte, 31707 Blagnac Cedex, France; telephone +33 5 61 93 36 96; fax +33 5 61 93 45 80; email airworthiness.A330–A340@airbus.com; Internet http://www.airbus.com. You may view this referenced service information at the FAA, Transport Airplane Directorate, 1601 Lind Avenue SW., Renton, WA. For information on the availability of this material at NARA, call 202–741–6030, or go to http://www.archives.gov/federal-register/cfr/ibr-locations.html.

You may view the AD docket on the Internet by searching for and locating Docket No. FAA–2016–9108.


Examine the AD Docket

You may examine the AD docket on the Internet at http://www.regulations.gov by searching for and locating Docket No. FAA–2016–9108; or in person at the Docket Operations office between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this AD, the regulatory evaluation, any comments received, and other information. The street address for the Docket Operations office (telephone 800–647–5527) is in the ADDRESSES section. Comments will be available in the AD docket shortly after receipt.

FOR FURTHER INFORMATION CONTACT:


SUPPLEMENTARY INFORMATION:

Discussion

The European Aviation Safety Agency (EASA), which is the Technical Agent for the Member States of the European Union, has issued EASA Airworthiness Directive 2016–0137R1, dated July 21, 2016 (referred to after this as the Mandatory Continuing Airworthiness Information, or “the MCAI”), to correct an unsafe condition for certain Airbus Model A330–200 Freighter, Model A330–200, Model A330–300, Model A340–200, and Model A340–300 series airplanes. The MCAI states:

It has been reported that some door 3, Type 1, escape slides Part Number (P/N) 7A1509–series may have sustained damage to the slide aspirator, due to an incorrect packing during last overhaul. This damage affects the air inlet end of the slide aspirator by either permanently deforming the inlet, or leading to cracks in the supply line to the aspirator nozzle.

This condition, if not detected and corrected, could lead to failure of the slide aspirator to perform its intended function to inflate the evacuation slide, preventing slide deployment during an emergency, possibly resulting in reduced evacuation capacity from the aeroplane and consequent injury to occupants.

Prompted by these findings, Airbus issued Alert Operators Transmission (AOT) A25L009–16 to provide instructions to identify and replace the affected slides.

Consequently, EASA issued AD 2016–0137, requiring identification of the door 3, Type 1, slide installed on the aeroplane, and, depending on findings, the replacement of the slide with a serviceable part.

Since that [EASA] AD was issued, it was identified that affected slides cannot be installed on aeroplanes embodying optional Airbus mod 40161.

For the reason described above, this [EASA] AD is revised to reduce the Applicability, by excluding aeroplanes that have embodied Airbus mod 40161 in production.


Related Service Information Under 1 CFR Part 51

Airbus has issued Alert Operators Transmission A25L009–16, dated July 7, 2016. The service information describes procedures for the identifying the part number and serial number of door 3, Type 1, escape slides and replacing the escape slides. 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 the ADDRESSES section.