

of this AD. A review of airplane maintenance records is acceptable in lieu of this inspection if the symbol "24-7" mark can be conclusively determined from that review.

(1) If the symbol "24-7" is marked on the RAT identification plate, the balance washer screws have already been replaced and no further action is required by this AD, except for paragraph (j) of this AD.

(2) If the symbol "24-7" is not marked on the RAT identification plate, before further flight, replace all balance washer screws with new balance washer screws, part number MS24667-14, and mark the RAT identification plate with the symbol "24-7," in accordance with the Accomplishment Instructions of the applicable service bulletin listed in Table 1 of this AD.

(j) For all airplanes: As of the effective date of this AD, no person may install on any airplane a replacement or spare RAT (P/N GL456-1101-7; Hamilton Sundstrand P/Ns in the 762826 series) having one of the S/Ns listed in paragraph 1.A. of the applicable service bulletin listed in Table 1 of this AD unless the balance washer screws have already been replaced and the symbol "24-7" is marked on the RAT identification plate.

FAA AD Differences

Note 1: This AD differs from the MCAI and/or service information as follows:

Although Canadian Airworthiness Directive CF-2010-01, dated January 18, 2010, recommends accomplishing the visual inspection prior to the next scheduled in-flight operational test of the RAT, we have determined that interval would not address the identified unsafe condition soon enough to ensure an adequate level of safety for the affected fleet in light of the degree of urgency associated with the subject unsafe condition. This difference has been coordinated with Transport Canada Civil Aviation (TCCA).

Other FAA AD Provisions

(k) 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. Send information 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 on any airplane to which the AMOC applies, notify your principal maintenance inspector (PMI) or principal avionics inspector (PAI), as appropriate, or lacking a principal inspector, your local Flight Standards 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.

(3) *Reporting Requirements:* For any reporting requirement in this AD, under the

provisions of the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*), the Office of Management and Budget (OMB) has approved the information collection requirements and has assigned OMB Control Number 2120-0056.

Related Information

(l) Refer to MCAI Transport Canada Civil Aviation (TCCA) Airworthiness Directive CF-2010-01, dated January 18, 2010; and Bombardier Service Bulletins 700-24-075, Revision 01, dated July 15, 2009, and 700-1A11-24-014, Revision 01, dated July 15, 2009; for related information.

Issued in Renton, Washington, on May 28, 2010.

Ali Bahrami,

Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 2010-13419 Filed 6-3-10; 8:45 am]

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DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA-2010-0260; Directorate Identifier 2010-CE-015-AD]

RIN 2120-AA64

Airworthiness Directives; GROB-WERKE (Type Certificate Previously Held by BURKHART GROB Luft- und Raumfahrt) Models G115C, G115D and G115D2 Airplanes

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

ACTION: Supplemental notice of proposed rulemaking (NPRM); reopening of the comment period.

SUMMARY: We are revising an earlier NPRM 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:

The manufacturer has received a report of a failed canopy jettison test, during a regular maintenance check. The investigation revealed that a cable shroud of the jettison system protruded the canopy structure, which probably caused the malfunction. Inability to jettison the canopy in flight would prevent evacuation of the aeroplane in case of need.

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 July 19, 2010.

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.

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:

Gregory Davison, Aerospace Engineer, FAA, Small Airplane Directorate, 901 Locust, Room 301, Kansas City, Missouri 64106; telephone: (816) 329-4130; 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-2010-0260; Directorate Identifier 2010-CE-015-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

We proposed to amend 14 CFR part 39 with an earlier NPRM for the

specified products, which was published in the **Federal Register** on March 16, 2010 (75 FR 12466). That earlier NPRM proposed to require actions intended to address the unsafe condition for the products listed above.

Since that NPRM was issued, we have determined that additional actions are necessary in order to eliminate any confusion and to ensure pilot awareness of the unsafe condition. Specifically, we are adding a placard requirement prohibiting aerobatic flight before accomplishing the actions of the proposed AD. Since these actions impose an additional burden over that proposed in the NPRM, we are reopening the comment period to allow the public the chance to comment on these additional actions.

Relevant Service Information

Grob Aircraft AG has issued Service Bulletin No. MSB1078-164, dated July 21, 2009. 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.

Certain changes described above expand the scope of the earlier NPRM. As a result, we have determined that it is necessary to reopen the comment period to provide additional opportunity for the public to comment on the proposed AD.

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 AD will affect 3 products of U.S. registry. We also estimate that it would take about 3 work-hours per product to comply with the basic requirements of this proposed AD. The average labor rate is \$85 per work-hour.

Based on these figures, we estimate the cost of the proposed AD on U.S. operators to be \$765 or \$255 per product.

In addition, we estimate that any necessary follow-on actions would take about 3 work-hours and require parts costing \$68, for a cost of \$323 per product. We have no way of determining the number of products that may need these actions.

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, 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:

GROB-WERKE (Type Certificate Previously Held by BURKHART GROB Luft- und Raumfahrt): Docket No. FAA-2010-0260; Directorate Identifier 2010-CE-015-AD.

Comments Due Date

(a) We must receive comments by July 19, 2010.

Affected ADs

(b) None.

Applicability

(c) This AD applies to Models G115C, G115D, and G115D2 airplanes, all serial numbers, certificated in any category.

Subject

(d) Air Transport Association of America (ATA) Code 52: Doors.

Reason

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

The manufacturer has received a report of a failed canopy jettison test, during a regular maintenance check. The investigation revealed that a cable shroud of the jettison system protruded the canopy structure, which probably caused the malfunction. Inability to jettison the canopy in flight would prevent evacuation of the aeroplane in case of need.

For the reason stated above, this AD mandates an additional one time canopy jettison test and repair if necessary.

Actions and Compliance

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

(1) Before further flight after the effective date of this AD, fabricate a placard (using at least 1/8-inch letters) with the following words and install the placard on the

instrument panel within the pilot's clear view: "AEROBATIC FLIGHT PROHIBITED."

(2) Before the next aerobatic flight after the effective date of this AD, do a canopy jettison test following Grob Aircraft AG Service Bulletin No. MSB1078-164, dated July 21, 2009.

(3) If the canopy jettison fails the test required in paragraph (f)(2) of this AD, before further aerobatic flight:

(i) Contact Grob Aircraft AG, Customer Service, 86874 Tussenhausen-Mattsies, Germany, telephone: + 49 (0) 8268-998-105; fax: + 49 (0) 8268-998-200; email: productsupport@grob-aircraft.com, for an FAA-approved repair scheme and incorporate the repair scheme; or

(ii) Replace the canopy handle following Grob Aircraft AG Service Bulletin No. MSB1078-164, dated July 21, 2009.

(4) Within 7 days after doing the canopy jettison test required in paragraph (f)(2) of this AD or within 7 days after the effective date of this AD, whichever occurs later, submit a report of the test results using Appendix 1 of Grob Aircraft AG Service Bulletin No. MSB1078-164, dated July 21, 2009, to Grob Aircraft AG at the address specified in paragraph (f)(3)(i) of this AD.

(5) After the corrective actions specified in paragraphs (f)(3)(i) or (f)(3)(ii) are done or if the canopy jettison passed the test required in paragraph (f)(2) of this AD, before further flight, remove the placard that was installed in accordance with paragraph (f)(1) of this AD.

FAA AD Differences

Note: This AD differs from the MCAI and/or service information as follows: The MCAI does not have a placard requirement. To eliminate any confusion and to ensure pilot awareness of the unsafe condition, we added a temporary placard requirement to this AD.

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: Greg Davison, Aerospace Engineer, FAA, Small Airplane Directorate, 901 Locust, Room 301, Kansas City, Missouri 64106; telephone: (816) 329-4130; 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, under the provisions of the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*), the Office of

Management and Budget (OMB) has approved the information collection requirements and has assigned OMB Control Number 2120-0056.

Related Information

(h) Refer to MCAI European Aviation Safety Agency (EASA) AD No. 2009-0279, dated December 23, 2009; and Grob Aircraft AG Service Bulletin No. MSB1078-164, dated July 21, 2009, for related information.

Issued in Kansas City, Missouri, on May 27, 2010.

Steven W. Thompson,

Acting Manager, Small Airplane Directorate, Aircraft Certification Service.

[FR Doc. 2010-13422 Filed 6-3-10; 8:45 am]

BILLING CODE 4910-13-P

DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 1

[REG-106750-10]

RIN 1545-BJ30

Modifications of Debt Instruments

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice of proposed rulemaking and notice of public hearing.

SUMMARY: This document contains proposed regulations relating to the modification of debt instruments. The regulations clarify the extent to which the deterioration in the financial condition of the issuer is taken into account to determine whether a modified debt instrument will be recharacterized as an instrument or property right that is not debt. The regulations provide needed guidance to issuers and holders of debt instruments. This document also provides notice of a public hearing on these proposed regulations.

DATES: Written or electronic comments must be received by August 3, 2010. Outlines of topics to be discussed at the public hearing scheduled for Wednesday, September 8, 2010, at 10 a.m. must be received by Wednesday, August 11, 2010.

ADDRESSES: Send submissions to: CC:PA:LPD:PR (REG-106750-10), room 5205, Internal Revenue Service, P.O. Box 7604, Ben Franklin Station, Washington, DC 20044. Submissions may be hand-delivered Monday through Friday between the hours of 8 a.m. and 4 p.m. to CC:PA:LPD:PR (REG-106750-10), Courier's Desk, Internal Revenue Service, 1111 Constitution Avenue, NW., Washington, DC, or sent

electronically, via the Federal eRulemaking Portal at <http://www.regulations.gov> (IRS and REG-106750-10).

FOR FURTHER INFORMATION CONTACT:

Concerning the proposed regulations, Diana Imholtz, at (202) 622-3930; concerning submission of comments, the hearing, and/or to be placed on the building access list to attend the hearing, *Richard.A.Hurst@irscounsel.treas.gov*, at (202) 622-7180 (not toll-free numbers).

SUPPLEMENTARY INFORMATION:

Background

Section 1.1001-3 provides rules for determining when a modification of a debt instrument results in an exchange for purposes of § 1.1001-1(a). In general, § 1.1001-3 defines a modification and provides that a modification that is significant results in a deemed exchange of the original debt instrument for a modified debt instrument. Section 1.1001-3 also addresses alterations to the terms of a debt instrument that result in a modified instrument that is not debt. Section 1.1001-3(c)(2)(ii) generally provides that a modification to a debt instrument occurs if an alteration changes the instrument to an instrument or property right that is not debt for Federal income tax purposes, even if the alteration occurs by operation of the original terms of the debt instrument. Section 1.1001-3(e)(5)(i) generally provides that a modification of a debt instrument that results in an instrument or property right that is not debt for Federal income tax purposes is a significant modification. For purposes of making the determination prescribed by § 1.1001-3(e)(5)(i), the regulations state that any deterioration in the financial condition of the issuer between the issue date of the unmodified debt instrument and the date of modification (as it relates to the issuer's obligation to repay the debt instrument) is not taken into account, unless there is a substitution of a new obligor or the addition or deletion of a co-obligor.

In response to the proposed regulations published on December 2, 1992 (57 FR 57034), taxpayers were concerned that taking into account the creditworthiness of a financially troubled issuer when a debt instrument is modified would impose a significant barrier to restructuring distressed debt instruments. The rule in § 1.1001-3(e)(5)(i) to disregard the financial condition of the issuer was intended to address this concern. The preamble to the existing regulations published on