

2. Capital stress testing and planning processes;
3. Liquidity stress testing and planning processes;
4. Product and service risk management processes, including those for approving new and modified products and services;
5. Decisions regarding acquisitions and divestitures; and
6. Compensation and performance management programs.

L. *Talent management processes.* The bank should establish and adhere to processes for talent development, recruitment, and succession planning to ensure that management and employees who are responsible for or influence material risk decisions have the knowledge, skills, and abilities to effectively identify, measure, monitor, and control relevant risks. The talent management processes should ensure that:

1. The board of directors or a board committee:
  - (i) Hires a Chief Executive Officer and approves the hiring of direct reports of the Chief Executive Officer with the skills and abilities to design and implement an effective risk governance framework;
  - (ii) Establishes reliable succession plans for the individuals described in (i) of this paragraph; and
  - (iii) Oversees the talent development, recruitment, and succession planning processes for individuals two levels down from the Chief Executive Officer.
2. The board of directors or a board committee:
  - (i) Hires one or more Chief Risk Executives and a Chief Audit Executive that possess the skills and abilities to effectively implement the risk governance framework;
  - (ii) Establishes reliable succession plans for the individuals described in (i) of this paragraph; and
  - (iii) Oversees the talent development, recruitment, and succession planning processes for independent risk management and internal audit.

M. *Compensation and performance management programs.* The bank should establish and adhere to compensation and performance management programs that meet the requirements of any applicable statute or regulation and are appropriate to:

1. Ensure the Chief Executive Officer, front line units, independent risk management, and internal audit implement and adhere to an effective risk governance framework;
2. Ensure front line unit compensation plans and decisions appropriately consider the level and severity of issues and concerns identified by independent risk management and internal audit;
3. Attract and retain the talent needed to design, implement, and maintain an effective risk governance framework; and
4. Prohibit incentive-based payment arrangements, or any feature of any such arrangement, that encourages inappropriate risks by providing excessive compensation or that could lead to material financial loss.

### III. Standards for Board of Directors

A. *Ensure an effective risk governance framework.* Each member of the bank's board

of directors has a duty to oversee the bank's compliance with safe and sound banking practices. Consistent with this duty, the board of directors should ensure that the bank establishes and implements an effective risk governance framework that meets the minimum standards described in these Guidelines. The board of directors or the board's risk committee should approve any changes to the risk governance framework.

B. *Provide active oversight of management.* The bank's board of directors should actively oversee the bank's risk-taking activities and hold management accountable for adhering to the risk governance framework. In providing active oversight, the board of directors should question, challenge, and when necessary, oppose recommendations and decisions made by management that could cause the bank's risk profile to exceed its risk appetite or jeopardize the safety and soundness of the bank.

C. *Exercise independent judgment.* When carrying out his or her duties under III.B., each member of the board of directors should exercise sound, independent judgment.

D. *Include independent directors.* To promote effective, independent oversight of bank management, at least two members of the board of directors should not be members of the bank's management or the parent company's management.<sup>7</sup>

E. *Provide ongoing training to independent directors.* To ensure each member of the board of directors has the knowledge, skills, and abilities needed to meet the standards set forth in these Guidelines, the board of directors should establish and adhere to a formal, ongoing training program for independent directors. This program should include training on:

- (i) Complex products, services, lines of business, and risks that have a significant impact on the bank;
- (ii) Laws, regulations, and supervisory requirements applicable to the bank; and
- (iii) Other topics identified by the board of directors.

F. *Self-assessments.* The bank's board of directors should conduct an annual self-assessment that includes an evaluation of its effectiveness in meeting the standards in section III of these Guidelines.

### PART 170 [REMOVED]

#### ■ 13. Remove Part 170.

Dated: January 10, 2014.

Thomas J. Curry,  
Comptroller of the Currency.

[FR Doc. 2014-00639 Filed 1-24-14; 8:45 am]

BILLING CODE 4810-33-P

<sup>7</sup> This provision does not supersede other regulatory requirements regarding the composition of the Board that apply to Federal savings associations. These institutions must continue to comply with such other requirements.

## DEPARTMENT OF TRANSPORTATION

### Federal Aviation Administration

#### 14 CFR Part 39

[Docket No. FAA-2014-0031; Directorate Identifier 2013-CE-054-AD]

RIN 2120-AA64

#### Airworthiness Directives; SOCATA 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 SOCATA Model TBM 700 airplanes that would supersede AD 99-07-11. 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 cracks on the outboard hinge fittings. 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 March 13, 2014.

**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 SOCATA, Direction des Services, 65921 Tarbes Cedex 9, France; telephone +33 (0) 5 62 41 73 00; fax +33 (0) 5 62 41 76 54, or for North America: SOCATA NORTH AMERICA, North Perry Airport, 7501 South Airport Road, Pembroke Pines, Florida 33023; telephone: (954) 893-1400; fax: (954) 964-4141; email: [mysocata@socata.daher.com](mailto:mysocata@socata.daher.com); Internet: [www.mysocata.com](http://www.mysocata.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> by searching for and locating it in Docket No. FAA-2014-0031; 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:** Albert Mercado, Aerospace Engineer, FAA, Small Airplane Directorate, 901 Locust, Room 301, Kansas City, Missouri 64106; telephone: (816) 329-4119; fax: (816) 329-4090; email: [albert.mercado@faa.gov](mailto:albert.mercado@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-2014-0031; Directorate Identifier 2013-CE-054-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

On March 18, 1999, we issued AD 99-07-11, Amendment 39-11096 (64 FR 14820, March 29, 1999) ("AD 99-07-11"). That AD required actions intended to address an unsafe condition on the products listed above.

Since we issued AD 99-07-11, SOCATA determined that the cause of the cracks in the horizontal stabilizer outboard hinge fitting was due to the incorrect installation of the fittings during production, which induced stress. SOCATA has issued new mandatory service information to

require a modification to the outboard hinge fittings of the horizontal stabilizer to eliminate the stress.

The European Aviation Safety Agency (EASA), which is the Technical Agent for the Member States of the European Community, has issued AD No. 2013-0035, dated February 22, 2013 (referred to after this as "the MCAI"), to correct an unsafe condition for the specified products. The MCAI states: During the 1990s, several occurrences were reported of finding cracks in the outboard hinge fittings of the horizontal stabiliser on TBM 700 aeroplanes.

This condition, if not detected and corrected, could result in rupture of the outboard hinge fittings, which would adversely affect the structural integrity of the horizontal stabiliser. The in-flight loss of the horizontal stabiliser would result in reduced control of the aeroplane.

To address this unsafe condition, DGAC France issued AD 1999-060(A), requiring repetitive inspections of the fittings and, depending on findings, corrective action. After that AD was issued, SOCATA determined that the cause of the cracks was a wrong installation of the fittings during production, inducing stress. Consequently, DGAC France issued AD 2000-307(A), partially retaining the requirements of DGAC France AD 1999-060(A), which was superseded, and required, depending on findings, that the installation of the fittings of in-service aeroplanes be rectified by introduction of adjusting shims, a modification which was introduced as standard on the production line from MSN 162. The periodical inspection of the fittings for cracks was still required, pending a better understanding of the cause of the cracks. Since DCAG France AD 2000-307(A) was issued, the results of the further analysis revealed that the final design (installation of shims on the outboard hinge fittings of the horizontal stabiliser) guarantees a service fatigue life which exceeds the one established for the TBM 700 during certification. Consequently, for aeroplanes with this modification, the repetitive inspections of the fittings can be discontinued. However, as the installation of the fittings was only required depending on findings, this modification may not have been accomplished on all affected aeroplanes.

For the reasons described above, this AD supersedes (and thereby cancels the requirements of) DGAC France AD 2000-307(A) and requires installation of shims on the outboard hinge fittings of the horizontal stabiliser.

You may examine the MCAI on the Internet at <http://www.regulations.gov> by searching for and locating it in Docket No. FAA-2014-0031.

##### Relevant Service Information

DAHER-SOCATA has issued TBM Aircraft Mandatory Service Bulletin SB 70-080, Amendment 2, dated August 2012. 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.

##### Costs of Compliance

We estimate that this proposed AD will affect 159 products of U.S. registry. We also estimate that it would take about 6.5 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 \$500 per product.

Based on these figures, we estimate the cost of the proposed AD on U.S. operators to be \$167,347.50, or \$1,052.50 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.

#### 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 removing Amendment 39–11096 (64 FR 14820, March 29, 1999), and adding the following new AD:

**SOCATA:** Docket No. FAA–2014–0031; Directorate Identifier 2013–CE–054–AD.

##### (a) Comments Due Date

We must receive comments by March 13, 2014.

##### (b) Affected ADs

This AD supersedes AD 99–07–11, Amendment 39–11096 (64 FR 14820, March 29, 1999).

##### (c) Applicability

This AD applies to SOCATA TBM 700 airplanes, manufacturer serial numbers (MSN) 1 through 98, 100 through 156, and 158 through 161, certificated in any category.

##### (d) Subject

Air Transport Association of America (ATA) Code 55: Stabilizers.

##### (e) Reason

This AD was prompted by 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 cracks on the outboard hinge fittings. We are issuing this AD to require the use of new service

information issued by DAHER–SOCATA to eliminate the stress on the outboard hinge fittings, which is causing the cracks. If this condition is not prevented, the outboard hinge fittings could fail causing reduced structural integrity of the horizontal stabilizer, which could result in reduced control.

#### (f) Actions and Compliance

Unless already done, within the next 100 hours time-in-service after the effective date of this AD or within the next 12 months after the effective date of this AD, whichever occurs first, install shims on the outboard hinge fittings of the horizontal stabilizer. Do the modification following the Accomplishment Instructions in DAHER–SOCATA TBM Aircraft Mandatory Service Bulletin SB 70–080, Amendment 2, dated August 2012.

#### (g) Other FAA AD Provisions

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: Albert Mercado, Aerospace Engineer, FAA, Small Airplane Directorate, 901 Locust, Room 301, Kansas City, Missouri 64106; telephone: (816) 329–4119; fax: (816) 329–4090; email: [alebert.mercado@faa.gov](mailto:alebert.mercado@faa.gov). 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.

#### (h) Related Information

Refer to MCAI European Aviation Safety Agency (EASA) AD No. 2013–0035, dated February 22, 2013, for related information. You may examine the MCAI on the Internet at <http://www.regulations.gov> by searching for and locating it in Docket No. FAA–2014–0031. For service information related to this AD, contact SOCATA, Direction des Services, 65921 Tarbes Cedex 9, France; telephone +33 (0) 5 62 41 73 00; fax +33 (0) 5 62 41 76 54, or for North America: SOCATA NORTH AMERICA, North Perry Airport, 7501 South Airport Road, Pembroke Pines, Florida 33023; telephone: (954) 8–9893–1400; fax: (954) 964–4141; email: [mysocata@socata.daher.com](mailto:mysocata@socata.daher.com); Internet: [www.mysocata.com](http://www.mysocata.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 January 17, 2014.

**Pat Mullen,**

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

[FR Doc. 2014–01470 Filed 1–24–14; 8:45 am]

**BILLING CODE 4910–13–P**

## DEPARTMENT OF THE TREASURY

### Internal Revenue Service

#### 26 CFR Part 1

[REG–141036–13]

RIN 1545–BL91

#### Minimum Essential Coverage and Other Rules Regarding the Shared Responsibility Payment for Individuals

**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 requirement to maintain minimum essential coverage enacted by the Patient Protection and Affordable Care Act and the Health Care and Education Reconciliation Act of 2010, as amended by the TRICARE Affirmation Act and Public Law 111–173. These proposed regulations affect individual taxpayers who may be liable for the shared responsibility payment for not maintaining minimum essential coverage. This document also provides notice of a public hearing on these proposed regulations.

**DATES:** Comments must be received by April 28, 2014. Outlines of topics to be discussed at the public hearing scheduled for May 21, 2014, at 10 a.m., must be received by April 28, 2014.

**ADDRESSES:** Send submissions to: CC:PA:LPD:PR (REG–141036–13), 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–141036–13), Courier's Desk, Internal Revenue Service, 1111 Constitution Avenue NW., Washington, DC, or sent electronically via the Federal eRulemaking Portal at [www.regulations.gov](http://www.regulations.gov) (IRS REG–141036–13). The public hearing will be held in the IRS Auditorium, Internal Revenue Building, 1111 Constitution Avenue NW., Washington, DC.

**FOR FURTHER INFORMATION CONTACT:** Concerning the proposed regulations, Sue-Jean Kim or John B. Lovelace, (202)