To prevent arcing of connectors of the fuel boost/transfer pump, which could result in a fire or explosion of the fuel tank, accomplish the following:

Repetitive Tests and Inspections

(a) Within 6 months after the effective date of this AD, do tests (using a digital multimeter and Quadtech 1864 megohm meter or an equivalent megohm meter that meets current and voltage requirements, as specified in the applicable service bulletin) for electrical continuity and resistance and general visual inspections to detect discrepancies (e.g., damage, arcing, loose parts, wear) of the fuel boost/transfer pump (alternating current pumping unit) by accomplishing all the actions specified in the Accomplishment Instructions of Boeing Alert Service Bulletin MD11-28A112, including Appendix, dated December 11, 2000 (for Model MD-11 and -11F airplanes); or Boeing Alert Service Bulletin DC10-28A228, including Appendix, dated December 11, 2000, or Revision 01, dated July 16, 2001, or Revision 02, dated December 7, 2001 (for Model DC-10-10, -10F, -15, -30, -30F, -30F (KC10A and KDC-10), -40, and -40F airplanes, and Model MD-10-10F and -30F airplanes); as applicable. Repeat the tests and inspections thereafter every 18 months.

Note 3: For the purposes of this AD, a general visual inspection is defined as: "A visual examination of an interior or exterior area, installation, or assembly to detect obvious damage, failure, or irregularity. This level of inspection is made from within touching distance unless otherwise specified. A mirror may be necessary to enhance visual access to all exposed surfaces in the inspection area. This level of inspection is made under normally available lighting conditions such as daylight, hangar lighting, flashlight, or droplight and may require removal or opening of access panels or doors. Stands, ladders, or platforms may be required to gain proximity to the area being checked.

Corrective Actions, If Necessary

(b) If the result of any test required by paragraph (a) of this AD is outside the limits specified in the applicable service bulletin identified in that paragraph, or if any discrepancy is detected during any inspection required by paragraph (a) of this AD, before further flight, accomplish corrective actions (e.g., replacement of connector/wire assembly with serviceable connector/wire assembly, and replacement of the pump with a serviceable fuel boost/ transfer pump), as applicable, in accordance with the Accomplishment Instructions of Boeing Alert Service Bulletin MD11-28A112, including Appendix, dated December 11, 2000 (for Model MD-11 and -11F airplanes); or Boeing Alert Service Bulletin DC10-28A228, including Appendix, dated December 11, 2000, Revision 01, dated July 16, 2001, or Revision 02, dated December 7, 2001 (for Model DC-10-10, -10F, -15, -30, -30F, -30F (KC10A and KDC-10), -40, and -40F airplanes, and Model MD-10-10F and –30F airplanes); as applicable.

Alternative Methods of Compliance

(c) An alternative method of compliance or adjustment of the compliance time that

provides an acceptable level of safety may be used if approved by the Manager, Los Angeles Aircraft Certification Office (ACO), FAA. Operators shall submit their requests through an appropriate FAA Principal Maintenance Inspector, who may add comments and then send it to the Manager, Los Angeles ACO.

Note 4: Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the Los Angeles ACO.

Special Flight Permits

(d) Special flight permits may be issued in accordance with sections 21.197 and 21.199 of the Federal Aviation Regulations (14 CFR 21.197 and 21.199) to operate the airplane to a location where the requirements of this AD can be accomplished.

Incorporation by Reference

(e) The actions shall be done in accordance with Boeing Alert Service Bulletin MD11 28A112, including Appendix, dated December 11, 2000; Boeing Alert Service Bulletin DC10-28A228, including Appendix, dated December 11, 2000; Boeing Alert Service Bulletin DC10-28A228, including Appendix, Revision 01, dated July 16, 2001; or Boeing Alert Service Bulletin DC10-28A228, including Appendix, Revision 02, dated December 7, 2001; as applicable. This incorporation by reference was approved by the Director of the Federal Register in accordance with 5 U.S.C. 552(a) and 1 CFR part 51. Copies may be obtained from Boeing Commercial Aircraft Group, Long Beach Division, 3855 Lakewood Boulevard, Long Beach, California 90846, Attention: Data and Service Management, Dept. C1-L5A (D800-0024). Copies may be inspected at the FAA, Transport Airplane Directorate, 1601 Lind Avenue SW., Renton, Washington; at the FAA, Los Angeles Aircraft Certification Office, 3960 Paramount Boulevard, Lakewood, California; or at the Office of the Federal Register, 800 North Capitol Street NW., Suite 700, Washington, DC.

Effective Date

(f) This amendment becomes effective on August 12, 2002.

Issued in Renton, Washington, on June 25, 2002.

Kalene C. Yanamura,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service. [FR Doc. 02–16531 Filed 7–5–02; 8:45 am]

BILLING CODE 4910-13-P

COMMODITY FUTURES TRADING COMMISSION

17 CFR Part 30

Foreign Futures and Options Transactions

AGENCY: Commodity Futures Trading Commission.

ACTION: Order.

SUMMARY: The Commodity Futures Trading Commission ("Commission" or "CFTC") is granting an exemption to firms designated by the Brazilian Bolsa de Mercadorias & Futuros ("BM&F") from the application of certain of the Commission's foreign futures and option rules based on substituted compliance with certain comparable regulatory and self-regulatory requirements of a foreign regulatory authority consistent with conditions specified by the Commission, as set forth herein. This Order is issued pursuant to Commission Rule 30.10, which permits specified persons to file a petition with the Commission for exemption from the application of certain of the rules set forth in Part 30 and authorizes the Commission to grant such an exemption if such action would not be otherwise contrary to the public interest or to the purposes of the provision from which exemption is sought.

EFFECTIVE DATE: July 8, 2002.

FOR FURTHER INFORMATION CONTACT:

Lawrence B. Patent, Esq., Associate Chief Counsel, Susan A. Elliott, Esq., Staff Attorney, or Andrew V. Chapin, Esq., Staff Attorney, Division of Trading and Markets, Commodity Futures Trading Commission, 1155 21st Street, NW., Washington, DC 20581. Telephone: (202) 418–5430.

SUPPLEMENTARY INFORMATION: The Commission has issued the following Order:

Order Under CFTC Rule 30.10 Exempting Firms Designated by the Bolsa de Mercadorias & Futuros ("BM&F") From the Application of Certain of the Foreign Futures and Option Rules the Later of the Date of Publication of the Order Herein in the Federal Register or After Filing of Consents by Such Firms and the Regulatory or Self-Regulatory Organization, as Appropriate, to the Terms and Conditions of the Order Herein

Commission rules governing the offer and sale of commodity futures and option contracts traded on or subject to the rules of a foreign board of trade to customers located in the U.S. are contained in Part 30 of the Commission's rules.¹ These rules include requirements for intermediaries with respect to registration, disclosure, capital adequacy, protection of customer funds, recordkeeping and reporting, and sales practice and compliance procedures, that are generally comparable to those applicable to transactions on U.S. markets.

 $^{^{\}rm 1}$ Commission rules referred to herein are found at 17 CFR Ch. I (2001).

In formulating a regulatory program to govern the offer and sale of foreign futures and option products to customers located in the U.S., the Commission, among other things, considered the desirability of ameliorating the potential extraterritorial impact of such a program and avoiding duplicative regulation of firms engaged in international business. Based upon these considerations, the Commission determined to permit persons located outside the U.S. and subject to a comparable regulatory structure in the jurisdiction in which they were located to seek an exemption from certain of the requirements under Part 30 of the Commission's rules based upon substituted compliance with the regulatory requirements of the foreign jurisdiction.

Appendix A to Part 30, "Interpretative Statement With Respect to the Commission's Exemptive Authority Under 30.10 of Its Rules" ("Appendix A"), generally sets forth the elements the Commission will evaluate in determining whether a particular regulatory program may be found to be comparable for purposes of exemptive relief pursuant to Rule 30.10.2 These elements include: (1) Registration, authorization or other form of licensing, fitness review or qualification of persons through whom customer orders are solicited and accepted; (2) minimum financial requirements for those persons who accept customer funds; (3) protection of customer funds from misapplication; (4) recordkeeping and reporting requirements; (5) sales practice standards; (6) procedures to audit for compliance with, and to take action against those persons who violate, the requirements of the program; and (7) information sharing arrangements between the Commission and the appropriate governmental and/ or self-regulatory organization to ensure Commission access on an "as needed" basis to information essential to maintaining standards of customer and market protection within the U.S.

Moreover, the Commission specifically stated in adopting Rule 30.10 that no exemption of a general nature would be granted unless the persons to whom the exemption is to be applied: (1) Submit to jurisdiction in the U.S. by designating an agent for service of process in the U.S. with respect to transactions subject to Part 30 and filing a copy of the agency agreement with the National Futures Association ("NFA"); (2) agree to provide access to their books and records in the U.S. to Commission and Department of Justice

representatives; and (3) notify NFA of the commencement of business in the LLS 3

By letter dated May 24, 2001 and subsequent correspondence through November 14, 2001, BM&F petitioned the Commission on behalf of members of the Exchange who are Clearing Members or Commodities Brokerage Houses, located and doing business in Brazil, for an exemption from the application of the Commission's Part 30 rules to those firms. In support of its petition, BM&F states that granting such an exemption with respect to such firms that it has authorized to conduct foreign futures and options transactions on behalf of customers located in the U.S. would not be contrary to the public interest or to the purposes of the provisions from which the exemption is sought because such firms are subject to a regulatory framework comparable to that imposed by the Commodity Exchange Act ("Act") and the rules thereunder.

Based upon a review of the petition, supporting materials filed by BM&F and the recommendation of the Commission's staff, the Commission has concluded that the standards for relief set forth in Rule 30.10 and, in particular, Appendix A thereof, have been met and that compliance with applicable Brazilian law and BM&F rules may be substituted for compliance with those sections of the Act and rules thereunder more particularly set forth herein.

By this Order, the Commission hereby exempts, subject to specified conditions, those firms identified to the Commission by BM&F as eligible for the relief granted herein from:

- Registration with the Commission for firms and for firm representatives;
- —The requirement in Commission Rule 30.6(a) and (d), 17 CFR 30.6(a) and (d), that firms provide customers located in the U.S. with the risk disclosure statements in Commission Rule 1.55(b), 17 CFR 1.55(b) and Commission Rule 33.7, 17 CFR 33.7, or as otherwise approved under Commission Rule 1.55(c), 17 CFR 1.55(c);
- —The separate account requirement contained in Commission Rule 30.7, 17 CFR 30.7;
- —Those sections of Part 1 of the Commission's financial rules that apply to foreign futures and options sold in the U.S. as set forth in Part 30; and
- —Those sections of Part 1 of the Commission's rules relating to books and records which apply to transactions subject to Part 30,

based upon substituted compliance by such persons with the applicable

statutes and regulations in effect in Brazil.

This determination to permit substituted compliance is based on, among other things, the Commission's finding that the regulatory scheme governing persons in Brazil who would be exempted hereunder provides:

- (1) A system of qualification or authorization of firms who deal in transactions subject to regulation under Part 30 that includes, for example, criteria and procedures for granting, monitoring, suspending and revoking licenses, and provisions for requiring and obtaining access to information about authorized firms and persons who act on behalf of such firms;
- (2) Financial requirements for firms including, without limitation, a requirement for a minimum level of working capital and daily mark-to-market settlement and/or accounting procedures;
- (3) A system for the protection of customer assets that is designed to preclude the use of customer assets to satisfy house obligations and requires separate accounting for such assets;
- (4) Recordkeeping and reporting requirements pertaining to financial and trade information;
- (5) Sales practice standards for authorized firms and persons acting on their behalf that include, for example, required disclosures to prospective customers and prohibitions on improper trading advice;
- (6) Procedures to audit for compliance with, and to redress violations of, customer protection and sales practice requirements including, without limitation, an affirmative surveillance program designed to detect trading activities that take advantage of customers, and the existence of broad powers of investigation relating to sales practice abuses: and
- (7) Mechanisms for sharing of information between the Commission, BM&F, and the Brazilian regulatory authorities on an "as needed" basis including, without limitation, confirmation data, data necessary to trace funds related to trading futures products subject to regulation in Brazil, position data, and data on firms' standing to do business and financial condition.

This Order does not provide an exemption from any provision of the Act or rules thereunder not specified herein, for example, without limitation, the antifraud provision in Rule 30.9. Moreover, the relief granted is limited to brokerage activities undertaken on behalf of customers located in the U.S. with respect to transactions on or subject to the rules of BM&F for products that customers located in the U.S. may trade.⁴ The relief does not

³ 52 FR 28980, 28981 and 29002.

⁴This Order granting exemptive relief does not authorize the offer or sale of any contract beyond the scope of the Part 30 rules or otherwise inconsistent with the CEA. Thus, for example, BM&F members may not offer or sell to U.S. customers any security futures product. See, e.g., Sections 2(a)(1)(c) and (d) of the Commodity Exchange Act.

² 52 FR 28990, 29001 (August 5, 1987).

extend to rules relating to trading, directly or indirectly, on U.S. exchanges. For example, a firm trading in U.S. markets for its own account would be subject to the Commission's large trader reporting requirements.5 Similarly, if such a firm were carrying a position on a U.S. exchange on behalf of foreign clients, it would be subject to the reporting requirements applicable to foreign brokers.⁶ The relief herein is inapplicable where the firm solicits or accepts orders from customers located in the U.S. for transactions on U.S. markets. In that case, the firm must comply with all applicable U.S. laws and regulations, including the requirement to register in the appropriate capacity.

The relief also does not extend to trading, directly or indirectly, on any other non-U.S. exchanges. Should BM&F seek to extend the Rule 30.10 relief set forth herein to permit designated members to solicit and accept orders from customers located in the U.S. for otherwise permitted transactions on any other non-U.S. exchange, it must apply for and receive prior approval from the Commission.

The eligibility of any firm to seek relief under this exemptive Order is subject to the following conditions:

- (1) The regulatory or self-regulatory organization responsible for monitoring the compliance of such firms with the regulatory requirements described in the Rule 30.10 petition must represent in writing to the CFTC that:
- (a) Each firm for which relief is sought is registered, licensed or authorized, as appropriate, and is otherwise in good standing under the standards in place in Brazil; such firm is engaged in business with customers in Brazil as well as in the U.S.; and such firm and its principals and employees who engage in activities subject to Part 30 would not be statutorily disqualified from registration under Section 8a(2) of the Act, 7 U.S.C. 12(a)(2);
- (b) It will monitor firms to which relief is granted for compliance with the regulatory requirements for which substituted compliance is accepted and will promptly notify the Commission or NFA of any change in status of a firm that would affect its continued eligibility for the exemption granted hereunder, including the termination of its activities in the U.S.;
- (c) All transactions with respect to customers made in the U.S. will be made on or subject to the rules of BM&F and the Commission will receive prompt notice of all material changes to the relevant laws in Brazil, any rules promulgated thereunder and BM&F rules;
- (d) Customers located in the U.S. will be provided no less stringent regulatory

protection than Brazilian customers under all relevant provisions of Brazilian law; and

(e) It will cooperate with the Commission with respect to any inquiries concerning any activity subject to regulation under the Part 30 rules, including sharing the information specified in Appendix A on an "as needed" basis and will use its best efforts to notify the Commission if it becomes aware of any information that in its judgment affects the financial or operational viability of a member firm doing business in the U.S. under the exemption granted by this Order.

(2) Each firm seeking relief hereunder must represent in writing that it:

(a) Is located outside the U.S., its territories and possessions, and where applicable, has subsidiaries or affiliates domiciled in the U.S. with a related business (e.g., banks and broker/dealer affiliates) along with a brief description of each subsidiary's or affiliate's identity and principal business in the U.S.;

(b) Consens to jurisdiction in the U.S. under the Act by filing a valid and binding appointment of an agent in the U.S. for service of process in accordance with the requirements set forth in Rule 30.5;

(c) Agrees to provide access to its books and records related to transactions under Part 30 required to be maintained under the applicable statutes and regulations in effect in Brazil upon the request of any representative of the Commission or U.S. Department of Justice at the place in the U.S. designated by such representative, within 72 hours, or such lesser period of time as specified by that representative as may be reasonable under the circumstances after notice of the request;

(d) Has no principal, or employee who solicits or accepts orders from customers located in the U.S., who would be disqualified under Section 8a(2) of the Act, 7 U.S.C. 12(a)(2), from directly applying to do business in the U.S.;

(e) Consents to participate in any NFA arbitration program that offers a procedure for resolving customer disputes on the papers where such disputes involve representations or activities with respect to transactions under Part 30, even in circumstances where the claim involves a matter arising primarily out of delivery, clearing, settlement or floor practices, and consents to notify customers located in the U.S. of the availability of such a program;

(f) Undertakes to comply with the applicable provisions of Brazilian laws and BM&F rules that form the basis upon which this exemption from certain provisions of the Act and rules thereunder is granted; and

(g) Consents that all futures transactions for customers located in the U.S. will be undertaken from a location in Brazil (except as otherwise permitted by the Commission) solely with respect to transactions on or subject to the rules of BM&F, and which U.S. customers may trade.

As set forth in the Commission's September 11, 1997 Order delegating to NFA certain responsibilities, the written representations set forth in paragraph (2) shall be filed with NFA.⁷ Each firm seeking relief hereunder has an ongoing obligation to notify NFA should there be a material change to any of the representations required in the firm's application for relief.

This Order will become effective as to any designated BM&F member firm the later of the date of publication of the Order in the **Federal Register** or the filing of the consents set forth in paragraph (2). Upon filing of the notice required under paragraph (1)(b) as to any such firm, the relief granted by this Order may be suspended immediately as to that firm. That suspension will remain in effect pending further notice by the Commission, or the Commission's designee, to the firm and BM&F.

This Order is issued pursuant to Rule 30.10 based on the comparability representations made and supporting material provided to the Commission and the recommendation of the staff, and is made effective as to any firm granted relief hereunder based upon the filings and representations of such firms required hereunder. Any material changes or omissions in the facts and circumstances pursuant to which this Order is granted might require the Commission to reconsider its finding that the standards for relief set forth in Rule 30.10 and, in particular, Appendix A, have been met. Further, if experience demonstrates that the continued effectiveness of this Order in general, or with respect to a particular firm, would be contrary to public policy or the public interest, or that the systems in place for the exchange of information or other circumstances do not warrant continuation of the exemptive relief granted herein, the Commission may condition, modify, suspend, terminate, withhold as to a specific firm, or otherwise restrict the exemptive relief granted in this Order, as appropriate, on its own motion.

The Commission will continue to monitor the implementation of its program to exempt firms located in jurisdictions generally deemed to have a comparable regulatory program from the application of certain of the foreign futures and option rules and will make necessary adjustments if appropriate.

⁵ See, e.g., 17 CFR part 18 (2001).

⁶ See, e.g., 17 CFR parts 17 and 21 (2001).

 $^{^7}$ 62 FR 47792, 47793 (September 11, 1999). Among other duties, the Commission authorized

NFA to receive requests for confirmation of Rule 30.10 relief on behalf of particular firms, to verify such firms' fitness and compliance with the conditions of the appropriate Rule 30.10 Order and to grant exemptive relief from registration to qualifying firms.

Issued in Washington, DC on June 28, 2002.

Jean A. Webb,

Secretary of the Commission. [FR Doc. 02–16911 Filed 7–5–02; 8:45 am]

BILLING CODE 6351-01-P

DEPARTMENT OF TRANSPORTATION

Coast Guard

33 CFR Part 117

[CGD01-02-070]

Drawbridge Operation Regulations: Little Harbor, NH

AGENCY: Coast Guard, DOT.

ACTION: Notice of temporary deviation from regulations.

SUMMARY: The Commander, First Coast Guard District, has issued a temporary deviation from the drawbridge operation regulations for the SR1B Bridge, mile 1.0, between New Castle and Rye, New Hampshire. This deviation from the regulations, effective from July 15, 2002 through July 16, 2002, allows the bridge to remain in the closed position for vessel traffic. This temporary deviation is necessary to facilitate scheduled maintenance repairs at the bridge.

DATES: This deviation is effective from July 15, 2002 through July 16, 2002.

FOR FURTHER INFORMATION CONTACT: John McDonald, Project Officer, First Coast Guard District, at (617) 223–8364.

SUPPLEMENTARY INFORMATION: The existing drawbridge operating regulations are listed at 33 CFR 117.699.

The bridge owner, New Hampshire Department of Transportation (NHDOT), requested a temporary deviation from the drawbridge operating regulations to facilitate necessary electrical repairs at the bridge.

This deviation to the operating regulations, effective from 7 a.m. on July 15, 2002 through 3:30 p.m. on July 16, 2002, allows the SR1B Bridge to remain in the closed position for vessel traffic. There have been few requests to open this bridge in past years since this is a back channel to the Piscataqua River. Vessels may take an alternative route on the Piscataqua River to transit.

This deviation from the operating regulations is authorized under 33 CFR 117.35, and will be performed with all due speed in order to return the bridge to normal operation as soon as possible.

Dated: June 25, 2002.

V.S. Crea.

Rear Admiral, U.S. Coast Guard, Commander, First Coast Guard District.

[FR Doc. 02-17006 Filed 7-5-02; 8:45 am]

BILLING CODE 4910-15-P

DEPARTMENT OF TRANSPORTATION

Coast Guard

33 CFR Part 117

[CGD01-02-071]

Drawbridge Operation Regulations: Hampton River, NH

AGENCY: Coast Guard, DOT.

ACTION: Notice of temporary deviation

from regulations.

SUMMARY: The Commander, First Coast Guard District, has issued a temporary deviation from the drawbridge operation regulations for the SR1A Bridge, mile 0.0, across the Hampton River in New Hampshire. This deviation from the regulations, effective from December 2, 2002 through January 30, 2003, allows the bridge to remain in the closed position for vessel traffic. This temporary deviation is necessary to facilitate scheduled maintenance on the bridge.

DATES: This deviation is effective from December 2, 2002 through January 30, 2003.

FOR FURTHER INFORMATION CONTACT: John McDonald, Project Officer, First Coast Guard District, at (617) 223–8364.

SUPPLEMENTARY INFORMATION: The existing drawbridge operating regulations are listed at 33 CFR 117.697.

The bridge owner, New Hampshire Department of Transportation (NHDOT), requested a temporary deviation from the drawbridge operating regulations to facilitate necessary mechanical repairs at the bridge.

This deviation to the operating regulations, effective from December 2, 2002 through January 30, 2003, allows the SR1A Bridge to not open for vessel traffic. This repair work will be performed during the winter months when the bridge has few requests to open.

This deviation from the operating regulations is authorized under 33 CFR 117.35, and will be performed with all due speed in order to return the bridge to normal operation as soon as possible.

Dated: June 25, 2002.

V.S. Crea.

Rear Admiral, U.S. Coast Guard, Commander, First Coast Guard District.

[FR Doc. 02-17007 Filed 7-5-02; 8:45 am]

BILLING CODE 4910-15-P

DEPARTMENT OF TRANSPORTATION

Coast Guard

33 CFR Part 117

[CGD01-02-076]

Drawbridge Operation Regulations: Eastchester Creek, NY

AGENCY: Coast Guard, DOT.

ACTION: Notice of temporary deviation from regulations.

SUMMARY: The Commander, First Coast Guard District, has issued a temporary deviation from the drawbridge operation regulations governing the operation of the South Fulton Avenue Bridge, mile 2.9, across Eastchester Creek in New York. This deviation allows the bridge owner to keep the bridge in the closed position from 8 a.m. on Monday through 4:30 p.m. on Thursday, from July 22, 2002 through August 22, 2002. This action is necessary to facilitate structural maintenance on the bridge.

DATES: This deviation is effective from July 22, 2002 through August 22, 2002.

FOR FURTHER INFORMATION CONTACT: Joseph Schmied, Project Officer, First Coast Guard District, at (212) 668–7165.

SUPPLEMENTARY INFORMATION: The South Fulton Avenue Bridge has a vertical clearance of 6 feet at mean high water, and 13 feet at mean low water in the closed position. The existing drawbridge operating regulations are listed at 33 CFR 117.793.

The bridge owner, Westchester County Department of Public Works, requested a temporary deviation from the drawbridge operating regulations to facilitate scheduled structural maintenance, sidewalk replacement, at the bridge.

This deviation from the operating regulations allows the bridge owner to keep the bridge in the closed position from 8 a.m. on Monday through 4:30 p.m. on Thursday, July 22, 2002 through August 22, 2002.

This work is authorized under 33 CFR 117.35, and will be performed with all due speed in order to return the bridge to normal operation as soon as possible.