

Compliance

(e) Compliance with this AD is required as indicated, unless already done.

Inspection of the Master Magnetic Chip Detector (MCD) or the No. 1, 2, 3 Bearing Chamber MCD

(f) For engines that have a No. 3 bearing, part number 2A1165, installed, do the following:

(1) Within 125 hours time-in-service (TIS) after the effective date of this AD, inspect the master MCD or the No. 1, 2, 3 bearing chamber MCD.

(2) Thereafter, within 125 hours time-since-last inspection, inspect the master MCD or the No. 1, 2, 3 bearing chamber MCD.

(3) If you find bearing material on the master MCD or No. 1, 2, 3 bearing chamber MCD, replace the engine before further flight.

Alternative Methods of Compliance

(g) Alternative methods of compliance must be requested in accordance with 14 CFR part 39.19, and must be approved by the Manager, Engine Certification Office, FAA.

Material Incorporated by Reference

(h) None.

Related Information

(i) You can find information on inspecting the master MCD and the No. 1, 2, 3 bearing chamber MCD in section 79-00-00-601 of the Aircraft Maintenance Manual.

Issued in Burlington, Massachusetts, on May 29, 2003.

Francis A. Favara,

Acting Manager, Engine and Propeller Directorate, Aircraft Certification Service.

[FR Doc. 03-14133 Filed 6-4-03; 8:45 am]

BILLING CODE 4910-13-P

DEPARTMENT OF TRANSPORTATION**Federal Aviation Administration****14 CFR Part 71**

[Docket No. FAA-2002-13971; Airspace Docket No. 02-AAL-08]

Establishment of Class E Airspace; Marshall, AK

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule; correction.

SUMMARY: This action corrects a final rule that was published in the **Federal Register** on Monday, May 5, 2003, (68 FR 23580). The final rule established Class E airspace at Marshall, AK,

EFFECTIVE DATE: 0901 UTC, September 4, 2003.

FOR FURTHER INFORMATION CONTACT:

Derril Bergt, AAL-531, Federal Aviation Administration, 222 West 7th Avenue, Box 14, Anchorage, AK 99513-7587; telephone number (907) 271-2796; fax: (907) 271-2850; e-mail:

Derril.CTR.Bergt@faa.gov. Internet address: <http://www.alaska.faa.gov/at>.

SUPPLEMENTARY INFORMATION:**History**

Federal Register Document 03-11022 published on Monday, May 5, 2003, (68 FR 23580) established Class E airspace at Marshall, AK. The Class E airspace was defined with reference to the Airport Reference Point for the Marshall Don Hunter Sr. Airport, Marshall, AK. The published coordinates of the Marshall Don Hunter Sr. Airport were wrong and the name of the airport was incorrectly stated.

■ Accordingly, pursuant to the authority delegated to me, the Class E airspace at Marshall, AK as published in the **Federal Register** on Monday, May 5, 2003 (68 FR 23580) is corrected as follows:

PART 71—[Corrected]**§ 71.1 [Corrected]**

■ On page 23581, Column 2, second paragraph second line, change “(Marshall Airport, AK)” to read “(Marshall Don Hunter Sr. Airport, AK).” On page 23581, Column 2, second paragraph third line, change “(Lat. 61°51’53” N., long. 162°01’28” W.)” to “(Lat. 61°51’51” N., long. 162°01’34” W.)”

Issued in Anchorage, AK, on May 28, 2003.

Trent S. Cummings,

Manager, Air Traffic Division, Alaskan Region.

[FR Doc. 03-14162 Filed 6-4-03; 8:45 am]

BILLING CODE 4910-13-P

COMMODITY FUTURES TRADING COMMISSION**17 CFR Parts 30 and 40****Amendment to Appendix C of Part 40 and Redesignation as Appendix D of Part 30**

AGENCY: Commodity Futures Trading Commission.

ACTION: Final rule.

SUMMARY: The Commodity Futures Trading Commission (“Commission”) is revising its guidance specifying the information that a foreign board of trade should submit to Commission staff when seeking no-action relief to offer

and sell to persons located in the United States a futures contract on a foreign non-narrow-based security index traded on that board of trade. Specifically, the Commission is adding an introductory section to provide an explanation of how its staff evaluates information submitted by the foreign board of trade, is deleting information that it no longer deems necessary, and is adding a provision specifying that the foreign board of trade should, if applicable, make a request to make the futures contract available for trading in accordance with the terms and conditions of its Foreign Trading System No-Action letter received from Commission staff and certification of its continued compliance with that letter.

DATES: Effective June 5, 2003.

FOR FURTHER INFORMATION CONTACT:

Harold L. Hardman, Senior Assistant General Counsel (Regulation), (202) 418-5120, electronic mail: *hhardman@cftc.gov*; Julian E. Hammar, Counsel, (202) 418-5118, electronic mail: *jhammar@cftc.gov*, Office of General Counsel, or Thomas M. Leahy, Jr., Financial Instruments Unit Chief, (202) 418-5278, electronic mail: *t Leahy@cftc.gov*, Division of Market Oversight, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, NW., Washington, DC 20581.

SUPPLEMENTARY INFORMATION: In June of 1999, the Commission added Appendix E to Part 5 of 17 CFR Chapter I, which specified the information that a foreign board of trade should submit to Commission staff when seeking no-action relief to offer and sell to persons located in the United States (“U.S.”), a futures contract on a foreign security index traded on that foreign board of trade.¹ After the enactment of the Commodity Futures Modernization Act of 2000 (“CFMA”),² which extensively amended the Commodity Exchange Act (“Act”),³ the Commission reorganized its rules, and redesignated Appendix E as Appendix C to Part 40 of 17 CFR Chapter I.⁴ The Commission later made technical amendments to the Appendix amending that guidance to incorporate the changes made by the CFMA to the criteria for approving non-narrow-based security index futures contracts.⁵

¹ 64 FR 29217 (June 1, 1999).

² Appendix E of Pub. L. No. 106-554, 114 Stat. 2763 (2000).

³ 7 U.S.C. § 1 *et seq.* (2000).

⁴ 66 FR 42255 (Aug. 10, 2001).

⁵ 67 FR 62873 (Oct. 9, 2002). Generally, foreign exchange-traded security futures products (futures or options on narrow-based security indices or single securities), may not be offered or sold in the

Today, the Commission is further amending the guidance in Appendix C to part 40. Specifically, the Commission is adding introductory language that explains to the public how its staff uses the information requested by the Appendix in evaluating requests for no-action relief by foreign boards of trade seeking to offer and sell their futures contracts on security indices to persons located in the U.S. The Commission also is deleting certain information that it no longer deems necessary in evaluating such requests. Further, the Commission is adding a provision to the guidance specifying that the foreign board of trade should, if applicable, make a request to the staff to make the futures contract available for trading in accordance with the terms and conditions of its Foreign Trading System No-Action letter received from Commission staff and provide a certification of its continued compliance with that letter.⁶ This provision will obviate the need for the foreign board of trade to seek a separate letter from the Division of Market Oversight (“DMO”) in order to allow the offer and sale of its approved futures contract on its trading system in the U.S. pursuant to no-action relief provided by DMO staff.

In addition, the Commission is redesignating Appendix C of part 40 as Appendix D of part 30 of 17 CFR, Chapter I. The Commission’s rules in Part 30 govern foreign futures and options transactions, and accordingly it would be more appropriate for the guidance to foreign exchanges on foreign exchange-traded products to be placed there.

Because the information in newly designated Appendix D of part 30 represents guidance only, this amendment does not constitute a rule under the Administrative Procedure Act (“APA”), 5 U.S.C. 551 *et seq.*, and accordingly, the provisions of the APA that generally require notice of proposed rulemaking and that provide other opportunities for public participation are not applicable. For the same reason, the provisions of the Regulatory Flexibility Act, 5 U.S.C. 601 *et seq.*, concerning the impact of rules on small entities, and the Paperwork Reduction

U.S. until the Commission and the U.S. Securities and Exchange Commission (SEC) adopt rules governing such products. See Section 2(a)(1)(E) of the Act, 7 U.S.C. § 2(a)(1)(E) and Section 6(k) of the Securities Exchange Act of 1934, 15 U.S.C. § 78f(k). But see Section 2(a)(1)(F) of the Act, 7 U.S.C. § 2(a)(1)(F).

⁶ See the Commission’s Statement of Policy Regarding the Listing of New Futures and Option Contracts by Foreign Boards of Trade That Have Received Staff No-Action Relief to Place Electronic Trading Devices in the U.S., 65 FR 41641–01 (July 6, 2000).

Act of 1995, 44 U.S.C. 3507(d), concerning rules that contain collections of information, are inapplicable.

■ In view of the forgoing, the Commission hereby amends Chapter I of Title 17 of the Code of Federal Regulations as follows:

PART 40—PROVISIONS COMMON TO CONTRACT MARKETS, DERIVATIVES TRANSACTION EXECUTION FACILITIES AND DERIVATIVES CLEARING ORGANIZATIONS

■ 1. Appendix C to Part 40 is redesignated as Appendix D to Part 30.

PART 30—FOREIGN FUTURES AND FOREIGN OPTIONS TRANSACTIONS

■ 2. The authority citation for Part 30 continues to read as follows:

Authority: 7 U.S.C. 1a, 2, 4, 6, 6c and 12a, unless otherwise noted.

■ 3. In Part 30, newly designated appendix D is revised to read as follows:

Appendix D—Information That a Foreign Board of Trade Should Submit When Seeking No-Action Relief To Offer and Sell, to Persons Located in the United States, a Futures Contract on a Foreign Non-Narrow-Based Security Index Traded on That Foreign Board of Trade

A. Section 2(a)(1)(C)(iv) of the Commodity Exchange Act (“Act”) generally prohibits any person from offering or selling a futures contract based on a security index in the U.S., except as otherwise permitted under the Act, including Section 2(a)(1)(C)(ii) of the Act. By its terms, Section 2(a)(1)(C)(iv) of the Act applies to futures contracts on security indices traded on both domestic and foreign boards of trade. Section 2(a)(1)(C)(ii) of the Act sets forth three criteria to govern the trading of futures contracts on a group or index of securities on contract markets and derivatives transaction execution facilities:

(1) The contract must provide for cash settlement;

(2) The contract must not be readily susceptible to manipulation or to being used to manipulate any underlying security; and

(3) The group or index of securities must not constitute a narrow-based security index.

B. While Section 2(a)(1)(C)(ii) of the Act provides that no board of trade or derivatives transaction execution facility may trade a security index futures contract unless it meets the three criteria noted above, it does not explicitly address the standards to be

applied to a foreign security index futures contract traded on a foreign board of trade. The Office of General Counsel has applied those same three criteria in evaluating requests by foreign boards of trade to allow the offer and sale within the United States of their foreign security index futures contracts when those foreign boards of trade do not seek designation as a contract market or registration as a derivatives transaction execution facility to trade those products.¹

C. In the analysis of a no-action request for a foreign security index futures contract traded on a foreign board of trade, the Office of the General Counsel asks the Division of Market Oversight (Division) to evaluate the foreign security index futures contract to ensure that it complies with the three criteria of Section 2(a)(1)(C)(ii) of the Act.

D. Because security index futures contracts are cash settled, the Division also evaluates the contract to ensure that the contract terms and conditions relating to cash settlement are consistent with the Commission’s Guideline No. 1 requirements for cash settled contracts. In that regard, Guideline No. 1 requires that the cash price series be reliable, acceptable, publicly available and timely; that the cash settlement price be reflective of the underlying cash market; and that the cash settlement price not be readily susceptible to manipulation. In making its determination, the Division considers the design and maintenance of the index, the method of index calculation, the nature of the component security prices used to calculate the index, the breadth and frequency of index dissemination, and any other relevant factors.

E. In considering the susceptibility of an index to manipulation, the Division examines several factors, including the structure of the primary and secondary markets for the component equities, the liquidity of the component stocks, the method of index calculation, the total capitalization of stocks underlying the index, the number, weighting and capitalization of individual stocks in the index, and the existence of surveillance

¹ With regard to the third criterion, and CFTC and SEC jointly promulgated Rule 41.13 under the Act and Rule 3a55–3 under the Securities Exchange Act of 1934 (“Exchange Act”), governing security index futures contracts traded on foreign boards of trade. These rules provide that “[w]hen a contract of sale for future delivery on a security index is traded on or subject to the rules of a foreign board of trade, such index shall not be a narrow-based security index if it would not be a narrow-based security index if a futures contract on such index were traded on a designated contract market or registered derivatives transaction execution facility.” CFTC Rule 41.13, 17 C.F.R. § 41.13; Exchange Act Rule 3a55–3, 17 C.F.R. § 240.3a55–3.

sharing agreements between the board of trade and the securities exchange(s) on which the underlying securities are traded.

F. To verify that the index is not narrow based, the Division considers the number and weighting of the component securities and the value of average daily trading volume of the lowest weighted quartile of securities. Under the Act, a security index is narrow-based if it meets any one of the following criteria:

- (1) The index is composed of fewer than 10 securities;
- (2) Any single security comprises more than 30% of the total index weight;
- (3) The five largest securities comprise more than 60% of the total index weight; or
- (4) The lowest-weighted securities that together account for 25% of the total weight of the index have an aggregate dollar value of average daily trading volume of less than US\$30 million (or US\$50 million if the index includes fewer than 15 securities).

G. Accordingly, a foreign board of trade seeking no-action relief to offer and to sell, to persons located in the U.S., a futures contract on a non-narrow based foreign security index traded on that foreign board of trade should submit to the Office of General Counsel the following in English:

- (1) The terms and conditions of the contract and all other relevant rules of the exchange and, if applicable, of the exchange on which the underlying securities are traded, which have an effect on the over-all trading of the contract, including circuit breakers, price limits, position limits or other controls on trading;
- (2) Surveillance agreements between the foreign board of trade and the exchange(s) on which the underlying securities are traded;
- (3) Assurances from the foreign board of trade of its ability and willingness to share information with the Commission, either directly or indirectly;
- (4) When applicable, information regarding foreign blocking statutes and their impact on the ability of United States government agencies to obtain information concerning the trading of such contracts;
- (5) Information and data denoted in U.S. dollars (and the conversion date and rate used) relating to:
 - (i) The method of computation, availability, and timeliness of the index;
 - (ii) The total capitalization, number of stocks (including the number of unaffiliated issuers if different from the number of stocks), and weighting of the stocks by capitalization and, if applicable, by price in the index as well

as the combined weighting of the five highest-weighted stocks in the index;

(iii) Procedures and criteria for selection of individual securities for inclusion in, or removal from, the index, how often the index is regularly reviewed, and any procedures for changes in the index between regularly scheduled reviews;

(iv) Method of calculation of the case-settlement price and the timing of its public release;

(v) Average daily volume of trading, measured by share turnover and dollar value, in each of the underlying securities for a six-month period of time and, separately, the dollar value of the average daily trading volume of the securities comprising the lowest weighted 25% of the index for the past six calendar months, calculated pursuant to Commission Rule 41.11; and

(vi) If applicable, average daily futures trading volume;

(6) A statement that the index is not a narrow-based security index as defined in Section 1a(25) of the Act and the analysis supporting that statement; and

(7) When applicable, a request to make the futures contract available for trading in accordance with the terms and conditions of, and through the electronic trading devices identified in, the Foreign Trading System No-Action letter that the foreign board of trade received from Commission staff and a certification from the foreign board of trade that it is in compliance with the terms and conditions of that no-action letter.

Issued in Washington, DC on May 21, 2003, by the Commission.

Jean A. Webb,

Secretary of the Commission.

[FR Doc. 03-13414 Filed 6-4-03; 8:45 am]

BILLING CODE 6351-01-M

DEPARTMENT OF THE INTERIOR

Bureau of Indian Affairs

25 CFR Part 170

RIN 1076-AE34

Distribution of Fiscal Year 2003 Indian Reservation Roads Funds

AGENCY: Bureau of Indian Affairs, Interior.

ACTION: Temporary rule and request for comments.

SUMMARY: We are issuing a temporary rule requiring that we distribute 75 percent of available fiscal year 2003

Indian Reservation Roads (IRR) Program funds to projects on or near Indian reservations using the relative need formula. As we did in fiscal years 2000, 2001 and 2002, we are using the Federal Highway Administration (FHWA) Price Trends report for information to calculate the relative need formula, with appropriate modifications to address non-reporting states. We will distribute the balance of the remaining 25 percent of fiscal year 2003 IRR Program funds according to the relative need formula.

DATES: This temporary rule is effective June 5, 2003, through September 30, 2003. We will accept comments on this temporary rule until July 7, 2003.

ADDRESSES: You may send comments on the formula for distribution of the Fiscal Year 2003 IRR Program funds to: LeRoy Gishi, Chief, Division of Transportation, Office of Trust Responsibilities, Bureau of Indian Affairs, 1849 C Street, NW., MS-4058-MIB, Washington, DC 20240. Mr. Gishi may also be reached at (202) 208-4359.

FOR FURTHER INFORMATION CONTACT:

LeRoy Gishi, Chief, Division of Transportation, Office of Trust Responsibilities, Bureau of Indian Affairs, 1849 C Street, NW., MS-4058-MIB, Washington, DC 20240. Mr. Gishi may also be reached at 202-208-4359 (phone), or 202-208-4696 (fax).

SUPPLEMENTARY INFORMATION:

Background

Where Can I Find General Background Information on the Indian Reservation Roads Program, the Relative Need Formula, the FHWA Price Trends Report, and the Transportation Equity Act for the 21st Century (TEA-21) Negotiated Rulemaking Process?

The background information on the IRR Program, the relative need formula, the FHWA Price Trends Report, and the TEA-21 Negotiated Rulemaking process is detailed in the **Federal Register** Notice dated February 15, 2000 (65 FR 7431).

What Was the Basis for Distribution of Fiscal Years 2000, 2001 and 2002 IRR Program Funds?

For fiscal year 2000 IRR Program funds, the Secretary published a temporary and final distributing one-half of the funds in February 2000 and the second half of the funds in June 2000. For fiscal years 2001 and 2002 IRR Program funds, the Secretary published a temporary distributing 75 percent of the funds in January 2001 and January 2002 and the remaining 25 percent of the funds in March 2001 and July 2002. These distributions followed the TEA-21 Negotiated Rulemaking Committee's