

“DRAFT”



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Change:

This advisory circular (AC) describes an acceptable means, but not the only means, to apply for and obtain authorization to conduct a fractional ownership program under Title 14 of the Code of Federal Regulations (14 CFR) part [91](#) subpart [K](#). This AC also provides continuing guidance for a fractional ownership program.

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CHAPTER 1. GENERAL INFORMATION

1.1 Purpose.

- 1.1.1** This advisory circular (AC) provides background information and describes fractional ownership programs and the application approval process for obtaining management specifications (MSpecs) to operate under 14 CFR part [91](#) subpart [K](#) (part 91K).

Note: This is a guidance document. Its content is not legally binding in its own right and will not be relied upon by the Department as a separate basis for affirmative enforcement action or other administrative penalty.

Conformity with the guidance document is voluntary only. Nonconformity will not affect rights and obligations under existing statutes and regulations. However, if you use the means of compliance described in the AC, you must follow the methods and terms as laid out in this AC.

- 1.1.2** The information in this document will assist an applicant for MSpecs in completing the application approval process with minimal delays and complications. Note that this AC is not the sole source of educational information to applicants on what is needed for a successful application approval process, and applicants are encouraged to consult external resources, such as industry trade groups, for additional guidance.

- 1.2 Audience.** This AC provides guidance to fractional owners, fractional ownership program managers, or persons seeking to operate aircraft under the provisions of 14 CFR part 91K.

- 1.3 Where You Can Find This AC.** You can find this AC on the Federal Aviation Administration’s (FAA) website at https://www.faa.gov/regulations_policies/advisory_circulars and the Dynamic Regulatory System (DRS) at <https://drs.faa.gov>.

- 1.4 What This AC Cancels.** This AC cancels AC 91-84, Fractional Ownership Programs, dated March 31, 2009.

- 1.5 Related Regulations.** Title 14 CFR parts [21](#), [61](#), [91](#), [119](#), [121](#), [125](#), [135](#), and [142](#), and Title 49 of the Code of Federal Regulations (49 CFR) parts [171–180](#) (hazardous materials (hazmat)). The Code of Federal Regulations may be found at <https://drs.faa.gov/>.

1.6 Background.

- 1.6.1** The fractional ownership concept began in 1986 with the creation of an industry program that offered increased flexibility in aircraft ownership and operation. At that time, this program used existing aircraft acquisition concepts, including shared aircraft ownership, and provided for the management of the aircraft by an aircraft management company. The aircraft owners that participated in the program purchased a minimum share of an aircraft, shared that specific aircraft with others having an ownership interest in that aircraft, and participated in an aircraft exchange program with other owners in the program. The aircraft owners used a common management company to maintain the

aircraft, lease the aircraft among the owners, and provide other aviation expertise and professional management services.

- 1.6.2** Since then, the number of companies offering fractional ownership programs has grown. During the 1990s, this growth was substantial and sustained. While growth in new fractional ownership programs is minimal, the FAA expects existing programs to continue increasing in size.
- 1.6.3** As fractional ownership programs grew in size, complexity, and number, there was considerable controversy within the aviation community as to their appropriate regulatory structure. Additionally, the FAA had growing concerns regarding issues of accountability, operational control, and regulatory compliance. The debate centered on whether these operations were private or commercial. In October 1999, the FAA convened a special aviation rulemaking committee, the Fractional Ownership Aviation Rulemaking Committee (FOARC), to address the issues surrounding the regulation of fractional ownership program operations. The FOARC presented its recommendations to the FAA, which became the basis for the fractional ownership final rule and oversight program.
- 1.6.4** The Fractional Ownership Rule, published on September 17, 2003, identifies fractional ownership programs as private, general aviation programs conducted under 14 CFR part 91K. This subpart provides the regulatory definitions and safety standards for fractional ownership programs; defines the program and program elements; allocates operational control responsibilities and authority to the owners and program manager; and provides increased operational and maintenance safety requirements for fractional ownership programs. Additional requirements specific to fractional ownership program aircraft can be found in 14 CFR part 91 subpart [F](#).
- 1.6.5** Fractional ownership programs are subject to an FAA oversight program similar to that provided to air carriers, with the exception of line checks and en route inspections. FAA aviation safety inspectors (ASI) conduct scheduled and unscheduled inspections and surveillance of personnel, aircraft, records, and other documents to ensure compliance with the regulations.
- 1.7 AC Feedback Form.** For your convenience, the AC Feedback Form is the last page of this AC. Note any deficiencies found, clarifications needed, or suggested improvements regarding the contents of this AC on the Feedback Form.

CHAPTER 2. FRACTIONAL OWNERSHIP PROGRAMS

2.1 Program Descriptions and Determination of Appropriate Operating Regulations.

This paragraph defines a fractional ownership program under 14 CFR part [91](#) subpart [K](#) (part 91K). It also describes other air carrier or ownership options.

2.1.1 Fractional Ownership Program. Refer to 14 CFR § [91.1001\(b\)\(5\)](#). A fractional ownership program is a program of shared aircraft ownership that is conducted under the requirements of 14 CFR part 91. As defined in 14 CFR part 91K, a fractional ownership program must contain all of the following elements:

1. The provision for fractional ownership program management services by a single fractional ownership program manager on behalf of the fractional owners;
2. Two or more airworthy aircraft;
3. One or more fractional owners per program aircraft, with at least one program aircraft having more than one owner;
4. Possession of at least a minimum fractional ownership interest in one or more program aircraft by each fractional owner (1/16th for fixed-wing aircraft or powered-lift and 1/32nd for rotorcraft);
5. Dry lease exchange agreements among all of the fractional owners; and
6. Multiyear contracts or program agreements for management services and aircraft dry lease exchange.

Note: See Appendix [A](#), Definitions, for definitions pertaining to fractional ownership programs and program elements.

2.1.2 Operating Under Both 14 CFR Part 91K and Either 14 CFR Part [121](#) or [135](#). Refer to 14 CFR § [91.1007](#). A program manager can hold authority to operate under both 14 CFR part 91K and under 14 CFR part 121 or 135. Aircraft used in a fractional ownership program can be leased to an air carrier for operations under 14 CFR part 121 or 135. Title 14 CFR part 91K has provisions for these dual operations. Title 14 CFR § 91.1007(b) allows a program manager who also holds a certificate under 14 CFR part [119](#) to conduct a flight for a fractional owner under 14 CFR part 121 or 135 if the program aircraft is also listed on that certificate holder’s (CH) operations specifications (OpSpec) for 14 CFR part 121 or 135. The fractional owner must be informed whether a flight is being conducted as a program flight or is being conducted under 14 CFR part 121 or 135.

2.1.3 Operating Under 14 CFR Part 121 or 135 Instead of 14 CFR Part 91K. Refer to 14 CFR §§ [91.1005](#) and 91.1007. There are a number of scenarios under which a flight can be conducted under either 14 CFR part 121 or 135 instead of under 14 CFR part 91K:

2.1.3.1 There may be business or tax benefits for the purchase of an aircraft; however, the owner may not want the operational control responsibility or liability inherent in a fractional ownership program. In such cases, the owner will not sign the operational acknowledgment required by 14 CFR § [91.1013](#) and will

instead elect to have all of his or her flights conducted under air carrier or commercial operator rules, provided the program manager also holds a certificate under 14 CFR part 119 to operate under either 14 CFR part 121 or 135 and the aircraft is listed on the CH’s OpSpecs.

2.1.3.2 If a non-program aircraft is used to substitute for a program flight, the flight must be conducted under 14 CFR part 121 or 135 (refer to 14 CFR § 91.1007(a)).

2.1.3.3 If a person or property is carried for compensation or hire, the flight must be conducted under either 14 CFR part 121 or 135, unless the operation meets the criteria in 14 CFR § [91.501\(b\)](#) or [91.321](#).

2.1.3.4 If an owner exceeds the number of flight hours associated with the fractional owner’s share of ownership, the additional flights must be conducted under either 14 CFR part 121 or 135 unless the owner purchases additional shares.

2.1.3.5 If a person sells or leases an aircraft interest in a fractional ownership program that is smaller than the minimum fractional ownership interest, flights associated with that interest must be operated under either 14 CFR part 121 or 135.

2.1.4 Fractional Ownership Business Model Without a Fractional Ownership Program. If an operator elects to use a fractional ownership business model, but conducts all flights under 14 CFR part 121 or 135, as applicable, the following criteria apply:

- The operator must be certificated under 14 CFR part 119 to conduct operations under either 14 CFR part 121 or 135;
- All flights must be conducted in accordance with the operator’s issued OpSpecs;
- Because the operation is not conducted under 14 CFR part 91K, the FAA will not issue, and the operator is not required to maintain, MSpecs;
- Inform the owners that owner flights are being conducted under either 14 CFR part 121 or 135, as applicable; and
- The provisions of 14 CFR part 91K, including operational control responsibilities and acknowledgement requirements, do not apply.

2.1.5 Other Shared Aircraft Ownership/Arrangements. Any shared aircraft ownership or management arrangements that do not fit within the regulatory definitions or applicability of 14 CFR part 91K should be reviewed to determine the appropriate regulatory requirements (e.g., a shared aircraft arrangement where the owners pilot their own aircraft might more appropriately fit the definition of a flying club or other ownership option not subject to 14 CFR part 91K). Operations that involve compensation should be closely examined to determine if they can be operated under the provisions of 14 CFR § 91.501 (interchange, joint ownership, or time share); under exceptions to 14 CFR part 119, 121, or 135; or whether they are subject to the rules applicable to air carriers or

commercial operators. Programs marketed as fractional ownership programs that do not meet the regulatory definitions of a fractional ownership program should not continue to market the programs as a fractional ownership program. These programs are encouraged to change their marketing names to reflect the appropriate regulatory requirements.

2.2 Discussion of Fractional Ownership Program Elements. This paragraph provides additional information and guidance on elements of a fractional ownership program.

2.2.1 Two or More Airworthy Aircraft. To establish the dry lease exchange provision of the program, at least two aircraft are necessary. A program with a single aircraft and multiple owners does not meet the definition of fractional ownership and is more appropriately classified as either a joint ownership, partnership, or another form of shared aircraft ownership. An aircraft that is briefly or temporarily unairworthy because of mechanical failure or required maintenance or inspection does not affect the ability of the program to continue to operate under 14 CFR part 91K.

2.2.2 One or More Owners per Fractional Ownership Program Aircraft, with at Least One Aircraft Having More Than One Owner. The owners’ names are depicted on an aircraft’s registration certificate. A long term lease arrangement is considered to be a method of financing an ownership interest and is considered equivalent to an ownership interest.

2.2.3 Possession of a Minimum Fractional Ownership Interest in One or More Program Aircraft by Each Fractional Owner. Refer to 14 CFR § 91.1005(c). A substantive ownership interest is the essential element to validate fractional ownership as a private operation under 14 CFR part 91. A minimum share is at least 1/16th for a subsonic, fixed-wing, or powered-lift fractional ownership program aircraft, or at least 1/32nd for a rotorcraft fractional ownership program aircraft. Programs that provide more than 16 owners per aircraft, including subleased shares that result in an ownership interest smaller than 1/16th, or 1/32nd for rotorcraft, must operate under either 14 CFR part 121 or 135, as applicable. Ownership interests are converted to a number of hours based on a predetermined ratio or formula. Each owner’s use of the program aircraft cannot exceed the ownership share. Other methods of allocating owner’s hours of use may include a points system or allocated number of days of use, provided the formula is predetermined and equates to hours of use, and the owner’s use does not exceed the ownership share. The need for additional hours or use can be obtained through a number of means, including:

- Charter,
- Purchase of additional shares within that program, and
- Purchase of additional aircraft outside of that program.

2.2.4 Aircraft Owned in Whole or Part by the Program Manager. Refer to 14 CFR § 91.1001(b)(6). A program manager may own an entire aircraft or shares in an aircraft, which are used to supplement the program. These aircraft are referred to as “core aircraft.” For example, the program manager may own shares of an aircraft during the initial establishment of a program or may buy back shares in accordance with contract

requirements. Program manager-owned aircraft must be included in the dry lease exchange agreement.

2.2.5 Contracts and Program Agreements. An owner and program manager will sign contracts concerning the sale or long term lease of the aircraft, provision of management services, and for the dry lease exchange provisions of the program. Program agreements are multiyear agreements. Title 14 CFR part 91K does not specify the number of years in a multiyear contract.

2.2.5.1 Required Contracts and Agreements.

2.2.5.1.1 Management Contract. Refer to 14 CFR §§ [91.1003](#) and 91.1013. The management contract must include:

1. Requirements for the program manager to comply with all applicable regulations.
2. The owners’ right to audit program records directly related to the operational safety of the program, and compliance with management specifications (MSpecs) and applicable regulations.
3. The designation of the program manager as the owner’s agent for service. Normally, most correspondence, program approvals and coordination, and other contacts will take place between the Federal Aviation Administration (FAA) and the agent for service or identified points of contact.
4. Acknowledgement of the FAA’s right to directly contact an owner(s) (if the FAA determines that direct contact is necessary).
5. An operational control acknowledgement must be included with the management contract.

2.2.5.1.2 Dry Lease Aircraft Exchange Agreement Among All the Owners. The Dry Lease Exchange Agreement requires all owners to provide their share of their aircraft to other owners in the program. The agreement also includes core aircraft. It allows an owner to use any aircraft in the “program aircraft pool” for that program manager or affiliate of that program manager. An owner’s share of an aircraft equates to a predetermined number of flight hours, or ratio of flight hours, in the type or types of aircraft in the program fleet. The dry lease exchange provision applies to affiliate programs, but does not allow the dry lease exchange among other fractional ownership programs that are not affiliates.

2.2.5.2 Contract and Agreement Review. The program manager is responsible for preparing, executing, and maintaining all required program agreements and contracts. The owner is responsible for reviewing and signing all required program agreements and contracts. The program manager does not need to submit these documents for FAA approval. The FAA retains the right to inspect all program contracts and agreements. The program manager may

certify to the FAA that these agreements and contracts have been executed and contain the provisions required under 14 CFR part 91K.

Note: See Appendix [C](#) for a copy of the Sample Certification of the Execution of Agreements.

2.2.5.3 Amendments to Contracts and Agreements. The program manager may amend required contracts and agreements without FAA notification or reissuance of the Certification of the Execution of Agreements, as long as they contain the provisions required under 14 CFR part 91K. The program manager is required to maintain the current contracts and agreements.

2.3 Operational Control.

2.3.1 Title 14 CFR §§ [91.1009](#) through 91.1013. These sections set forth operational control responsibilities inherent in a fractional ownership program.

2.3.1.1 An individual owner is in operational control when they direct the carriage of people or property designated by the owner, and the aircraft is carrying those people or property. That owner has operational control regardless of whether they own the aircraft or use it under the dry lease exchange agreement.

2.3.1.2 The program manager has operational control when using the aircraft for administrative purposes such as training, sales demonstration, ferry, or positioning flights.

2.3.1.3 A 14 CFR part 121 or 135 air carrier has operational control when it leases and operates a program aircraft.

2.3.2 Fractional Owner. The fractional owner is ultimately responsible for safe operations and compliance with the regulations. The owner(s) may delegate the performance of tasks to the program manager and can rely on the program manager for aviation expertise and management services, but an owner cannot delegate his or her operational control responsibilities. When tasks are delegated, both the owner and the program manager are jointly and individually responsible for compliance. Enforcement of violations of the regulations could penalize the fractional owner, the program manager, or both, depending on the nature of the violation, and will be reviewed on a case-by-case basis. Enforcement could result in suspension or revocation of MSpecs, which could ultimately affect all owners in the program.

2.3.3 Acknowledgment of Owner’s Operational Control Responsibilities. Refer to 14 CFR § 91.1013. At the time an owner initially signs, renews, or extends a management contract, the program manager must brief the owner on the owner’s operational control responsibilities. At this time, the owner must sign an “Acknowledgment of Owner’s Operational Control Responsibilities.” The owner’s signature serves as an affirmation that they have read, understood, and accepted the operational control responsibilities. The Acknowledgment must:

1. Define when a fractional owner is in operational control.
2. Define the owner’s responsibilities and liabilities under the program. These include:
 - Responsibilities for compliance with MSpecs and applicable regulations, including owner prohibitions and limitations;
 - Enforcement actions for noncompliance; and
 - Liability risks in the event of a flight-related occurrence that causes personal injury or property damage.

2.4 Owner Prohibitions and Limitations. There are certain prohibitions and limitations on an owner specified in 14 CFR part 91K that should be addressed in program contracts and agreements. These include:

- 2.4.1** An owner cannot carry persons or property for compensation or hire on a program flight except for the carriage of candidates in Federal, State, and local elections in accordance with 14 CFR § 91.321, or as provided in 14 CFR § 91.501.
- 2.4.2** During the term of the multiyear agreement, an owner’s flight hours are limited to the total hours associated with his or her share of ownership.
- 2.4.3** Prohibits the sale or lease of aircraft interest that is less than the “minimum fractional ownership interest” unless the flights associated with that interest are operated under either 14 CFR part 121 or 135 and are conducted by an air carrier or commercial operator certificated under 14 CFR part 119.

CHAPTER 3. APPLICATION APPROVAL PROCESS

3.1 Process Overview.

- 3.1.1 Management Specifications (MSpecs).** A person seeking to operate under 14 CFR part [91](#) subpart [K](#) (part 91K) applies to the Federal Aviation Administration (FAA) for MSpecs. MSpecs are authorizing documents that serve a similar purpose under 14 CFR part 91K as operations specifications (OpSpecs) under 14 CFR part [119](#). Unlike air carriers, air operators, and air agencies, a 14 CFR part 91K fractional ownership program manager is not a certificate holder (CH). Therefore, the term “certification” is not applicable to 14 CFR part 91K. Instead, the FAA uses the terms “application approval process” or “application project.”
- 3.1.2 Issuing or Denying MSpecs.** The MSpecs application process is similar to the process for issuing OpSpecs under 14 CFR part 119 for persons conducting operations under 14 CFR part [121](#) or [135](#). MSpecs will be issued to the program manager on behalf of the fractional owners if, after evaluating the applicant, the FAA finds that they meet the applicable regulatory requirements of 14 CFR part 91K, are properly and adequately equipped, and are able to conduct safe operations under applicable sections of 14 CFR part 91 and the issued MSpecs. An application for MSpecs will be denied if the FAA finds that the applicant is not properly or adequately equipped or is not able to conduct safe operations.
- 3.1.3 Five Phases.** The application approval process is a series of steps outlined in five phases:
1. Preapplication;
 2. Formal Application;
 3. Design Assessment;
 4. Performance Assessment; and
 5. Administrative Functions.
- 3.1.4 Terminology.** Terminology used in this document:
- 3.1.4.1 Application Project Team (APT).** FAA personnel assigned to accomplish the application project.
- 3.1.4.2 Application Project Manager (APM).** One APT member will be designated as the APM.
- 3.1.5 Applicant Readiness.** The FAA will not accept a potential applicant’s information until it has determined the potential applicant is ready to begin the application approval process. The FAA determines whether the potential applicant is ready by using the Title 14 CFR Part 91K Applicant Readiness Checklist, found in Appendix [B](#). Only when the FAA receives a complete application shall the entity be considered an applicant.

Note: Acceptance of the application does not constitute acceptance or approval of the application’s attachments. Evaluation of the attachments will occur in Phase Three, Design Assessment.

3.1.6 Schedule of Events (SOE). The SOE is a list of items or events that are accomplished during the application approval process. It contains realistic estimates of when these items or events will be available for FAA inspection or observation and sets milestones for accomplishment of the listed items or events. The SOE milestones should be stated in the number of calendar days after the application project begins. The SOE, when accepted, becomes the basis for agreement between the applicant and the APT to accomplish the application approval process. Failure to accomplish an item or event in a satisfactory or timely manner could result in withdrawal or denial of the application for MSspecs. The APT and the applicant will review and agree upon the SOE during the formal application meeting, which occurs in Phase Two, Formal Application. It is important for both the APT and the applicant to communicate any changes to the SOE in writing; electronic communication is acceptable. See Appendix E, Sample 14 CFR Part 91K Schedule of Events (SOE).

3.1.7 Application Withdrawal or Denial Processes. It is important for the applicant to adhere to the agreed upon SOE. If, at any point during the application approval process, the applicant no longer meets or exceeds the agreed upon timeframes contained in the SOE, has not met document correction submission or corrective action timeframes, or no longer meets the pertinent 14 CFR application requirements, the APT may consider the application for MSspecs as withdrawn by the applicant.

3.1.7.1 The APT will ensure that the applicant understands this withdrawal or denial process at the beginning of the application approval process. The APT will provide written notification to the applicant at the formal application meeting. See Appendix E, Sample Notification of Application Withdrawal/Denial Process Template.

3.1.7.2 When the applicant has demonstrated they are unable or unwilling to resolve or take appropriate courses of action on regulatory requirements, the application may be referred to the Office of the Chief Counsel’s (AGC) Aviation Litigation Division for the initiation of a formal denial.

3.2 Phase One—Preapplication.

3.2.1 Initial Inquiry. A potential applicant for MSspecs should conduct an initial inquiry by contacting the responsible Flight Standards office. The initial inquiry activity is informational only and does not initiate the application approval process. Information on the 14 CFR part 91K application approval process may be found at https://www.faa.gov/licenses_certificates/airline_certification.

- 3.2.2** Submission of Preapplication Information. A potential applicant should submit the preapplication information listed in Appendix B to the responsible Flight Standards office. A listing of Flight Standards offices may be found at https://www.faa.gov/about/office_org/field_offices/fsdo.
- 3.2.3** Safety Assurance System (SAS) External Portal. It is recommended that the preapplication information be submitted using the SAS external portal. The Safety Assurance System (SAS) External Portal Information Guide may be found at <https://www.faa.gov/sasdeployment/sas-external-portal-information-guide>.
- 3.2.4** Determination of Potential Applicant’s Readiness. The receiving Flight Standards office will evaluate the preapplication information to determine whether the potential applicant is ready to begin the application approval process.
- 3.2.4.1** **Potential Applicant Is Not Ready.** If the receiving Flight Standards office determines the potential applicant is not ready to begin the application approval process, they will notify the potential applicant in writing, identifying the deficiencies that need to be corrected.
- Note:** The potential applicant may correct and resubmit or withdraw their application.
- 3.2.4.2** **Potential Applicant Is Ready.** If the receiving Flight Standards office determines the potential applicant is ready to begin the application approval process, they will proceed to Phase Two.
- Note:** Acceptance of the application package does not in any way constitute acceptance or approval of the application or the application attachments. The attachments will be reviewed further, and additional corrective actions may be required during the application process. Acceptance or approval of each attachment will be indicated separately at a later date during the application approval process.
- 3.3 Phase Two—Formal Application.**
- 3.3.1** Resource Availability. When resources are available, the FAA will assign personnel to the APT.
- 3.3.2** Application Project Manager (APM). One APT member will be designated as the APM. The APM serves as the primary contact with the applicant and coordinates application matters with the applicant and APT.
- 3.3.3** Formal Application Meeting. The APM will schedule a formal application meeting. All members of the APT and all of the applicant’s key management personnel should be present. The meeting will focus on the practicality of the SOE, adherence to the agreed upon SOE, and the withdrawal or denial process. The APT will fully discuss and explain the subsequent phases of the application process. The applicant should ask for clarification of any item or event that is not clearly understood.

- 3.4 Phase Three—Design Assessment.** The design assessment (DA) phase is when an applicant’s manuals and other documents are reviewed in depth to ensure compliance with applicable regulations, policy, and conformity to safe operating practices.
- 3.4.1 Schedule of Events (SOE).** Note that certain segments of the DA phase may occur simultaneously with certain events in the performance assessment (PA) phase. For example, while some FAA inspectors are observing pilot training during the PA phase, others may be reviewing maintenance manuals during the DA phase. Note that the PA phase for certain events will only begin after manuals and documents for that particular event have been reviewed and determined to be sufficient during the DA phase.
- 3.4.2 Title 14 CFR Part 91K May Use Certain 14 CFR Part 121 or 135 Programs.** Title 14 CFR part 91K program managers may use certain 14 CFR part 121 or 135 programs. If the applicant is a 14 CFR part 121 or 135 CH, and chooses to use their previously approved or accepted 14 CFR part 121 or 135 programs to satisfy 14 CFR part 91K requirements, the APT need not evaluate those programs.
- Note:** Use of 14 CFR part 121 or 135 programs does not always satisfy 14 CFR part 91K requirements. For example, the load manifest under 14 CFR § [135.63\(c\)](#) is only required for multiengine aircraft, whereas 14 CFR § [91.1027\(c\)](#) requires a load manifest for every flight. Title 14 CFR § [91.1023\(h\)](#) requires that when there are differences, the applicable policies and procedures must be identified and used.
- 3.4.3 Review of Applicant’s Submissions.** APT members will review the applicant’s manuals and documents to ensure they comply with applicable requirements.
- 3.4.4 Unacceptable Manuals or Documents.** If the applicant’s manuals or documents do not comply with applicable regulations or safe operating practices, are not of sufficient quality, or when additional data is needed, the APM will notify the applicant in writing, identifying the deficiencies that need to be corrected.
- 3.4.5 Compliance Statement.** Refer to 14 CFR § [91.1014](#).
- 3.4.5.1 Purpose.** The compliance statement describes how the applicant will comply with each applicable 14 CFR parts 91K and [111](#) (Pilot Record Database) regulations, and any other regulations that apply to the applicant’s proposed operation. The statement may refer to a specific section in an FAA-approved or accepted manual, or by stating the procedure the applicant will use to comply. The statement benefits the applicant by systematically ensuring all applicable regulations are appropriately addressed during the application approval process. The compliance statement is an important source document and should be updated whenever the applicant revises their manuals during the application approval process.
- 3.4.5.2 Master Index of Regulatory Documentation.** The compliance statement serves as a master index to the applicant’s regulatory documentation. The

compliance statement should list all applicable regulations (by section, paragraph, and subparagraph) that apply to the applicant’s proposed operation.

- 3.4.5.3 Format.** Next to each section, paragraph, or subparagraph, the applicant should provide a specific reference to a manual or other document. There may be multiple references for each regulation. The references should be as specific as possible and contain the name of the manual, chapter, section, and paragraph number(s). Alternatively, the applicant could provide a brief narrative description of how they will comply with each regulation. It is not acceptable for the applicant to make statements such as “the program manager will comply with this requirement” or “the program manager understands this regulation and will comply.” See Appendix [D](#), Example Compliance Statement Formats.
- 3.4.6 Certification of the Execution of Agreements.** The applicant does not need to submit the dry lease exchange agreements, the management contracts between owners and program manager, or the operational control briefing and acknowledgments for FAA acceptance or approval. Instead, the applicant may satisfy these requirements through the “Certification of the Execution of Agreements,” which certifies to the FAA that these requirements have been met. However, the FAA retains the right to inspect all program contracts and agreements. See Appendix [C](#).
- 3.4.6.1 Dry Lease Exchange Agreement.** Refer to 14 CFR § [91.1001\(b\)\(5\)\(v\)](#). This is a dry lease aircraft exchange arrangement among all of the fractional owners.
- 3.4.6.2 Management Contracts Between Owners and Program Manager.** Refer to 14 CFR § [91.1003](#). The program manager is responsible for preparing, executing, and maintaining all required program agreements and contracts. The owner is responsible for reviewing and signing all required program agreements and contracts.
- 3.4.6.3 Operational Control Briefing and Acknowledgement.** Refer to 14 CFR § [91.1013](#). The program manager must brief the fractional owner on the owner’s operational control responsibilities, and the owner must review and sign an acknowledgment of these operational control responsibilities.
- 3.4.7 List of Fractional Owners and Aircraft.** Refer to 14 CFR §§ [91.1015\(a\)\(1\)](#), [91.1015\(b\)](#), and [91.1027\(a\)\(5\)](#).
- 3.4.7.1 MSpecs.** MSpecs must include the current list of all fractional owners and types of aircraft, registration markings, and serial numbers. Refer to MSpec A008, Flight Management, and MSpec D085, Aircraft Listing.
- 3.4.7.2 Location.** The program manager may keep the current list of all fractional owners at its principal base of operation or other location approved by the FAA and referenced in its MSpecs. This list or reference to its location must

be included in the MSpecs and should be of sufficient detail to determine the minimum fractional ownership interest of each aircraft.

3.4.8 Request for Deviations and Applicable Documentation. Refer to 14 CFR § 91.1015(a)(9). Title 14 CFR part 91K permits the applicant to request a deviation from certain regulations. The application should include the requested deviations and supporting justification. Allowable 14 CFR part 91K deviations include:

- Title 14 CFR § [91.509\(c\)](#), Survival Equipment for Overwater Operations.
- Title 14 CFR § [91.1023\(a\)](#), Program Operating Manual Requirements.
- Title 14 CFR § [91.1041\(g\)](#), Aircraft Proving and Validation Tests.
- Title 14 CFR § [91.1049\(b\)\(6\)](#) and (d), Personnel.
- Title 14 CFR § [91.1053\(b\)](#), Crewmember Experience.
- Title 14 CFR § [91.1055\(b\)](#), Pilot Operating Limitations and Pairing Requirements.
- Title 14 CFR § [91.1057\(j\)](#), Flight, Duty and Rest Time Requirements: All Crewmembers.
- Title 14 CFR § [91.1063\(b\)](#) or (c), Testing and Training: Applicability and Terms Used.

3.4.9 Internal Safety Reporting and Incident or Accident Response Procedures. Refer to 14 CFR § [91.1021](#).

3.4.9.1 Anonymous Safety Reporting. Each program manager must establish an anonymous safety reporting procedure that fosters an environment of safety without any potential for retribution for filing the report. This is an internal program that ensures employees and crewmembers can report safety concerns or incidents without fear of retaliation, promoting a culture of safety within the fractional ownership program.

3.4.9.2 Title 14 CFR Part 5, Safety Management Systems. Although 14 CFR part 91K program managers are not required to comply with 14 CFR part [5](#), Advisory Circular (AC) [120-92](#), Safety Management Systems for Aviation Service Providers, contains helpful information that program managers may use when developing an internal safety reporting system.

3.4.9.3 Aviation Incident or Accident. Additionally, each program manager must establish procedures to respond to an aviation incident or accident. At a minimum, this procedure should include Title 49 of the Code of Federal Regulations (49 CFR) part [830](#) requirement to notify the nearest National Transportation Safety Board (NTSB) office.

3.4.10 Program Operating Manual (POM). Refer to 14 CFR §§ 91.1023 and [91.1025](#).

3.4.10.1 Content. The POM must adequately address applicable items listed in 14 CFR § 91.1025(a)–(r). The POM should have enough detail so that the program manager’s flight, ground, and maintenance personnel may properly perform their assigned duties.

3.4.10.2 System That Ensures Currency. The program manager must have a system that ensures currency for all manuals, publications, checklists, and airport analyses. The program manager must also have a means to ensure regulatory compliance. Program managers may amend their manuals and incorporate new or revised policies and procedures, provided they comply with the appropriate regulations. Each individual issued a POM or appropriate portions must keep it up-to-date with all revisions, as required by 14 CFR § 91.1023(e). In addition, the POM must have a method to display the date of the last revision.

3.4.10.3 Distribution. The program manager must make a copy of the POM, or appropriate portions of the POM (and changes and additions), available to its maintenance and ground operations personnel. The program manager must ensure the appropriate parts of the POM are accessible to flight, ground, and maintenance personnel at all times when such personnel are performing their assigned duties. The program manager must also issue a copy of the POM to FAA representatives assigned to the program manager.

3.4.10.4 Title 14 CFR Part 121 or 135 CH Manuals. If the applicant is a 14 CFR part 121 or 135 CH, its 14 CFR part 121 or 135 manuals may be used to meet the manual requirements of 14 CFR part 91K, provided the policies and procedures are consistent for both operations. If there are differences between 14 CFR part 121 or 135 and 14 CFR part 91K policies and procedures, the manual must identify the differences and the correct procedures to be used for operations under each part. For example, 14 CFR § 135.63 only requires a load manifest for multiengine aircraft, whereas 14 CFR § 91.1027(c) requires a load manifest for all aircraft.

3.4.11 Sample Load Manifest Form. Refer to 14 CFR § 91.1027(c) and (d). The load manifest form must comply with the requirements of 14 CFR § 91.1027(c). The load manifest requirements for both 14 CFR part 91K and 135 are identical except that 14 CFR part 91K requires a load manifest for all aircraft, whereas under 14 CFR part 135, the load manifest is only required for multiengine aircraft.

3.4.12 Sample Operational Control Document. Refer to 14 CFR § 91.1027(e). The program manager must have a written document that states the name of the entity having operational control on each flight and the 14 CFR part under which the flight is operated.

3.4.13 Sample Passenger Briefing Card. Refer to 14 CFR § [91.1035\(f\)](#). The passenger awareness briefing required by 14 CFR § 91.1035 must be supplemented by printed cards

that must be carried in the aircraft in locations convenient for the use of each passenger. This requirement is identical to 14 CFR § [135.117](#), Briefing of Passengers Before Flight, except that for an operation under 14 CFR part 91K, the passenger briefing must also identify who has operational control.

- 3.4.14** Destination Airport Analysis Program (DAAP). Refer to 14 CFR § [91.1037](#). When a program will include a turbine engine-powered large transport category airplane, the POM must include a DAAP. See Appendix [H](#), Destination Airport Analysis Program (14 CFR § 91.1037). Additionally, AC [91-79](#), Aircraft Landing Performance and Runway Excursion Mitigation, contains useful information.
- 3.4.15** Proving and Validation Test Plan. Refer to 14 CFR § 91.1041. If the program will include the operation of an aircraft, other than a turbojet aircraft, for which two pilots are required by the type certification requirements for operations under visual flight rules (VFR), proving tests may be required. If proving and validation testing is required, the applicant should submit a test plan. The applicant may request a deviation based on 14 CFR part 121 or 135 experience.
- 3.4.16** Drug and Alcohol Misuse Education Program. Refer to 14 CFR § [91.1047](#). Title 14 CFR part 91K program managers must provide each direct employee performing flight crewmember, flight attendant, flight instructor, or aircraft maintenance duties with drug and alcohol misuse education as described in 14 CFR § 91.1047. A drug and alcohol testing program is not required; however, the FAA encourages fractional ownership programs to consider establishing drug and alcohol testing programs. If the program manager has a drug and alcohol misuse testing program, details of the testing program must be disclosed to the fractional owners. Regardless, with or without a drug and alcohol testing program, all pilots must comply with 14 CFR § [91.17](#), which prohibits a person from acting or attempting to act as a crewmember of an aircraft while under the influence of drugs or alcohol. Additionally, 14 CFR § 91.1047(f) states that an FAA-approved drug and alcohol misuse prevention program may be used to satisfy the requirement.
- 3.4.17** Crewmember Testing and Training Program(s). The program manager must ensure the applicant's crewmember testing and training program complies with the requirements of 14 CFR §§ 91.1063–[91.1107](#). Per 14 CFR § 91.1063(b) and (c), the applicant may use a 14 CFR part 121 or 135 training and testing program to comply with 14 CFR part 91K testing and training requirements.
- 3.4.18** Hazardous Materials (Hazmat) Recognition Training Program. Refer to 14 CFR § [91.1085](#). The FAA reviews the hazmat recognition training program to ensure that any person performing any assigned duties and responsibilities for the recognition, handling, or carriage of hazmat (as defined in 49 CFR § [171.8](#)) has received appropriate hazmat training. Refer to 49 CFR part [172](#) subpart [H](#).

Note: A 14 CFR part 135 hazmat training program satisfies the requirements of 14 CFR part 91K. Title 14 CFR part 135 requires initial hazmat training as well as

recurrent hazmat training every 24 months, whereas hazmat recognition training under 14 CFR part 91K is a one-time requirement.

- 3.4.19** Aircraft Maintenance Inspection Program. Refer to 14 CFR § [91.1109](#). For additional information, refer to AC [91-90](#), Part 91 Approved Inspection Programs. This AC addresses aircraft maintenance inspection programs under 14 CFR § 91.1109.
- 3.4.20** Maintenance Training Program. Refer to 14 CFR §§ [91.1111](#) and [91.1433](#). The program manager must ensure that all employees who are responsible for maintenance related to program aircraft undergo appropriate initial and annual recurrent training and are competent to perform those duties. The 14 CFR part 91K maintenance training program under 14 CFR § 91.1111 only exists for 14 CFR part 91K and not for the 14 CFR § [135.411\(a\)\(1\)](#) nine seats or less maintenance program. It is nearly identical to 14 CFR § [145.163](#) repair station training requirements. If a Continuous Airworthiness Maintenance Program (CAMP) under 14 CFR § 91.1433 is used, note that the maintenance and preventive maintenance training program is nearly identical to the 14 CFR §§ [121.375](#) and [135.433](#) CAMP maintenance and preventive maintenance training programs. If the program manager also holds a 14 CFR part 119 certificate and has a CAMP, then 14 CFR part 91K CAMP is applicable for aircraft that are used in both 14 CFR part 119 and 14 CFR part 91K operations. For additional information, refer to AC [120-72](#), Maintenance Human Factors Training, and AC [120-124](#), Continuous Airworthiness Maintenance Program (CAMP) Training Program.
- 3.4.21** Minimum Equipment List (MEL) and MEL Management Program. Refer to 14 CFR §§ [91.1115](#) and 91.1025(h), and AC [120-125](#), Development and Use of an Operator’s MEL, NEF Program, and CDL for Operations Under 14 CFR Parts 91K, 121, 125, and 135. If the applicant is also a 14 CFR part 121 or 135 operator, the program manager must use the MEL approved under OpSpec D095, Minimum Equipment List (MEL) Authorization. A program manager may not use a 14 CFR part 91 MEL approved by a Letter of Authorization (LOA) under 14 CFR § 91.213(a) for 14 CFR part 91K operations. Note that the statement in 14 CFR § 91.1025(h), which references 14 CFR § [91.213](#), can be misleading. Refer to §§ 91.213(c) and 91.1115 for clarity.
- 3.4.22** Continuous Airworthiness Maintenance Program (CAMP). Refer to 14 CFR §§ [91.1411](#)–[91.1443](#). Fractional ownership program aircraft may be maintained under a CAMP.
- 3.4.23** CAMP: Management Personnel Résumés. Refer to 14 CFR § [91.1413\(b\)](#). Each program manager who maintains program aircraft under a CAMP must employ a Director of Maintenance (DOM) and a Chief Inspector. A 14 CFR part 91K CAMP DOM with an Airframe and Powerplant Mechanic Certificate is similar to the requirements in 14 CFR § [119.71\(e\)](#). However, a 14 CFR part 91K CAMP Chief Inspector position required by 14 CFR § 91.1413(b)(2) with an Airframe and Powerplant Mechanic Certificate is unlike any requirement in 14 CFR part 135, but is similar to the 14 CFR § [119.65\(a\)](#) requirement for 14 CFR part 121 management personnel.
- 3.4.24** Pilot Records Database (PRD) Procedures. Refer to 14 CFR part 111. Title 14 CFR parts 91K and 135 PRD requirements are identical. For information about the PRD, refer

to AC [120-68](#), Pilot Records Database and Pilot Records Improvement Act, and the PRD web page at https://www.faa.gov/regulations_policies/pilot_records_database.

- 3.4.25 Other Requested Authorizations and Supporting Documentation.** In addition to the request for MSpecs under 14 CFR § 91.1014, the applicant may request other authorizations, such as MSpec A025, Electronic Signatures, Electronic Recordkeeping Systems and Electronic Manual Systems, MSpec A056, Data Link Communications, or MSpec A061, Electronic Flight Bag (EFB) Program. To obtain these additional authorizations, the applicant should submit the required documents in accordance with the applicable FAA guidance for each requested authorization.

- 3.5 Phase Four—Performance Assessment.** The PA phase is when the FAA observes and monitors many types of applicant activities to determine whether their proposed procedures and programs comply with regulations, their own written procedures, and safe operating practices.

- 3.5.1 Title 14 CFR Part 121 or 135 Programs.** If the applicant is a 14 CFR part 121 or 135 CH, and chooses to use their previously approved or accepted 14 CFR part 121 or 135 programs to satisfy 14 CFR part 91K requirements, the FAA will evaluate those programs to ensure they satisfy 14 CFR part 91K requirements.

Note: Use of 14 CFR part 121 or 135 programs does not always satisfy 14 CFR part 91K requirements. For example, the 14 CFR part 135 passenger briefing under 14 CFR § 135.117 does not satisfy the 14 CFR § 91.1035(c) requirement to identify the name of the entity in operational control of the flight. When there are differences, the applicable policies and procedures must be identified and used. Refer to 14 CFR § 91.1023(h).

- 3.5.2 Crewmember Testing and Training.** The FAA will observe ground training, flight or simulator training, and testing/checking to ensure they meet applicable 14 CFR part 91K requirements.

- 3.5.3 Airworthiness Inspections.**

- 3.5.3.1 MEL Procedures.** The FAA will observe compliance with 14 CFR § 91.1115 MEL procedures during aircraft proving and validation tests.

- 3.5.3.2 Maintenance Activities.** The FAA will observe the applicant’s maintenance activities to ensure they comply with their manual contents and applicable 14 CFR regulations, as required by 14 CFR § 91.1025 (and 14 CFR § 91.1411 if applicable for 14 CFR 91K CAMP).

- 3.5.3.3 Aircraft.** The FAA will inspect aircraft for general condition, airworthiness certificate, aircraft registration, FAA Aircraft or Rotorcraft Flight Manual, and current Weight and Balance (W&B) information for 14 CFR § 91.1025(a). In addition, passenger briefing cards are required by 14 CFR § 91.1035(f) and emergency equipment is required by 14 CFR § [91.513](#) with items such as first aid kits and fire extinguishers.

- 3.5.3.4 Maintenance Recordkeeping System.** The FAA will inspect the maintenance recordkeeping system as required by 14 CFR § [91.1113](#) (or 14 CFR § [91.1439](#) for 14 CFR part 91K CAMP).
- 3.5.3.5 Additional Equipment Requirements (as applicable).** The FAA will verify by inspection and records review that the program manager’s aircraft meet 14 CFR § [91.1045](#) for the specific aircraft being operated.
- 3.5.4 Recordkeeping System.** The FAA will inspect the items listed in 14 CFR § 91.1027. Note that many of the items will not yet be available for inspection. However, the applicant should be able to demonstrate that the recordkeeping system complies with applicable regulations.
- 3.5.5 Aircraft Proving and Validation Tests.** Proving and validation tests (if required) are conducted to allow the applicant to demonstrate its capability to operate a specific type of aircraft or conduct a specific type of operation within the scope of the proposed MSpecs and applicable sections of the regulations. Proving tests are comprehensive and focus on multiple areas. Examples of these areas include, but are not limited to, the following:
- Cabin safety.
 - Operational control.
 - Abnormal procedures.
 - MEL management.
 - Ability to operate the aircraft in the National Airspace System (NAS).
 - Ability to safely operate the aircraft into en route airports that are in the applicant’s proposed areas of operations.
- Note:** Although pilot flight training may be conducted during part of the proving tests, no passengers may be carried except those needed to make the tests and those designated by the FAA to observe the tests.
- 3.5.5.1 Flight Scheduling and Release.** The FAA will observe flight scheduling and release procedures to verify the system accounts for the crew experience, duty time, and rest time requirements of 14 CFR §§ 91.1053–[91.1062](#).
- 3.5.5.2 Method to Designate Pilot in Command (PIC).** The FAA will observe the method to designate the PIC. A Second in Command (SIC) must also be designated for each program flight requiring two pilots (14 CFR § [91.1031](#)).
- 3.5.5.3 Destination Airport Analysis Program (DAAP).** The FAA will observe compliance with the DAAP, if applicable (14 CFR § 91.1037).
- 3.5.5.4 Load Manifest.** The FAA will verify the load manifest is accurately prepared in accordance with 14 CFR § 91.1027(c) and carried in the aircraft as required by 14 CFR § 91.1027(d).

- 3.5.5.5 Operating Information.** The FAA will verify the operating information required by 14 CFR § [91.1033](#) is on board the aircraft.
 - 3.5.5.6 Operational Control Document.** The FAA will verify whether the PIC carries a copy of the document that states the name of the entity having operational control on that flight and the 14 CFR part under which the flight is operated (14 CFR § 91.1027(e)).
 - 3.5.5.7 Passenger Awareness Briefing.** The FAA will observe the passenger awareness briefing. Ensure the briefing identifies who has operational control (14 CFR § 91.1035(c)).
- 3.6 Phase Five—Administrative Functions.** In this phase, the FAA will issue the applicable MSpecs to the applicant once it has been determined that all regulatory requirements have been met and unsatisfactory items have been corrected. This action completes the application approval process. The FAA will not issue MSpecs until it determines that the applicant is fully capable of fulfilling their responsibilities as charged by Title 49 of the United States Code (49 U.S.C.) and that the applicant will comply with 14 CFR in an appropriate manner.
- 3.7 FAA Oversight.** Title 14 CFR part 91K operations are subject to equivalent FAA oversight as 14 CFR part 135 air carriers, except for cabin and cockpit en route inspections and line checks. FAA Order 8900.1 contains guidance for FAA safety inspectors that outlines the inspections they are required to perform.

APPENDIX A. DEFINITIONS

Note: Definitions of a fractional ownership program and the elements of that program are contained in 14 CFR § [91.1001](#). These definitions are summarized below and are the basis for additional discussion of program elements and requirements contained in this document.

- A.1 Affiliate of a Program Manager.** A manager that, directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with another program manager. The holding of at least 40 percent of the equity and 40 percent of the voting power of an entity will be presumed to constitute control for purposes of determining an affiliation.
- A.2 Dry Lease Aircraft Exchange.** An arrangement, documented by the written program agreements, under which the program aircraft are available on an as needed basis without crew to each fractional owner.
- A.3 Fractional Owner or Owner.** An individual or entity that possesses a minimum fractional ownership interest in a program aircraft and that has entered into the applicable program agreements; provided, however, that in the case of the flight operations described in 14 CFR § 91.1001(b)(6)(ii), and solely for purposes of requirements pertaining to those flight operations, the fractional owner operating the aircraft will be deemed to be a fractional owner in the program managed by the affiliate.
- A.4 Fractional Ownership Interest.** The ownership of an interest or holding of a multiyear leasehold interest and/or a multiyear leasehold interest that is convertible into an ownership interest in a program aircraft.
- A.5 Fractional Ownership Program or Program.** Any system of aircraft ownership and exchange that consists of all of the following elements:
1. The provision for fractional ownership program management services by a single fractional ownership program manager on behalf of the fractional owners.
 2. Two or more airworthy aircraft.
 3. One or more fractional owners per program aircraft, with at least one program aircraft having more than one owner.
 4. Possession of at least a minimum fractional ownership interest in one or more program aircraft by each fractional owner.
 5. A dry lease aircraft exchange arrangement among all of the fractional owners.
 6. Multiyear program agreements covering the fractional ownership, fractional ownership program management services, and dry lease aircraft exchange aspects of the program.

A.6 Fractional Ownership Program Aircraft or Program Aircraft.

- A.6.1** An aircraft in which a fractional owner has a minimal fractional ownership interest and that has been included in the dry lease aircraft exchange pursuant to the program agreements; or
- A.6.2** In the case of a fractional owner from one program operating an aircraft in a different fractional ownership program managed by an affiliate of the operating owner’s program manager, the aircraft being operated by the fractional owner, so long as the aircraft is:
- Included in the fractional ownership program managed by the affiliate of the operating owner’s program manager; and
 - Included in the operating owner’s program’s dry lease aircraft exchange pursuant to the program agreements of the operating owner’s program.
- A.6.3** An aircraft owned in whole or in part by the program manager or affiliate that has been included in the dry lease aircraft exchange and is used to supplement program operations.

A.7 Fractional Ownership Program Flight or Program Flight. A flight under 14 CFR part [91](#) subpart [K](#) (part 91K) when one or more passengers or property designated by a fractional owner are on board the aircraft.

A.8 Fractional Ownership Program Management Services or Program Management Services. Administrative and aviation support services furnished in accordance with the applicable requirements of 14 CFR part 91K or provided by the program manager on behalf of the fractional owners, including, but not limited to, the:

1. Establishment and implementation of program safety guidelines;
2. Employment, furnishing, or contracting of pilots and other crewmembers;
3. Training and qualification of pilots and other crewmembers and personnel;
4. Scheduling and coordination of the program aircraft and crews;
5. Maintenance of program aircraft;
6. Satisfaction of recordkeeping requirements;
7. Development and use of a Program Operating Manual (POM) and procedures; and
8. Application for and maintenance of management specifications (MSpecs) and other authorizations and approvals.

A.9 Fractional Ownership Program Manager or Program Manager. The entity that offers fractional ownership program management services to fractional owners, and is designated in the multiyear program agreements referenced in 14 CFR § 91.1001(b)(5)(vi) to fulfill the requirements of the rule applicable to the manager of the program containing the aircraft being flown. When a fractional owner is operating an aircraft in a fractional ownership program managed by an affiliate of the owner’s program manager, the references in 14 CFR part 91K to the flight-related responsibilities

of the program manager apply, with respect to that particular flight, to the affiliate of the owner's program manager rather than to the owner's program manager.

A.10 Minimum Fractional Ownership Interest.

- A.10.1** A fractional ownership interest equal to, or greater than, $1/16^{\text{th}}$ of at least one subsonic, fixed-wing or powered-lift program aircraft; or
- A.10.2** A fractional ownership interest equal to, or greater than, $1/32^{\text{nd}}$ of at least one rotorcraft program aircraft.

APPENDIX B. TITLE 14 CFR PART 91K APPLICANT READINESS CHECKLIST

Note: Evaluation of items will occur in Phase Three, Design Assessment.

Note: Acceptance of the application does not constitute acceptance or approval of the attachments.

	Item	Received/ Submitted (Y, N, N/A)	Verified by Initials/Date	Reference/Remarks
I.	Application Letter contains:			14 CFR § 91.1014(a)
A.	Request for 14 CFR part 91K management specifications (MSpecs).			
B.	Full and official name of applicant/company.			
C.	Principal base of operations location address.			
D.	Mailing address, if different than principal base of operations.			
E.	Full name and address of agent for service.			
F.	Key management personnel names and titles.			
G.	Names of personnel authorized to sign MSpecs.			
H.	Other business names, if applicable.			
I.	Application is signed by authorized person(s).			
II.	Application Letter Attachments:			
A.	Schedule of Events (SOE).			14 CFR § 91.1014(a)
B.	Compliance Statement.			14 CFR § 91.1014(a)
C.	Certification of the Execution of Agreements (in lieu of actual contracts):			
1.	Dry lease aircraft exchange agreements.			14 CFR § 91.1001(b)(5)(v)
2.	Management contracts between owners and program manager.			14 CFR § 91.1003
3.	Operational control briefing and acknowledgement.			14 CFR § 91.1013

	Item	Received/ Submitted (Y, N, N/A)	Verified by Initials/Date	Reference/Remarks
D.	List of fractional owners and aircraft.			14 CFR §§ 91.1015(a)(1) , 91.1015(b) , and 91.1027(a)(5) NOTE: Refer to MSpec A008 and MSpec D085.
E.	Request for deviations (if any) and applicable documentation.			14 CFR § 91.1015(a)(9)
F.	Internal safety reporting and incident/accident response procedures.			14 CFR § 91.1021
G.	Program Operating Manual (POM).			14 CFR §§ 91.1023 and 91.1025 NOTE: Verify that the POM addresses applicable items listed in 14 CFR § 91.1025(a)–(r).
H.	Sample load manifest form.			14 CFR § 91.1027(c)
I.	Sample operational control document.			14 CFR § 91.1027(e)
J.	Sample passenger briefing card.			14 CFR § 91.1035(f)
K.	Destination Airport Analysis Program (DAAP) (when required).			14 CFR § 91.1037
L.	Proving and validation test plan (if applicable).			14 CFR § 91.1041
M.	Drug and alcohol misuse education program.			14 CFR § 91.1047
N.	Crewmember testing and training program(s).			14 CFR §§ 91.1073(a) , 91.1077 , and 91.1063 – 91.1107
O.	Hazardous materials (hazmat) recognition training program.			14 CFR § 91.1085
P.	Aircraft maintenance: inspection program.			14 CFR § 91.1109
Q.	Maintenance training program.			14 CFR §§ 91.1111 and 91.1433 (CAMP)

	Item	Received/ Submitted (Y, N, N/A)	Verified by Initials/Date	Reference/Remarks
R.	Minimum Equipment List (MEL) and MEL management program.			14 CFR §§ 91.1115 and 91.1025(h)
S.	Continuous Airworthiness Maintenance Program (CAMP) (if requested).			14 CFR §§ 91.1411 –91.1443
T.	CAMP: Management personnel résumés (if applicable).			14 CFR § 91.1413(b)
U.	Pilot Records Database (PRD) procedures.			14 CFR part 111
V.	Other requested authorizations and supporting documentation (e.g., Electronic Flight Bag (EFB), electronic recordkeeping, enhanced flight vision system (EFVS) operations, Reduced Vertical Separation Minimum (RVSM), etc.)			NOTE: Refer to applicable sections of Order 8900.1 , including Volume 3, Chapter 18.

APPENDIX C. SAMPLE CERTIFICATION OF THE EXECUTION OF AGREEMENTS

I, _____, an officer of _____ (the program manager), which manages the _____ fractional ownership program (the program), certify that the program satisfies the eligibility requirements of Title 14 of the Code of Federal Regulations (14 CFR) part [91](#) subpart [K](#) (part 91K), and that the agreements required under part 91K have been executed. These agreements include (1) a Dry Lease Exchange Agreement, (2) a Management Contract, and (3) statements of Acknowledgement of Fractional Owner’s Operational Control Responsibilities. The owners and I understand that the Federal Aviation Administration (FAA) has the right to inspect all contracts.

1. Dry Lease Exchange Agreement. The Dry Lease Exchange Agreement or other program agreements between the program manager and owners related to aircraft exchange address the following:

- a. Mandate that two or more airworthy aircraft be available in the long term.
- b. Allow the fractional owners of an aircraft to use (through the program manager) aircraft owned by other fractional owners within the same program.
- c. Clarify that the program manager will schedule the aircraft from within the dry lease exchange pool and provide other aviation expertise and services to the owners.
- d. Specify this is a multiyear program agreement.

2. Management Contract. The management contract or other agreements between the program manager and the owners related to program management services address the following:

- a. Specify this is a multiyear program contract.
- b. Require the program manager to ensure that the program conforms to all applicable requirements of 14 CFR part 91K.
- c. Provide the owner or owner’s designee the right to inspect and to audit the records of the program manager that relate to the operational safety of the program and those records required to show compliance with the management specifications (MSpecs) and all applicable regulations.
- d. Designate the program manager as the owner’s agent to receive service of notices from the FAA.
- e. Acknowledge the FAA’s right to contact the owner directly.
- f. Prohibit an owner from carrying persons or property for compensation or hire on a program flight except if such operations are carried out in compliance with 14 CFR part [121](#) or [135](#).
- g. Limit the flight hours used during the term of the multiyear agreement to the total hours associated with the owner’s share of ownership.

h. Prohibit the sale or lease of aircraft interest that is lesser than the “minimum fractional ownership interest” unless the flights associated with that interest are operated under 14 CFR part 121 or 135 and are conducted by an air carrier or commercial operator certificated under 14 CFR part [119](#).

i. State that the program manager will provide the owner the following operating services and functions:

- (1) Establishment and implementation of safety program guidelines.
- (2) Employment, furnishing, or contracting of pilots and other crewmembers.
- (3) Training and qualification of pilots and other crewmembers and personnel.
- (4) Scheduling and coordination of the program aircraft and crews.
- (5) Maintenance of program aircraft under the terms of this agreement.
- (6) Satisfaction of recordkeeping requirements.
- (7) Development and use of a program operations manual and procedures.
- (8) Application for and maintenance of MSpecs and other authorizations and approvals from the FAA.
- (9) Training in the recognition of hazardous materials (hazmat).

3. Acknowledgment of Owner’s Operational Control Responsibilities. Each owner in the fractional ownership program has signed an Acknowledgment of Owner’s Operational Control Responsibilities, and under the acknowledgment:

a. The owner understands that they are in operational control of a program aircraft and must operate it in accordance with 14 CFR part 91K when: (1) the owner has the rights and is subject to the limitations applicable to the owner as set forth under 14 CFR §§ [91.1003–91.1013](#), (2) the owner has directed that a program aircraft carry passengers or property they designate, and (3) the program aircraft is carrying those passengers or property.

b. The owner understands that the owner is in operational control of a program aircraft, even where they lease the program aircraft from another owner through the Dry Lease Aircraft Exchange (or Interchange) arrangement.

c. The owner understands and agrees to the responsibilities and potential liabilities described below. When the owner is in operational control, the following apply:

- (1) The owner is responsible for safe operations, for complying with all applicable laws and regulations, and the MSpecs issued to the program manager.
- (2) Even though the owner may delegate to the program manager performance of some or all of the tasks associated with carrying out the owner’s responsibilities, the

owner continues to be jointly and individually responsible, along with the program manager, for performance of these tasks and for compliance with applicable requirements.

(3) The owner may have liability risks in connection with the operation of the program aircraft, including possible liability risks for at least enforcement actions for any noncompliance, and liability if a flight-related occurrence causes personal injury or property damage.

Name

Title

Signature

Date

APPENDIX D. EXAMPLE COMPLIANCE STATEMENT FORMATS

The following are examples of recommended compliance statement formats:

Example 1:

Part	Subpart	Section	Paragraph/ Subparagraph	Manual Ref. 1	Manual Ref. 2	Comments
91	K	91.1027	(a)(1)			The program manager will maintain a complete set of MSspecs at the principal base of operations.
91	K	91.1035	(c)	POM Para 7.3.1		
91	K	91.1109	(a)(1)	POM Ch. 8	GMM 2-1-A	

Example 2:

Regulation	Title	Manual Reference
91.1029(a)	Flight schedule and release of program aircraft.	POM, page 11-5, paragraph 3
91.1113	Maintenance recordkeeping.	POM, page 37-6, paragraph 37

**APPENDIX E. SAMPLE NOTIFICATION OF APPLICATION
WITHDRAWAL/DENIAL PROCESS TEMPLATE**

[FAA Letterhead]

To: Applicant for Management Specifications (MSpecs) Under 14 CFR Part 91 Subpart K

[Date]

[Applicant's Name and Address]

Dear [Applicant's Name]:

This letter serves as written notification informing you of the process for an applicant to withdraw, or for the Federal Aviation Administration (FAA) to deny, an application for management specifications (MSpecs) under Title 14 of the Code of Federal Regulations (14 CFR) part [91](#) subpart [K](#) (part 91K).

1. Withdrawal.

- a. If, at any point during the application approval process, the applicant no longer meets or exceeds the agreed-upon timeframes contained in the Schedule of Events (SOE), or has not met document correction submission or corrective action timeframes, the FAA Application Project Team (APT) may consider the application for MSpecs as withdrawn by the applicant.
- b. If, at any point during the application approval process, any of the below circumstances are identified by the APT or the applicant no longer meets the pertinent 14 CFR application requirements, the application project office may consider the application as withdrawn by the applicant:
 - (1) The applicant requests to voluntarily withdraw an application;
 - (2) The applicant rescinds part of its application such that the application is not complete;
 - (3) The applicant has not provided the personnel necessary to complete the application approval process due to, for example, a delay in hiring personnel, a delay in assignment of personnel, or an inability to retain personnel at the point in the application approval process where having identified personnel is necessary for application approval process to continue;
 - (4) The applicant does not have the aircraft or equipment necessary to complete the application approval process at the point in the application approval process where having identified aircraft or equipment is necessary for the application approval process to continue;
 - (5) The applicant, or their required personnel, have pending or unresolved enforcement action, an enforcement order is in effect, or the terms of the

enforcement order have not been satisfied, as indicated in the Enforcement Information System (EIS);

- (6) The applicant does not have the facilities necessary to complete the application approval process at the point in the application approval process where having identified facilities is necessary for application approval process to continue; or
 - (7) The applicant fails to respond to requests within the timeframe communicated by the application project office, provides a late and/or inadequate response, or submits documentation that does not meet the applicable 14 CFR application requirements.
- c. The applicant should notify the APT with 15 calendar days if they are unable to meet the agreed-upon timeframes contained in the SOE, or are unable to meet or maintain the proper requirements needed for the application approval process.
 - d. The APT will notify applicants in writing when the APT identifies deficiencies in the applicant’s progress, including, but not limited to, the items listed in subparagraph 1b above.
 - e. The APT will provide applicants 15 calendar days to respond to the written notification of deficiencies or of corrective actions needed. If no response is received by the APT within 15 calendar days, the FAA may consider the application as withdrawn by the applicant. The applicant’s response resolving the corrective action item(s) does not have to be a final, acceptable document or corrective action, but the applicant should communicate to the APT no later than 15 calendar days. The 15-calendar-day response window starts when the applicant receives the notice from the APT.

2. Denial.

- a. If the applicant demonstrates they are unable or unwilling to resolve or take appropriate courses of action on regulatory requirements, the APT will refer the application to the Office of the Chief Counsel’s (AGC) Aviation Litigation Division for a formal denial.
- b. The following deficiencies could result in a formal denial:
 - If there is no withdrawal under subparagraph 1b above, then the application must be referred to the Aviation Litigation Division for denial.
 - The applicant’s inability to proceed with the application approval process.
- c. Under the provisions of 14 CFR § [13.20\(c\)](#), the applicant can appeal the formal denial.

3. Reapplication.

- a. The applicant may choose to reapply and initiate the application approval process upon withdrawal of the application for MSspecs.

- b. An applicant whose application is denied by the FAA and who does not timely request a hearing to challenge the denial as set forth in 14 CFR § 13.20(c) may resubmit an application for MSpecs at their discretion.
- c. The FAA will not process a new application for MSpecs submitted by an applicant who timely requests a hearing to challenge the denial as set forth in 14 CFR § 13.20(c) until the pending litigation is resolved.

Sincerely,

[*Signature*]

[*Title*]

APPENDIX F. SAMPLE 14 CFR PART 91K SCHEDULE OF EVENTS (SOE)**Applicant/Company Name:** _____**Proposed Timeline for the Application Project**

Phase	Performance Assessment	
VI.	† Inspection not required for applicants that are certificated to operate under 14 CFR part 121/135 and are using their part 121/135 program to comply with a 14 CFR part 91K requirement.	
	Item or Event	*Days
A.	Observe Crewmember Testing and Training	
1.	† Ground Training	
2.	† Flight or Simulator Training	
3.	† Testing/Checking	
B.	Airworthiness Inspections	
1.	† Observe Compliance with Minimum Equipment List (MEL) Procedures	
2.	† Observe Maintenance Activities	
3.	† Inspect Aircraft	
4.	† Inspect Maintenance Recordkeeping System	
5.	Verify 14 CFR § 91.1045 Additional Equipment Requirements (as applicable)	
C.	Main Base Inspection	
D.	† Inspect Recordkeeping System	
E.	Aircraft Proving and Validation Tests (if required)	
1.	Observe Flight Scheduling and Release	
2.	Observe Method to Designate Pilot in Command (PIC)	
3.	† Observe Compliance with Destination Airport Analysis Program (DAAP) (if applicable)	
4.	Verify Load Manifest Procedures	
5.	Verify 14 CFR § 91.1033 Operating Information	
6.	Verify Operational Control Document	
7.	Observe Passenger Awareness Briefing	

*Number of days after the application project begins (based on calendar days (i.e., 30 days) as opposed to actual dates) when the item or event will be available for FAA observation/inspection.

APPENDIX G. MAINTENANCE PROGRAMS

G.1 General Program Information. Refer to 14 CFR § [91.1109](#). Several types of inspection programs are available to 14 CFR part [91](#) fractional managers operating under 14 CFR part 91 subpart [K](#) (part 91K). All 14 CFR part 91K inspection programs must be submitted to the local Flight Standards District Office (FSDO) for approval. You must obtain this approval regardless of any previous approval of the program. Fractional ownership programs may use a Continuous Airworthiness Maintenance Program (CAMP), in accordance with the requirements of 14 CFR part 91K. For aircraft operating under 14 CFR part 91K, you are required to establish an approved inspection program (AIP) under the provisions of 14 CFR § 91.1109. You will act on behalf of the fractional owners (collectively) for any authorizations or approvals concerning the program aircraft.

G.1.1 The program must be derived from one of the following:

1. An inspection program currently recommended by the manufacturer of the aircraft, aircraft engines, propellers, appliances, and survival and emergency equipment.
2. An inspection program that is part of a CAMP currently in use by a person holding an air carrier or operating certificate issued under 14 CFR part [119](#) and operating that make and model aircraft under 14 CFR part [121](#) or [135](#).
3. An aircraft inspection program approved under 14 CFR § [135.419](#) and currently in use under 14 CFR part 135 by a person holding a certificate issued under 14 CFR part 119.
4. An airplane inspection program approved under 14 CFR § [125.247](#) and currently in use under 14 CFR part [125](#) of this chapter by a person holding a certificate under 14 CFR part 125.
5. An inspection program that is part of the program manager's CAMP under 14 CFR §§ [91.1411–91.1443](#). If you elect to use another operator's program, you must still submit it for approval, regardless of any other approvals.

Note: The Federal Aviation Administration (FAA) may require revision of the inspection program approved under this section when necessary for the adequacy of the program in accordance with the provisions of 14 CFR § [91.415](#).

G.1.2 The program must be in writing and be included in your manual. The details must include the following:

1. Instructions and procedures for conducting inspections, including necessary tests and checks.
2. Inspection intervals, expressed in terms of time in service, calendar time, number of system operations, or any combination of these.
3. The parts and areas that must be inspected.

G.2 Maintenance Records. Each program manager must follow 14 CFR § [91.1113](#) for keeping the records specified in 14 CFR § [91.417\(a\)](#) for the periods specified in 14 CFR

§ 91.417(b). This system should be described in the manual required under 14 CFR § [91.1025](#). If you are using a CAMP, the records required under 14 CFR § [91.1439\(a\)\(2\)](#) must be transferred to the purchaser at the time of sale, when the aircraft is removed from the list of program aircraft in your management specifications (MSpecs) as stated in 14 CFR § 91.1439(b)(3).

G.3 CAMPS. A CAMP combines the maintenance and inspection functions used to fulfill your total maintenance needs. The regulations specify that each program manager must have a maintenance program adequate to perform the work and a separate inspection program adequate to perform required inspections. For fractional ownership program managers, a CAMP must meet the requirements of 14 CFR part 135.

G.3.1 Definitions. Refer to 14 CFR parts [1](#) and [43](#).

G.3.1.1 Airworthiness. A condition in which the aircraft, airframe, engine, propeller, accessories, and appliances meet their type design and are in a condition for safe operation.

G.3.1.2 Inspection. The routine performance of inspection tasks at prescribed intervals. The inspection must ensure the airworthiness of an aircraft up to and including its overhaul or life-limits.

G.3.1.3 Scheduled (Routine) Maintenance. The performance of maintenance tasks at prescribed intervals.

G.3.1.4 Unscheduled (Nonroutine) Maintenance. The performance of maintenance tasks when mechanical irregularities occur. These irregularities are categorized as to whether they occur during flight time.

G.3.1.5 Structural Inspection. A detailed inspection of the airframe structure that may require special inspection techniques to determine the continuous integrity of the airframe and its related parts.

G.3.2 Program Elements. Basic 10 elements of a CAMP include the following:

1. Airworthiness Responsibilities,
2. Maintenance Manuals,
3. Maintenance Organization,
4. Accomplishment and Approval of Maintenance and Alterations,
5. Maintenance Schedule/Time Limitations,
6. Required Inspection Items (RII),
7. Maintenance Recordkeeping,
8. Maintenance Provider Policies and Procedures (no Contract Maintenance in 14 CFR part 91K),

- 9. Personnel Training, and
- 10. Continuous Analysis and Surveillance System (CASS).

G.3.3 Manuals.

G.3.3.1 Instructions and standards for unscheduled maintenance must be in your technical manuals. The manuals must contain procedures when using these manuals and recording scheduled and unscheduled maintenance. Each manual must include at least the following:

1. The method of performing routine and nonroutine maintenance (other than required inspections), preventive maintenance, or alterations.
2. A maintenance schedule/time limitations, or standards for determining time limitations, for overhauls, inspections, and checks for airframes, engines, propellers, rotors, appliances, and emergency equipment of aircraft.
3. A designation of maintenance and alteration items that must be inspected (required inspections), including at least those that could result in a failure, malfunction, or defect, endangering the safe operation of the aircraft, if not performed properly or if improper parts or materials are used.
4. The method of performing required inspections and a designation by occupational title of personnel authorized to perform each required inspection.
5. Procedures for the reinspection of work performed under previous required inspection findings (buy-back procedures).
6. Procedures, standards, and limits necessary for required inspections; for acceptance or rejection of the inspected items; and for periodic inspection and calibration of precision tools, measuring devices, and test equipment.
7. Procedures to ensure that all required inspections are performed.
8. Instructions to prevent any person who performs any item of work from performing any required inspection of that work.
9. Instructions and procedures to prevent an inspector's decision regarding any required inspection from being countermanded by people other than supervisory personnel of the inspection unit, or a person at the level of administrative control that has overall responsibility for the management of both the required inspection functions and the other maintenance, preventive maintenance, or alteration functions.
10. Procedures to ensure that maintenance (including required inspections), preventive maintenance, or alterations that are not completed due to work interruptions are properly completed before the aircraft is released to service.

G.3.3.2 You must put in the manual a suitable system (which may include an electronic or coded system) that provides for the retention of the following information:

1. A description (or reference to data acceptable to the FAA) of the work performed;
2. The name of the person performing the work, if the work is performed by a person outside your organization; and
3. The name or other positive identification of the individual approving the work.

G.3.4 MSpecs. CAMPs are approved according to the MSpecs for fractional ownership programs. These MSpecs describe the scope of the program, reference manuals, and other technical data. Details of the program must be included in your manual.

G.3.5 Required Personnel. Each program manager who maintains program aircraft using a CAMP must employ two people to fulfill two important maintenance/inspection roles. These two positions—director of maintenance and chief inspector—cannot be filled by a single person. The director of maintenance, or equivalent position, must be a certificated mechanic with an Airframe and Powerplant (A&P) rating who has responsibility for the maintenance program on all aircraft maintained under the CAMP. You must also employ a chief inspector, or equivalent position, who has overall responsibility for the inspection aspects of the CAMP. This person must also be a certificated mechanic with A&P ratings.

G.3.6 Program Manager’s Organization. You must have an organization adequate to carry out the provisions of the CAMP. If the work is performed outside of your organization, the maintenance provider must meet the same requirements. In determining the adequacy of the organization, consider the following:

- The complexity of the organization,
- The aircraft,
- The experience of the personnel, and
- The number of personnel.

G.4 Inspections.

G.4.1 Applicability. During the original issuance of MSpecs of a program manager, the manager and the FAA will ensure that the CAMP applies to the operation in question. The FAA inspector should inform you of the pertinent policies, procedures, and requirements of the regulations. The same holds true during the process for issuing MSpecs.

G.4.2 Scheduling. You and the FAA inspector should develop a plan to determine a schedule for the submission of required documents.

G.4.2.1 Scheduled Maintenance. Maintenance tasks performed at prescribed intervals are considered scheduled maintenance. Some of these tasks are performed concurrently with inspection tasks and may be included on the same work form. Work forms that include maintenance instructions must be provided for a record of the accomplishment of these tasks.

G.4.2.1.1 Scheduled tasks include replacement of life-limited items and components requiring periodic overhaul, nondestructive inspections (such as x-rays), checks or tests for on-condition items, lubrications, and weighing aircraft.

G.4.2.1.2 Prime factors considered for inspection intervals are aircraft use, environmental conditions, and the type of operation. Examples include extreme changes in temperature, frequency of landings and takeoffs, operation in areas of high industrial pollutants or coastal areas with high concentrations of salt air, and passenger or cargo operations.

G.4.2.1.3 To ensure proper maintenance, each inspection interval must be stated in terms of calendar times, cycles, and hours, as required.

G.4.2.2 Unscheduled Maintenance. Unscheduled maintenance takes place when mechanical irregularities occur.

G.4.2.2.1 Mechanical Irregularities Occurring During Flight (Block-to-Block). These include operational failures, malfunctions, and abnormal flight operations, such as hard or overweight landings. The aircraft maintenance record required by 14 CFR § 91.1025(e) and (f) must be used to record each irregularity and its corrective action.

G.4.2.2.2 Mechanical Irregularities Not Occurring During Flight Time. These include all other failures, malfunctions, and discrepancies, including, but not limited to, inspection findings. A discrepancy form or equivalent system must be used to record each irregularity and its corrective action.

G.4.3 Types of Maintenance.

G.4.3.1 Overhaul and Repair (Airframe, Engine, Propeller, and Appliance). Maintenance for these items, whether scheduled or unscheduled, may be independent from maintenance performed on the aircraft. You must provide instructions and standards for repair and overhaul, along with a method of approving and recording the work. Appropriate life-limited parts replacement requirements should be included in this portion of the CAMP.

G.4.3.2 Structural Inspection.

G.4.3.2.1 Each level of inspection must be clearly defined in your CAMP. For example, a specific area of the aircraft may require only a visual inspection during preflight “A” and “B” checks, but will require a detailed, Nondestructive Testing (NDT) inspection in the same area for a “C” or “D” check.

G.4.3.2.2 Some aircraft are subject to a supplemental structural inspection document, which requires additional age-related structural inspections to be incorporated into the maintenance program.

G.4.4 Return to Service. Through the provisions of 14 CFR parts 43, 121, and 135, if a certificated operator uses a CAMP, the FAA considers that operator a maintenance organization. Title 14 CFR § [91.1437](#) states, “Unless properly certificated, the program manager may not perform or approve maintenance for return to service.” Program managers are not maintenance organizations and do not have the privileges of a certificated organization, although they may have related organizations, such repair stations that are certificated. Also, they could have their own A&P mechanics using their certificate for performing maintenance on program aircraft.

G.4.4.1 The people exercising certificate privileges have always had the responsibility to show compliance with regulations and determine conformance and safety. The need to ensure that a replacement part was produced by an FAA-approved source is, therefore, critical.

G.4.4.2 It is important to fully understand 14 CFR § [43.13](#) and the resulting responsibility to show that any/all parts and/or materials used, from any source, are airworthy (i.e., conform to type design), are equal to the original or properly altered condition, and have been properly maintained. While not required by regulation, it is helpful to outline the terms and conditions for using a maintenance provider in an airworthiness agreement. Refer to Advisory Circular (AC) [120-106](#), Scope and Recommended Content for an Airworthiness Agreement Between a Certificate Holder and a Maintenance Provider.

G.4.5 Maintenance Performed for Other Operators. An operator with an approved CAMP under 14 CFR part 121 or 135 may also perform maintenance for another certificate holder (CH) under the same regulatory part. Such maintenance must be performed in accordance with that CH’s approved program, including aircraft of nine or fewer passenger seats. An operator under 14 CFR part 135 is not authorized to perform maintenance for an operator under 14 CFR part 121, and vice versa. Although fractional owner program managers may use a CAMP, they are not authorized to perform maintenance for other program managers because they do not have a certificate as described in 14 CFR § 91.1437.

G.5 **Maintenance Program Procedures**. The maintenance program must incorporate a set of procedures that ensures the following:

1. Maintenance, preventive maintenance, and alterations are performed according to your manual.
2. Competent personnel and adequate facilities and equipment are provided for the proper performance of maintenance, preventive maintenance, and alterations.
3. Each aircraft released to service is airworthy.

4. Airworthiness inspections and RIIs are performed per your manual by qualified personnel.
5. A system is in place that addresses how specific RIIs are developed, controlled, and reviewed to ensure the continued airworthiness of aircraft.

G.5.1 Airworthiness Inspections. Title 14 CFR § [91.1427](#) stipulates that each program manager’s manual must discuss airworthiness inspections, including instructions covering procedures, standards, responsibilities, and authority of inspection personnel. The methods and procedures established by your manual must be followed. Items not designated as RII will also be inspected according to the manual’s instructions.

G.5.2 Required Inspection Items (RII). Title 14 CFR § 91.1427 (b), it describes the designation of maintenance and alteration work that must be inspected.

G.5.2.1 The manual must contain a method of performing required inspections and a designation of the items of maintenance and alteration that must be inspected. These will include, at a minimum, those items that could result in failure, malfunction, or defect, endangering the safe operation of the aircraft if maintenance is not performed properly or if improper parts or materials are used. You must evaluate your work program to identify RII. Such items may be identified with the abbreviation “RII,” an asterisk, or any similar method.

G.5.2.2 In determining the work items that are to be categorized as RII, you should consider the importance of the following:

1. Installation, rigging, and adjustments of flight controls.
2. Installation and repair of major structural components.
3. Installation of aircraft engines, propellers, and rotors.
4. On the aircraft calibration, or rigging of components, such as engines, propellers, transmissions, gearboxes, landing gear, and navigation equipment.

G.6 Inspection Organizations. You must have an organization adequate to perform required inspections. Organize the performance of required inspections so as to separate the required inspection functions from other maintenance, preventive maintenance, and alteration functions.

G.6.1 Personnel Considerations. Per 14 CFR § [91.1429\(d\)](#), when maintaining an aircraft under CAMP, the program manager must maintain a current listing of persons qualified and authorized to inspect its RII. When other organizations perform such maintenance, you must determine that the contractor maintains such a list. Each individual must be identified by name, occupational title, and the RII that individual is authorized to inspect.

G.6.1.1 To comply with these requirements, your personnel roster (or the contractor’s roster) may be used. This roster should include a method for positive

identification of those who are trained, qualified, authorized, certificated, and current.

G.6.1.2 Authorized individuals may be informed by letter or by a list showing the extent of their responsibilities, authorities, and inspection limitations. If a list is used, it should be signed by each authorized individual to confirm that the authorized person is fully aware of any inspection limitations.

G.6.2 Maintenance and Inspections. The separation of your maintenance organization from the inspection organization does not apply to the accomplishment of airworthiness inspections.

G.7 Maintenance Training Programs. As described in 14 CFR § [91.1111](#), you must ensure that all employees who are responsible for maintenance related to program aircraft undergo appropriate initial and annual recurrent training and are competent to perform those duties. This training can be formal classroom training, factory-provided training, on-the-job training (OJT), or any type of training deemed adequate for the type of maintenance that is being performed. If you elect to use a CAMP, you must have a training program to meet 14 CFR § [91.1433](#) to ensure that each person (including inspection personnel) who determines the adequacy of work done is fully informed about procedures and techniques and new equipment in use and is competent to perform that person's duties.

APPENDIX H. DESTINATION AIRPORT ANALYSIS PROGRAM (14 CFR § 91.1037)

H.1 Introduction. The Federal Aviation Administration (FAA) regulations governing operations under 14 CFR part [91](#) subpart [K](#) (part 91K) and part [135](#) provide for reducing effective runway length requirements for turbine engine-powered, large transport category airplanes. These reductions must be met before a flight’s takeoff, provided the operator meets certain requirements. For destination airports, normal landing distance requirements for these types of operations are 60 percent of the available runway length. For alternate airport landing distance requirements, 14 CFR part 91K remains at 60 percent, while 14 CFR part 135 allows for 70 percent of the effective runway length. If an operator desires to reduce landing distance requirements to 80 percent of the available runway length, that operator must meet regulatory requirements in two areas:

- Eligible on-demand operator or fractional ownership program experience; and
- FAA-Approved Destination Airport Analysis Program (DAAP). The DAAP must address specific regulatory requirements and be approved for use through that operator’s management specifications (MSpecs) or operations specifications (OpSpecs), as applicable.

H.2 Experience Requirements. Refer to 14 CFR §§ [91.1049](#) and [91.1053](#). An eligible on-demand operator is defined under 14 CFR § [135.4](#). Fractional ownership programs must meet the same requirements and are identified under 14 CFR §§ 91.1053 and [91.1055](#). The requirements include:

H.2.1 Two-Pilot Crew. The flightcrew must consist of at least two qualified pilots employed or contracted by the MSpec certificate holder (CH).

H.2.2 Flightcrew Experience. The crewmembers must have met the applicable requirements of 14 CFR part [61](#) and have the following experience and ratings:

H.2.2.1 Total flight time for all pilots:

1. Pilot in command (PIC)—A minimum of 1,500 hours.
2. Second in command (SIC)—A minimum of 500 hours.

H.2.2.2 For multiengine, turbine-powered, fixed-wing, and powered-lift aircraft, the following FAA certification and ratings requirements:

1. PIC—Airline transport pilot and applicable type ratings.
2. SIC—Commercial pilot and instrument ratings.

H.2.2.3 For all other aircraft, the following FAA certification and rating requirements:

1. PIC—Commercial pilot and instrument ratings.
2. SIC—Commercial pilot and instrument ratings.

H.2.3 Pilot Operating Limitations. Refer to 14 CFR § [91.1039](#). If the SIC of a fixed-wing aircraft has fewer than 100 hours of flight time as SIC flying in the aircraft make and model, and if a type rating is required in the type of aircraft being flown, and the PIC is not an appropriately qualified check pilot, the PIC will make all takeoffs and landings in any of the following situations:

H.2.3.1 Landings at the destination airport when a destination airport analysis is required under 14 CFR § [91.1037\(c\)](#); and

H.2.3.2 In any of the following conditions:

1. The prevailing visibility for the airport is at or below 3/4 of a mile.
2. The runway visual range (RVR) for the runway to be used is at or below 4,000 feet.
3. The runway to be used has water, snow, slush, ice, or similar contamination that may adversely affect aircraft performance.
4. The braking action on the runway to be used is reported to be less than “good.”
5. The crosswind component for the runway to be used is in excess of 15 knots.
6. Wind shear is reported in the vicinity of the airport.
7. Any other condition in which the PIC determines it to be prudent to exercise his or her authority.

H.2.4 Crew Pairing. Refer to 14 CFR § 91.1055. Either the PIC or the SIC must have at least 75 hours’ flight time as either PIC or SIC in that aircraft type, make, or model.

H.2.5 Deviations. The Administrator may authorize deviations from the total flight time requirements of 14 CFR § 91.1053(a)(1) if the FAA office that issued the MSpecs finds that the crewmember has comparable experience and can effectively perform the functions associated with the position in accordance with the requirements of this chapter. The Administrator may, at any time, terminate any grant of deviation authority issued under this provision. Per 14 CFR § 91.1053(b), such grants of deviation may be authorized after consideration of the size and scope of the operation, the qualifications of the intended operating pilots, and the following circumstances:

1. A newly authorized MSpec holder does not employ any pilots who meet the minimum requirements.
2. An existing MSpec holder adds to its fleet a new category and class aircraft not used before in its operation.
3. An existing MSpec holder establishes a new base to which it assigns pilots who will be required to become qualified on the aircraft operated from that base.

Note: The Administrator may also authorize deviations from the crew pairing requirement in 14 CFR § 91.1055(b) if any of the above circumstances are present.

H.3 DAAP Requirements. Refer to 14 CFR §§ [91.1025](#), 91.1037, 91.1039, 91.1053, and 91.1055. DAAP requirements for large, turbine-powered, transport category airplanes are found under 14 CFR §§ 91.1025 and [135.23\(r\)](#). Specifically, if required by 14 CFR §§ 91.1037(c), [135.385](#), or [135.387](#), as applicable, the destination airport analysis establishing runway safety margins must include the following elements, supported by aircraft performance data supplied by the aircraft manufacturer for the appropriate runway conditions at the airport(s) to be used, if a reduction below 60 percent of the available runway length is planned:

- H.3.1 Pilot Qualifications and Experience.** The operator is responsible for including all applicable regulatory requirements to establish a pilot’s eligibility to reduce effective runway planning requirements below 60 percent of the available runway length. Experience requirements include pilots with fewer than 100 hours’ flight time in type (“high minimums”), total flight time, and crew-pairing limitations (fewer than 75 hours in type).
- H.3.2 Aircraft Performance Data to Include Normal, Abnormal, and Emergency Procedures as Supplied by the Aircraft Manufacturer.** Landing distance calculations should be completed using the FAA-approved procedures and data. Consider abnormal and emergency procedures, as some of these procedures may increase approach speeds and consequently, landing distance requirements. Planned takeoff weight for the departure from that airport should be evaluated before operating into that airport.
- H.3.3 Airport Facilities and Topography.** Consider what services are available at the airport. Services such as communications, maintenance, and fueling may impact operations to and from that airport. Terrain features may figure prominently in or near a particular airport. High, fast-rising terrain may require special approach or departure procedures, which may impact performance requirements. For example, an aircraft certification criterion uses a 3.5 degree glideslope (GS) angle in computing landing distance data. GS angles of 2.5–3 degrees are common and have the effect of lengthening actual landing distance. Airports on top of hilly terrain or downwind of mountainous terrain may occasionally experience gusty winds or winds shifting from a headwind to a tailwind. Such conditions are an important consideration during the landing maneuver, particularly during the flare, and increase landing distance requirements.
- H.3.4 Runway Conditions (Including Contamination).** Runway features, such as slope and surface composition, can cause the actual landing distance to be longer than the calculated landing distance. Wet or slippery runways may preclude reductions from being taken and, in fact, require 115 percent of the distance derived from calculations, whether a reduction was used or not. This distance is calculated by increasing the distance required under dry conditions by an additional 15 percent (e.g., if Aircraft Flight Manual (AFM) data shows the actual landing distance will be 2,000 feet, the effective runway length required is 3,334 feet using 60 percent in this example. If the runway is expected

to be wet or slippery upon arrival, the effective runway length required is 3,834 feet). Braking action always impacts the landing distance required as it deteriorates. Always consider the most current braking action report and the likelihood of an update prior to the flight's arrival at a particular airport.

- H.3.5** Airport or Area Weather Reporting. Some airports may not have current weather reports and forecasts available for flight planning. Others may have automated observations for operational use. Still others may depend on a nearby airport's forecast for operations. Area forecasts are also very valuable in evaluating weather conditions for a particular operation. Comparing forecasted conditions to current conditions will lend insight to changes taking place as weather systems move and forecasts are updated. Longer flight segments may lean more heavily on the forecast for the expected time of arrival, as current conditions may change significantly as weather systems move. For example, if a flight is planned for 5 hours en route, the current conditions may not provide as much insight as a forecast for the arrival time if a cold front is expected to pass through the area while a flight is en route.
- H.3.6** Appropriate Additional Runway Safety Margins, If Required. Displaced thresholds, airport construction, and temporary obstacles (e.g., cranes and drawbridges) may impact runway length available for landing. Consult Notices to Airmen (NOTAM) before conducting a flight; they are a good source of information on items such as these.
- H.3.7** Airplane Inoperative Equipment. Thrust reversers, on airplanes so equipped, provide some effect of reducing landing rollout distance. However, they are not considered in landing distance performance requirements and data provided by airplane manufacturers during certification. Rather, they provide an added margin of safety when used. If thrust reversers are inoperable or not installed, that additional safety margin does not exist. Also, their effectiveness is directly related to many factors, including pilot technique, reverser deployment rates, engine speeds, and environmental conditions (e.g., wet or contaminated runways in conjunction with crosswinds). Their actual effectiveness varies greatly. Other airplane systems that directly impact landing distance requirements include antiskid and ground spoilers (if installed), brake and tire condition, and landing flap selection, to name a few.
- H.3.8** Environmental Conditions. Many environmental conditions directly and indirectly affect actual landing distance requirements. Frontal passage usually causes winds to shift, sometimes causing a tailwind component. Tailwinds generally have a significantly greater impact on landing distance than headwinds. Thunderstorms in the vicinity of airports can introduce wind gusts from different directions, including wind shear, to varying degrees that are difficult to predict in advance or during the actual landing maneuver itself. Density and pressure altitudes also directly impact landing distance requirements. Landing distance tables may take these factors into account. However, variations from planned conditions and actual conditions at time of landing can vary and impact actual landing distance requirements. Stronger than forecasted tailwinds en route can cause the airplane to weigh more than projected, causing the actual landing distance to be longer than planned. If icing conditions were encountered while en route and temperatures above freezing are not reached before landing, any ice remaining behind

removal devices or on areas that are not protected adds additional weight and drag to the airplane, which in turn requires higher airspeeds and longer landing distances.

H.3.9 Other Criteria that Affect Aircraft Performance. Many other variables affect landing distance. To name a few, approach speed, flap configuration, airplane weight, tire and brake condition, airplane equipment, and environmental conditions all directly impact required landing distance. With these and many other factors, it is the pilot who applies these factors through the use of procedures and technique, the latter being highly variable. While specific additives are provided by manufacturer’s landing data, a pilot usually applies techniques acquired through experience in dealing with similar circumstances. Pilots may opt for an especially smooth landing on longer runways by “floating” in ground effect, before touchdown. While possibly yielding a smooth landing, this technique will add to the landing distance requirement, as landing data provided by manufacturer’s data through the certification process assumes a touchdown rate of descent of 8 feet per second. The following operational considerations may affect landing distance requirements. Policies and procedures addressing them should be included in the operator’s FAA-approved DAAP.

Table H-1. Reduction of Landing Distance Planning Requirements

Certification Criteria	Operational Consideration	Effect on Safety Margin
3.5 degree glideslope (GS) angle	2.5 to 3 degrees typical.	Actual landing distance will be longer than calculated landing distance.
8 ft/s touchdown rate of descent	2 to 4 ft/s typical.	Actual landing distance will be longer than calculated landing distance.
Assumes all approach speed additives bled off before reaching the 50 ft height	5 to 10 knots exceedances not uncommon.	Actual landing distance will be longer than calculated landing distance.
	Longer flare distance (“float”).	Actual landing distance will be longer than calculated landing distance.
	Less-than-full braking effort.	Actual landing distance will be longer than calculated landing distance.
	Delays in obtaining full braking configuration.	Actual landing distance will be longer than calculated landing distance.
	Higher temperatures not accounted for (temperature accountability not required).	Actual landing distance will be longer than calculated landing distance.
	Downhill runway slope not accounted for (runway slope accountability not required).	Actual landing distance will be longer than calculated landing distance.
	Icy, slippery, or contaminated runway surface.	Actual landing distance will be longer than calculated landing distance.
	Airplane heavier at time of landing than predicted at time of dispatch.	Actual landing distance will be longer than calculated landing distance.
	Airplane higher than 50 ft over the threshold.	Actual landing distance will be longer than calculated landing distance.
	Airport pressure altitude higher than predicted at time of dispatch.	Actual landing distance will be longer than calculated landing distance.

Note: See Table H-2 below for examples of other variables that affect landing distance requirements.

Table H-2. Other Variable Considerations

Steady State Variables	Nonsteady State Variables	Actual Operations vs. Flight Test	Actual vs. Forecast/Planned Conditions
Runway slope	Wind gusts/turbulence	Flare technique	Runway or direction (affecting slope)
Temperature	Flightpath deviations	Time to activate deceleration devices	Airplane weight
Runway surface condition (dry, wet, icy, texture)		Flightpath angle	Approach speed
Brake/tire condition		Rate of descent at touchdown	Environmental conditions (for example, temperature, wind, pressure altitude)
Speed additives		Approach/touchdown speed	Engine failure
Crosswinds		Height at threshold Speed control	

Note: Operators are responsible for preparing their DAAP if they desire to reduce landing distance planning requirements below 60 percent of the effective runway length. Operators must ensure that their policies and procedures reflect at least minimum regulatory requirements and adequate policies and procedures prior to submitting their program to the FAA for approval. (14 CFR 91.1037(c)(1).)

H.4 DAAP Checklist. Table [H-3](#) should be used to ensure the operator and its DAAP meet minimum regulatory requirements. The operator should complete this checklist and provide it to the FAA office with approval authority, along with the DAAP and request for approval and issuance of OpSpecs or MSpecs, as applicable. The checklist is completed using the following methodology:

1. No. Item and sub item number;
2. Item Description. Description of the item;
3. Response. Circle “Yes” or “No” to indicate whether or not the item is adequately addressed in the program; and
4. Manual Page Reference. Enter the manual page number where the item is addressed.

Table H-3. Destination Airport Analysis Program Checklist

NO.	ITEM DESCRIPTION	RESPONSE	MANUAL PAGE REFERENCE
OPERATOR OR PROGRAM MANAGER REQUIREMENTS			
1.	Does the operator or program manager restrict reduced planning requirements to two-pilot crews?	Yes No	
2.	Does the operator or program manager restrict reduced planning requirements to flight crews that meet the following minimum experience requirements:		
a.	Pilot in command (PIC)—Airline Transport Pilot Certificate; applicable type rating; 1,500 hours of flight time?	Yes No	
b.	Second in command (SIC)—Commercial Pilot Certificate; instrument rating; 500 hours of flight time?	Yes No	
3.	Does the operator or program manager require the PIC to perform all takeoffs and landings when the SIC has less than 100 hours in make, model, and type (if required) under these conditions (unless PIC is check pilot):		
a.	Landings when Destination Airport Analysis Program (DAAP) is used to reduce effective runway length below 60 percent?	Yes No	
b.	Airport visibility is at or below 3/4 mile?	Yes No	
c.	Runway Visual Range (RVR) for the runway to be used is less than 4,000 feet?	Yes No	
d.	The runway is contaminated?	Yes No	
e.	Reported braking action for the runway to be used is less than “good”?	Yes No	
f.	Crosswind component of runway to be used is in excess of 15 knots?	Yes No	
g.	Wind shear is reported in the vicinity of the airport?	Yes No	
h.	Any condition in which the PIC determines it to be prudent to exercise the PIC authority?	Yes No	
4.	Crew pairing limitations—either PIC or SIC must have at least 75 hours’ flight time in type? (14 CFR § 91.1055(b))	Yes No	
5.	OpSpecs or MSpecs issued (following FAA approval of DAAP and determination that operator or program manager meets applicable requirements)?	Yes No	

NO.	ITEM DESCRIPTION	RESPONSE	MANUAL PAGE REFERENCE
DAAP CONTENT REQUIREMENTS			
1.	Does the DAAP take pilot information into account, including:		
a.	Qualifications?	Yes No	
b.	Experience?	Yes No	
2.	Does the DAAP take into account aircraft performance data, as supplied by the aircraft manufacturer, that includes:		
a.	Normal procedures?	Yes No	
b.	Abnormal procedures?	Yes No	
c.	Emergency procedures?	Yes No	
3.	Does the DAAP take airport information into account, including:		
a.	Facilities?	Yes No	
b.	Topography?	Yes No	
4.	Does the DAAP take into account runway:		
a.	Conditions?	Yes No	
b.	Contamination?	Yes No	
5.	Does the DAAP take into account weather reporting for that:		
a.	Airport and/or	Yes No	
b.	Area?	Yes No	
6.	Does the DAAP take any additional runway safety margins (if required) into account?	Yes No	
7.	Does the DAAP take airplane inoperative equipment into account?	Yes No	
8.	Does the DAAP take environmental conditions into account?	Yes No	
9.	Does the DAAP take other performance criteria into account?	Yes No	