

NOV 4 1987

L. M. Chipley, Esq.
City Attorney
427 Lincoln
City Center Plaza, Suite 1
Lander, WY 82520

Re: Centennial Airlines Security Agreement; N101BE

Dear Mr. Chipley:

Your letter of September 29, 1987, to the FAA Aircraft Registry has been referred to this office for review. We are agency counsel who advise the Registry. Your letter requests that the Registry record a Security Agreement given to the City by Centennial Airlines covering this aircraft. We note that the aircraft has been transferred from Centennial to Great Lakes Aviation, Ltd., and we are mindful of your deep concern that the rights of the people of Lander, WY be protected to the greatest extent possible.

However, we are of the opinion that the Security Agreement may not be recorded, since it is not signed by the debtor. While the instrument grants to the secured party, the City of Lander, the status of attorney in fact, it is signed only by the secured party, not by the debtor. We are not aware of any law that allows an attorney in fact to grant himself such powers on behalf of the principal. However, if such is the case in Wyoming, please advise us of the appropriate citation, and we will reconsider our advice to the Registry. If you should obtain a decision of a court sustaining the validity of the Agreement, or allowing a foreclosure on it, we will recommend recording the court order, assuming it identifies the aircraft and the parties. If we have not heard from you by December 1, 1987, the Security Agreement will be returned to you.

Sincerely,

Joseph R. Standell
Aeronautical Center Counsel

By:

R. Bruce Carter
Attorney Adviser

OFFICIAL FILE: _____

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