

January 6, 1987

Stephen L. Johnson, Esq.
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The Bank of California Center
Seattle, WA 98164

Dear Mr. Johnson:

**Pacific Western Airlines Refinancing Requested
Recordation of Security Instrument on Aircraft Engines**

I regret the FAA Aircraft Registry cannot honor your request to record an original document, referred to as "Debenture."

The Debenture grants a security interest in aircraft engines owned by Pacific Western Airlines Leasing (1986) Ltd., a corporation organized under the laws of Alberta, Canada, in favor of Midland Bank P/C, a banking corporation organized under the laws of the United Kingdom. The Debenture is not a security instrument affecting aircraft engines owned by a United States air carrier.

Although the language of 49 U.S.C. 1403(a)(2) does not identify a citizenship requirement with respect to recordation of aircraft engines, the legislative history of 49 U.S.C. 1403(a)(2) makes it clear that the legislative intent was to facilitate financing of aircraft owned by United States air carriers. 1948 U.S. Code Cong. and Admin. News, pages 1896-1897. This position is consistent with a legal opinion previously issued on this question (copy enclosed, with attachment).

The copy of the Debenture is hereby returned.

Sincerely,

Joseph R. Standell
Aeronautical Center Counsel

2 Enclosures

cc: AGC-7/AGC-200/AAC-250

AAC-7:AJRodriguez:lml:2296:1//6/87