

August 28, 1985

Mr. Ben C. Brostoff
Vice President
AAR Corp.
1111 Nicholas Boulevard
Elk Grove Village, Illinois 60007

Dear Mr. Brostoff:

Your letter of August 21, 1985, requests "recordation forms" for your use in conformity to the case of International Atlas Services, Inc. v. Twentieth Century Aircraft Company, which apparently states that aircraft engine ownership may be recorded with the FAA Aircraft Registry. However, there is a technical error in the court's statement, and the Registry does not "record" such engine ownership.

Section 502 of the Federal Aviation Act of 1958 (49 U.S.C. 1402) authorizes but does not require the Secretary of Transportation to establish reasonable rules for registering aircraft engines. This section of the Act has never been implemented, and there is no system for registering (or "recording" ownership interests in) aircraft engines with the Registry.

The Registry will accept, however, a lease, mortgage, equipment trust, contract of conditional sale, or other instrument executed for security which affects an interest in aircraft engines with a rated takeoff horsepower of 750 or equivalent, or air carrier engines of any size. This is directed in Section 503(a) of the Act (40 U.S.C. 1403(a)). We appreciate your interest.

Sincerely,

Joseph R. Standell
Aeronautical Center Counsel

Original Signed By
R. BRUCE CARTER

By:
R. Bruce Carter
Attorney-Advisor

cc:
AAC-250