

March 11, 1983

Mr. T. W. Cashel  
Attorney at Law  
Simpson, Thacher & Bartlett  
99 Bishopgate  
London EC2M 3XD

Dear Mr. Cashel:

Regretfully, I must inform you that the FAA Aircraft Registry declines to record the mortgages pertaining to the five General Electric aircraft engines, which conveyances you sent to me under cover of your letter dated February 18, 1983. The mortgages and four associated documents are hereby returned to you.

I apologize for the fact that I previously indicated agreement with your legal conclusion as to the eligibility of such conveyances for recordation. The language of 49 U.S.C. 1403(a)2 and 14 C.F.R. Part 49, Subpart D, does suggest that there is no limitation upon recordability based on citizenship. Nevertheless, as you know, such construction would lead to the somewhat absurd result that the FAA Aircraft Registry would be a world-wide recordation center for most aircraft engines and propellers. Because such a result would severely tax our already overburdened Registry resources, I was asked to take another look at whether the statute and Part 49 legally require FAA to record security conveyances for aircraft engines and propellers concerning which no United States citizen has any interest.

In so doing, I examined the legislative history of 49 U.S.C. 1403(a)2 and the predecessor statute under the Civil Aeronautics Act of 1938 (copy of pertinent legislative history enclosed).

It would appear that in structuring the statutes the legislative intent as reflected in the enclosed Report was simply to facilitate financing of new aircraft by United States air carriers and not to otherwise extend the scope of recordation for aircraft engines and propellers.

I am very sorry for any inconvenience that this declination may cause you.

Sincerely,  
Original signed by:  
Joseph R. Standell  
Joseph R. Standell  
Aeronautical Center Counsel

10 Enclosures  
(Listed on page 2)

cc:  
Marie Coudert, Esq. (w/o enclosures)

bcc:  
AGC-7  
AAC-250 ✓

## Listing of Enclosures:

Mortgage - February 18, 1983, Engine Manufacturer's Serial No. 528125  
Mortgage - February 18, 1983, Engine Manufacturer's Serial No. 528126  
Mortgage - February 18, 1983, Engine Manufacturer's Serial No. 528123  
Mortgage - February 18, 1983, Engine Manufacturer's Serial No. 528132  
Mortgage - February 18, 1983, Spare Engine  
Aircraft Lease Agreement (Two Airbus A300 B4)  
Lease Assignment, February 17, 1983  
Lease Schedule relating to Aircraft I, February 18, 1983  
Lease Schedule relating to Aircraft II, February 18, 1983  
Copy pertinent legislative history (Aircraft -- Title, etc. -- Recording)