

OCT 15 1979

Preston G. Gaddis II, Esquire
Crowe, Dunlevy, Thweatt, Swinford,
Johnson & Burdick
17th Floor Liberty Tower
100 Broadway
Oklahoma City, Oklahoma 73102

Re: Eastern Equipment Trust

Dear Mr. Gaddis:

This is in reply to your letter of September 27 asking for an opinion whether registration of aircraft under certain transactions is lawful. You submitted information as to the documents evidencing the transactions in your letter, and also submitted copies of drafts of some of the transactions, and parts of others. This morning we received, with a letter from Mr. Charles D. Ganz of Gambrell, Russell & Forbes, what appears to be complete documentation.

Mr. Ganz sent us one copy each of four books, marked Trust A through D, each of which contains four documents. They relate to the financing of two, one, four, and one aircraft, respectively, a total of eight aircraft. As to one aircraft, the closing is set for October 17. We understand that the four packages are identical in respect of provisions that have a bearing on the registerability of the aircraft.

We understand that the aircraft to be financed under these related transactions are to be registered in the name of Connecticut Bank and Trust Company as Owner Trustee, which will hold legal title thereto and lease them to Eastern Air Lines, Inc. under a lease that does not constitute a conditional sale. The beneficiaries

under these trusts are the Owner Participants, identified in the Participation Agreements. The Owner Trustee will also issue Loan Certificates secured on, among other things, the aircraft to Loan Participants who have rights to direct a Loan Trustee, but not the Owner Trustee. The Owner Participants have certain rights to direct and control the Owner Trustee. Both Trustees and the Owner Participants and their possible successors will be United States citizens.

If the above summary of pertinent aspects of the transactions is correct, and complete in the sense that there are no other provisions which limit the Owner Trustee's rights and powers as holder of the legal title to the aircraft, the aircraft are eligible for registration since it appears that the Owner Trustee and the Owner Participants are not under the control of persons who are neither citizens of the United States nor individual citizens of a foreign country lawfully admitted for permanent residence in the United States. The registerability of the aircraft is not affected if there are persons among the loan participants who are not United States citizens.

Sincerely,

for
Jonathan Howe
Deputy Chief Counsel

Clark H. Onstad
Chief Counsel

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cc: AGC-1, AAC-7, AGC-7, Krassa, Grid

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