



U.S. Department
of Transportation
**Federal Aviation
Administration**

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Aeronautical Center

P.O. Box 25082
Oklahoma City, Oklahoma 73125

MH JUL 02 2002

June 26, 2002

Peter D. Leventhal
Avcorp Registrations Ltd.
The Terminal Bldg.
Gloucestershire Airport Cheltenham
Glos GL-51 6SR United Kingdom

Dear Mr. Leventhal:

Correction to Trust Agreement
Lease under Part 61.77

This is in response to your request of June 9, 2002, for our opinion. (It was nice to hear from you on the telephone the other day).

Your first series of questions relate to correcting information provided to the FAA Aircraft Registry four years ago incident to an aircraft registration under 14 C.F.R. 47.7(c). It appears that the registration documents may show your client's company as beneficial owner rather than his individual capacity. You say "the mistake needs to be corrected with effect from the date of the initial trust agreement."

Your question No. 1. ". . .does the registry have some prescribed form by which one describes and files the correct trust agreement?"

Our response No. 1. No.

Your question No. 2. "Does it need to be accompanied by a new affidavit and any other documents?"

Our response No. 2. I'm not certain I know the answer. From FAA's standpoint, I can't imagine that we would consider suspension or revocation action against the certificate of aircraft registration because beneficial ownership is misstated.

On the other hand, from a continuing validity standpoint (perhaps 14 C.F.R. 47.43(a)(4)), I can appreciate your concern for your

client and your willingness to file new documents with the FAA Aircraft Registry.

Assuming you file new documents to protect against invalidity and to assure the correctness of information in the aircraft record, I would agree that you should consider a new affidavit and amendment to the Trust Agreement.

Your question No. 3. ". . .can the amendment or trust agreement be dated with the date of the first trust agreement or marked 'Effective with the date of the first trust agreement'."

Our response No. 3. The FAA would have no problem with your doing that. Obviously, we are not in a position to make a legal determination concerning the effectiveness of any attempt to make the amendment nunc pro tunc.

Your next series of questions relates to eligibility under 14 C.F.R. 61.77 for issuance or renewal of a U.S. special purpose pilot authorization. You state that a condition for issuance or renewal is employment by a foreign lessee. You point out language in the Trust Agreement which limits the Owner Trustee to allowing only the Trustor to possess the aircraft.

Your question No. 4. ". . .do you consider the provision I have identified as constituting a lease so as to satisfy Part 61.77."

Our response No. 4. This is not my area of expertise, however, I am copying Michael Chase, Manager of FAA Chief Counsel's Certification Law Branch (U.S. telephone no. 202-267-3110) this reply.

The language you quote from Subsection 3.15(a) of the Trust Agreement (" . . . it [Owner Trustee] will furnish the Aircraft to the Trustor,"), I believe is sufficient to establish a present landlord/tenant relationship as to the aircraft. Therefore, I would interpret Subsection 3.15(a) as establishing a leasehold interest in the Trustor. However, it may be a simple matter to remove all doubt by an appropriate amendment to the Trust Agreement.

Your question No. 5. ". . .would a lease between the Trustor and another foreign party constitute a lease which would satisfy Part 61.77 and if so would such lease need to be filed at the FAA registry?"

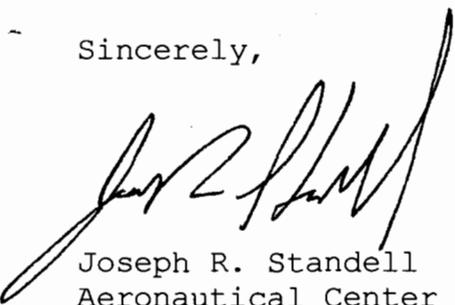
Our response No. 5. Assuming that Trustor, as lessee, has sufficient property interest to sublease (and I believe it does, as discussed above) and assuming that any sublease by Trustor to another foreign party would be consistent with the Trust Agreement (and I offer no opinion), then such sublease would appear to meet the intent of 14 C.F.R. 61.77(a)(1).

It would appear that a lease or sublease may be filed for recordation with the Registry pursuant to 14 C.F.R. 49.17. That is provided that you are able to show an uninterrupted leasehold chain.

Your question No. 6. "I presume that such a lease would need to contain a truth in leasing provision but in all other respects it could be a conventional aircraft dry lease."

Our response No. 6. I am truly getting out of my area of expertise and I'm not sure that you have provided sufficient information about the nature of the lease/sublease and operation of the aircraft to warrant any assumptions by FAA. If you need to discuss truth in leasing matters under 14 C.F.R. 91.23, please contact FAA Chief Counsel's Manager of the Operations Branch, Joe Conte at U.S. telephone no. 202-267-7381.

Sincerely,



Joseph R. Standell
Aeronautical Center Counsel

cc:
AFS-750
AGC-220, Conte
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