



U.S. Department
of Transportation
Federal Aviation
Administration



AIRCRAFT REGISTRATION AND RECORDATION PROCESSES

AIRCRAFT REGISTRATION BRANCH AFB-710

June 2018

INDEX TO AIRCRAFT REGISTRATION AND RECORDATION PROCESSES

A

AC Form 8050-39 - (THIS FORM IS NOW OBSOLETE)

AC Form 8050-41 (See Recordation Notice)

AC Form 8050-64 (See Number Change)

AC Form 8050-88 - 2.2.5(g)(1), 3.4, 3.10

AC Form 8050-88A - 2.2.5(g)(4), 3.9

AFS-750-23 Now REGAR-23R (See Cross Reference Sheet)

AFS-750-26 Now REGAR-26 (See Recordation Notice)

AFS-750-119 Now REGAR-119-1

claim of lien 4.5.7

release/termination 6.6

tax lien 4.4.4

Abbreviations -

acceptable abbreviations 2.1.4, 6.3,

legal name 2.1.4

Accommodation agreement (hypothecation) - 4.1.2a, 4.1.8f,

Acknowledgment (notary) - 2.2.1, 4.1.17,

Address change - 2.1.7

certificate issue date 2.1.7

flight hour report 2.1.7

dealer 9.4

Administrator (See Estates)

Aero clubs (See Flying Clubs)

Affidavits – 2.1.3g(8), 2.2.3, 2.2.5a, 2.2.5g, 2.2.5o(2), 2.2.7d, Chapter 3, Chapter 8,

amateur built aircraft 2.2.4, 2.2.5g(1), 3.4

assembled from spare parts 2.2.4, 2.2.5g(1), 2.2.5q(1), 3.5

bankruptcy 2.1.3g

beneficiaries to Trust 2.1.3g(5), 3.6

bill of sale not available 2.2.5g(3), 2.3.7d, 3.3

heir-at-law 2.2.5g(2), 3.2, 8.9

imports (N# Assignment) 2.3.3, 2.3.4

foreign registered aircraft 2.3.6.b(1), 3.8

original document not available 2.4.5(c), 3.3

recordability 3.1.c

trustee 3.6, 8.3.f(2)

voting trustee 3.7, 8.3.f(4)

business trustee 8.3f(6)

Agreement of names - 6.3

Air carrier Spare Parts Location (See Spare Parts Location)

Aircraft description – 2.2.5g(1), 2.2.7c, 2.3.4, 5.3, 10.1, 10.3b, 10.8c

Aircraft without engine(s) - 2.2.11

Amateur built aircraft – 2.2.4, 2.2.5g(1), 2.2.7c(2), 2.2.7d(5)(d), 3.1, 3.4

Ambiguous instruments - 4.1.13

Amendment – 2.2.13, 2.4.10, 2.4.12, 3.4, 4.1.21, 4.1.24, 5.5, 6.13, 6.14, 6.19, 6.20, 7.1, 7.5, 7.7, 8.13

bill of sale 2.2.7d(6), 2.4.9, 2.4.11

chain of ownership 2.4.11

security instruments 4.1.2b

notice of recordation 4.1.22

Ancillary -- (see signature authorizations) - Chapter 8

Application for Aircraft Registration 2.1

alterations 2.1.2, 2.1.3(a)

examination 2.1.2

legal names and designations 2.1.4

letter of extension 2.1.8

no evidence of ownership filed 2.1.11

processing merger 2.1.6

processing name change 2.1.5

rejection of 2.4

signature requirements 2.1.2g, 2.2.7d(7)

temporary certificates 2.1.9

types of registration 2.1.3

Artisans liens/mechanics liens (See Claims of Lien)

Assembled from spare and surplus parts - 2.2.5q(1), 3.5

Assignment – 2.2.5b, 2.2.5g(1), 4.1.2c, 4.1.10e, 4.1.21, 4.1.24, 4.3.4d, 6.12, 6.13, 6.19, 7.1.

notice of recordation 4.1.22

Assignment Card – 10.5, 10.7

Assignment of registration number on import -- 2.3.3.

affidavits-foreign registration ended/not ended 3.8

Assignment Expiration Memo – 2.5.10

Associations – 2.1.2f, 2.1.3c, 2.1.3d, 2.1.3g(2), 2.1.13h, 2.2.5q(7), 8.1, 8.3d, 8.13e, 9.6

National - signature authorizations 8.5f

Assumed Name – See Trade Name

Assumption - 2.2.5q(5), 4.1.2d, 4.1.2n, 4.1.22, 4.1.24, 6.25b

CSC (Conditional Sales Contract) 2.2.5b

Attachments (to documents) – 2.2.5a, 2.2.5g(3), 4.1.14, 7.10

Attachments (See Writ of Execution)

B

Bailment lease – 2.1.4, 2.2.4, 2.2.5e, 4.1.8g, 4.1.2g(3), 4.3.6, 10.2

Bankruptcy affidavit - 2.1.3g

Bankrupt lienholder - 6.15a(1)

Bankruptcy trustee – 2.1.3g(8), 8.1

 appointment document 2.2.5m, 8.6b

 filing procedure 8.3g

 processing documents 8.4

 trustee 2.1.3g(1)

Bill of sale 2.2.4, 2.2.5, 2.2.7c, 2.4.2, 2.4.8, 4.1.2n, 4.1.4

 acceptance of certain agreements 4.1.18

 accepted for break in chain 2.2.7d(5)

 amateur built (kit) 3.4

 amendment to correct sellers name 2.2.7d(6)

 basic requirements 2.2.1

 break in chain of ownership 2.4.1, 2.4.11

 built to conform 2.2.5q(1), 3.5

 chain of ownership 2.2.7d(5)

 corporate purchaser/officer named, title not shown 2.4.7

 dealer 9.1

 deregistration 10.2

 examples of evidence of ownership 2.2.5

 executed in error or sale not consummated 2.4.9, 2.4.12

 Federal tax lien 4.4.2

general 2.2.1

import 2.3.6, 2.3.7

IRS 2.2.5o(3)

judicial 2.2.5o(1)

lease with purchase option 4.3.5

manufacturer operating under license agreement 2.2.10

multiple sellers 2.2.5(a)

non-judicial 2.2.5o(2), (4)

not acceptable (government) 2.2.6

not available 2.2.5g(3)

affidavit in lieu of 3.3

repossession 5.1, 5.4, 5.5, 5.13, 5.15

return of copy or duplicate 2.2.14, 2.4.14

sale not consummated 2.4.9

same seller to different purchaser 2.4.12

satisfying lien or charge 2.2.5o(2), (4)

spare & surplus parts 2.2.5q(1), 3.5

stray bill of sale 2.4.10

to secure a debt 4.1.2e

USAF Museum 2.2.5q(2)

with conditions & lien notations 2.2.5a

with lien notations 2.2.5a

Building Blocks of the Registration System - 1.1

Business trust - 2.1.3c, 2.1.3g(2)

C

C of A (Certificate of Airworthiness) (see export) - 10.7

CAP (See Civil Air Patrol)

Cancellation – 2.2.5b, 5.4, 10.3g, 10.9

after repossession 5.10, 5.11

import 2.3.1, 2.3.4a, 2.3.6b(2)

Cape Town Convention – 4.1.1, 7.1, 10.1, 10.3

Certificate issue date 2.1.13g

address change 2.1.7

dealer 9.2d

duplicate 2.1.9

merger 2.1.6

name change 2.1.5

Certificate of forfeiture - 2.2.5q(3)

Certificate of Incorporation - 2.1.3c

Certificate of repossession – 2.2.4, 2.2.5o, Chapter 5, 10.1, 10.3

alterations to certificate of repossession 5.9

cancellation of registration 5.10

evidence of ownership 2.2.5f

foreign lienholder 5.2

lease 4.3.4h

repossession 5.2

without disposition 5.14

Certificate revoked or canceled - 2.2.7d(3)

Certificate of Transfer of Ownership (Civil Air Patrol) – 2.2.4p, 2.2.5p, 2.2.7d(5)(f)

Chain of ownership – 2.1.4, 2.1.13f, 2.2.5g(3), 2.2.7d(4), 2.2.7d(6), 2.4.1, 2.4.10, 3.1, 10.2

bill of sale not available 3.3

- incomplete, incorrect or break 2.4.11
- previously requested 2.2.7d(5)
- Change of address - 2.1.7
 - dealer 9.4
- Chattel Mortgage - 4.1.2f, 4.1.2i, 4.1.18d, 6.1
- Churches - 2.1.3c
- Citizenship – 2.1.3c, 2.1.3g, 2.1.13b, 2.1.13e, 2.1.13f, 2.1.13g, 3.6, 3.7, 9.1
 - certification of 2.1.2f
 - loss of 2.2.9
- City (See Government)
- Civil Air Patrol (CAP) – 2.2.4p, 2.2.5p, 2.2.7d(5)(f)
- Claims of lien (also see mechanics liens) - 4.5
 - consensual lien 4.5.5
 - engines 4.5.1
 - fees 4.5.6
 - non-judicial bill of sale 2.2.5o(2)
 - recorded locally 4.5.8
 - States with recording statutes 4.5.12
- Combat-type conditional transfer documents - 2.2.5k
- Committee (See Guardian, Conservator)
- Complaint (petition) - 4.1.5
- Composed letters - 2.2.7d(5), 2.4.4
 - rejected lien conveyances 4.6.5
- Conditional sales contract (CSC) – 2.1.4, 2.2.4, 2.2.5a, 2.2.5b, 2.2.5d, 2.2.5q, 2.4.8, 4.1.2g, 4.1.8f, 4.1.8g, 4.1.10, 4.3.5, 7.1
 - export 10.2

Conditional transfer document - 2.2.5k, 2.2.6b, 2.2.7d(5)(h)

Confirmation of deregistration (export) – 10.1, 10.3f

Confirmation of deregistration (import) – 2.3.2, 2.3.3, 2.3.4, 2.3.5, 2.3.7, 3.8

Confirmation of nonregistration

export 10.8

import 2.3.4

Consensual lien – 2.2.5o, 4.5.5, 5.4, 10.1, 10.3

Conservator – 2.2.1, 2.2.2, 2.2.4, 8.1

appointment of 2.2.5n, 8.6

Consolidation – 2.1.6

certificate issue date 2.1.6

filing procedures 8.3e

requirements 8.14

Contract of conditional sale (See Conditional Sales Contract)

Controlling conveyance – 2.2.5c

Conveyance, definition - 4.1.1

Conveyance, original not available - 2.4.5c

Conveyances index (add/delete/correction) - 2.2.7c(2), 2.4.15, 2.4.16, 4.1.5, 4.1.7, 4.1.21, 4.3.1, 4.3.2, 4.3.3, 4.3.7, 10.3

Co-owner - 2.1.2g, 2.1.2f, 2.1.3d, 2.2.2, 2.2.5l, 6.15b, 8.3a, 8.5c, 8.13b, 9.2e

address change 2.1.7

mortgage by one co-owner 4.1.12

trade names 2.1.3e

trust 2.1.3g

Copies of conveyances received - 2.4.6

Corporation – 2.1.2, 2.1.6, 2.1.7, 2.1.13, 2.2.2, 2.2.5e, 2.2.5l, 2.2.5m, 2.2.9, 2.3.6, 2.4.7, 3.7, 4.1.2, 4.6.1, 6.3, 6.15, 8.1, 8.3, 8.4, 8.5, 8.7, 8.13, 8.14, 9.1, 9.6

co-owners 2.1.3d

dissolution 8.15

eligibility requirements 2.1.3c

legal name 2.1.4

non-citizen 2.1.3c

sole stockholder deceased 8.16

trade names 2.1.3e

Co-signers – 2.2.5b, 4.1.10

Co-trustee - 2.1.3g

County (See Government)

Court documents, copies of -8.12

Court orders – 2.1.3g, 2.2.4h, 2.2.5m, 2.2.5n, 2.2.5o(2), 2.4.10, 2.4.15, 5.1, 6.25, 8.6a, 8.6b, 8.13a

declaratory judgment 2.4.11c

determining ownership 2.2.5h, 2.2.5q(3)

repossession 2.2.5f

satisfaction of liens 2.2.5h, 6.15c, 6.24

Cross-collateralization -4.1.2o

Cross-reference sheet, REGAR-23 – 2.1.3g(8), 2.2.5o(2), 2.2.7c, 2.2.7d(4), 4.1.2n, 4.1.2o, 4.1.25, 4.3.7, 4.6.2, 4.6.3, 5.6, 6.13, 6.19, 6.20, 7.5, 9.5, 9.6, 10.5, 10.8

engine, prop & spare parts 7.5, 7.10

leasehold interest 4.1.24

multiple aircraft 4.1.20, 4.1.23, 6.20b

name change 2.1.5

substitution 4.1.23

unregistered aircraft 4.1.21

D

DBA (see Trade Names)

DD Form 1149, 2.2.5q(3), 2.2.6a

DD Form 1348-1, 2.2.5j, 2.2.5q(7)(b)

DPDS Form 1427 2.2.4, 2.2.5q(4), 2.2.6d

Date of Issuance (See Certificate Issue Date)

Dealers 2.4.1, 2.4.13, 5.1, 5.14, 9.1, 10.5

address 9.1e

duplicate certificate 9.3

change of address 9.4

fly-away numbers 10.5

imports 2.3.8

issue date 9.2d

location, multi 9.1

merger 9.6

name change 2.1.5, 2.1.6, 8.13, 9.5

processing the application 9.2

records management 9.8

rejection 9.2c, f

registration pending 2.4.2

sale reported 2.4.2

temporary registration number 9.7

Debtor – 2.1.4, 2.2.3, 2.2.5l, 2.2.5o(3), 4.1.1, 5.1, 5.2, 5.13, 6.3, 6.22, 7.3

Deceased (See Estates) – 2.2.1, 2.2.5g(2), 2.2.5l, 3.2, 8.8, 8.11, 10.9

mail returned 2.2.15

Deceased, sole stockholder of a corp - 8.16

Declaration of summary forfeiture - 2.2.5q(3)

Deed of trust - 4.1.2h, 4.1.2i

release 6.23

Default judgment - 2.2.5q(3)

Defense Civil Preparedness Agency (DCPA) (See FEMA)

Definitions – After the Index

Delivery receipt, lease - 4.3.7

Deregistration – 2.3.2, 2.3.3, 2.3.4, 2.3.7, 3.8b, 10.1

conveyance received after deregistration 4.1.16, 4.1.21, 10.4

release received after deregistration 6.12

destroyed or at owners request 10.9

estate/deceased owner 10.9

fly-away 10.5

Description (aircraft) – 2.1.2b, 2.2.1, 2.2.5b, 2.2.5g, 2.2.5h, 2.2.5q(2), 2.2.7c, 2.3.4d, 2.3.6, 2.4.11, 3.4, 4.1.21, 4.5.5, 5.2, 5.3, 10.1, 10.3, 10.8

Designations - 2.1.4, 2.2.2

Digital Signature – 2.1.2g, 2.2.7d(7)

Disclaimers - 2.2.5a, 3.1, 4.1.4, 4.6.2, 6.11

bill of sale with lien notation 2.2.5a, 4.1.4

unrecordable security conveyance 6.11

Disclosure statement - 4.1.1

Dissolution of a corporation

authorization requirements 8.15

release 6.15

Divorce - 2.2.5q(6)

Duplicate certificate - 2.1.1, 2.1.10

after repossession 5.11

dealer 9.3

E

Electronic signature – see Digital signature

Engine cross reference - 7.5a

posting repossession 5.8

Engines, props. & spare parts location – Chapter 7

cross reference sheet 7.10

horsepower 7.2

master 7.5

multi-collateral 7.5

notification (8050-26 & 8050-41) 7.9

posting 7.5, 7.6, 7.7, 7.8

supplements & amendments 7.7

repossession 5.6c, 5.7, 5.8

Estates – 1.1, 2.1.3f, 2.1.4, 2.2.1, 2.2.5q(8), 2.2.7d(5)(b), 2.2.15, 2.3.4, 2.3.6, 3.2, 6.12, 6.15b, 8.1, 8.9, 10.9

administrator

acceptable documents 8.8

appointment of administrator 2.2.5l

effect on registration 2.2.2

bankruptcy 2.2.5m

bill of sale, security agreement & releases 2.2.5l

deceased sole stockholder of corp. 8.16

designations on applications/conveyances 2.2.2

administrator, executor, personal rep 2.2.5l

heir at law 2.2.5g(2)

executor/executrix (See Administrator)

filing procedure

in aircraft record 8.3c, 8.10

in estate files 2.2.5l (note)

heir at law 2.2.5g(2), 3.2, 8.9

letter of administration 2.2.5l 8.8a

letters testamentary 2.2.5l, 8.8b

personal representative (See Administrator)

processing document 8.4

testamentary heir 2.2.5g(2)

testamentary trustee 2.1.3g(4)

trade names & designations (titles) 2.2.2

type of registration 2.2.5l (note)

Evidence of ownership -- (See Bill of Sale)

Examination process for documents

applications/bills of sale 2.4.1

certificates of repossession 5.2

lien conveyances 4.6.1

dealers application 9.2

exports 10.3

imports 2.3.2

lease agreement 4.3.4

ownership conveyances 2.2.7

sequence for examining and recording 2.2.3

Excess military aircraft sold - 2.2.5q(4)

Executor/executrix (See Estates)

Experimental Aircraft (See Amateur Built)

Export – 10

- AFTN 10.1
- CSC 10.2 (see NOTE)
- ICAO 10.1
- confirmation of deregistration 10.3f
- conveyances received after deregistration 6.12, 10.4
- confirmation of non-registration 10.8
- deregistration date 10.3f(10)
- examination process 10.3
- export certificate of airworthiness 10.7
- fly-away deregistration 10.5
- general 10.1
- premature request 2.3.6d
- repossession 5.4, 10.6
- request for deregistration 10.2, 10.3(h)
- temporary registration number 9.7

Extension, letters of - 2.1.1, 2.1.8

F

FDIC (See Federal Deposit Insurance Corp)

FEMA (See Federal Emergency Management Agency)

FSM (See Federal Savings Bank)

Facsimile signatures - 2.1.7, 2.2.14, 2.4.14, 2.4.3

Federal (See Government)

Federal Deposit Insurance Corp – 6.3, 6.25, 8.7,

Federal Emergency Management Agency – 2.2.5q(8)

Federal Savings Bank – 2.1.4, 6.3

Federal tax lien 4.4.2

sale to satisfy tax lien 2.2.5o(3)

Fees

certification of original 4.1.9c

certified copy unable to obtain 2.4.5

claims of lien recordation fees 4.5.6

deregistration 10.2

examination process, fees 2.2.7d(9)

fees and refunds 12.3

foreign remittances 12.2

general 12.1

government 2.1.3f

merger 9.6

refunds 12.4

repossession 5.1

security conveyance recordation fees 4.1.19, 4.1.21, 4.6.1, 4.6.2, 4.6.3, 4.6.6, 7.4

Filing Procedures for signature authorizations - 8.3

Financing statements - 4.1.1, 6.8

Flight Hour Report Address Change - 2.1.7

Fly-away numbers

dealers 9.7

deregistration 10.5

Flying clubs – 2.1.3c, 2.2.5q(7), 2.2.7d(5)(g)

military message 2.2.5j

Flying time wire/fax - 2.1.9

Folder maintenance - 2.2.7b

Foreclosure - 5.1

State of Florida 5.3

Foreign documents - 2.3.5

Foreign owned corp - 2.1.3c

Foreign registered aircraft leased to U.S. - 4.3.3

Foreign registration terminated – 2.3.3, 2.3.4, 3.1, 3.8

Foreign remittances - 12.2

Forfeiture - 2.2.5q(3)

Form letters - 2.4.4, 4.6.5

Future holders - 4.1.3, 4.1.22

G

General Services Administration (GSA) - 2.2.4, 2.2.5i, 2.2.5k, 2.2.5q(3), 2.2.5q(8), 2.2.6b, 2.2.7d(5)

Geneva Convention – 1.1, 4.1.1, 10.1, 10.3

Government - 2.1.3f, 2.2.5q(3), 2.2.5q(7), 2.2.7d, 3.3, 12.3

FEMA 2.2.5q(8)

forms not acceptable 2.2.6

military (See Military Documents)

public aircraft 2.2.12

transfer order SF122 2.2.5i

Guardian – 2.1.4, 2.2.1, 2.2.2, 2.2.4, 2.2.5n, 8.1

appointment of 8.6

H

Heir-at-law – 2.2.4, 2.2.5g(2), 2.2.15, 3.1, 3.2, 8.9

Hold harmless agreement - 4.1.7

Home-built aircraft (See amateur built)

Horse power, engines - 7.2

Hypothecation agreement - 4.1.2(a)

I

IDERA – 4.1.1, 7.1, 8.1, 8.5g, 10.1, 10.2, 10.3

IRS bill of sale - 2.2.5o(3), 4.4.2

Imports - 2.3.1

assignment of registration number 2.3.3, 3.8

confirmation of deregistration 2.3.3, 2.3.4

foreign registered aircraft leased to US air carrier 4.3.3

military aircraft-affidavit/disposal sale 3.3

premature request for export 2.3.6d

Incomplete registration - 2.1.11

Indemnity - 2.4.11c, 4.1.7

Index correction - 2.2.7c(2), 4.1.21

Individual – 2.1.2f, 2.1.3a, 2.1.3b, 2.1.3d, 2.1.3g, 2.1.4, 2.2.2, 2.2.5a, 2.2.5l, 2.2.5q(3), 2.2.9, 2.4.7, 2.4.11, 4.1.2o, 6.15b, 8.3, 8.13, 9.2e

trade names 2.1.3e

Initial, middle - 2.1.4

Interchangeable name - 2.1.4

International Registry – 1.1 (Also see Cape Town Convention)

J

Joint tenancy - 8.11

Jr. - 2.1.4

Judicial bill of sale - 2.2.5o

Judgments, money - 2.4.16

K

Kit/Bill of sale – 2.2.5g(1), 3.4

L

Landlords Lien (Texas Property Code) - 4.5.1

Leases – 2.2.4, 2.2.9, 2.3.6b, 4.1.8f, 4.1.8g, 4.1.10, 4.3, 4.6.7, 7.5, 7.9, 10.1, 10.2, 10.3, 10.4

assignment by lessor (rental monies) 4.3.4d

bailment 2.2.5e, 4.1.2g(3), 4.3.6

cross reference sheet 4.1.23

early termination 4.3.4f

delivery receipt 4.3.7

expiration 4.1.24

engines, props and spare parts Chapter 7

horsepower 7.2

recording requirements 7.3

foreign registered aircraft 4.3.3

lease agreement 4.3.4

leasehold interest 4.1.10f, 4.1.22, 4.1.25

notification of recordation 4.3.4e

purchase option 2.2.5d, 4.1.2g(2), 4.3.5

release 4.3.4g, 6.1, 6.2

with or without purchase option 6.9

repossession 4.3.4h

security interest 4.1.10e

sublease 4.3.4c

truth-in-leasing 4.3.2

Legal name – 2.1.3e, 2.1.4, 2.1.13a, 2.2.1, 2.2.2, 4.1.8c, 7.3b

Letters of administration – 2.2.3, 2.2.4l, 2.2.5l, 8.8

Letters of extension – 2.1.8

Letter of Indemnity - 4.1.7, 2.4.11c

Letters Testamentary – 2.2.3b, 2.2.4l, 2.2.5l, 8.8

Lienholder out of business - 6.15

Liens (See Claims of Lien) – 2.2.5a, 2.2.7d(5), 4.1.2o, 4.1.4, 4.1.16, 4.5.3, 4.5.5, 4.5.9, 4.6.7, 5.2, 6.15, 6.24, 7.5, 10.1, 10.2, 10.3, 10.6, 12.3

Notice of Recordation –REGAR-41 (tax liens) 4.4.4

Notice of Recordation –REGAR-41 (artisans/mechanics liens) 4.5.7

federal tax 2.2.5o(3), 4.4.2

mechanics 4.5.1

rejected lien conveyances 4.6.2

sale (judicial and non-judicial) 2.2.5o

state and local tax 4.4.3

Liens affecting deregistered/unregistered aircraft - 4.1.16, 4.1.21

Light Sport - 2.2.5(g)(4), 3.9

Limited Liability Company (LC, LLC) – 2.1.3c, 2.1.13, 8.5(h)

Limited Liability Partnership (LP, LLP) - 2.1.3b, 2.1.13a

Liquidation - 8.7b, 8.7d

filing procedures 8.3g

Lis pendens - 4.1.5

Loss of citizenship - 2.2.9

M

Manufacturer registration (license agreement) - 2.2.10

fly-away number 10.5

Master file - 4.1.20, 7.5

eligible/ineligible aircraft 4.1.21

Mechanics liens (See Claims of Lien)

Merger – 2.1.1, 2.1.6, 2.2.3, 2.4.1, 6.25

certificate issue date 2.1.6

dealer 9.6

filing procedure 8.3e

processing document 8.4

requirements 8.14

Middle Initial - 2.1.4

Military documents - 2.2.4

Affidavit/Disposal sale 3.3

certificate of transfer (CAP) 2.2.5p

combat 2.2.5k

conditional transfer document 2.2.6b, 2.2.5k

excess aircraft 2.2.5q(4)

military message 2.2.5j

non-combat 2.2.5k

surplus aircraft 2.2.5k, 2.2.5q(4)

transfer order SF123 2.2.6b

Military message – 2.2.4j, 2.2.5j, 2.2.5q(7)(b), 2.2.7d

Military museum (selling to) - 2.2.5q(2)

Military serial number - 2.2.7c, 10.3f

Money Judgment – 2.2.5o, 2.4.16

Multi-collateral/repossession - 5.6b, 5.6c

Multiple lien conveyance on aircraft - 4.1.20

eligible/ineligible aircraft 4.1.21

Muniment of Title – 2.2.5g(2), definitions

N

Name change – 2.1.1, 2.1.5, 2.1.13g, 2.2.3, 2.4.1, 8.15, 9.6

certificate issue date 2.1.5

dealer 9.5

filing procedure 8.3d

sale of assets 6.25

merger/consolidation 8.14

processing document 8.4

requirements 8.13

trade names 2.1.3e

Name, legal - 2.1.4

Name variations 2.1.4

National Association – 6.3, 8.13e

National Museum of Naval Aviation - 2.2.5q(2)

Never been registered – 2.3.1, 3.3

exports 10.8

imports 2.3.4

Non-citizen U.S. domestic corp – 2.1.2f, 2.1.3c

Non-combat type conditional transfer - 2.2.5k, 2.2.7d(5)

Non-consensual lien (bill of sale) - 2.2.5o(2)

Non-judicial bill of sale - 2.2.5o(2), 2.2.5o(4)

Notary (acknowledgment) – 2.2.1, 2.2.5g, 4.1.17, 4.5.3

Notice of recordation (See Recordation Notice)

Number change - 2.2.7d(1), 2.2.7d(2)

AC Form 8050-64 pending 2.2.7d(2)

O

One and the same statement - 2.1.4

Order of attachment - 2.4.15

P

Partial Release - 6.19

Partnership – 2.1.2, 2.1.3b, 2.1.13, 6.15, 8.3, 8.5, 8.13, 9.2

 legal name 2.1.4

 limited (Definitions)

 mortgage by one partner 4.1.11

 resident alien 2.1.3d

Partnership/co owner - 2.1.2f

Partnership name - 2.1.4

Personal representative (See Estates)

Petition – 4.1.5

Pink Copy - 2.1.1, 2.1.8

Possessions of the United States – 2.1.3c, 2.1.3f

Power of attorney – 2.1.3g(8), 2.1.13h, 2.2.5m, 2.2.5n, 2.2.5p, 6.22, 8.2, 8.4, 8.5, 8.6, 8.7, 8.15

 duration period 8.1

 extensions 8.4

 filing procedure 8.3a

 incapacitated 8.1 and Note under 8.4

 processing document 8.4

Promissory note - 4.1.1, 4.1.2m, 4.1.5, 4.1.14

Propellers – 1.1, 1.4, 4.1.20, 4.5.1, 6.1, Chapter 7, 10.7

horsepower 7.2

propeller cross reference 7.5b

posting repossession 5.8

repossession 5.6c, 5.7, 5.8

Public aircraft - 2.2.12

Purchase option – 2.1.4, 2.2.1, 2.2.5d, 4.1.8g, 10.2

lease 4.3.5

Q

Quiet Title – 2.2.5h, 6.24

Quit claim - 3.2

R

Receiver – 6.15a(1), 6.25, 8.1

bankruptcy 2.2.5m, 8.7

filing procedures 8.3g

Recordation notice – 2.2.5b, 2.2.5c, 2.2.5d, 2.2.5e, 4.1.2m, 4.1.9, 4.1.22, 4.3.5, 4.3.6, 6.1, 6.3, 6.8, 6.9, 6.13

additional blank AFS-750-41, 4.1.20

address not shown 4.1.22

claim of lien 4.5.7

hypothecation 4.1.2a

lease 4.3.4e, 4.3.4f, 4.3.4g, 6.9, 7.9

leasehold interest 4.1.22

tax liens 4.4.4

Recording

acceptable portion of incoming docs 2.4.13

evidence of ownership – recordable or not recordable 2.2.4

omitted on security conveyance 4.1.8

sequence for recording 2.2.3, 6.16, 6.17

Recording books - 2.2.13

Records maintenance - 2.2.7

reinstatement 2.2.7

Refund – 2.2.7d(9)(b), 4.1.10, 12.4, 12.5

authorization of refund online 12.5

notation on docs 12.6

Registration pending – 2.1.8, 2.2.7d(3), 2.4.2, 2.4.13

Reinstatement - 2.2.7d(4)

Reject – 2.1.2f, 2.1.3g, 2.1.4, 2.1.6, 2.1.11, 2.2.5a, 2.2.5b, 2.2.5q(1), 2.2.7c, 2.2.7d, 2.3.2, 2.3.4, 2.4.1, 2.4.2, 2.4.3, 2.4.15, 4.1.13, 4.1.15, 4.1.17, 4.1.20, 4.5.3, 4.5.4, 4.6.1, 6.3, 6.6, 7.6, 8.2, 8.4, 9.2, 9.3, 10.1, 10.3, 10.9

only a portion of incoming documents 2.4.13

Rejected engines, props & spare parts - 7.6

Rejected lien conveyances - 4.6

multi collateral 4.1.20

Release (See Recordation Notice) – 2.1.13f, 2.2.3d, 2.2.4, 2.2.5a, 2.2.5b, 2.2.5d, 2.2.5e, 2.2.5j, 2.2.5k, 2.2.5l, 2.2.7d(5), 2.2.13, 2.4.8, 2.4.9, 2.4.13, 4.1.2d, 4.1.2h, 4.1.2m, 4.1.2n, 4.1.4, 4.1.7, 4.1.9, 4.1.22, 4.1.24, 4.6.2, Chapter 6, 10.1, 10.2, 10.3, 10.4, Appendices 3, 16, 25, & 27

acknowledging recording 6.6

agreement of names 6.3

amended, supplement or assigned 6.13

bankruptcy order 6.27

court order satisfying lien 2.2.5h, 6.15c

deed of trust 6.23

deregistered aircraft 6.12

FDIC 6.25

form UCC-3 6.8

identity of security conveyance 6.4

lease 4.3.4g

lease with or without option 6.9

legal opinions 6.24

lienholder deceased 6.15b

lienholder out of business 6.15

multi-collateral conveyance 6.18

not dated 6.7

partial release of multi-collateral 6.19

recording sequence 6.16, 6.17

release unavailable 6.15c

repossession 5.1, 5.4, 5.5, 5.15

return of 6.5

sale of assets 6.25

security conveyance never submitted 6.10

stamping or cross-referencing 6.20

statute of limitations 6.24

submitted in error 6.14

substitution of collateral 4.1.23

summary forfeiture 6.27

three party security conveyance 6.22

trustee named as secured party 6.21

unrecordable security conveyance 6.11

Replacement certificate - 2.1.10

Removing the last registered owner from data base - 2.4.2

Report or notice of sale - 2.2.8

Repossession – 2.2.4, 2.2.5f, 5.1, 5.2, 5.7, 5.8, 5.10, 5.11, 5.13, 10.1, 10.2, 10.3

after release 5.5

alterations to certificate of repossession 5.9

claim of lien 4.5.1

engines, props & spare parts 5.6c, 5.7, 5.8

export 5.4, 10.6

lease 4.3.4h

multi-collateral 5.6b, 5.6c

non-judicial bill of sale 2.2.5o(2)

recording sequence 2.2.3, 5.15

state of Florida 5.3

unrecorded lien in suspense 5.12

without disposition 5.14

Re-registration – 2.5

Resident alien – 2.1.2f, 2.1.3d, 2.1.3e, 3.6

Resolutions – 8.1, 8.5e

filing procedure 8.3b

processing document 8.4

hypothecation 4.1.2a

Restraining Order - 2.4.17

Retail installment contract conditional sale - 2.2.5b, 2.2.5c

assumption 2.2.5b, 2.4.8

Retail sales contract – 2.2.4c, 2.2.5c

Return of original ownership conveyance - 2.4.5

Return of original lien conveyance - 4.1.9c, 4.6.4

Return of recorded original document - 4.1.9.c(2)

Return of rejected documents - 2.4.3

Return of rejected lien documents - 4.6.7

Return of release - 6.5

Revised certificate – 2.1.3e, 2.1.5, 2.1.7, 2.3.4, 9.5

Revoked certificate - 2.2.7d(3)

Rubber Stamp signature - 2.2.7d(7)

S

SF97 Certificate of release of motor vehicle - 2.2.5q3 (b)

SF122 Transfer order - 2.2.5i

SF123 Transfer order - 2.2.6b

Sale of assets - 6.25

Sale to different purchasers - 2.4.12

Sales contract – 2.1.2g, 2.2.4c, 2.2.5a, 2.2.5b, 2.2.5c, 2.2.5q(4), 2.2.5q(7)(c), 2.2.7d(5), 4.1.8f, 4.1.8g, 4.1.10, 4.1.18c, 4.1.23, 4.3.5, 6.1, 7.1, 10.2

Sale reported – 2.2.7d, 2.2.8, 2.2.15, 2.4.2, 10.9

repossession 5.10, 5.14

Security Conveyances (security agreement) – 1.4, 2.1.3g, 2.2.5, 2.4.8, 4.1.1, 4.1.2, 4.1.4, 4.5.1, 6.8

accepted as evidence of ownership 4.1.18

accompanied by a bill of sale 4.1.18 (a) (d)

security agreement 4.1.18 (a) (d)

transfer of interest agreement 4.1.2n

accommodation agreement (hypothecation) 4.1.2a

additional terms 4.1.14

air carrier spare parts locations 7.3a (3)

ambiguous instruments 4.1.13

amendment 4.1.2b

notice of recordation 4.1.22

assignment 4.1.2c

notice of recordation 4.1.22

assumption 4.1.2d

notice of recordation 4.1.22

attachments 4.1.14

bill of sale to secure a debt 4.1.2e

certified copy 4.1.9

chattel mortgage 4.1.2f

completeness and legibility 4.1.14

conditional sale 4.1.2g

with bill of sale 2.4.8

without bill of sale 4.1.18b

co-signers 4.1.10

cross reference-recordation sheets

aircraft, engines, propellers & spare parts location 7.5, 7.10

cancelled and/or unregistered aircraft 4.1.21

multiple aircraft 4.1.20

dates 4.1.10a, b, c

debtor never owner 4.1.10d

debtor/ownership 4.1.10

deed of trust 4.1.2h

deregistered aircraft 4.1.16, 4.1.21

eligibility for recording 4.1.8

engine, props & spare parts Chapter 7

horsepower 7.2

posting cards 7.5, 7.6, 7.7, 7.8

recording requirements 7.3

expired registration 4.1.10, 4.1.21, 9.1

fees 4.1.19

foreclosure 5.1

hypothecation agreement 4.1.2a

incomplete registration 4.1.15

insufficient description 4.1.8b

leasehold interest 4.1.10

mortgage by one co-owner 4.1.12

mortgage by one partner 4.1.11

multiple aircraft 4.1.20

notice of recordation 4.1.22

original not available 4.1.8d

received in duplicate 4.1.9b

registration revoked or cancelled 4.1.16, 4.1.21

rejected documents 4.6.1

registration problems 4.1.15

repossession 5.1

retains title (See Conditional Sales Contracts)

return of original 4.1.9c, 4.6.4

filed with certified copy 4.1.9a

reverse side 4.1.14

sales contracts 4.1.18c

security agreement 4.1.2i

signature requirements 4.6.1

subordination agreement 4.1.2j

substitution agreement 4.1.2k

cross reference sheet 4.1.23

substitution of a certified copy 4.1.9c (2)

supplement 4.1.2l

three party 4.1.2m

title location 4.6.1

transfer of interest agreement 4.1.2n

trust indenture 4.1.2h

trustee as secured party 6.21

unregistered aircraft 4.1.16, 4.1.21

Seizure - 2.2.5q (3)

Sequence for examining and recording documents - 2.2.3, 6.16, 6.17

Serial number, military (See Military Serial Number)

Set aside statement (See Amendment – Bill of Sale)

Sheriff's Return - 2.4.15

Shortened name - 2.1.4

Signature authorizations - Chapter 8

filing procedures 8.3

name change requirements 8.13

processing documents 8.4

rejecting signature documents 8.2

requirements 8.5

Signature requirements – 2.1.2g, 2.2.7d(7)

Signatures

- address change 2.1.7
- digital 2.1.2g
- facsimile (Rubber Stamp) 2.2.14, 2.2.7d(7), 2.4.14, 2.4.3
- requirements (ownership) 2.1.2g
- Spare parts locations – 1.4, 4.1.20, 4.5.1, 6.1, 7.9, 7.10
 - posting repossession 5.8
 - repossession 5.6c, 5.7, 5.8
 - spare parts 7.1, 7.3, 7.5c
 - recording requirements 7.3a(3)
- Spare and surplus parts (aircraft built from) - 2.2.5q(1), 3.5
- Special number request - 2.2.7d(1)
- State (See Government)
- State and local tax lien - 4.4.3
- Statutory trust – 2.1.3, 2.1.3g(3), 8.3f(7), 8.3f(8)
- Stray bill of sale – 2.4.9, 2.4.10, 2.4.11
- Stolen/seized - 2.2.5q (3)
- Sublease - 4.3.4c
- Subordination agreement - 4.1.2j
- Substitution agreement – 2.2.13f, 4.1.2k, 4.1.22, 4.1.23, 4.1.24, 7.7
 - cross reference sheet 4.1.23
- Substitutions of a certified copy - 4.1.9c(2)
- Summary judgment of forfeiture - 2.2.5q(3)
- Supplement – 2.2.13f, 4.1.2b, 4.1.2l, 4.1.22, 4.1.24, 4.3.7, 6.13, 6.19, 6.20, 7.5, 7.7
- Surplus aircraft (Military) - 2.2.5k, 2.2.5q(4), 2.2.5q(8), 2.2.6d, 2.2.7d(5)(c)
- Survivor/joint tenancy - 8.11

T

Tax liens - Chapter 4

 federal 4.4.2

 general 4.4.1

 non-judicial bill of sale 2.2.5o(3)

 notice of recordation 4.4.4, 4.5.7

 state and local 4.4.3

Temporary certificate - 2.1.1, 2.1.9, 2.3.3

 Fax 2.1.10

Temporary records 2.3.3

Temporary registration numbers (dealers) - 9.7

Termination of lease, early - 4.3.4f, 6.9

Testamentary heir (heir at law) affidavit - 2.2.5g(2)

Testamentary trustee - 2.1.3g (4)

Three party security agreements - 4.1.2m

 release of 6.22

Titles, acceptable – 2.1.2g, 2.1.7, 2.1.13d, 2.1.13f, 2.2.1, 2.2.7d(8), 2.4.1, 3.7, 4.3.4b(1), 4.3.4c(2), 4.5.5, 8.1

 designations 2.1.4

 foreign, import 2.3.6a

 not shown on a security agreement 4.6.1c

 title designations 2.2.2

 titles-location on document 4.6.1

 trade names and designations 2.2.2

Trade name – 2.1.3a, 2.1.3e, 2.2.2, 2.4.11, 8.3, 8.13b, 9.2e(1)

Transfer from USAF to Civil Air Patrol (CAP) - 2.2.5p

Transfer of interest - 2.2.5c, 2.2.5q(5), 4.1.2d, 2.2.5n, 4.1.22

conditional sales contract (CSC) 2.2.5b

Transfer of interest agreement – 2.2.5c, 2.2.5q(5), 4.1.2n

notice of recordation 4.1.22

Transfer Order, SF122 – 2.2.4i, 2.2.4a (2nd a), 2.2.5i, 2.2.6b, 2.2.7d(5)

Translations - 2.3.5

Trust - 2.1.3g

Abstract of trust 2.1.3g

affidavits of beneficiaries to trustee 2.1.3g(5)

bankruptcy trustee 2.1.3g(1)

business 2.1.3g(2)

declaration of trust 2.1.3g

excerpts of trust 2.1.3g

filing procedure 2.1.3g (6), 8.3f

processing document 8.4

return of original trust 2.1.3g(7)

statutory trust 2.1.3, 2.1.3g(3), 8.3f(7), 8.3f(8)

testamentary trustee 2.1.3g (4)

voting trust/trustee 3.7

corporation/association 2.1.3c

Trust indenture (See Deed of Trust)

Trustee

affidavit 8.3.f(2) & (4)

appointment of 8.6 (b) (c) (d)

bankruptcy 2.1.3g (1), 2.2.5m, 8.6b

duration period 8.1
named as secured party 6.21, 8.6d
successor trustee 2.1.3g(6)
testamentary trustee 2.1.3g (4)
three party security agreement 4.1.2m, 6.22
trade names & designations 2.2.2
trustee as applicant 3.6

Truth in leasing – 4.3.1, 4.3.2

Truth in lending (See Disclosure statement)

Type certificate aircraft - 2.2.5q (1)

Type design (assembled to conform to type certificate) – 2.2.5q(1), 2.2.7d(5), 3.5, 10.7

aircraft without an engine 2.2.11

Type of registration - 2.1.2c, 2.1.2g, 2.1.4, 2.2.2, 2.2.5l, 2.2.5q(7)

U

UCC (Uniform Commercial Code) – 2.2.5a, 4.1.1, 4.1.2i, 5.1, 5.4, 6.8

Unilateral assertion – 2.4.10, 2.4.11c

Unincorporated Associations – 2.1.3c

Unmanned Aircraft Systems (UAS) also referred to as Unmanned Aerial System - 2.2.4g(5), 2.2.5g(5), 2.2.7c(2), 2.2.7d(5)(l), 3.10

US Army Museum - 2.2.5q(2)

USAF Excess/Surplus Personal Property Transfer and Work Agreement - 2.2.6c

USAF Museum - 2.2.5q (2)

V

Validity of documents - 4.1.17

Voting trust – 2.1.2f, 2.1.3c, 2.1.3g(8), 3.1, 3.7, 8.3f, 9.1

Voting trustee - 3.7

Voting trustee line - 2.1.2f

W

Wills (See Estates)

Wire extension - 2.1.9

Writ of attachment - 2.4.15

Writ of execution - 2.2.5o(1), 2.4.15

Wrong converted record or folder pulled - 2.2.7c

WROS 8.11

X

Y

Z

DEFINITIONS

ABANDON. To desert, surrender, forsake, or cede. To relinquish or give up with intent of never again resuming one's right or interest.

ACCOMMODATION AGREEMENT. (Hypothecation agreement). The owner of property permits another party to use his property as collateral.

ACKNOWLEDGMENTS.

Formal. The act that the signer(s) who execute(s) the instrument appeared before the Notary Public or other officer authorized to take acknowledgments of deeds, and declares the same, as to the authenticity of his signature, and voluntary act and deed.

Jurat. A clause written at the foot of an affidavit stating when, where, and before whom such affidavit was sworn.

ADDENDUM. Something to be added, especially to a document; a supplement.

ADJUDICATE. To decide. To determine finally.

ADMINISTRATOR. One who carries out all instructions after the death. Administers an estate when there is no will and is appointed by the court to officiate.

ADMINISTRATRIX. A woman appointed by the court to administer the estate of a deceased person.

AFFIDAVIT. A written instrument of fact made voluntarily and confirmed by oath of the party making it, usually before a notary public, or other person authorized to take acknowledgment of deeds.

AFFIDAVIT OF GOOD FAITH. Made by or on behalf of the mortgagor and attached to a conveyance stating that it is made in good faith and without any design to hinder, delay, or defraud creditors.

AGENT. A person who represents another from whom he has derived authority.

AIR CARRIER. Any citizen of the United States who undertakes, whether directly or indirectly or by a lease or any other arrangement, to engage in air transportation: provided, that the board may by order relieve air carriers who are not directly engaged in the operation of aircraft in air transportation from the provisions of Title 49, United States Code, to the extent and for such periods as may be in the public interest.

AIRCRAFT. Any contrivance now known or hereafter invented, used, or designed for navigation of or flight in the air.

AIRCRAFT REGISTRATION APPLICATION. AC Form 8050-1.

AIRCRAFT REGISTRATION RENEWAL APPLICATION. AC Form 8050-1B.

AKA. Also known as.

ALIEN. A person born in another country of parents who are not citizens of the United States and who has not been naturalized here, or one who having been a citizen of the United States has expatriated himself.

ALIEN. (Resident alien for registration purposes). An individual citizen of a foreign country lawfully admitted into the United States as an immigrant in conformity with regulations of the Immigration and Naturalization Service.

AMATEUR BUILT. More than 50% of the aircraft assembled by the owner (not a manufacturer).

AMENDMENT. The act of modification or alteration to an original conveyance affecting all or specific collateral on the original document.

ANCILLARY. Aiding. Helping. Auxiliary. Registry ancillary files include powers of attorney, resolutions, name changes, mergers, estates, and trusts.

APPLIANCES. Instruments, equipment, apparatus, parts, appurtenances, or accessories, or whatever description, which are used, or are capable of being or intended to be used, in the navigation, operation, or control of aircraft in flight (including parachutes and including communication equipment and any other mechanism or mechanisms installed in or attached to aircraft during flight), and which are not a part or parts of aircraft, aircraft engines, or propellers.

APOSTILLE. A standard certification provided under the Hague Convention for authenticating documents used in foreign countries. An apostille is placed on a document after the appropriate authorities have authenticated the signature on the document. In the United States, the Secretary of State is the authority in authenticating a public official's signature.

ARRAS. Aircraft Registration Records Administration System. (Obsolete).

ARTICLES OF INCORPORATION. A document that sets forth the basic terms of a corporation's existence, including the number and classes of shares and the purposes and duration of the corporation. In most states, the Articles of Incorporation are filed with the Secretary of State as part of the process of forming the corporation. In some states, the articles serve as a Certificate of Incorporation and are the official recognition of the corporation's existence. Also termed articles of association; articles of organization; certificate of incorporation.

ARTISAN'S LIEN. A claim of lien against personal property for services or material furnished to that property.

ASSIGNEE. A person or firm to whom the conveyance is assigned.

ASSIGNMENT. The act by which one person transfers to another or causes to vest in that other the whole of the right, interest, or property which he has in any property in possession, or in action, or any share or interest therein.

ASSIGNOR. A person who assigns a claim, right, or property to another.

ASSUMPTION. The act or agreement of assuming or taking upon one's self the undertaking of a debt or an obligation.

ASSUMPSIT. A promise or engagement by which one person assumes or undertakes to do some act or pay something to another.

ATTACH. To take or apprehend by commandment of a writ or precept.

ATTACHMENT. See writ of attachment.

ATTORNEY IN FACT. A person who is authorized by his principal, either for some particular purpose, or to do a particular act, not of a legal character.

BAILEE. One to whom personal property is delivered under a contract of bailment.

BANKRUPT. An insolvent person. Broken or ruined.

BANKRUPTCY. The state or condition of one who is bankrupt. The condition of one who has committed an act of bankruptcy and is liable to be proceeded against by his creditors or of one whose circumstances are such that he is entitled on his voluntary application to take the benefit of the bankrupt laws.

BILL OF SALE. A written agreement by which a person (seller) transfers all right, title, and interest in aircraft to another (purchaser).

BUSINESS TRUST. A form of business organization, similar to a corporation, in which investors receive transferable certificates of beneficial interest (instead of stock shares). Also termed Massachusetts trust; common-law trust.

CAPE TOWN TREATY. The Convention on International Interests in Mobile Equipment; and the Protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Aircraft Equipment.

CAR. Civil Aviation Registry.

C of A. Certificate of Airworthiness

CERTIFIED TRUE COPY. A copy of a document or record signed and certified as a true copy by the submitter. The certification statement must state something like “compared to the original” or “is a true copy of the original”. A “Certified Copy” with a signature is not sufficient. This is per 14 CFR 49.21.

CHATTELS. Personal property listed as collateral on the conveyance.

CITIZENS OF THE UNITED STATES.

- a. An individual who is a citizen of the United States or of one its possessions.
- b. A partnership of which each member is such an individual.
- c. A corporation or association created or organized under the laws of the United States or any State, Territory, or possession of the United States, of which the President and two thirds or more of the Board of Directors and other managing officers thereof are such individuals and in which at least 75 percent of the voting interest is owned or controlled by persons who are citizens of the United States or of one of its possessions.

CIVIL AIRCRAFT. Any aircraft other than public aircraft.

CIVIL AIRCRAFT OF THE UNITED STATES. Any aircraft registered under Title 49 United States Code chapter 441.

COLLATERAL. Property pledged as security for a loan. (For Registry purposes: aircraft, eligible engines and propellers, and spare parts for certificated air carriers).

CONDITIONAL SALES CONTRACT (CSC).

- a. Any contract for the sale of an aircraft, aircraft engine, propeller, appliance, or spare part under which possession is delivered to the buyer and the property is to vest in the buyer at a subsequent

time, upon the payment of part or all of the price, or upon the performance of any other condition or the happening of any contingency.

- b. Any contract for the bailment or leasing of an aircraft, aircraft engine, propeller, appliance, or spare part, by which the bailee or lessee is bound to become, or has the option of becoming the owner thereof upon full compliance with the terms of the contract. The buyer, bailee, or lessee shall be deemed to be the person by whom any such contract is made or given.

CONDITIONAL VENDEE. Purchaser.

CONDITIONAL VENDOR. Seller (holds legal title). The one who sells and assignor if he assigns the contract.

CONFISCATE. To seize and condemn private forfeited property to public use.

CONSENSUAL LIEN. Owner consents to lien on his property.

CONSERVATOR. A protector or guardian.

CONVEYANCE. A bill of sale, contract of conditional sale, mortgage, assignment of mortgage, or other instrument affecting title to, or interest in, property.

CO-OWNERSHIP (COTENANCY). A tenancy that exists when two or more persons are entitled in such manner that they have an undivided possession, but several freeholds. Possession of one is the possession of all, but the tenants respectively have the present right to occupy and enjoy the whole. Corporations may register aircraft as co owners (not as partners).

CORPORATION. An artificial being, invisible, intangible, and existing only in contemplation of law, exercising corporate rights and franchises, having been granted corporate powers by the commonwealth. Corporation sole may consist of one person only, and his successors, in some particular station, who are incorporated by law, in order to give them some legal capacities and advantages, particularly that of perpetuity, which in their natural persons they could not have had.

CORPORATION - NOT A U. S. CITIZEN. A U.S. domestic corporation not meeting citizenship requirements outlined in Title 49 United States Code 40102(a)(15), may qualify to register aircraft if requirements are met in paragraph 47.9 of the Federal Aviation Regulations.

CRAF. Civil Reserve Air Fleet.

CROSS-COLLATERALIZATION. A provision which allows a lender, if the debtor defaults, to repossess not only collateral on an individual loan but also collateral covered by other loans; a default of one constituting a default on another.

DBA. Doing business as (see Trade Name).

DEALER'S AIRCRAFT REGISTRATION CERTIFICATE. An alternate form for the registration of civil aircraft, to be used by persons engaged in the business of manufacture, distribution, or sale of aircraft. The certificate is valid only with use of aircraft within the United States, except when used to deliver to a foreign purchaser an aircraft displaying a temporary registration number and carrying an airworthiness certificate showing that temporary registration number.

DEBTOR. Term used under the Uniform Commercial Code to designate a person who is obligated on chattel paper (conditional sales contract chattel mortgage, trust receipt, equipment trust agreement, etc.).

DEBTOR IN POSSESSION. A legal fiction separating the reorganized company from the bankrupt company.

DECLARATION OF INTERNATIONAL OPERATIONS. When the aircraft is to be operated internationally prior to the receipt of the Certificate of Aircraft Registration, AC Form 8050-3, an applicant may submit a Declaration of International Operations. It must describe the aircraft, outline the international flight by date, flight number, and destination (to and from), and be signed by the applicant. It must show the city and state/country not just the airport identifier.

DESCRIPTION OF:

Aircraft. Describe by manufacturer's make, model, serial number, and registration number.

Aircraft Engine. Describe by manufacturer's make, model, serial number, and horsepower, or its equivalent.

Aircraft Propeller. Describe by manufacturer's make, model, serial number, and horsepower capable of being absorbed, or its equivalent.

Locations for Spare Parts. Describe by address, name of city, and state. If the spare parts are in a hangar, the name of the airport and number of the hangar must also be shown.

DIGITAL SIGNATURE. A type of electronic signature that encrypts electronic documents with digital codes that is particularly difficult to duplicate.

DISCLAIMER. A declaration disavowing or denying interest or right in property.

ENCUMBRANCE. A claim, lien, charge, or liability attached to or binding property.

EQUITABLE INTEREST. Under the original contract the conditional purchaser may assign (sell) his interest to another party, in which event, the person to whom he assigns or sells his interest becomes the person, if eligible, to apply for registration.

ESTATE. Real and personal property.

EXECUTION. See writ of execution.

EXECUTOR. A person named in the will to execute terms of the will and officiate as such.

EXECUTRIX. Feminine of Executor.

FARs. Federal Aviation Regulations.

FKA. Formerly Known As.

FEDERAL STORAGE. Various facilities for the storage of inactive aircraft records.

FILED FOR RECORDATION. An instrument is deemed filed for recording on the date it is received by the FAA Aircraft Registry. (The Registry abbreviates as "FFR.")

FINANCING STATEMENT. An instrument used under the Uniform Commercial Code containing the names and addresses of the debtor and the secured party and describing the collateral to be used as security for the loan.

FLYING TIME WIRE. See Temporary Certificate of Registration.

FOREIGN CORPORATION REPORTS. REGAR 117-1, Flight Hours for Corporations Not U.S. Citizens.

GUARDIAN. A person, who guards, watches over, protects, cares for, or defends another person or property.

HEIR AT LAW. The person to whom personal property is transferred, given, or bequeathed.

HYPOTHECATION. The owner of property permits another party to use his property as collateral.

IDEM SONANS. Sounding the same or alike; having the same sound. A term applied to names which are substantially the same, though slightly varied in the spelling.

IMMIGRATE. To come into a new country in order to settle.

INDENTURE. Mortgage.

INTERNATIONAL REGISTRY. The international registration facilities established for the purposes of the Cape Town Treaty. A wholly automated system where users may register interests against qualified collateral.

IRREVOCABLE DEREGISTRATION AND EXPORT REQUEST AUTHORIZATION (IDERA). A form provided for in the Protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Aircraft Equipment (The Cape Town Treaty). An IDERA allows the authorized party or its certified designee to be the only party that can deregister an aircraft for export, as long as a valid IDERA is on file with the FAA.

LC. Limited Company

LLC. Limited Liability Company.

LLP. Limited Liability Partnership

LEASE. A contract by which one party gives to another the use and possession of property for a specified time and for fixed payments.

LESSEE. Person to whom property is rented under a lease (renter).

LESSOR. Person who rents property to another under a lease (owner).

LETTER OF EXTENSION. REGAR 37, Letter of Extension. 14 CFR 47.31(b) provides for a letter of extension to serve as continued authority to operate aircraft without registration. Issued only by the Registry.

LETTERS OF ADMINISTRATION. Letters granted by probate court to one evidencing his authority as an administrator.

LETTERS TESTAMENTARY. Letters granted by a probate court to one evidencing his authority as an executor.

LEVY. To assess, execute, exact, collect, seize. The obtaining of money by seizure and sale.

LIEN CREDITOR. A creditor who has acquired a lien on the property involved by attachment, levy, or the like and includes a trustee in bankruptcy from the date of the filing of the petition or a receiver in equity from the time of appointment.

LIMITED (LTD.). Used in company names to indicate limited liability. May reflect an Association, LLC, or Partnership, not "corporation."

M.C. Medical Corporation.

MECHANIC'S LIEN. A claim of lien for the value of labor and materials furnished in erecting or repairing buildings or other structures. Liens for labor and materials on aircraft are called artisan's liens.

MERGER (of corporation). A consolidation, union, or amalgamation by which the stock of two corporations is made one, their property and franchise combined into one, their powers become the powers of one, and the identity of the two practically, if not actually, runs into one.

MICROFICHE. A microfiche is a 4 by 6 inch piece of film containing multiple page images.

MICROFILM. Rolls of film on which documents, printed pages, etc. are photographed in a reduced size.

MORTGAGE. A lien. A transfer of property as security for debt.

MORTGAGEE. Person to whom property is conveyed as security for a loan (creditor).

MORTGAGOR. An owner who conveys his property as security for a loan (debtor).

MUNIMENT. Documentary evidence of title. The instruments of writing and written evidences which the owner of lands, possessions, or inheritance has, by which he is enabled to defend the title of his estate.

N.A. National Association.

NKA. Now Known As.

NOTICE OF LIS PENDENS. Pending legal action.

ORIGINAL SIGNATURE. An ink signature, a rubber stamp signature, or a legible digital signature with appropriate authentication.

P.A. Professional Association.

P.C. Professional Corporation.

PARTNERSHIP. A general partnership is an association of two or more persons to carry on a business for profit. It must have at least two "general partners". A limited partnership may have one or more "general partners" and any number of "limited partners".

PERSON. Any individual, firm, partnership, corporation, company, association, joint stock association, or body politic; and includes any trustee, receiver, assignee, or other similar representative thereof.

PERSONAL REPRESENTATIVE. One who acts for the estate of the decedent.

PINK COPY. The second duplicate (pink) of the Aircraft Registration Application, AC Form 8050 1.

POUR OVER WILL. A will stating that assets not allocated to beneficiaries are to be transferred into a trust.

POWER OF ATTORNEY. An instrument in writing under seal by which the party executing it appoints another to be his attorney and empowers him to act for him either generally in all matters of business or especially to do some specific act in his name or behalf.

PROBATE. Proceeding to establish the validity of a will.

PROMISSORY NOTE. A written promise by one person to pay to another person therein named or orders a fixed sum of money at all events and at a time specified therein, or at a time which must certainly arrive.

PROPRIETOR (owner). A person who has legal title to property.

PUBLIC AIRCRAFT. An aircraft used exclusively in the service of any government or of any political subdivision thereof, including the government of any State, Territory, or possession of the United States, or the District of Columbia, but not including any government owned aircraft engaged in carrying persons or property for commercial purposes.

PURCHASE OPTION. A clause in a lease agreement giving the lessee the option of becoming the owner of the leased property upon payment of a sum substantially equivalent, to the value of the property and full compliance of the terms of the contract.

RMS. Registry Modernization System.

RECORDATION. The act of recording a document by placing a conveyance number, time, and date of recording upon the document.

REFEREE IN BANKRUPTCY. Judge of bankruptcy court.

RELEASE. A written discharge from an obligation.

REPOSSESSION. Peaceful taking of possession of property by the secured party or lessor from the debtor or lessee, as appropriate.

RESOLUTION. Formal action by a corporate board of directors or other corporate body authorizing a particular act, transaction, or appointment.

QUIET TITLE. A proceeding to establish a plaintiff's title to property by compelling the adverse claimant to establish a claim or be forever estopped from asserting it.

QUIT CLAIM. A formal release of one's claim or right.

S.A. Designates a corporation or company in a Spanish or Portuguese speaking country when it appears on a document after the name of the corporation or company.

S.A. de C.V. Designates a corporation or company in a Spanish or Portuguese speaking country when it appears on a document after the name of the corporation or company.

STC. Supplemental Type Certificate.

SATISFACTIONS. The discharge of an obligation by paying a party what is due to him or what is awarded to him, by the judgment of a court or otherwise.

SECURED PARTY. Used in instruments under the Uniform Commercial Code to designate the lender, seller, or other person in whose favor there is a security interest, including the assignee to whom

accounts, control rights, or chattel paper has been sold. Under an indenture of trust, equipment trust agreement or the like, represented by a trustee or other person, the representative is the secured party.

SECURITY AGREEMENT. An instrument used under the Uniform Commercial Code to replace all former descriptive terms such as chattel mortgage, conditional sale contract, trust receipts, equipment trust agreement, etc.

SPARE PARTS. Parts, appurtenances, and accessories of aircraft (other than aircraft engine and propellers), of aircraft engines (other than propellers), or propellers and of appliances maintained for installation or use in an aircraft, aircraft engine, propeller, or appliance, but which at the time are not installed therein or attached thereto.

SUBSTITUTION AGREEMENT. Agreement to substitute one piece of collateral for another on a security conveyance.

SUPPLEMENT. The act of adding collateral to an original conveyance.

T/A. Trading as.

TCDS. Type Certificate Data Sheet.

TEMPORARY CERTIFICATE OF REGISTRATION. (14 CFR 47.49(b)). A facsimile (fax) message to the registered owner, worded as a temporary certificate of registration, usually for 30 days duration.

TITLE SEARCH. A search performed to identify ownership and lien status of an aircraft.

TRADE NAME. A name under which a person, firm, or corporation has carried on a business, trade, or occupation.

TRIENNIAL. Happening every three years. (14 CFR 47.51) Triennial Aircraft Registration Report, AC Form 8050 73, is required when there is no registration activity on an aircraft for 36 months. (Program became obsolete 10/1/10 with implementation of Re-Registration Program).

TRUST. A right of property, real or personal, held by one party for the benefit of another.

TRUSTEE. One who is appointed, or required by law, to execute a trust.

- a. Testamentary Trustee. One appointed to carry out a trust created by a will.
- b. Trustee in Bankruptcy. A person in whom the property of a bankrupt is vested in trust for the creditors.
- c. Trustor. One who creates a trust.

TRUTH IN LEASING. (14 CFR 91.54) Leases entered into after January 2, 1973, involving large aircraft (12,500 pounds or more) are required to contain a truth in leasing clause.

UNIFORM COMMERCIAL CODE (UCC). One of several model uniform laws drafted by the National Conference of Commissioners on Uniform State Laws and the American Law Institute. The UCC governs commercial transactions including commercial paper, contracts, leases, and secured transactions. The UCC has been adopted in whole or substantially by all states.

UNMANNED AIRCRAFT (UA). An aircraft that is operated without the possibility of direct human intervention from within or on the aircraft. Unmanned aircraft are divided between small UA weighing less than 55 pounds and large UA weighing 55 pounds or more.

VENDEE. A purchaser of property.

VENDOR. A person who sells property to a vendee.

VOTING TRUST. Shareholders of a corporation appoint a trustee for the purpose of voting their shares.

WITNESS ACKNOWLEDGMENT. The act of a person witnessing or attesting to the signature of a party to an instrument by subscribing the witness' own name to the instrument.

WRIT OF ATTACHMENT. A judicial order for the seizure of property for the purpose of bringing the property into the custody of law to await final determination of a suit. A preliminary execution dependent for its ultimate results upon the rendering of a judgment in the plaintiff's favor.

WRIT OF EXECUTION. A judicial order served by a sheriff upon the debtor demanding payment of a court judgment against the debtor.

WRIT OF FIERI FACIAS. A writ issued to the sheriff to execute judgment on personal property.

WRITTEN LAW. The law which is written in statutes, ordinances, by laws, treaties and written constitutions as distinguished from the unwritten or common law.

CHAPTER 1. GENERAL INFORMATION

- 1.1 Background Information.** Title 49 U.S.C. Chapter 441, supplemented by Parts 47 and 49 of the Federal Aviation Regulations, provides the basis for the present aircraft registration and recordation systems. An interesting and varied history of aircraft registration and recordation has evolved since the Air Commerce Act of 1926 first established aircraft regulatory requirements. Building Blocks of the Registration System are shown below:

Air Commerce Act of 1926 - Secretary was directed to provide a system for registration of aircraft. Registration was not mandatory but encouraged.

Civil Aeronautics Act of 1938 - Registration became mandatory. Provided for recording of documents relating to title to or interest in aircraft. A 1948 amendment included instruments affecting an interest in engines or propellers (750 hp or more) and spare part locations.

Convention on International Civil Aviation (ICAO) - (Chicago Convention)
Opened for signature in Chicago in December 1944. Signatories (countries) agreed on certain principles and arrangements in order that international civil aviation could be developed in a safe and orderly manner and that international air transport services could be established on the basis of equality of opportunity and operated soundly and economically.

Convention on the International Recognition of Rights in Aircraft - (Geneva Convention)
Opened for signature at Geneva in June 1948. Signatories (countries) agreed that in the interest of the future expansion of international civil aviation, that rights' in aircraft be recognized internationally.

Convention on International Interests in Mobile Equipment – (Cape Town Treaty)
The Convention on International Interests in Mobile Equipment (the Cape Town Convention) and the Protocol on Matters specific to Aircraft Equipment (Aircraft Equipment Protocol) are collectively referred to as the Cape Town Treaty. These documents were opened for signature in Cape Town South Africa on November 16, 2001. Signatories (countries) agreed that in the interest of future expansion of international civil aviation and financing, an international legal framework to provide greater security to those who finance the purchase of aircraft, aircraft engines and certain helicopters should be established. This Treaty provides protection to creditors, a significant risk reduction in financing, and benefits to many countries with “at risk” commercial credit markets. The major accomplishment of this Treaty was the establishment of the International Registry where rights in aircraft, aircraft engines, and helicopters may be registered. It also reduced the horsepower of engines that may be recorded against from 750 to 550. The sole purpose of the International Registry is to establish the priorities between competing interests in eligible collateral.

Federal Aviation Act of 1958 - It continued the Civil Aeronautics Board as an agency of the United States, and created a Federal Aviation Agency to provide for the regulation and promotion of civil aviation in such manner as to best foster its development and safety. As several amendments were later added, it is usually referred to as “the Federal Aviation Act of 1958, as amended”.

Title 49, United States Code - (Public Law 103-272) - In 1994, Congress re-codified certain general and permanent laws related to transportation. This replaced the Federal Aviation Act of 1958.

14 Code of Federal Regulations, Parts 47, 48 and 49 - The Federal Aviation Act of 1958 and Title 49 direct the Administrator to provide a system for the filing, indexing, and recording of conveyances affecting aircraft. 14 CFR Parts 47, 48 and 49 set out the requirements for those systems and for registration of aircraft. The interim final rule for Part 48 became effective December 21, 2015, and deals with the Registration and Marking Requirements for small unmanned aircraft that are not part of a community based interest group (i.e., - Amateur Modelers Assoc.). Part 49 deals with recording of security instruments.

Examination Processes - These processes set out the basic procedures for registration and recordation.

Building Blocks of the Registration System

Aircraft Registration and Recordation Processes

Internal instructions on policy and procedures of the Aircraft Registration Branch.

14 CFR Parts 47, 48 and 49

Created based upon the statutes set forth in Title 49. Parts 47, 48 and 49 are regulatory.

Title 49, United States Code

(formerly Federal Aviation Act of 1958)

Created based upon the arrangements and principles of the Conventions.
Title 49 is statutory (public law).

ICAO Conventions (Chicago, Geneva, and Cape Town)

The foundation for our current registration and recordation system.

The Air Commerce Act of 1926 and the Civil Aeronautics Act of 1938 were prior to The Conventions.

1.2 Objectives.

- a. To consolidate, standardize, and unify a variety of existing directives pertaining to the management and operation of the examination function of the Civil Aviation Registry's Aircraft Registration Branch (Aircraft Registry).
- b. To provide the examiners a central source of reference for all forms that relate to aircraft registration and recordation.

- c. To provide instructions and guidance which can be employed effectively in Division and Branch orientation and training programs for examiners.
- d. To eliminate the necessity of additional reference material pertaining to examination other than these guidelines.

1.3 Definitions. Definitions referenced in these processes are listed before this Chapter.

1.4 Purpose of the Aircraft Registration Branch. The Aircraft Registry is referred to as the FAA Aircraft Registry in Parts 47, 48 and 49 of the Federal Aviation Regulations. The purpose of the Branch is to:

- a. Assign registration marks to aircraft.

NOTE: Registration numbers N1 thru N99 are for use on FAA owned/operated aircraft only.

- b. Issue Certificates of Aircraft Registration and Dealer's Aircraft Registration Certificates.
- c. Maintain a record-keeping system for the recording of ownership and security conveyances.
 - 1) Maintain index of incoming conveyances.
 - 2) Process applications for registration, applications for dealer's aircraft registration certificates, ownership conveyances for aircraft, and lien conveyances for aircraft, eligible engines, propellers, and spare parts locations.
 - 3) Maintain airworthiness records.
 - 4) Furnish records for review to the users of the Public Documents Room.
 - 5) Assist law enforcement agencies in their efforts to enforce the regulations regarding controlled substances.

1.5 Previous Written Material. Previous memoranda, procedures, guides, legal opinions, manuals, letters, notes, examination meeting minutes, etc., pertaining to registration and recordation have been incorporated in these processes.

CHAPTER 2. REGISTRATION OF AIRCRAFT

INTRODUCTION. This chapter contains five sections.

Section One pertains to the application for registration a/k/a Aircraft Registration Application, outlines the eligibility requirements for applicants, discusses legal names, variations in names, how names shall appear on the Certificate of Aircraft Registration, name changes, mergers, consolidations, address changes, letters of extension, and temporary certificates of registration by fax.

Section Two discusses various documentation submitted as evidence of ownership, loss of citizenship, license agreements, registration of aircraft without engine(s), public aircraft, and recording books.

Section Three pertains to the registration of imported aircraft.

Section Four discusses rejection of applications and conveyances as well as requests for additional documentation.

Section Five pertains to the re-registration and renewal process.

SECTION 1. APPLICATION FOR AIRCRAFT REGISTRATION

- 2.1.1 **General.** An applicant for registration of an aircraft must submit an Aircraft Registration Application. The form may be obtained from the Aircraft Registry or any Flight Standards District Office. The applicant completes the form and mails the original (white) copy to the FAA Aircraft Registry, P.O. Box 25504, Oklahoma City, Oklahoma 73125. The application should be accompanied by the applicant's evidence of ownership and registration fee in the form of a check or money order payable to the Federal Aviation Administration (FAA.) The applicant retains the second duplicate (pink) copy for temporary authority to operate the aircraft pending registration.

The pink copy of the application may be used for operation of aircraft within the United States. If the aircraft is not registered within the 90 days, a letter of extension may be furnished to the applicant which must be carried in the aircraft with the pink copy of the application. Article 29 of the Convention on International Civil Aviation provides that every aircraft of a contracting state, engaged in international navigation, shall carry its Certificate of Aircraft Registration. Therefore, other countries are not required to recognize the pink copy of the application or the letter of extension. An aircraft owner planning to operate in another country should carry the Certificate of Aircraft Registration or a temporary certificate in the aircraft.

The Certificate of Aircraft Registration is issued by computer process and is mailed to the applicant at the address given on the registration application. Duplicate certificates are mailed to the address on the application unless the registered owner requests in writing that it be mailed elsewhere.

This section contains details concerning the examination of the application, name changes, mergers, consolidations, changes of address, issuance of letters of extension and temporary certificates.

- 2.1.2 **Examination of the Aircraft Registration Application.** Until May 1, 2016, the Registry required the original Aircraft Registration Application. Effective May 1, 2016, the Registry established and began accepting a downloadable version of the Aircraft Registration Application in addition to the current paper form. All versions of the application will continue to be accepted until the current paper stock is depleted.

A policy directive was issued February 22, 2008, requiring rejection of applications on which the original information entered had been obscured or appeared to have been obscured by means such as "white out" or correction tape. Alterations of this type will be noted in Pre-Processing with the "CAR Alteration" stamp. An applicant should be advised that a new application form is required. If there is no "white out" or correction tape used, erroneous entries may be marked through with a single line in a manner that does not obscure the original entry of information.

The following items must be checked when examining the Aircraft Registration Application:

- a. **Identification.** First verify the registration number on the application against the N-Number on the Work Next Packet screen. If the numbers do not agree, check the description.

- b. **Description.** Compare the description of the aircraft by the name of manufacturer, model, manufacturer's serial number, and registration number shown on the documents against the Work Next Packet screen.
- c. **Type of Registration.** Look at the type of registration marked. Only one should be checked and it must agree with the applicant, i.e., partnership, corporation, etc.
- d. **Name of Applicant.** Compare the applicant's name against the purchaser's name on the accompanying evidence of ownership. The name(s) of the applicant/owner must be substantially the same. Ambiguous documents should be returned for clarification. A discussion of differences in names appears in paragraph 2.1.4. If it is determined there is too much difference to accept, the application and the evidence of ownership are returned to the applicant to make the name the same throughout. If the application does not include the name of the applicant in the applicant block, it should be returned to have the name shown.
- e. **Address.** Check the mailing and physical address for completeness.

IMPORTANT NOTICE: Pursuant to the October 10, 1994, notice published in the Federal Register, the Federal Aviation Administration will no longer accept Aircraft Registration Applications which do not contain the physical location or physical address of the applicant. If a post office box or mail drop address is used for mailing purposes, a physical location or physical address must also be shown on the application.

The purpose of requiring the physical address is so the owner can be located, if necessary, for security or safety issues. Addresses such as "Main Street" or "Hwy 72" are not acceptable. A more specific address is required. The application needs to include at least a house number, intersecting street, or give directions to the applicant's physical location.

- f. **Certification.** (14 CFR 47.2, 47.3, 47.7, 47.8, and 47.9) Examine the "Certification" portion to determine if the applicant is a U.S. citizen, resident alien, or a non-citizen U.S. domestic corporation, and whether the data furnished is adequate. See paragraph 2.1.3.d regarding resident aliens as members of a co-ownership.

The term "resident alien" refers to any person not a citizen of the United States who is residing in the U.S. under legally recognized and lawfully recorded permanent residence as an immigrant. Resident aliens are issued a Permanent Resident Card (or Green Card) by the Department of Homeland Security. Some of the old numbers had only 7 digits and were preceded by an "A". However, newer alien registration numbers are longer and start with the letter "A." Only residents who have been issued an "A" number are eligible for registration. However, the "A" in the resident alien number is no longer required for registration. It is normally pre-printed on the card.

The application form printed since January 1983, includes a space in the certification block to show the name(s) of the voting trustee(s). Some applicants sign on this line as well as in the signature block. Applications by individuals, partnerships, co-owners (not involving a corporation), and government agencies are accepted without asking the applicant to delete the signature(s) on the voting trustee line. Applications by corporations and corporate co-owners are not returned if the person signing on

that line can be identified as a corporate officer or someone in a managerial position with that corporation.

- g. **Signature and Title.** 14 CFR 47.13(a). Applications should be signed in ink, however, a policy directive was issued effective April 1, 2016, stating the Registry may accept printed duplicates of electronic documents that display legible digital signatures. A legible and acceptable digital signature will have, at minimum, the following components:
- (1) Shows the name of the signer and is applied in a manner to execute or validate the document,
 - (2) Includes the type or printed name of the signer below or adjacent to the signature when the signature uses a digitized or scanned version of the signer's hand scribed signature or the name is in a cursive font,
 - (3) Shows the signer's corporate, managerial, or partnership title as part of or adjacent to the digital signature when appropriate,
 - (4) Shows evidence of authentication of the signer's identity such as the text "digitally signed by" along with the software provider's seal or watermark, date and time of execution; or, have an authentication code or key identifying the software provider, and
 - (5) Has a font, size and color density that is clearly legible and reproducible when reviewed, copied and scanned into a black on white format.

Compare the title against the form of ownership and type of registration. Refer to paragraph 47.13 of the Federal Aviation Regulations for signature requirements. If the signature, title, and type of registration are contradictory, compare the application against accompanying documents (such as bill of sale or conditional sales contract) to see if a determination can be made as to the form of ownership. (For example, the bill of sale may show "John and Mary Doe, partners", or "John and Mary Doe, co-owners.") If there is no indication of type of ownership on the conveyance, and the titles are not consistent with the type of registration checked, we will return the application for clarification.

As of June 1, 2004, applications must include the printed or typed name of signer(s) in the signature block as space permits. Additional signature pages may be attached as needed. If an application and a counterpart signature page are received, they must be filed together. If filed separately, the examiner would need to return both to be refiled correctly as one document.

NOTE: If an application is received signed by two people, but only one person prints their name, the application must be returned for the other printed name. Printed names are required for all signatures shown on the application.

NOTE: A digitally signed application must include the typed or printed name of the signer in the digital signature, below the signature, or adjacent to the signature.

2.1.3 **Eligibility Requirements for Applicants.**

- a. **Individual.** (14 CFR 47.2, 49 U.S.C. 40102(a)(15)(a) and 44102.) An individual is eligible to register an aircraft if the individual is a citizen of the United States or one of its possessions, or is a resident alien. An individual may use a trade name on the

application. The owner's name must appear in the "Name of Applicant" block on the application.

- b. **Partnership.** (14 CFR 47.2, 47.7(d) and 47.13g), 49 U.S.C. 40102(a)(15)(b) and 44102.) A partnership is eligible to register an aircraft if the partnership is made up of all individuals who are United States citizens. A resident alien cannot be a member of a partnership. All of the general partners must be identified on the application or accompanying documents.

For registration purposes, limited liability partnerships (LLP) or registered limited liability partnerships (RLLP) are treated like any other partnership, i.e., all of its partners must be individuals. For these types of limited partnerships, at least one general partner or managing partner must be identified. Only identified general partner(s) can sign documents.

- c. **Corporation and Association.** (14 CFR 47.2, 47.3, 47.9, 49 U.S.C. 40102(a)(15)(c) and 44102.) A corporation is eligible to register an aircraft as a United States citizen if:
- 1) organized or created under the laws of the United States or of any State, Territory, or possession of the United States,
 - 2) the president and two-thirds or more of its Board of Directors are U.S. citizens, and
 - 3) at least 75 percent of the voting interest is owned or controlled by U.S. citizens.

When a corporation meets all requirements for citizenship except that the stockholders do not meet the 75 percent quota, the corporation may qualify as a United States citizen by creating a voting trust which appoints a voting trustee (United States citizen) to exercise their voting rights. (See 14 CFR 47.8.) The voting trust is reviewed. Upon return the trust document is accepted or suspended, as appropriate. An LLC may not create a voting trust to qualify for citizenship. However, a **member** of an LLC may use a voting trust to qualify for citizenship by assigning their voting or management rights to a trustee who meets citizenship. [49 U.S.C. 40102(a)(15)(c)]. An association must meet the same citizenship requirements as does a citizen corporation. The association must have a statutory basis and have been created or organized under the laws of the United States, or of any State, Territory or possession of the United States. It must have a president and a board of directors (perhaps called executive board, governing committee, etc.) of which the president and at least two-thirds of the directors are United States citizens. At least 75 percent of the voting interest (members, shareholders, etc.) must be U.S. citizens.

Limited Liability Company. (See 2.1.13)

A business trust and a statutory trust are considered associations. (See 2.1.3g(2))

Unincorporated associations (such as some churches, missionary organizations, men's and women's business clubs, social clubs, some flying clubs, etc.) are eligible to register aircraft under Type 3 registration. Signatures by persons who are designated as trustees may be accepted without a copy of a trust, board resolution, or other

documentation of authority. Examples of other signatures that may be accepted are deacons, wardens, pastors, etc.

(49 U.S.C. 44102(a)(1)(C), 14 CFR 47.9.) A non-citizen United States domestic corporation may be eligible to register aircraft provided the corporation:

- 1) is lawfully organized and qualified to do business under the laws of the United States or any State, Territory, or possession of the United States,
- 2) submits a certified copy of its certificate of incorporation,
- 3) certifies that the aircraft is based and primarily used in the United States, and
- 4) gives the complete physical location including hangar number, if applicable, where the flight records are maintained.

To comply with paragraph 47.9(a)(1) of the Federal Aviation Regulations for the certificate of incorporation, we may accept a plain photocopy or a copy certified by anyone. A copy or faxed copy of the certificate of incorporation is acceptable if it includes letterhead, seals, etc. showing that it was issued by the appropriate party. Refer to paragraphs 14 CFR 47.9(c)(d)(e) and (f) regarding the reporting of flight hours. Associations are precluded from registration under this provision.

Reporting of flight hours is administered by Branch staff. For each six-month reporting period Flight Hour Report for Corporations Not U.S. Citizens is mailed to these owners. The six-month reporting period begins the full month after the aircraft is registered. If an owner fails to comply with 14 CFR 47.9, a Notice of Apparent Ineffectiveness is issued. The letter is placed in suspense and the status is changed from "Valid" to "Notice Ineff/Inval." To return the status back to "Valid," the owner may be advised that a new application for registration and \$5.00 fee should be submitted.

- d. **Co-owners.** (14 CFR 47.7, 47.11(h), 47.13(b) and (f).) Co-owners may be made up of individuals (resident aliens included), partnerships, corporations (citizen or non-citizen), Limited Liability Companies, associations, or any co-ownership. If a partnership is a co-owner, the names of general partners must be given upon initial registration. When two or more individuals are involved as co-owners, and one or more is/are resident alien(s), there is no requirement for the resident alien(s) to be specifically identified as to which co-owner(s) is/are the resident alien(s). We are only concerned that a resident alien is not a member of a partnership. The signature requirements for individuals, corporations, and partnerships apply for each entity. Each entity sharing title to the aircraft must sign.

Co-owners that include a foreign corporation must be Type 9 – Non-Citizen Corporation Co-Owner. Block "b" under the certification should be completed to indicate the State they are organized and doing business under, in addition to the location where the flight hours are maintained. The examiner must verify that a certificate of incorporation is on file or submitted.

- e. **Trade names.** Trade names may be used by individuals, co-owners, and corporations. The trade name has no effect on the legal name. It is acceptable if the legal name of an individual owner is included in the trade name. Example: John Doe Aircraft Sales. The certificate of registration is issued as: Doe John dba John Doe Aircraft Sales. The trade name is put on the Certificate of Aircraft Registration for convenience of the owner(s). If the owner(s) want(s) to change the trade name after

the aircraft is registered, it may be done by the owner advising us in writing or by completing an Aircraft Registration Application. There is no fee for a revised certificate of registration.

- f. **Government.** (49 U.S.C. 44102(a)(2), 14 CFR 47.3(b)(2).) Any government-owned aircraft, other than aircraft of the armed forces, are registered. The aircraft may be the property of any governmental agency of the Federal, State, Territory, or possession of the United States, or any county, city, or political subdivision thereof. The application may be signed by (but not limited to) the administrator, chief, or manager of the particular governmental organization, chief pilot, purchasing agent, bursar (colleges and universities), custodian, property disposal officer, sales contracting officer, sheriff, deputy sheriff (county law enforcement), or trustee.

A complete application for registration with an appropriate signature and title must be submitted. Applications not accompanied by any evidence of ownership should be discussed with the supervisor. A government organization (federal agency) in one state may send the aircraft to the same organization in another state. In this instance, evidence of ownership would not be required because it is the same organization. **No fee is required to register government-owned aircraft.**

- g. **Trusts.** (14 CFR 47.11(h), 47.7(c), and 47.41(a)(7)(i),(ii) and (iii).) Trustees are appointed or designated by trustors (private trusts), referee in bankruptcy/bankruptcy court, last will and testament (testamentary trustee), business trusts, or statutory trusts. The trustee, if the applicant, must submit either a certified copy of the complete court order appointing the trustee or a complete certified true copy of the instrument creating the trust.

A private trust is examined to verify the following information:

- (1) Submission of appropriate evidence of ownership to the trustee and application in the trustee's name,
- (2) Verify the form of the trust agreement satisfies the requirements of 14 CFR 47.7(c)(2), and
- (3) Verify the form of the trustee's affidavit regarding citizenship of the trustee satisfies the requirements of 14 CFR 47.7(c)(2)(ii) or (iii),

NOTE: If the applicant is a successor trustee and the trust has not been filed with the Registry then the successor trustee must submit a certified true copy of the complete trust, a certified true copy of the death certificate(s) for the trustee(s), and a notarized affidavit certifying the citizenship of the beneficiaries.

Trusts involving a non-citizen trustor and/or beneficiary are examined to determine if the trust is **governed** under U.S. law. Those trusts which indicate they are governed under the laws of a **foreign country** are rejected as not eligible for U.S. registration.

If documents are received pertaining to a trust that was **previously accepted** in the ancillary files, **and** there is an indication that the beneficiary may not be a U.S. citizen, we review the trust for governing law. If the trust indicates it is governed under the laws of a **foreign country**, the Registry will advise the trustee that it

appears they are not eligible for U.S. registration and ask for the disposition of the aircraft.

Pursuant to the Federal Register publication [Notice of Policy Clarification for the Registration of Aircraft to U.S. Citizen Trustees in Situations Involving Non-U.S. Citizen Trustors and Beneficiaries] (Vol. 78, No. 117, Tuesday, June 18, 2013, pages 36412 – 36424), effective September 16, 2013, U.S. Citizen trustees in situations involving Non-U.S. Citizen trustors and/or beneficiaries must comply with 14 CFR 47.7, in addition to this policy clarification.

This notice was issued as a means of clarifying the FAA's policy on these types of trust agreements, commonly referred to as non-citizen trusts (NCT). The FAA undertook the review of non-citizen trusts to assure compliance with regulatory requirements for non-citizen trusts contained in 14 CFR 47.7. FAA field personnel have long experienced problems obtaining important operational and maintenance information concerning such aircraft from the registered owners, i.e., the owner trustees. The problems in turn have affected our ability to conduct fully effective oversight of such aircraft when operated outside the United States, and to provide foreign civil aviation authorities with information on those operations in support of the safety oversight activities of those authorities.

When requested, the owner must be able to provide the FAA with certain information on the aircraft and its operation. Some basic information must be provided within 2 days while more specific information must be provided within a 5 day period.

With the implementation of the NCT Policy Clarification on September 16, 2013, the Registry now requires that the trust agreement describe with some specificity what would be a sufficient cause for removal of a trustee by a non-U.S. citizen beneficiary. Prior to this requirement, most agreements merely stated that the trustee could be removed only 'for cause' without specifying what constitutes a sufficient cause.

We also began requiring that all operating agreements, similar side agreements, or arrangements involving the trustee transferring custody and use of the aircraft held in trust to the trustor and/or beneficiary be submitted along with the registration application and other documents that affect a relationship under the trust. While this is a new requirement for the Registry, it has always been provided for in [14 CFR 47.7(c)(2)(i)].

NOTE: If a trust is received where the trustor is a foreign government, the examiner should discuss the case with their supervisor prior to processing it. There are very few reasons why an aircraft should be registered to a U.S. trustee for a foreign country (i.e., - U.S. manufacturer is making modifications or test flights on a foreign country's aircraft).

There may be other forms of trusts involving aircraft registration. Any unusual trust document should be discussed with the supervisor.

In accordance with 14 CFR 47.7(c)(2), documents which indicate they are excerpts, abstracts, or certificates of trust are not accepted as they are not a complete trust instrument. A document entitled "Declaration of Trust" should be examined to determine whether or not it constitutes the complete trust agreement.

An applicant who holds title to an aircraft under a trust arrangement may be an individual, corporation, or co-owners. Paragraph 47.11(h) provides that if there is more than one trustee, each trustee must sign the Aircraft Registration Application, and the certificate of registration is issued jointly to co-trustees; however, some entrustors may set up their trust to appoint more than one trustee but specify that any trustee may act independently. The trust agreement should be checked for that kind of provision before rejecting evidence of ownership or a security conveyance which is signed by one trustee. Even with this provision, all trustees must sign the registration application. Some trusts also provide for separate trusts within the trust instrument. In this case, the registration documents should reflect this information to distinguish which trust the applicant is registering under (i.e., - John Brown, trustee of the John Brown Separate Property trust).

Amended and restated trusts are added to the original trust file and retain the original date. If the parties are not changing, a new affidavit from the trustee **would not be required**. If the original trust agreement is not already in the trust files, the amended and restated trust would be treated like a new trust and would be entered with the date shown on the agreement. An affidavit from the trustee certifying citizenship of the beneficiaries **would** be required.

If documents are received showing a trustee as applicant and the trust agreement and the affidavit by the trustee(s) certifying citizenship of the beneficiaries or court appointment document are not already in the trust file, the agreement and affidavit or appointment document should be requested.

- (1) **Trustee in Bankruptcy.** There is one exception to the affidavit requirement. Trustees in bankruptcy are not required to make the affidavit concerning the beneficiaries.
- (2) **Business Trusts.** The laws of some states permit the establishment of trust estates as business companies. These are called business trusts. The trustees carry on the business under a specified name. Business trusts are considered as associations and are registered as corporations. The certificate of registration is issued in the name of the business trust; however, the applicant must comply with all of the requirements outlined in 47.7(c).

An LLC may include a business trust as a member, and can also be member managed. The title of the signer should be consistent with the LLC documentation on file.

- (3) **Statutory Trusts.** The laws of some states permit the establishment of trust estates as business companies, just like business trusts. These are called statutory trusts. The trustee(s) carry on the business in either the trust name or the name(s) of the trustee(s) and may register either way depending on the trust agreement.

The trust must be examined to determine how the aircraft is to be registered. If it states the trustee will register, any aircraft registered in accordance with the trust agreement must be registered in the name of the trustee. If it states

the trust will register, any aircraft registered in accordance with the trust agreement must be registered in the name of the trust.

The purchaser shown on the evidence of ownership and the applicant shown on the Aircraft Registration Application must be consistent with the terms of the trust agreement. If the trust applies, the evidence of ownership must be to the trust. If the trustee applies, the evidence of ownership must be to the trustee.

If the **trust** is the applicant for registration, submission of the trust agreement and supporting affidavit is not required by 14 CFR 47.7(c), since the trust would be applying as an association, not as trustee. However, you may either request those documents to aid in determining citizenship of the trust or request the submission of a statement to support registration in the name of the statutory trust. The statement should be executed and signed by the trustee(s) and include the following information and representations:

- (a) Full name of the statutory trust
- (b) Date of formation of trust
- (c) The State of formation and statutory reference/authority
- (d) Name of the applicant for registration
- (e) Name of trustee(s) and their citizenship
- (f) Other person(s) authorized to sign documents, etc. (Must be named in the trust or a power of attorney must be submitted)
- (g) Identity and citizenship of beneficiaries (sometimes referred to as trustors)
- (h) Does trust allow property to be held in name of trust? Yes ☐ No ☐
- (i) Does trust allow property to be held in name of trustee? Yes ☐ No ☐
- (j) Name of beneficial owner
 - 1. 75% owned by U.S. citizens? Yes ☐ No ☐
 - 2. Less than 75% owned by U.S. citizens? Yes ☐ No ☐
 - i Removal authority? Yes ☐ No ☐
 - ii Controlling authority? Yes ☐ No ☐

Trusts and affidavits filed with the Aircraft Registration Branch must be reviewed and accepted as with any other trust document. Documents filed for statutory trust aircraft that will be registered as associations, the registration documents must clearly indicate that the applicant/purchaser is a 'statutory trust', i.e., ABC Corp, an Oklahoma Statutory Trust; or ABC Statutory Trust, etc.

If the **trustee** is the applicant for registration, the requirements of 14 CFR 47.7(c) apply, and the trust agreement and affidavit must be filed with our office and meet all necessary requirements.

If an aircraft is registered in the name of the **statutory trust** and we later receive documentation indicating that the aircraft will now be registered in the name of the **trustee** or vice versa, new registration documents are required. Generally, those documents should include:

- (a) The trust agreement and amendments thereto, if not previously submitted. (If a trust file has been previously established and the amendment is the only trust document being filed, the examiner would need to locate the original trust document and make a copy to set up a new file with the new amendment(s) and affidavit.)
- (b) Affidavit of citizenship.
- (c) Evidence of ownership from the trust to the trustee (or vice versa.)
- (d) Aircraft Registration Application; and
- (e) \$5.00 registration fee.

Even though we did not require the trust agreement and affidavit to register in the name of the trust, we must have this documentation if the type of registration is being changed.

An LLC may include a statutory trust as a member, and can also be member managed. The title of the signer should be consistent with the LLC documentation on file. A trust document is not necessary since the aircraft is being registered to the LLC not the trust or trustee.

- (4) **Testamentary Trustee.** A testamentary trustee is appointed to carry out a trust created by a pour-over will. The trust goes into effect upon the death of the person who made the will. A certified copy of the death certificate and will are required for the trust file.
- (5) **Affidavit of Beneficiaries to Trustee.** Section 47.7(c)(2) requires the applicant trustee(s) to submit an affidavit that all beneficiaries of the trust are either U.S. Citizens or resident aliens or that, if not, such non-citizens have no more than 25 percent of the power to influence or direct the actions of the trustee. If the trust involves a non-citizen beneficiary, the affidavit must include wording to affirm that the trustee is not aware of any reason, situation, or relations as a result of which those persons together would have more than 25 percent of the aggregate power to influence or limit the exercise of the trustee's authority.
- (6) **Successor Trustee.** Upon notification of the death of a trustee, the trust document is reviewed to determine provisions for a successor trustee. In addition to requirements outlined in the trust, the successor trustee is required to submit a certified copy of the death certificate, an affidavit per item (5), and a new registration application and fee.

Upon notification of the resignation of a trustee, the successor trustee is required to submit documentation evidencing the resignation of the original trustee. Successor is required to submit an affidavit per item (5), and a new registration application and fee.
- (7) **Request to Return the Original Trust.** At the submitter's written request, a trust document may be returned for disposition without a copy being kept in the trust file.

Exception: A trust involving a non-citizen must remain on file. Only the side agreements or operating agreements may be returned provided they do not have an adverse impact on the trust.

- (8) **Where to File Trust Documents and Affidavits.** Originally, if an affidavit by trustees described a specific aircraft, they were filed in the aircraft record to which it pertained. If the affidavit described several aircraft, the affidavit was filed in the first aircraft listed and a cross-reference was placed in the other records. When the authorization files were automated in 1998, it was determined that all affidavits certifying the citizenship of beneficiaries, even those describing an aircraft, should be placed in the trust file.

Trust agreements, business trusts, voting trusts, testamentary trusts, and appointments of bankruptcy trustees can be accessed online through the Authorization/Ancillary option in AR.

NOTE: If a trust is received, but the trustees, etc., are not registering the aircraft but selling it on, the trust should be accepted without the affidavit.

- 2.1.4 **Legal Name.** (14 CFR 47.5(b).) The Black's Law Dictionary defines legal name thus: "Under common law, consists of one Christian name and one surname, and the insertion, omission, or mistake in middle name or initial is immaterial", therefore, these kinds of variations are acceptable. A married woman's legal name is her given (Christian) name and surname.

The name of the applicant/owner/debtor should be substantially similar on the documents. If an aircraft is registered without "Sr." and then is sold with "Sr." added, it is acceptable. If an aircraft is registered with "Sr." and then is sold without "Sr.", it is acceptable. When aircraft are registered with "Jr.", "II", etc., and sold without that designation, it is within the examiner's discretion to accept the documents. Upon the father's death, the "Jr." may drop this designation; however, if the aircraft is registered without "Jr." and then is sold with a signature including "Jr.", ask for a conveyance to complete the chain of ownership. It's possible the person did not put "Jr." in his name in the beginning, but it could mean the ownership passed from the father's estate to the son. If an aircraft was registered without "Jr." as part of the name, and is later sold showing the name of the owner/seller with "Jr.", an examiner should write for the complete chain of ownership. If you receive a new bill of sale that shows the applicant as a "Jr" and an application that does not or vice versa, the documents should be returned to clarify the correct legal name of the applicant.

NOTE: Regarding Spanish Male Names. It is a standard practice for Spanish males to add their mother's maiden name after their last name. If documents are received and it appears that the name of a Spanish male has been lengthened or shortened, the document may be acceptable without additional information. This is relevant only for Spanish male names.

"Idem sonans" means sounding the same or alike. It is a term applied to names which are substantially the same, though slightly varied in spelling, such as: Lawrence and Laurance, John and Jon, Stephens and Stevens, Flight and Flite, etc. The same rule applies to numbers whether they are a number, Roman numeral, or spelled, such as: 5 Star Enterprises, Inc., Five Star Enterprises, Inc.; Mark IV and Mark Four, etc.

Applications and conveyances having these kinds of variations should be accepted except when dealing with limited liability companies. An LLC's name must substantially match the documentation they submit. One acceptable variation in the legal name of an LLC includes the use of '&' instead of 'and' and vice versa. The other acceptable variation is the use or non-use of punctuation marks in the legal name. See 2.1.13.

When a corporation is erected, a name is given it in its charter or articles of incorporation and by that name it does all legal acts, though a very minute variation in the name is not material. Descriptive suffixes "Company," "Corporation," and "Incorporated," are commonly used as interchangeable terms. The suffix "Limited" is not interchangeable with "Company," "Corporation," or "Incorporated" and should not be dropped at the end of a corporate name. Abbreviations may be used in a corporate name as long as the abbreviations are clearly understood, such as Nat'l, Bk, 1st, Fed, etc. Initials or acronyms used in place of a corporate name should not be accepted.

In general, the name of a limited liability company must end with the words "LLC", "L.L.C.", "Limited Liability Company" or "Ltd. Liability Co." Some states, however, do allow an LLC to use a name that does not include any of the above identifiers. Some states permit and/or require use of LLC or LC (limited company) in the official name of the company. However, despite the permissive use of either, the two are not interchangeable after official formation of the company. Just as with any applicant for registration, an LLC must register in its legal name. If the name shown on the Articles of Formation or the operating agreement includes LLC, etc., it must be shown as part of the name on any registration document. Remember, the name of the purchaser shown on the evidence of ownership (e.g. Bill of Sale) must match that shown on the Aircraft Registration Application. Variation in the official name except as identified above should not be accepted because we received a document showing or certifying their legal name. Refer to 2.1.13 for more information.

14 CFR 47.5(b) states that an aircraft may be registered only by, and in the legal name of, its owner; however, 14 CFR 47.5(d) defines "owner" to include the buyer under a contract of conditional sale, a bailee under a bailment lease who will become the owner upon fulfillment of the agreement, and the lessee who has the option of becoming the owner under a lease with a valid purchase option, or any assignee of those persons.

Designations such as executor, administrator, trustee, guardian, etc., do not affect the "Type of Registration." These designations are placed on the Certificate of Aircraft Registration to denote the person's or corporation's capacity of ownership; i.e., he/it is acting on behalf of an estate, trust, or an incompetent. The titles of executor, administrator, and personal representative are interchangeable. The name of the deceased or incompetent does not have shown on the application.

When a partnership (business or company) name is used, the partnership name is considered the legal entity. The certificate of registration is issued in the partnership name only.

In the absence of a partnership name, all of the parties combined make up the partnership name or partnership entity. All of the partners' names are put on the certificate of registration.

- 2.1.5 **Processing Name Changes on Registration.** A revised certificate of registration is issued without charge upon receipt of an acceptable document evidencing a change in name of the registered owner. No new application is required.
- a. **Aircraft Registered By Certificate of Aircraft Registration.** Ensure that all aircraft are indexed to the packet before processing the name change document. Change the name and issue new certificates. The original certificate issue date is retained.
 - b. **Aircraft Registered Under a Dealer's Aircraft Registration Certificate.** Redacted-exam system processes.
 - c. **Reserved Registration Numbers.** If there are reserved numbers in your party's old name with the same or similar address then you should revise the reserve party name.

See Chapter 8 concerning documentation which is acceptable as evidence of name change.

- 2.1.6 **Processing a Merger or Consolidation on Registration.** In a merger, one corporation absorbs the other and remains in existence (surviving corporation) while the other is dissolved. In a consolidation, a new corporation is created and the consolidating corporations are extinguished. In either case, if it affects a registered owner of aircraft (i.e., the corporation is dissolved or extinguished) we consider this a new legal entity for registration purposes and require a new Aircraft Registration Application and \$5 registration fee. If the registered owner corporation is the surviving corporation, no application and fee are required.

When one LLC merges with and into another LLC, the LLC documents for the surviving LLC are required (if not already on file), in addition to the Aircraft Registration Application and \$5 registration fee.

The following sample situations will use the names First American Bank and Northern Bank of Oklahoma for example purposes:

Example 1. First American Bank merges into Northern Bank of Oklahoma under the charter of Northern Bank of Oklahoma. Northern Bank of Oklahoma retains its name.

- a. If aircraft registered to **First American Bank**, it would require a new application and fee—First American Bank no longer exists. It would receive a new registration date.
- b. If aircraft registered to **Northern Bank of Oklahoma**, the above merger would not affect the ownership of the aircraft. No new application is required, and the aircraft would retain its original registration date.

Example 2. First American Bank merges into Northern Bank of Oklahoma under the charter of Northern Bank of Oklahoma but takes the name of **First American Bank**.

- a. If aircraft registered to **First American Bank**, it would require a new application and fee—the original First American Bank no longer exists. It merged into Northern Bank which then changed its name. It would receive a new registration date.

- b. If aircraft registered to **Northern Bank of Oklahoma**, the above merger would not affect the ownership of the aircraft. This would be treated simply as a name change from Northern Bank of Oklahoma to First American Bank. No new application is required, and the aircraft would retain its original registration date.

Example 3. **First American Bank** merges into **Northern Bank of Oklahoma** under the charter of Northern Bank of Oklahoma but takes the new name of **Clare Bank, N.A.**

- a. If aircraft registered to **First American Bank**, it would require a new application and fee—First American Bank no longer exists. It merged into Northern Bank which then changed its name to Clare Bank, N.A.. It would receive a new registration date.
- b. If aircraft registered to **Northern Bank of Oklahoma**, the above merger would not affect the ownership of the aircraft. This would be treated simply as a name change from Northern Bank of Oklahoma to Clare Bank, N.A. No new application is required, and the aircraft would retain its original registration date.

Aircraft Registered Under a Dealer's Aircraft Registration Certificate. In the event a corporation that holds a dealer's certificate merges with another corporation, the dealer's certificate is no longer effective. See Chapter 9 Dealers for information.

See Chapter 8 for the types of documentation which may be accepted on mergers and consolidations.

- 2.1.7 **Change of Address.** A change of address filed on an Aircraft Registration Application is examined as outlined in paragraph 2.1.2

The AR database should continue to reflect the date of issuance for the original registration certificate.

Correspondence indicating an address change is reviewed for description of the aircraft, signatures, titles (if appropriate), and the registrant against the party reporting the change.

Address changes may be accepted if received on: 1) an Aircraft Registration Application form, 2) correspondence from the registrant, 3) fax from the registrant, or 4) signed request by a title search company or other authorized representative (POA) on behalf of the registrant.

The application, correspondence, and fax should meet the same signature requirements as an application for registration with the exception of co-owners.

Flight Hour Report Address Changes. Flight Hour Reports filed by non-citizen corporations are received in the Branch. Returned Flight Hour Reports that show an address change or a change in the location of flight hour records are processed by the Branch staff.

- 2.1.8 **Letter of Extension (Extension).** (14 CFR 47.31(a) and (b)) In order to issue a letter of extension, you must have a bill of sale to your applicant and their application. The name on the bill of sale and application must be substantially the same.

An extension of up to 120 days is normally granted when the 90 days on the pink or duplicate copy of the application are about to expire or have expired. If requested, the letter of extension may be sent to the applicant by fax.

Paragraph 47.31(b) provides for the issuance of one extension if the FAA has neither issued a certificate of aircraft registration nor denied the application. A second letter of extension may be issued for just cause. It is acceptable to issue a letter of extension based on a telephone call, however, the examiner must review the record to determine if one may be issued.

A letter of extension may **not** be issued for imported aircraft, new amateur built aircraft, newly manufactured aircraft, or aircraft not previously registered anywhere.

There is no authority to use a letter of extension for the purpose of international navigation. See paragraph 2.1.1.

NOTE: Examiners must use caution when issuing letters of extension. Effective October 1, 2010, an aircraft may remain in the registration pending status for a total of 12 months. Before issuing a letter of extension for an aircraft that was **previously** placed in “registration pending” the examiner must first verify the date on which the 12 month period will expire. After this period, the aircraft is subject to cancellation if not registered. Any letter of extension issued must **not** authorize operation **beyond** the 12 month period.

- 2.1.9 **Temporary Certificate of Registration.** (14 CFR 47.49(b)) A temporary certificate of registration by fax may be issued: 1) When the certificate of registration has been lost and after receipt of a request and fee, 2) When the certificate of registration has not had time to reach the owner (no fee required), and 3) When the aircraft is to be operated internationally and a Declaration of International Operations has been submitted. An acceptable Declaration of International Operations form makes a declaration under the penalties of perjury that a specific aircraft is scheduled to make an international flight on a specific date from a specific departure location to a specific destination. The owner should show the city and state/country where the flights will occur. The form must be signed by the applicant and include an acceptable title, if applicable.

A certificate holder may request a temporary certificate of registration by fax. The request for a temporary may be submitted by fax, mail, or through a title search company, attorney, or other representative. It is the current policy of the Registry that a request must be submitted. The request is not added to the record **unless** it is also identified as a request for a duplicate certificate.

The temporary by fax is always issued to the registered owner, however, it can be sent to a fax number provided by the owner, title search company, or other authorized representative. In instances where multiple requests are filed for the same aircraft and owner by different title search companies or law firms, the request submitted by the first company should be honored.

A temporary certificate is issued for a 30-day period. The temporary certificate of registration may be used for international air navigation in accordance with the legal opinion dated December 8, 1988, published in the Federal Register December 14, 1988, vol. 53, No. 240, page 50208.

- 2.1.10 **Replacement Certificate.** (14 CFR 47.49(a).) If a Certificate of Aircraft Registration is lost, mutilated, or destroyed, a request and fee must be submitted to the Registry for a duplicate certificate. These are the most common reasons for a duplicate to be issued.

A replacement Certificate of Aircraft Registration will be issued **only** upon receipt of a **written** request with applicable fee if filed through Cashiers or may be transmitted by fax provided the request states the applicable fee is being mailed. The request must state the reason a replacement is required and include a sufficient enough description to identify the aircraft (i.e., N-Number only would be acceptable). If the request is made by telephone, the caller should be instructed to submit the required written request.

The request and fee for a replacement certificate may be made by anyone; however, the replacement certificate is always issued to the holder at the address on the application. The certificate can be sent to a different address if requested in writing by the holder, title search company, attorney, or authorized representative with acceptable power of attorney.

If the certificate was returned as undeliverable, a duplicate should not be issued to the same address **unless** the owner mails or faxes a signed statement indicating the address is correct.

The request and fee may be sent by mail or through a title search company, attorney, or other representative.

NOTE: A replacement Certificate of Aircraft Registration may NOT be issued for any aircraft in an “Expired” status.

- 2.1.11 **Evidence of Ownership Never Filed to Support an Aircraft Registration Application.** When an acceptable application, fee, and evidence of ownership from the last registered owner are received and the aircraft suspense record contains an application by a party other than the current applicant, the aircraft may be registered to the current applicant.

- 2.1.12 **Form Letter.** Redacted as system process.

- 2.1.13 **Limited Liability Companies.** Every state has passed laws creating a new type of legal entity called a "limited liability company" (or LLC.) Although not specifically identified either in the United States Code or in the Federal Aviation Regulations, the limited liability company is an association covered under the definition of a “citizen of the United States” found in 49 U.S.C. § 40102(a)(15)(C).

- a. **What is an LLC?** An LLC is a separate and distinct legal entity known as an association. This means that an LLC can obtain a tax identification number, open a bank account and do business, all under its own name.

The life of an LLC begins upon the filing of the articles of organization (or the equivalent under the laws of a particular state) with the proper state authority, and payment of all required fees. State laws typically impose additional pre or post-creation requirements as well. Unfortunately, most often the articles of organization don't speak to the actual management of the LLC. For determining management, the

Registry must sometimes look to the Operating Agreement and the applicable State's laws.

In general, the name of a limited liability company must end with the words "LLC", "L.L.C.", "Limited Liability Company" or "Ltd. Liability Co." Some states, however, do allow an LLC to use a name that does not include any of the above identifiers. Some states permit and/or require use of LLC or LC (limited company) in the official name of the company. However, despite the permissive use of either, the two are not interchangeable after official formation of the company. Just as with any applicant for registration, an LLC must register in its legal name. If the name shown on the Article of Formation or the operating agreement includes LLC, etc., it must be shown as part of the name on any registration document. Remember, the name of the purchaser shown on the evidence of ownership (e.g. Bill of Sale) must match that shown on the Aircraft Registration Application. Variation in the official name should not be accepted except for the use of '&', 'and', and the use or non-use of punctuations within the name. The applicant may abbreviate limited liability company or limited company. You should abbreviate limited liability company and limited company as LLC and LC.

Some states allow for "Series" within an LLC, i.e., MACSPEC LLC – Series One. If you receive documents showing a "Series" LLC then you must have a copy of the operating agreement. The operating agreement must reflect it is a "Series" LLC. In the body of the operating agreement it may give the name each "Series" within the LLC or you may need a supplement to the operating agreement which adds your "Series" to the main LLC. You will need documentation for each series which shows who the members are and how each series is managed. It should reflect that each "Series" has separate records and accounting. The series is only a designator and may appear as a division with the main LLC name (legal name) on the certificate if it is clearly identified, (i.e., MACSPEC LLC, Series One Division). The bill of sale and application do not require "division" to be shown in order to add the series name but they must include the legal name of the LLC.

All 50 states and the District of Columbia have also adopted a similar type of entity, the limited liability partnership (LLP) or registered limited liability partnership (RLLP.) Do not confuse the LLP or an RLLP with an LLC. It is a partnership that registers with the state and pays a specified fee, in order to become an LLP or RLLP and to have limited liability conferred upon the partnership's partners. For aircraft registration purposes, LLPs or RLLPs are treated like any other partnership, i.e., all of its partners must be individuals.

- b. **Citizenship.** An aircraft may be eligible for registration only if it is owned by a citizen of the United States. To determine if an LLC is eligible to register aircraft in its name, its structure must be measured against the definition of a United States citizen corporation or association. The key elements to look at when viewing LLC documents are whether 2/3 of the officers/managers meet U.S. citizenship and whether 75% of the voting interest is controlled by U.S. individuals/entities. A foreign citizen may be a member of an LLC as long as the LLC organization still meets the 2/3 and 75% requirements. Neither an LLC nor an LLP may register as a non-citizen corporation under 14 CFR 47.9.

An LLC may include a “foreign” member and still qualify to be “member managed” if the following are true:

- 1) The LLC must have at least three members.
- 2) At least two of the members must be U.S. citizens (this covers the 2/3 rule).
- 3) The foreign member cannot have more than 25% of the voting interest of the LLC (75% of the voting interest must be controlled by U.S. citizens)

If the LLC is “manager managed” it could have only two members as long as the foreign member is not the manager and the U.S. citizen has 75% or more of the voting interest. A foreign member can be a sole member if they qualify for citizenship through a voting trust and the LLC is “manager managed.” The manager must meet the U.S. citizenship requirements.

If you receive a representation statement which shows the LLC has a member that is a partnership, you should request the names of all partners.

If an LLC has a member that is a partnership and the LLC certifies the partnership does not meet citizenship requirements, i.e., all partners are not individual U.S. citizens, then the LLC must be manager managed. If the LLC is member managed it would not be acceptable for registration purposes because the partnership does not meet the U.S. citizenship requirements. In instances where a partnership does not meet citizenship requirements, the examiner should ensure that 75% voting interest or management authority is controlled by a “citizen of the United States”. Request this information if your documents do not state this. In other words does the LLC document reflect the voting interest is controlled by partners who are U.S. corporations or another partnership consisting of individual U.S. citizens?

- c. **Management by members or managers.** If allowed by the applicable state law, a limited liability company may be managed either by (a) its members or (b) one or more managers. If a limited liability company is managed by its members, the members are responsible for the daily management of the LLC. See section 2.1.13f for acceptable titles for the different management styles. A “manager” is a person elected or appointed by the members to manage the limited liability company. In this context, a manager is similar to a president, CEO, director or other managing officer of a corporation. Unless required by the applicable state’s law, a manager does not have to be a member of the LLC. If a limited liability company is managed by managers, then its management structure may resemble a corporate structure. In this case, the members may not be directly responsible for running the company, i.e., not have management authority.

NOTE: If a trust (other than business or statutory trust) is a member of an LLC then the LLC cannot be managed by its members. The LLC can be managed by managers provided the trust is not the manager. A trust (other than a business or statutory trust) is not a legal entity authorized to conduct business on its own. The business of the trust is conducted by the trustee(s). However, an LLC can be member managed if the member is the trustee.

- d. **Officers.** Regardless of how a limited liability company is managed, if the applicable state’s law allows, officers may be elected or appointed to run the day-to-day operations of the company. In most states, LLCs are not required to have

officers with specific titles such as president, vice president, or secretary. Officers generally serve at the pleasure of either (a) the managers, if the limited liability company is managed by managers, or (b) by the members if the limited liability company is member-managed. Members or managers may both be officers. Usually there is no limit on the number of officers an LLC may have. Unless either the state law or an operating agreement states otherwise, a person may hold more than one office. In fact, the same person may hold all offices. The appointment of an officer in an LLC does not automatically mean they have been given management responsibilities for the LLC. In determining whether an officer also has management authority (for registration purposes), a review must be made of the operating agreement.

- e. **Evidence of organization.** When submitting documents to register in the name of an LLC, one of the following must also be submitted in order to determine eligibility:

- 1) A written representation in complete sentence format that states how the L.L.C. qualifies as a citizen of the United States that is signed by and shows the title of a person with this knowledge. A satisfactory statement will include the following information and representations:
 - (a) The full name of the LLC.
 - (b) The State in which the LLC is lawfully organized.
 - (c) The date the LLC was legally formed or organized. (Month, day and year are required.)
 - (d) The Name of each of the members of the LLC and their type of entity (i.e., individual, corporation, partnership, LLC.). **NOTE:** If a general or limited partnership is involved in the LLC as a member, manager, or officer, the statement should represent whether the partnership meets the U.S. citizenship requirement (i.e., partnership is comprised entirely of individual U.S. citizens).
 - (e) Whether the LLC is managed by its member(s) or by manager(s) or officer(s). **NOTE:** Show the title that will be used to sign all documents.
 - (f) The name of the manager(s) or officer(s), if applicable, and type of entity if other than a natural person.
 - (g) Whether the members, manager(s), or officer(s) may act independently. **NOTE:** A non-citizen member/manager cannot act independently in a management capacity.
 - (h) A description as to how each legal entity within the LLC structure supports a determination that the LLC is a citizen of the United States as required by 49 U.S.C. Section 40102(a)(15)(C). **NOTE:** If a partnership is involved in the LLC, the statement must represent the citizenship of each partner, not necessarily the names of the partners since the aircraft will be registered to an LLC; **OR,**
- 2) A copy of the document evidencing the organization of the LLC (e.g., Certificate of Formation, Articles of Organization, or Operating Agreement.) The submitted document must include the name of each of the members and clearly state how management of the LLC is vested, i.e., its members, in a manager, in its officers, etc. The citizenship of each member, manager, or officer is also required and may be provided, in either a cover letter or separate statement.

When an operating agreement is received containing all information required to register and citizenship is not addressed, and if the members are individuals and/or corporations, the document may be accepted unless there is reason to question the citizenship. When they sign the application they are certifying the LLC meets the U.S. citizenship requirements.

If the documents submitted are not acceptable, a reject letter should be written specifically stating the deficiencies.

If the applicant LLC includes a member and/or manager that is also an LLC, the above documentation must also be provided for the member LLC.

If the management of the LLC changes at a later date (e.g., originally managed by the members, but now by a manager), the LLC must provide written notice of the change to the Registry. This may be submitted in the form of a written statement, a copy of minutes of a meeting, an amended operating agreement, etc. The submitted document must explain any changes or additions made and give the effective date of those changes or additions.

If LLC documents are filed to add or remove members, the document may be added to the existing LLC ancillary record. If a new member is an LLC, the examiner must request the necessary LLC documentation for that member.

An LLC that includes a business trust or a statutory trust as a member, can be member managed because these trust are considered legal entities. The title of the signer should be consistent with the LLC documentation on file. A trust document is not necessary since the aircraft is being registered to the LLC not the trust or trustee.

NOTE: The Registry has been advised that Alabama allows different LLCs to use the exact same name. For all other states, if an LLC document is received and one has already been accepted with the same name and state, if the execution dates are more than a few weeks apart and there appears to be completely different members, etc., the examiner may accept a letter from the “new” LLC, signed by its management, stating their LLC has no relationship to the LLC already on file, if that is the case. The letter should refer to the LLC already on file by its name and execution date. The letter may be mailed or faxed, and should be added to the ancillary LLC record for the “new” LLC.

- f. **Titles.** If an LLC is managed by a manager, generally any title which includes the word “manager” (e.g., managing member, member manager, etc.) is acceptable. Member alone or corporate type titles (i.e., president, vice-president, etc.) would be unacceptable. If your document shows more than one title for the person signing (i.e., - manager/president, shareholder/manager, etc.) it is acceptable as long as one of the titles matches how the LLC is managed. President of Member would be acceptable if the LLC is member managed. However, this would not be acceptable if the LLC is managed by officers or managers. The person is signing as President of the LLC member and not as an LLC officer.

If an LLC is managed by its members, generally any title which includes the word “member” (e.g., managing member, member manager, etc.) is acceptable. The title

“managing partner” is not an acceptable title for an LLC. Manager alone or corporate type titles (i.e., president, vice-president, etc.) would be unacceptable.

An exception to the above rules would be if the LLC documentation shows it to be managed by a managing member. Member alone or Manager alone would be acceptable. Corporate type titles (i.e., president, vice-president, etc.) would be unacceptable in both cases.

If an LLC is managed by officers and the specific officers’ titles are shown (i.e., president, vice-president, secretary-treasurer, etc.), only those titles are acceptable. Those specific titles should be reflected in the online system. If the online system shows only “Officers”, any corporate type title would be acceptable. In this case, neither Manager nor Member would be acceptable.

If an LLC is managed by a Board of Governors, the title of Governor is acceptable. In this case, no other titles would be acceptable unless there is evidence to show that the person also occupies another position with management authority.

If an LLC document states that management is vested in its members, but officers have been or will be appointed, the online system should reflect Member as the authorized signer. Even after appointment of officers, management may still be vested in other parties such as the members; however, authority for appointed/elected officers to execute various documents and bind the LLC may be demonstrated by various means. The online system should reflect both Member and the specified officer titles in situations where both members and specific appointed/elected officers have management/signature authority.

If submitted Articles of Organization or an Operating Agreement have conflicting statements, or a determination cannot be made as to how management is vested, request clarification from the LLC. If we have an existing LLC file and the new documentation has conflicting information, the examiner must modify the existing LLC file to reflect the need for clarification of management on the limits/restrictions line. The new LLC document should be suspended in its own temp record or an existing reject authorization, if applicable, not with the previously accepted file. This entry should also reflect the need for clarification of management.

If multiple bills of sale are submitted which only “pass through” the LLC and the signer shows a title of Manager or a corporate type title, it is not necessary to ask for LLC documentation. If however, the signer shows a title of Member, documentation showing Member is the appropriate signatory should be requested.

NOTE: A bill of sale reflecting the purchaser as an LLC may include the names of managers, members, officers, etc., as long as a title is shown with the individual’s name as an indication that the party is not a co-owner. The title shown does not have to be one indicating how the LLC is managed.

NOTE: This also applies to security instruments.

NOTE: Prior to September 1999 LLC documentation was not required when registration documents were signed showing a corporate or managerial title. Corporate or managerial titles on subsequent documents for that aircraft are

acceptable without requesting LLC documentation. If subsequent documents are signed showing the title member or if the LLC purchases another aircraft, then LLC documentation is required to determine who the members are, citizenship of the members/managers, and who is authorized to sign.

NOTE: The State of Michigan has enacted the “Michigan Limited Liability Company Act.” The act states in part, “Unless the articles of organization state that the business of the limited liability company is to be managed by managers, the business of the limited liability company shall be managed by the members...” Upon receipt of a release, a termination, or evidence of ownership “passing through” the chain of ownership, signed on behalf of an LLC in the State of Michigan, showing the title “member” or a managerial title, check the online system to see if LLC documents have been previously received. If so, any new document received should be signed with the appropriate titles shown online. If no record is found in the online system, the title “member” or a managerial title should be accepted without requesting the articles of organization or letter representation. Applications for registration from Michigan LLCs, however, must be supported by documentation evidencing the LLCs eligibility/ citizenship.

- g. **Conversion.** In most states, corporations and partnerships may elect to convert to an LLC. For registration purposes, a current registrant may update their registration by submitting the following:
- 1) Document approving the conversion of the corporation or partnership to an LLC. The conversion document would be filed in the authorization files as a name change. An entry would be made in the online system as a name change.
 - 2) Copy of the document evidencing the organization of the LLC (e.g., Certificate of Formation, Articles of Organization, or Operating Agreement) or a representation in letter form. Submitted document must set out management and citizenship.
 - 3) Aircraft Registration Application, AC Form 8050-1, completed and signed in ink by the appropriate party or be a printed duplicate of an electronic document which includes an acceptable legible digital signature. See 2.1.2g
 - 4) Registration fee of \$5.

Although the conversion document is treated as a name change, it actually changes the type of entity of the registrant and its name. A new registration date would be given. The new application is annotated “Conversion” and should be accepted.

- h. **Power of Attorney.** If the applicable state’s law allows, an LLC may grant a power of attorney. As current regulations cover only corporations [and not associations (including LLCs)], we do not require a resolution of the board in order to accept the POA document.

i. **Name Changes/Mergers.**

- 1) **Changes in Name.** When a name change is filed for an LLC, there is no requirement to file new LLC documents. Registered owners who submit changes of name are furnished revised certificates of registration and/or revised dealer's certificates. There is no fee required to issue a revised certificate of registration due to a name change. The examiner that accepts the name change document should check Master Name Inquiry to see if there are any aircraft registered in the original name and check Dealer Inquiry. If records are located, work packets should be created and each record updated to show the last registered owner's new name and a revised certificate issued, if applicable. The AR database will automatically change the dealer's name for any aircraft linked to the dealer's certificate number. See Section 2.1.5 and 9.5 for additional information.
- 2) **Mergers.** When an LLC merges with and into another LLC, the LLC documents for the surviving LLC are required (if not already on file) in addition to the Aircraft Registration Application and \$5 registration fee. The examiner that accepts the merger document should check Master Name Inquiry and Dealer Inquiry to see if there are any aircraft registered or a dealer certificate in the original name. If records are located, work packets should be created to request the appropriate application and corresponding fee. See section 9.6 for information on dealers.

NOTE: If an LLC is selling an aircraft and the name is different from the last registered owner name, the examiner should check the name change files. If there has been a name change, the Registry does not require new LLC documents reflecting the new name. The examiner that accepts the name change should also modify the LLC ancillary record to reflect the name change. This will allow the retrieval of the LLC file by either name, decreasing unnecessary rejection and eliminating added requirements for the aircraft owner.

j. **Signatures.** If registration documents and LLC documents are filed together, use the following guidelines:

- 1) If the documents and the LLC documents are of a current date, the application should be signed by a party shown on the LLC documents.
- 2) If the documents are of a current date and are submitted together with an LLC representation statement of any date, a party shown on the representation should sign the application.
- 3) If documents are of a current date but the LLC documents are dated more than six months earlier than the date of the application, the examiner need only to verify the title of the signer (member, manager, etc.).
- 4) If the documents are of a current date and the accepted LLC documents are already on file with the Registry, the examiner only needs to verify the title of the signer (member, manager, etc.).

2.1.14 **Secured or Flagged Aircraft.** Redacted as internal process.

SECTION 2. EVIDENCE OF OWNERSHIP SUBMITTED TO SUPPORT REGISTRATION

- 2.2.1. **General.** There are various types of documents (not necessarily conveyances) that may comprise "evidence of ownership" for registration purposes. These "documents" as provided in Part 47 of the Federal Aviation Regulations may or may not be recordable but in either event are made a part of the permanent aircraft record as a link in the "chain of ownership." Prior to August 1964, the regulations required "proof of ownership" (documents that are so certain or convincing as to demonstrate the validity of a conclusion beyond reasonable doubt); however, the requirement for the verification of signatures before a notary public or other persons qualified to take acknowledgment of deeds was removed in 1964. Therefore, "proof" was changed to "evidence" of ownership, and the necessity to examine documents for validity has not been a part of the examination process since that change in the regulations. Any dispute over the validity of a document must be settled by the parties involved or by a court of competent jurisdiction.

Our procedures are developed to ensure and maintain a consecutive "chain of ownership" on aircraft. The owner(s) is (are) traced through the documentation which transfers ownership or retains title to the aircraft. There are certain requirements each document must contain:

- 1) adequate description of collateral,
- 2) correct name of seller (verified against preceding ownership document) and acceptable titles, if appropriate,
- 3) legal name of the purchaser,
- 4) sufficient wording to convey ownership or retain title, and
- 5) be an original document or duplicate original (or meet other requirements, as prescribed in Part 47 or approved by immediate supervisor, to be accepted in lieu of a recordable document.)

Each document submitted must also:

- 1) affect a registered aircraft or one that is being registered,
- 2) be a part of a consecutive chain of ownership, and
- 3) be accompanied by an application and fees, if appropriate. An application and fee are not required for an owner who holds a valid dealer's certificate.

The FAA does not issue a "title" to aircraft, but issues a certificate of registration (which must be carried in the aircraft during its operation) that serves as conclusive evidence of nationality of the aircraft. The certificate of registration is issued to the "applicant/owner" based upon the "evidence of ownership" submitted in support of the application for registration.

"Applicants/owners" may be conditional buyers, lessees (with valid purchase option) and bailees (who are bound to become the owner of the aircraft), executors or administrators of deceased estates (pending settlement of the estates), guardians or conservators (persons to whom another's property or the management of another's property is entrusted.) The regulations prescribe for the issuance of certificates of registration in their names.

Even though the FAA does not issue titles nor endorse ownership information on certificates of registration, great care should be exercised in the examination of applications, conveyances, and other documents. The aviation public attaches much emphasis and trust on the certificates of registration. A frequent error found when processing documents is the names of the buyers/applicants are not the same.

NOTE: If new documents to change registration are received and the aircraft record reflects the aircraft has been damaged, destroyed, scrapped, etc., the examiner will need Technical approval before taking any document disposition.

- 2.2.2 **Trade Names and Designations.** See 2.1.3e for more information. Individuals, corporations, and co-owners may use a trade name. The trade name has no bearing on the ownership of the aircraft; however, **prior to August 16, 1964, bills of sale were accepted with only the trade name shown.**

It is acceptable if the legal name of an individual owner is included in the trade name. Example: John Doe Aircraft Sales. The certificate of registration is issued as: Doe John dba John Doe Aircraft Sales.

In addition to trade names, designations such as executor, administrator, trustee, guardian, conservator, etc., are put on the Certificate of Aircraft Registration. These designations do not affect the type of registration, but are placed on the registration certificates to denote the person's or corporation's capacity; i.e., he/it is acting on behalf of an estate, trust, or incompetent.

- 2.2.3 **Sequence for Examining and Recording Documents.** Redacted as an internal process.

- 2.2.4 **Evidence of Ownership.** (49 U.S.C. 40102(a)(18), 14 CFR 47.11, 47.33, 47.35.) Evidence of ownership for registration purposes may be a conveyance (recordable) or a non-conveyance (not recordable) such as:

- a. Aircraft Bill of Sale or the equivalent (recordable.)
- b. Contract of conditional sale and transfers of interest (equity) (recordable.)
- c. Retail Sales Contract or Installment Sales Contract (recordable.)
- d. Lease with a valid option to purchase (recordable.)
- e. Bailment lease (recordable.)
- f. Certificate of repossession (recordable.)
- g. Affidavit.
 - (1) Amateur-built/non-type certificated aircraft (recordable.)
 - (2) Heir-at-law (not recordable.)

- (3) Describing inability to obtain a recordable ownership document (accepted in lieu of recordable document.)
- (4) Light Sport Aircraft (recordable)
- (5) Unmanned Aircraft System (UAS) (recordable)
- h. Court order (Arbitration Agreement) determining ownership (recordable.)
- i. Transfer Order (accepted in lieu of recordable conveyance.)
- j. Military message or DD Form 1348.1 (not recordable.) If form has been altered to include acceptable words of transfer and ink signature or a printed duplicate of an electronic document that displays an acceptable legible digital signature (recordable.)
- k. Combat type or noncombat-type aircraft conditional transfer document (recordable.)
- l. Letters testamentary or letters of administration (not recordable)
- m. Appointment document of bankruptcy trustee (not recordable.)
- n. Appointment document of guardian or conservator (not recordable.)
- o. Judicial bill of sale or bill of sale satisfying a lien or charge (recordable.)
- p. "Certificate of Transfer of Ownership" on aircraft from the USAF to Civil Air Patrol (recordable.)
- q. Other instruments.

The following forms are NEVER accepted in any manner as evidence of ownership of aircraft or major components:

- a. Transfer Order, SF Form 123 (GSA to state for surplus property [for donations to tax-supported and nonprofit, tax-exempt public and educational institutions] and GSA to civilians [usually as a result of confiscation].)
- b. United States Air Force Excess/Surplus Personal Property Transfer and Work Agreement.
- c. Notice of Award, Statement, and Release Document, DPDS Form 1427.

2.2.5 **Examples of Documents used as "Evidence of Ownership."** In cases where the evidence of ownership received is for multiple aircraft, it can only be recorded once. The examiner must have all of the aircraft in a work packet and the document must be recordable against ALL aircraft shown. **This is not the case for an imported aircraft. Refer to 2.3.6(a) for Imports.**

- a. **Aircraft Bill of Sale** or an equivalent bill of sale. The suggested FAA bill of sale form contains the terminology "does this ____ day of ____ hereby sell, grant,

transfer, and deliver all rights, title, and interests." All of this terminology is not needed for a bill of sale to be a conveyance. A bill of sale is considered as an equivalent to this suggested form if it contains for instance, "hereby sell," "I sell," "I transfer," "I gift," "I hereby gift," etc. The bill of sale must describe the aircraft, give the name of purchaser show name and signature of the seller, and title of the seller, if appropriate. If the seller(s) is an individual, the signature(s) is sufficient as the name of seller. Bills of sale should be complete including the date of the sale or transfer.

A bill of sale conveys the ownership interest of the seller. It's not unusual for a bill of sale to require signatures by multiple parties (e.g., co-owners, multiple trustees, etc.). The submission of two separate conveyances each signed by a different party, would not be acceptable in all cases. An example where multiple bills of sale would not be acceptable is a deceased individual for which multiple executors were appointed. Each executor signing separate bills of sale, attaches them together, and adds counterpart language would **not** be recordable. All executors must sign a single bill of sale. All co-trustees must sign a single bill of sale.

For situation involving multiple bills of sale, the following guidance should be used:

- (1) Multiple bills of sale may be recorded for selling **co-owners**. Each co-owner may transfer their ownership on a separate bill of sale. Separate bills of sale would **not**, however, be recordable for partners.
- (2) A single bill of sale instrument to which is attached multiple signature pages is recordable. If the document submitted is an Aircraft Bill of Sale with attached pages, at least one signature must be included in the seller's block on the form and some indication that additional signature pages are attached.
- (3) Multiple bills of sale, attached together, with counterpart language added, would **not** be recordable in any instance.

A money receipt that states the aircraft is free of liens and debts does not make it a bill of sale - the words evidencing transfer of ownership are not present. If the purchaser cannot get a bill of sale, this money receipt could be attached to the applicant's affidavit (outlining reasons for inability to obtain a recordable bill of sale) as evidence of the transaction.

Statements to the effect, "I sold _____ aircraft to" are generally not conveyances, merely statements of a past happening, and are not accepted as bills of sale even though they may be labeled as such. The statement, "I sold this date _____ aircraft to" with a date shown may be acceptable as evidence of ownership. Such statements may be used as attachments to affidavits.

There are situations whereby the seller tries to protect himself from bad checks or the purchaser tries to protect himself from unknown defects of the aircraft. The parties draw up their own bill of sale, including clauses making the sale dependent upon certain contingencies (i.e., the sale is not absolute by this particular document.) The FAA does not accept bills of sale that contain conditions subsequent to the signing of the paper. It may be accepted and recorded provided something is presented to prove

the condition(s) has/have been met, and this material is attached to the conditional bill of sale as a permanent part of the record.

- b. **Conditional Sales Contract (CSC)** (14 CFR 49.17). A conditional sales contract must contain a sales clause and a title retention clause. Effective February 25, 1988, the conditional buyer may sell his interest in the aircraft without the assent of the conditional seller or his assignee.

If a conditional sales contract does not contain specific words as "title is retained by the seller", it may contain wording which identifies the buyer as "I" and the seller as "you." The document may state, "you will hold title to the collateral until all payments have been made and all other conditions have been satisfied at which time I will receive title." This is the title retention clause.

A conditional sales contract must be signed by both the seller and the buyer. A \$10 fee is required - \$5 for registration and \$5 to record the security instrument.

Conditional sales contracts must contain a sales (transfer) clause. For instance, "The said seller hereby grants, bargains, and sells to the said purchaser..." Another example is "The seller hereby sells and transfers to the buyer..."

Documents reflecting "the seller agrees to sell and the buyer agrees to buy is not an action and therefore, the agreement is not acceptable for recording.

A conditional buyer may assign his interest (equity) in the aircraft and the contract to a new conditional buyer who applies for registration. The new buyer submits, with his application, the assignment of interest (assignment of equitable interest or whatever it is named), \$5 for registration, and \$5 to record the assignment.

When all of the terms of the contract have been met, title to the aircraft is transferred to the conditional buyer by the release. Part II of the Notice of Recordation— Aircraft Security Conveyance includes the clause, "any title retained in the collateral by the conveyance is hereby sold, granted, transferred, and assigned to the party who executed the conveyance." A drafted release executed to release a contract of conditional sale must contain a phrase to transfer the ownership of the aircraft. A clause which simply releases the aircraft from the terms of the contract does not transfer ownership and is not adequate.

Sometimes a conditional seller will execute a bill of sale to the conditional buyer upon expiration of the contract. A bill of sale, however, does not release the lien. 14 CFR 49.17 provides that the holder of the contract shall execute a release on Notice of Recordation – Aircraft Security Conveyance, or its equivalent. A bill of sale is not equivalent in that it does not contain the recording data of the contract nor does it contain a clause that "the collateral is hereby released from the terms of the conveyance."

If a contract contains a clause to the effect that a bill of sale will be executed upon compliance with the contract, the bill of sale should be recorded prior to the release

A transfer of equitable interest under a contract of conditional sale, previously recorded in the FAA Aircraft Registry, shall be executed by the original conditional buyer (now seller.) It should describe the original contract by its date, names of parties, date of FAA recording and the conveyance number. A notice of recordation is mailed to the lien holder which gives the recording data of the original contract, any other transfers of interest, along with the recording data of the current transfer of interest.

Please note 14 CFR 49.17 does not require the signature of the new conditional buyer (applicant.) If the new buyer assumes the obligations of the original contract, the new buyer signs to make the assumption clause effective.

An assignment of interest of the seller under a contract of conditional sale must be signed by the seller (assignor.) In addition to the description of the collateral, the unattached assignment shall contain: (1) the date of the original contract, (2) names of parties, (3) date of FAA recording, and (4) the recorded conveyance number.

If a bill of sale is submitted with a contract of conditional sale, the bill of sale is considered the controlling ownership agreement of the parties and both documents are recorded. The conditional sales contract is considered as a security agreement only.

A contract of conditional sale may be recorded as a security instrument if it is received after the aircraft has already been registered in the name of the conditional buyer by a bill of sale and application.

- c. **Retail Sales Contract or Retail Installment Contract.** A retail sales contract or a retail installment contract may be acceptable as evidence of ownership provided it contains words to transfer ownership. Most of these contracts are worded such as "the buyer hereby buys and the seller hereby sells." Other terminology should be found in the contract which indicates a security interest is granted to the seller.

A retail sales contract or a retail installment contract must be signed by both the seller and the buyer. A \$10 fee is required - \$5 for registration and \$5 to record the security instrument.

When a bill of sale is submitted with a retail sales contract or a retail installment contract, the bill of sale is recognized as the controlling conveyance for ownership purposes. The contract is considered as a security conveyance only.

A transfer of interest by the buyer may be accepted as evidence of ownership for a new applicant. The transfer must contain wording to convey ownership of the aircraft to the new owner. The new owner may or may not assume the obligation of the contract. If he does assume the debt, the new owner signs the transfer of interest agreement.

Whether or not the new owner assumes the debt, the aircraft is transferred subject to the contract and a Notice of Recordation– Aircraft Security Conveyance is sent to the lien holder reflecting the recording data of the contract and the transfer of interest. A recording fee, in addition to the registration fee, is required.

If a bill of sale is received with a transfer agreement, the bill of sale and the agreement are both recorded.

- d. **Lease with a Valid Option to Purchase** (49 U.S.C. 40102(a)(18)(B)). One of the definitions of a conditional sale pertains to leases whereby the lessee contracts to pay a sum substantially equivalent to the value of the aircraft and has an option of becoming the owner of the aircraft upon compliance with the terms of the contract.

For a lease to be considered a conditional sale, the payments must apply toward the purchase price and total to about the same as the aircraft value. A ruling stated that a "nominal sum" may be left to be paid upon exercise of the option. Based upon the determination, the FAA established some rough guidelines and set an arbitrary figure of 10% or less to represent the "nominal sum." Therefore, if the option price is equal to not more than 10% of either the lessor's cost (if newly acquired), or the value of the aircraft at the time of the lease, the lease is considered as a conditional sale. The terms of the lease are usually set for the value of the property at the time of leasing. Upon submission of a lease that qualifies as a conditional sale, the lessee is considered the owner for registration purposes.

There is a wide range of consideration used in trying to determine whether a lease/purchase qualifies as a conditional sale. It may involve the known value, an estimated value, insurance requirements, etc.

The Notice of Recordation –Aircraft Security Conveyance is used to notify the lessor, or his assignee, of the recording of the lease. When the lease is fulfilled and the option is exercised, title to the aircraft is transferred to the lessee by the release as described in paragraph 2.2.5.b. pertaining to contracts of conditional sale.

A lease (conditional sale) may be terminated by mutual agreement of the parties involved. **Upon completion of a termination (not release), title reverts back to the lessor.** The termination agreement must be signed by all of the parties to the lease. The termination should be accompanied by the lessor's application for registration and registration fee unless the lessor concurrently sells the aircraft. See note in 6.9 for documents that transfer ownership and terminate in one document.

- e. **Bailment Lease.** (49 U.S.C. 40102(a)(18)). The Black's Law Dictionary defines a bailment lease as "a legal method by which one desiring to purchase an article but unable to pay therefore at the time, may secure possession thereof with the right to use and enjoy it as long as he pays stipulated rentals and becomes absolute owner after completing such installment payments, on payment of an additional sum which may be nominal."

The bailor retains title to the aircraft (however the lease does not contain a title retention clause) and parts with the possession of the aircraft. Most bailment leases (conditional sale) contain a clause stating a bill of sale will be executed at the end of the lease if all of the terms are fulfilled or the lease may simply state that the bailee

becomes the owner when all terms are met. Upon submission of a bailment lease that qualifies as a conditional sale, the lessee is considered the owner for registration purposes.

The Notice of Recordation – Aircraft Security Conveyance is used to notify the bailor of the recording of the lease. If we receive a bill of sale from the bailor to the bailee and a release, both documents are recorded.

Not all documents entitled "bailment" are conditional sales. The common or true bailment of property is whereby the goods are delivered by the bailor to the bailee for a certain purpose. Once the purpose is fulfilled, the goods are redelivered to the bailor or otherwise dealt with according to the bailor's direction. In such cases, the bailment agreement has nothing to do with ownership of property.

- f. **Certificate of Repossession** (14 CFR 47.11(b)). Repossession of aircraft after default on a security conveyance is a recognized procedure. However, our act of accepting a Certificate of Repossession for registration does not constitute a binding legal determination of ownership. A repossession certificate must state that the reposessor has performed all of the obligations imposed by the terms of the financing agreement and all local laws.

A few repossessions have been contested because the reposessor had not performed all requirements imposed by law. In such an instance, a certified copy of the court decision determining ownership may be submitted and recorded.

See Chapter 5 for more information pertaining to certificates of repossession.

g. **Affidavits.**

- 1) **Amateur-built Aircraft.** (14 CFR 47.15(a)(1) and 47.33(c)). The applicant for registration of an amateur-built (home-built) aircraft, that has not been previously registered, must obtain a registration number from the FAA Aircraft Registry. When the applicant requests a registration number, the request must describe the aircraft by builder, model, serial number, class, number of seats, type of engine, number of engines, with the manufacturer and model of each engine, and state whether the aircraft is built for land or water operation. If block 1 or block 2 is marked, an engine serial number is not required. If, however, block 3 or block 4 is marked, an engine serial number must be shown as these are complete aircraft. The request for a registration number may be by letter, fax, application for registration, or other documents pertaining to registration of aircraft. If the description is furnished when the applicant asks for the assignment of a registration number, that complete description is NOT required on the affidavit. The regulation merely requires the applicant to submit, as evidence of ownership, an affidavit stating (1) the registration number, (2) the aircraft was built from parts, and (3) he is the owner. As with all evidence of ownership, it must contain sufficient aircraft description to be recordable. An applicant may use the suggested form, Affidavit of Ownership for Experimental Aircraft Including Amateur-Built Aircraft and Other Non-Type Certificated Aircraft (A/B Affidavit).

An affidavit signed by the applicant showing **someone other than the applicant as builder** is acceptable, **except** if block 3 is marked. If block 3 is marked, the aircraft manufacturer should be shown as the Non TC'd builder as well as the owner. The regulation only requires the applicant to submit his affidavit to the effect that the aircraft was built from parts and that he is the owner. The regulation does not require the owner to also be the builder. The owner may hire someone to do the constructing of the aircraft.

In response to a recommendation by the National Transportation Safety Board and consistent with 14 CFR 47.33(c), effective October 1, 1998, for an aircraft built from a kit, the applicant must also submit a bill of sale from the kit manufacturer. Signatures do not need to be in ink on the bill of sale as it is not recorded. An invoice or purchase agreement that shows the kit was sold to or purchased by a specific party and is signed by a corporate or managerial official of the kit manufacturer, with title shown, may be acceptable as evidence of ownership. The serial number on the kit bill of sale can be different than the serial number listed on the A/B Affidavit or the application. The owner can show any serial number they choose on the affidavit—preferably not 1, 01, 001, or 1001. If the kit bill of sale is executed by an LLC and signed by a “member,” the Registry requires LLC documentation be submitted. If signed by a corporate or managerial officer, no LLC documentation is required.

If the kit manufacturer is out of business or the applicant cannot obtain a kit bill of sale or the equivalent, the applicant may submit, for consideration, a signed, written statement as to why he cannot produce the bill of sale.

The complete description of the aircraft (as listed in paragraph 1 above) does not need to be in the affidavit of ownership if the description has been furnished separately.

If the Registry is notified that a registered amateur built aircraft was never completed, a signed statement from the original owner may be submitted indicating that the aircraft was not completed and that the kit or parts were sold in an incomplete state. The statement should also include that no airworthiness has been issued or applied for. A bill of sale from the original owner to the new owner for the kit or parts is needed, in addition to the new owner's amateur built affidavit reflecting the correct builder. The original recorded amateur built affidavit **does not** need to be set aside.

NOTE: A Van's Aircraft, Inc., RV-12 aircraft can be either an amateur-built or a light-sport aircraft. If the applicant is registering the aircraft as an amateur-built, the kit bill of sale and the A/B Affidavit completed by the owner will be required.

If the applicant submits documents to register as an amateur-built aircraft then decides and to register as a light-sport aircraft, the applicant will need to submit a set-aside statement for the A/B Affidavit which also states no airworthiness has been issued or applied for, a Light Sport Affidavit completed by Van's, bill of sale for a complete aircraft from Van's Aircraft Inc., to the applicant, and \$5 registration fee.

A set-aside is not necessary if the applicant completes the light sport affidavit and an A/B Affidavit. The Light Sport Affidavit is only acceptable when completed by the light sport manufacturer, not the applicant. See section 2.2.5g(4) for more information on light-sport aircraft.

- 2) **Heir-at-law** (14 CFR 47.11(f)). A deceased person's "heirs-at-law" are those who succeed to the estate of inheritance under statutes of descent and distribution when there is no will (a person who succeeds by the rules of law). A person who succeeds because he/she is named in a will is called a "testamentary heir."

Aircraft may be registered to, or disposed of by, the heir(s)-at-law upon receipt of an affidavit by the heir(s) stating that no executor or administrator has been, or is to be, appointed and that he/she/they is/are entitled under the laws of the State having jurisdiction to take possession of the aircraft, or to dispose of it, as the case may be. The legal name of the deceased party must be shown on the affidavit to be acceptable. Any difference in names should be questioned i.e., last registered owner name is John Doe but affidavit shows the deceased as Jack Doe.

To register an aircraft, the heir(s) shall submit the affidavit which describes the aircraft and an application for registration with the \$5 registration fee. **A BILL OF SALE FROM THE ESTATE IS NOT REQUIRED.**

Heirs inherit according to a certain established order of descent. Each State has established by statute, the order of descent of relatives of deceased persons.

If the heir sells the aircraft, the affidavit by the heir-at-law, bill of sale to the applicant, an application for registration, and registration fee are required. The heir signs the bill of sale for himself as owner - not for the deceased estate and not as heir-at-law. However, if the name of the deceased and/or the words "heir-at-law" is/are on the bill of sale, the bill of sale is not returned to delete that data.

NOTE: An heir-at-law affidavit will be requested if the FAA Aircraft Registry receives a court document pertaining to Muniment of Title. The person(s) named in the court document should complete an heir-at-law affidavit. The Muniment of Title is not required but may be attached to the back of the heir-at-law affidavit as a supporting document.

- 3) **Affidavit Regarding Inability to Obtain Ownership Conveyances** (14 CFR 47.33(b) and 47.35(b)). The original or duplicate original of ownership conveyances are required for recording. Certified copies of ownership conveyances may be accepted only if accompanied by the original conveyance as stated in 14 CFR 49.21. If the applicant cannot produce a recordable conveyance, he may submit for consideration, an affidavit stating why he cannot produce a recordable conveyance and attach to the affidavit whatever he has to prove the transaction occurred. "Evidence to prove the transaction" may be a copy of a bill of sale, sales agreement, cancelled check, money receipt, statement by witnesses to the sale, etc.

The affidavit must set forth the circumstances of his inability to obtain a recordable conveyance to complete the chain of ownership for the aircraft and, as proof of attempts to contact the last known owner, must have unopened, returned or unclaimed certified mail to attach to the affidavit.

The supervisor reviews the affidavit and its attachments to see if it is adequate to accept in lieu of a recordable conveyance.

- 4) **Light Sport Aircraft.** (14 CFR 47.33(c)). Light-sport aircraft are heavier and faster than ultralights and include airplanes, gliders, balloons, powered parachutes, weight-shift-control aircraft, and gyroplanes. These light-sport aircraft can have a maximum of two occupants, a weight of up to 1,232 pounds, and a 115 knot maximum speed.

- (a) **Manufacturer of New Light-Sport.** The manufacturer of a new light-sport aircraft must submit an Affidavit of Ownership for Experimental or Special Light-Sport Aircraft (LS Affidavit), or its equivalent. For any new light-sport aircraft, the LS Affidavit must be completed and signed by the manufacturer. This would include any new imported light-sport aircraft. In this case, the “First Option” box must be checked.

If a manufacturer wishes to register under a valid Dealer’s Aircraft Certificate, only the LS Affidavit, or its equivalent, would be required.

NOTE: A Van’s Aircraft, Inc., RV-12 may be a light-sport or amateur-built aircraft. If the LS Affidavit is submitted, it must be completed by Van’s and contain the appropriate information in **all** areas. If there is no engine shown, it might be an indication that it’s an amateur-built aircraft and it should be questioned. A bill of sale for a complete aircraft (not kit) is required. See second note under 2.2.5g(1) for more information.

- (b) **Purchaser of a Newly Manufactured Light-Sport.** The applicant for registration other than the manufacturer of a newly manufactured Light-Sport aircraft must submit:

- (1) Affidavit of Ownership for Experimental or Special Light-Sport Aircraft, or its equivalent, completed by the manufacturer, unless previously submitted to the Registry by the manufacturer.
- (2) Bill of sale from the manufacturer. This will not be a “kit” bill of sale, but a bill of sale for a “complete” aircraft and is recorded.

NOTE: If the FAA Aircraft Registry receives an A/B Affidavit from the applicant and the LS Affidavit from the manufacturer, then the incorrect document must be set aside before assignment and/or registration can be completed. A set aside statement does not need to be notarized, however, an amendment to an affidavit must be notarized.

Aircraft which were previously registered as amateur-built prior to January 31, 2008, may qualify for operation and registration as a light-sport,

provided they have not been issued a U.S. or foreign airworthiness certificate. If a certificate of airworthiness was previously issued, they cannot change categories. The same would be true for some of the smaller type-certificated aircraft which may qualify as light-sport aircraft. They cannot change categories if airworthiness has been issued. See Paragraph 2.2.5.g(1) for information on conversion from the amateur-built to light-sport category.

If an aircraft was previously registered as light-sport and the owner wishes to change categories to an amateur-built, the owner must submit a request which includes the following:

- a. Complete description of the aircraft.
- b. State that the owner wishes to convert to the amateur-built category.
- c. State that no certificate of airworthiness has been issued or applied for.

The owner would also submit a completed A/B Affidavit, or its equivalent, a new application for registration, and the fee.

- 5) **Unmanned Aircraft System.** [14 CFR 47.15(a)(1), 47.33(c), and Part 48]. An unmanned aircraft is defined as an aircraft operated without the possibility of direct human intervention from within or on the aircraft. These aircraft may be small or large depending on the maximum takeoff weight. A small unmanned aircraft (sUA) is classified as an unmanned aircraft weighing more than .55 pounds and less than 55 pounds on takeoff, including everything that is on board or otherwise attached to the aircraft. A small unmanned aircraft system is a small unmanned aircraft and its associated elements (including communication links and the components that control the small unmanned aircraft) that are required for the safe and efficient operation of the small unmanned aircraft in the national airspace system. A large unmanned aircraft (UA) is an unmanned aircraft weighing 55 pounds or more on takeoff.

Most small unmanned aircraft are directed or encouraged to register online under Part 48, however, a few must register under Part 47. Registration under Part 47 is required if the unmanned aircraft weighs 55 pounds or more, the owner is a trustee under a trust agreement, or if the owner uses a voting trust to meet U.S. citizenship requirements. Registration under Part 47 is appropriate if the owner operates the sUA outside the U.S. or desires to record a loan, lease, or ownership documents against the sUA.

Registration of sUA under Part 48 is divided between model aircraft (Section 336) and non-model aircraft (Part 107). If the applicant is registering online under Part 48, minimal information is needed to register and receive a certificate of registration.

The model aircraft registration requests the applicant's name, phone number, email address, their physical address and mailing address. There is a \$5 registration fee. Once the online registration is complete, the applicant will have one certificate of registration to print with the registration number. The applicant displays this registration number on all of their hobby sUA aircraft. If the modeler/hobbyist also operates one or more sUA for commercial purposes, they

would be registered separately under the owner's non-model profile. If the model registration certificate is lost or damaged, the applicant should sign into their model profile account and reprint the certificate.

The non-model aircraft registration requires each sUA to be registered. The applicant establishes a registration account by providing the owner/applicant's name, title, phone number, email address, organization information (corporation, LLC, partnership name, etc.), physical and mailing addresses. Each sUA is described by: whether the sUA is homebuilt or purchased, its nickname, manufacturer, model, and serial number if applicable. The fee is \$5 for each aircraft registered. Each non-model aircraft will be issued a separate certificate of registration and unique registration number. The applicant will need to print each certificate of registration and display the appropriate registration number on each aircraft. The official online registration website is <https://www.faa.gov/Dronezone/> (Make sure to enter the right website. There are other similar websites to register sUA. These websites charge more than \$5 for a three-year registration period.) New non-model aircraft must be registered as they are acquired. Similarly, individual sUA registrations may be cancelled by updating the status for that sUA in their profile. If a non-model registration certificate is lost or damaged, the applicant should sign into their non-model profile account and reprint the certificate for the appropriate aircraft.

The owner of a sUA registering under Part 47 or owner of large UA which has not been previously registered must:

- (a) Obtain a registration number from the FAA Aircraft Registry. Like other aircraft, the applicant may apply a reserved N-number, request an available special number with appropriate fee, or receive the next available N-number to the aircraft. The request for a registration number may be by letter, application for registration, or other documents pertaining to registration of aircraft.
- (b) Submit an affidavit which describes the aircraft by manufacturer or builder name, model, serial number, class, maximum takeoff weight (weight of everything on-board at takeoff), type of engine, and number of engines.
- (c) Submit a bill of sale from the manufacturer, builder, or retail vendor or an affidavit which states why the applicant cannot provide the required evidence of ownership and attach any evidence of the transaction such as a sales receipt, invoice, etc. The affidavit should state how, when, from whom, and where the aircraft was obtained. This may be incorporated with item (b).
- (d) Address whether the sUA/UA is an import and whether it was registered in a foreign country. For new sUA, the affiant may, in lieu of a confirmation of non-registration, certify, as part of their affidavit, that the aircraft was purchased as a new off-the-shelf item from the name, city and state of the seller. The new off-the-shelf statement is acceptable even if the seller is foreign, including manufacturers.

- (e) Submit confirmation of deregistration or non-registration for imported used sUA and all UA (weighing 55 lbs or more). Some countries do not require registration of sUA or micro UA, defined as 2.2 lbs or less in some countries, so compliance and verbiage may vary.

The affidavit must include wording to the effect that the undersigned affirms the information and statements provided herein are correct, the sUA/UA is not registered under the laws of any foreign country, and the undersigned is the rightful owner.

- h. **Court Order Determining Ownership** (14 CFR 47.11(d) and 49.17(c)). When the title to an aircraft has been in controversy and ownership has been determined by a court, the applicant shall submit a certified copy of the complete order of the court determining ownership. The order may include a Quiet Title to correct an erroneous conveyance or determine defective claims of interests in aircraft. The defendant or complainant shown on the court order should be the owner of the aircraft as reflected by a conveyance in our records. If not, clarification or evidence of ownership is requested.

An Arbitration Agreement may be filed between parties that have been in conflict. These should be treated like court orders.

The court order need not show the signature of the judge (it may have the judge's name typed with /s/ preceding it), but it must be a court certified copy (or a copy of a court certified copy), signed by the officer having custody of the court records.

Ordinarily, the court decision does not describe the aircraft; however, the order will carry the case number assigned to the case when the complaint or petition was originally filed. If the court decision does not describe the aircraft, then we need a court certified true copy of the complaint or petition describing the aircraft. The case numbers must agree in order to record the order.

When the validity of a conveyance is contested in court, a court certified copy or copy of a court certified copy of the court decision may be recorded. If it is an ownership conveyance that was determined invalid, further documents may be required (e.g., an application in the previous owner's name, etc.)

- i. **Transfer Order Excess Personal Property, Standard Form 122, (SF 122.)** (14 CFR 47.3(b)(2)). The Transfer Order Excess Personal Property, Standard Form 122, is used by Federal agencies to requisition Federal property from the General Services Administration. The SF 122 is used only to transfer from one Federal agency to another Federal agency. The form must reflect the approval of the transfer of the aircraft by GSA in item 14a, b, and c.

In the transmittal letter, the ordering agency requests the type of aircraft needed and gives justification for its requisition.

GSA searches their inventory of available aircraft and if an aircraft of the type requested is available, GSA completes Items 5, 7, 8, and 13 of the form and returns a copy to the ordering agency. The certification statement that may appear in Item 13c

is not a requirement. Upon notice of acceptance by the ordering agency, GSA completes Item 14a, b, and c, and sends copies of the SF 122 to the ordering agency, the holding agency identified in Item 5, and keeps a file copy.

In July of 2004 GSA notified the Registry that the SF 122 had been replaced by an electronic version. This electronic version will serve the same purpose but is not identified by a form number. The form must reflect the approval of the transfer of the aircraft by GSA.

The SF 122 should be accompanied by an application for registration.

Since, in this kind of transaction, the aircraft is Federal property, there is no need for a transfer document from a previously registered ordering agency to a new ordering agency.

NOTE: GSA may transfer any aircraft owned by one Federal agency to another Federal agency using the SF 122 or other evidence of ownership. Transfers to government agencies other than Federal are not acceptable on a SF 122. The FAA Aircraft Registry does not require evidence of ownership from the United States Armed Forces to GSA.

- j. **Issue Release/Receipt Document, DD Form 1348-1A.** About 1996, the Department of Defense decided to use the DOD Single Line Item Release/Receipt Document, DD Form 1348-1, to transfer aircraft from the military branches to law enforcement agencies for temporary use.

The form is now computer generated and is identified as Issue Release/Receipt Document, DD Form 1348-1A.

Both the DD Form 1348-1 and 1348-1A must contain an original ink signature or an acceptable legible digital signature. The document must show the title of the signer. The transfer language on the form indicates the aircraft is transferred by the agency in the “ship from block”. This block must contain an office/party, usually the Law Enforcement Support Office (or LESO).

NOTE: Aircraft registered to a government agency through a LESO agreement (DD1348-1) may be transferred to a different agency with a new DD1348-1. Evidence of ownership is not required from the LRO back to LESO.

NOTE: In May of 2013, under the 1033 program, the law enforcement agency contracts LESO to find a suitable aircraft for their need. Once law enforcement agency no longer needs or wants the aircraft, it is returned to LESO.

- k. **Combat-type or Non-combat-type Conditional Transfer Documents.** Federal surplus aircraft may be donated to tax-supported and non-profit, tax exempt public health and educational institutions and civil defense organizations. Since October 17, 1977, the program has been operated through the State agencies for surplus property. However, the responsibility for the donations program is under the jurisdiction of GSA.

If a non-combat-type Federal surplus aircraft has been used for 60 months for the purpose donated, a release executed by the State surplus property officer that transfers the ownership to the donee is required. Once an acceptable release is recorded, the donee may then retain or dispose of the aircraft as they see fit.

If the donee does not use the aircraft for 60 months, it may be donated to another agency, beginning another 60 month period. A release would not be executed to the first donee.

All combat-type Federal surplus aircraft donated by the State agencies for surplus property on or after October 17, 1977, are to be donated with restrictions in perpetuity which may not be released except with the written concurrence of GSA. Further, combat-type aircraft are not to be donated for flight use.

If the aircraft is donated for other than flight purposes, it is not necessary to apply for registration. Title 41, Code of Federal Regulations, paragraph 101-44.108-2(b)(7) states, "In the case of any non-combat aircraft donated for non-flight use, the State agency shall acquire and destroy the aircraft historical modification records and the manufacturer's aircraft data plate, and shall so certify in writing to FAA at the following address: Chief, Quality Standards Service, Federal Aviation Administration, 800 Independence Avenue S.W., Washington, D.C., 20501."

1. **Letters Testamentary or Letters of Administration** (14 CFR 47.11(e)). Letters Testamentary is the formal instrument of authority and appointment given to an executor by the proper court, empowering the executor to enter upon the discharge of his duties as executor. An executor is appointed in a person's will to carry out the direction and requests of the will, and to dispose of the property according to the provisions of the will.

Letters of Administration are issued by a court to a person to collect the deceased's assets, pay the debts, and distribute the residue to those entitled. This person is similar to an executor, but, being appointed by the court, and not by the deceased, has to give security for the due administration of the estate by entering into a bond.

The executor or administrator may be one or more individuals or corporations.

Each county of each state may have a different format to evidence the appointment of persons designated to act on behalf of estates. "Personal Representative" is used by some instead of the designation of executor or administrator.

The settlement of an estate consists of its administration by the executor or administrator to the extent that all debts and legacies have been paid. The executor or administrator executes the documents and conveyances to make the distribution.

Because of the time involved in the settlement of an estate, an executor or administrator may register an aircraft to permit continuation of its operation. In order to register in the name of the executor or administrator, the FAA Aircraft Registry will need:

- An original, a court certified true copy, or a photocopy or fax of a court certified true copy of the Letters Testamentary or Letters of Administration may be accepted.
- The application for registration shall show the name of the executor or administrator as the applicant followed by their designation as executor or administrator. The name of the person and the designation are put on the certificate of registration to denote the person is not the owner of the aircraft but rather is acting on behalf of an estate.

A bill of sale, security conveyance, or a release signed on behalf of the estate shall show the seller, debtor, or secured party as the deceased estate and be signed by the executor, administrator, or personal representative showing the word "executor", "administrator", or "personal representative" with the signature. These titles are interchangeable. Any of these titles would be acceptable on submitted documents provided an appointment document was provided.

If two or more parties are appointed as executor or administrator, the conveyances and application must be signed by all parties. The type of registration shall be "co-owners."

NOTE: The executor, administrator, or personal representative cannot grant a power of attorney for someone to sign their behalf of the estate. This would have to be approved by the court.

- m. **Appointment Document of Bankruptcy Trustee** (14 CFR 47.11(h)). Paragraph 47.7(c) of the Federal Aviation Regulations does not apply to trustees in bankruptcy. Any application or conveyance executed by a trustee in bankruptcy or a receiver must be accompanied by a certified copy of the complete court order appointing the trustee, or other court order naming the trustee in bankruptcy signed by the referee in bankruptcy, unless that appointment is already in file. A copy or faxed copy is acceptable if it is a "court certified" copy.

A trustee or receiver is an indifferent person between the parties to a cause, appointed by the court to receive and preserve the property or funds involved, and to receive rents, issues, and profits, and apply or dispose of them at the discretion of the court.

The word "trustee" or "receiver" follows each name of trustee or receiver on the certificate of registration. A conveyance shall show the name of the bankruptcy estate as the seller, secured party, etc. and shall be signed by the trustee or receiver with the word "trustee" or "receiver" following the signature.

- n. **Appointment Document of Guardian or Conservator** (14 CFR 47.11(g)). A guardian (sometimes called conservator or committee) may be appointed to manage the property and rights of an aircraft owner. The guardian shall submit a certified copy of his appointment document with the application for registration and registration fee. A copy or faxed copy is acceptable if it is a "court certified" copy.

The certificate of registration is issued in the guardian's name, with the word "guardian" following his name.

Once the aircraft owner becomes able to take care of his own affairs, the court will issue an order to relieve the guardian. In such instance, the aircraft owner submits a certified copy of the court order with his application for registration and registration fee.

o. **Judicial or Non-judicial Sale** (14 CFR 47.11(c)).

- 1) A court may order the sheriff or marshal to attach and sell certain described personal property to satisfy a judgment. The lawsuit which brings about a money judgment may not have involved an aircraft, but the court can issue a writ of execution on an aircraft to satisfy the judgment.

A bill of sale issued as a result of a judicial sale may be signed by the sheriff, a deputy sheriff, marshal, or other officer given authority to conduct the sale. The bill of sale must reflect that the sale was made under applicable law. The name of the agency the person is signing for must also be shown in the name of the seller block.

- 2) A non-judicial action to satisfy a lien may pertain either to a consensual or nonconsensual lien. The resulting bill of sale and aircraft record should be carefully reviewed to determine if the sale was made through non-judicial (repossession) proceedings pertaining to a security conveyance or a non-judicial sale for the enforcement of an artisan lien, state tax lien, or other nonconsensual lien.

If the sale was a result of a non-judicial action (such as repossession) on a consensual lien, a certificate of repossession by the secured party is required to certify compliance with the security conveyance and pertinent local law. A bill of sale resulting from a judicial foreclosure on a consensual lien must be accompanied by a certified copy of the court order identifying the security conveyance and the collateral.

Documents representing a non-judicial sale to satisfy a nonconsensual lien must reflect that the sale was made under applicable local law. The examiner may request documentation to clarify the evidence of compliance by requesting copies of a notice published in a local newspaper, a copy of a notice posted in a public place, an affidavit certifying the sale was made pursuant to statutory procedure, or any other evidence showing compliance with pertinent law.

- 3) The Internal Revenue Service (IRS) may sell aircraft to satisfy Federal tax liens. The bill of sale is signed by an "Agent" and names the tax debtor (who must be reflected on our records as the aircraft owner.) The IRS bill of sale if acceptable is recorded without any other documentation. If there are multiple registered owners, the transfer by the IRS only affects the tax debtor's interest.
- 4) Aircraft may be sold to satisfy other kinds of charges; for instance, because of fees owed to municipal airports. Each such bill of sale must be signed by an auctioneer or other person authorized to conduct the sale and include a statement that the sale was made according to applicable local law. The Aircraft Registry may request documentation to establish the evidence of compliance by requesting

copies of a notice published in a local newspaper, a copy of a notice posted in a public place, an affidavit certifying the sale was made pursuant to statutory procedure, or any other evidence showing compliance with pertinent law.

- p. **"Certificate of Transfer of Ownership" on Aircraft from the USAF to the Civil Air Patrol, Inc.** The Civil Air Patrol, Inc. acquires its aircraft from the military service, donations from private sources and state governments, and by purchase of new and used aircraft.

Aircraft which become excess to the Department of Defense are made available to the Civil Air Patrol, Inc. through Headquarters, Civil Air Patrol - United States Air Force. Ownership of an aircraft is acquired from the Department of Defense by the National Headquarters with the form entitled "Certificate of Transfer of Ownership." The certificate is accompanied by an application for registration and registration fee. The manual provides that all Civil Air Patrol (CAP) aircraft be registered by the DCS/Logistics office as follows: Civil Air Patrol, Inc., National Headquarters, Maxwell AFB, Alabama, 36112.

Civil air patrol aircraft are registered to the national headquarters only.

The regional commanders and wing commanders are authorized to sell CAP aircraft; however, they may not register aircraft.

- q. **Other Instruments.**

- 1) **Aircraft Assembled from Spare and Surplus Parts.** (14 CFR 47.33(d)). Built to Conform statements are no longer accepted in the Registry without additional approvals. This process currently requires approval documents issued by the original aircraft manufacturer.
- 2) **Aircraft Sold by USAF Museum.** The USAF museum is an official organization of the U.S. Air Force and under the operational control of the Commander of the Air Force Logistics Command. The Director of the museum is an active-duty Colonel of the U.S. Air Force and all other personnel are Civil Service employees of the U.S. Air Force. The museum is funded by appropriated funds and all of the display items are the property of the U.S. Air Force. The Director of the museum is delegated the authority to exchange and sell any of the inventory.

In view of the above, the FAA will accept a bill of sale from the Director, U.S. Air Force Museum, to transfer aircraft to a private owner. A bill of sale from the U.S. Air Force to the U.S. Air Force Museum is not needed.

The same procedure applies to any aircraft transferred from the National Museum of Naval Aviation or the U.S. Army Museum.

- 2) **Aircraft Seized and Ownership Forfeited.** Any law enforcement agency of the Federal, State, County, or City government may seize aircraft carrying contraband.

Forfeitures resulting from an action by a Federal law enforcement agency may be by court action or a Declaration of Summary Forfeiture by the Director, commissioner or the designated official of the agency involved. State and local law enforcement agencies process forfeitures through the courts.

A court issues a default judgment (summary judgment of forfeiture, etc.) which forfeits the aircraft. The court order may be an original, a court certified true copy or a photocopy or fax of a "court certified" true copy. Normally, the aircraft is named as the defendant in court proceedings. The court document should describe the aircraft by name of manufacturer and model, serial number and registration number. Use caution if the court document or seizure document does not include the aircraft serial number.

Aircraft forfeited to a State, County, or other local governmental agency may be registered or sold by the State, county, or other appropriate agency.

An aircraft, forfeited to the United States of America or any Federal agency may be retained for official use, i.e., register in the name of a Federal agency; have custody and/or ownership transferred to a Federal, State or local agency; or be sold to the general public, including sales by the General Services Administration and the U. S. Marshall's Service. A transfer instrument is not needed from the "United States of America" to a Federal agency.

Forfeited aircraft may be transferred to the USAF for loan to AFB aero clubs and registered upon receipt of:

- (a) Declaration of Summary Forfeiture (original or certified copy recorded)).
- (b) DD Form 1149, stamped in the lower right corner by GSA, NCR, showing the transfer of forfeited property with a copy of a signature or rubber stamped name to show it has been approved.
- (c) Letter of loan authorization from Randolph AFB to an aero club.
- (d) Application for registration by the aero club.

Forfeited aircraft may be transferred, to a State or local law enforcement agency and registered upon receipt of:

- (a) Declaration of Summary Forfeiture (original or certified copy)
- (b) Certificate of Release of a Motor Vehicle, Standard Form 97, or other conveyance instrument, which transfers the aircraft from the U.S. Customs Service to the State or local law enforcement agency (original recorded.)
- (c) Application for registration by the law enforcement agency.

The following items submitted with a forfeiture proceeding are not needed for FAA records and are returned:

- (a) Cash Receipt-Customs Form 5104.
- (b) Report and Assignment of Voluntarily Abandoned and Forfeited Property, Customs Form 42.
- (c) Order to Release Seized Merchandise.
- (d) U. S. Customs Service Disposition Order.
- (e) Aircraft Inventory and Receipt, Customs Form 58.
- (f) Permit to Release and Receipt, for Seized Vehicles and/or Personal Effects.

- 4) **Sale of Excess Military Aircraft.** Excess aircraft are sold by the United States of America through the Defense Reutilization & Marketing Service in Battle Creek, MI. There are also four regional offices located in Memphis, TN, Columbus, OH, Ogden, UT, and Europe. These are called Defense Reutilization & Marketing Offices. Bills of sale from either the Service or Office would be acceptable for transfer of those aircraft.

The disposal office issues Notice of Award, Statement, and Release Document, DPDS Form 1427, describing the property and naming the purchaser. This form is not accepted as evidence of ownership. The sales contracting officer issues a bill of sale.

- 5) **Transfer of Interest Subject to a Security Conveyance (other than CSC.)** A transfer of interest agreement whereby the transferor (seller) conveys all of the seller's right, title, and interest in an aircraft to the transferee (buyer) is eligible for recording as evidence of ownership. It shall describe the original security conveyance, including the date, names of parties, date of FAA recording, and conveyance number or sufficient detail to identify it.

The transfer of interest may or may not contain a clause for the new owner to assume the debt evidenced in the security conveyance. A transfer document which does not contain an assumption clause shall be signed by the transferor (seller.) If the transfer document contains an assumption clause, it shall be signed by the transferor (seller) and transferee (buyer.)

A transfer of interest document may or may not be signed by the security holder. An assent by the security holder is not required and is not examined for signature requirements.

A recording fee in addition to the registration fee is required.

A notice of recordation is sent to the security holder which gives the recording data of the original security conveyance and the transfer of interest.

6) **Aircraft Involved in Divorces.** A certified copy or a copy of a certified copy of a complete divorce decree which declares a sufficiently described aircraft as property of one of the parties may be recorded as evidence of ownership provided it does not contain a provision for the parties to execute deeds, bills of sale, etc. to convey property to each other. If the court decree orders the parties to execute conveyances, then they must submit a recordable bill of sale as evidence of ownership. Some divorce decrees have provisions that state if the party does not issue a conveyance within a certain time period that the decree will transfer ownership. In this case, the decree becomes your evidence of ownership.

7) **Flying Clubs.** There are three kinds of aero clubs (flying clubs) - the morale, welfare, and recreation clubs; government-owned aircraft loaned to military clubs; and private associations.

- (a) The morale, welfare, and recreation program is supported by non-appropriated funds. These funds are sometimes called Sundry Funds and Welfare Funds. The clubs earn income from membership dues and assessments, participation fees and charges, interest on investments, proceeds from sale of surplus property, and resale activities.

These clubs are integral parts of the U.S. Air Force and are recognized as Federal instrumentalities; therefore, the type of registration is "government."

The aircraft are owned by the flying clubs; therefore, the certificate of registration is issued in the name of the club. (The branch of the military service is not shown on the registration certificate as owner.) These aircraft are purchased by a bill of sale. If an application is received in the name of an Aero Club only, assume it is supported by non-appropriated funds, and request a bill of sale.

- (b) Government-owned aircraft which are loaned to military flying clubs by the branch of the military service are registered with the military service shown as the owner and the flying club as the operator on the certificate of registration, (i.e., United States Air Force, owner - Tinker Air Force Base Aero Club, operator.)

Applications for registration for government loaned aircraft to military flying clubs may be accompanied by: (1) a copy of the military message designating the aircraft for club use or (2) a letter from the military service explaining they are the owner of the aircraft and the flying club is the operator. The letter must be signed by a person in authority for the military service, showing appropriate title. The application should be signed by the military service and the flying club.

The current Air Force policy appears in AFI 34-117 which was revised in 2014.

See paragraph 2.2.4.j for information concerning evidence of ownership.

- (c) Private associations who organize flying clubs (not military connected) may acquire aircraft by bill of sale, conditional sales contract, or any other means of purchasing or leasing.

- 8) **Federal Emergency Management Agency (FEMA) Aircraft.** The Federal Emergency Management Agency (FEMA) was originally named as the Defense Civil Preparedness Agency (DCPA.)

Public Law 97-380 authorizes the administrator of General Services Administration (GSA) to donate to state and local governments, certain Federal personal property loaned to them for civil defense use. The aircraft which may be donated are those which, 1) were transferred by a component of the Department of Defense to the Defense Civil Preparedness Agency by July 15, 1979; 2) on December 22, 1982, were on loan to a state and/or local government as a result of a written loan agreement executed by the Agency; and 3) were transferred to FEMA with the functions and property of DCPA.

The law requires FEMA to certify to the Administrator of GSA that each aircraft was used by the holder for the purpose for which it was requested. Two documents are used to convey ownership to the state or local government.

The first is a two-part document which consists of a certification by FEMA to GSA verifying each aircraft meets the three requirements of the law outlined above, plus the usage certification. This portion is signed on behalf of the Director of FEMA. The second part transfers title to the aircraft through FEMA to the appropriate state or local government. This portion is signed on behalf of the Administrator of GSA. This is usually accompanied by a listing of the affected aircraft.

The second document is entitled "Transfer and Acceptance of an Aircraft" which is signed by FEMA to transfer title and by the state or local government (transferee) to acknowledge airworthiness liability.

Not all of the aircraft on the FEMA inventory will meet the required criteria. Those destroyed or returned to the Department of Defense component should be removed from the civil register. Some aircraft may be sold by GSA or used in another loan or donation program.

2.2.6 **Examples of Documents Which are not Acceptable as "Evidence of Ownership."**

- a. **Acquisition and Invoice/Shipping Document, DD Form 1149.** The DD Form 1149 is a requisition and shipping document and is generally not evidence of ownership for registration purposes. The form is used by governmental agencies to requisition excess aircraft from branches of the military service.

NOTE: If the DD Form 1149 shows the transfer of forfeited property and has a copy of a signature or rubber stamp name to show it has been approved, it may be accepted in lieu of a recordable conveyance.

- b. **Transfer Order Surplus Personal Property, SF 123.** Public agencies use the SF 123 to apply to GSA for surplus personal property for non-profit health and educational purposes, for service educational activities, and for public airports. The SF 123 is accompanied by a justification for use of the property.

If the application for an aircraft is approved, the aircraft is transferred to the State Agency for Surplus Property. The State Surplus Property Officer, donor, and the public agency, donee, execute a combat-type or non-combat-type aircraft conditional transfer document. The public agency applies for registration of the aircraft and submits a signed copy of the conditional transfer document as evidence of ownership.

The SF 123 is not needed for FAA records.

- c. **United States Air Force Excess/Surplus Personal Property Transfer and Work Agreement.** This agreement must be executed by the purchaser/transferee/donee in order to remove an aircraft from an Air Force base. It outlines the responsibilities of the Air Force and the party removing the aircraft from the base.
- d. **Notice of Award, Statement, and Release Document, DPDS Form 1427.** This form was formerly DOD Form 1427. It is used to permit release of surplus aircraft from military bases when they are purchased by private parties.

2.2.7 **Examination Process.** When examination work packets are assigned, the following procedure is used:

- a. **Incoming Documents.** It is the responsibility of the examiner to all incoming documents are in their work packet.
- b. **Back File Suspense/Converted Suspense Maintenance.** It is the examiner's responsibility to convert Back File Suspense (BFS) and converted suspense (ZSS) examination documents in a work packet. Back File Suspense (BFS) are suspense documents that were in a converted aircraft folder. Converted suspense (ZSS) documents are suspense documents in a record prior to RMS implementation.
- c. **Description.** The Aircraft Registry compares the description of the aircraft by the manufacturer, model, manufacturer's serial number, and registration number shown on the documents against the description in the AR database.
 - 1) **Imported Aircraft.** Conveyances received on imported aircraft, not yet acceptable for registration, will be placed in a temporary record if no prior (cancelled) record is found. See Chapter 2, Section 3, regarding imports. If there is no prior record, then the aircraft description is taken from the confirmation of deregistration from the foreign country.
 - 2) **Amateur-built, Light-Sport Aircraft, Unmanned Aircraft Systems.** Documents on amateur-built, light-sport aircraft, and unmanned aircraft systems (UAS) are placed in temporary records for processing. If there is enough information to assign a make, model, and series code, and a special number is requested, the special number is assigned if it is available, and if applicable, the

fee has been paid. Next available numbers are assigned to those not requesting special numbers. If we can assign a number, we create a memo to file containing prior record search and assignment information to the record. The documents are then forwarded for processing the registration documents. If we are unable to assign a number, a letter is written to the applicant stating what is needed to assign a registration number. The letter for an unassigned amateur built or light-sport aircraft should refer to the temporary record number at the bottom of the letter.

d. **Examination.** Examine applications and conveyances for acceptability.

- 1) **Special Number Requests.** Registration documents are processed prior to processing a special number request for the issuance of the Assignment of Special Registration Marks (Number Change) form.
- 2) **Number Change is Pending.** If a signed authorization form has been returned, it is processed before processing the registration documents to the new applicant. If a signed form has not been received or is unacceptable, we will request disposition of the number change from the new applicant.
- 3) **Certificate of Registration Revoked.** When an Order of Revocation is issued due to an enforcement action through Legal, the status of the registration in the AR database is changed to show “revoked enforcement.” The registration is then cancelled.
- 4) **Certificate of Registration was Cancelled.** Redacted as an internal process for reinstating cancelled records.

Scrapped or Destroyed Aircraft. Determining whether an aircraft is really “destroyed” is actually “repairable” has been the subject of debate in the aviation world for several years. Field personnel have often questioned our policy of reinstating records previously cancelled as scrapped or destroyed. We know from experience in the Branch that often an insurance company will “total” an aircraft, pay the owner, and later sell it to a new owner who “repairs” the aircraft. Currently, when documents are received on an aircraft that was **previously cancelled or has been reported as scrapped or destroyed**, the record will **not** be automatically reinstated or transferred. The applicant will need to submit:

- Photographs showing the aircraft in its current condition as a whole. The pictures should be left and right side views as well as front and back views of the complete aircraft (i.e., nose to tail and wing tip to wing tip).
- A clear readable photograph of the Manufacturer Data Plate on the aircraft.
- Current document copies (i.e., - maintenance records, -337 forms, repair shop work orders, etc.).
- A signed statement or notarized affidavit pertaining to the current condition of the aircraft. This should include a statement that registration is requested, the aircraft is not currently totally destroyed or scrapped, and the applicant certifies by their signature that the enclosed evidence relating to aircraft eligibility is true and accurate

Chain of Ownership. If the chain of ownership is incomplete, or no application for registration is received (except for dealers), the appropriate Registration reject letter is prepared requesting the needed conveyances. The chain of ownership begins in records as follows:

- (a) Newly manufactured aircraft - bill of sale from the manufacturer (type certificate holder.)
- (b) Imported aircraft - bill of sale from foreign seller or other evidence satisfactory to the Administrator that the applicant owns the aircraft.
- (c) Military surplus aircraft sold to a civilian - bill of sale or other evidence of ownership from the GSA or the Sales Contracting Officer with Defense Property Disposal Service. These aircraft are generally sold by GSA as scrap metal.
- (d) Amateur-built aircraft - affidavit by the owner and kit evidence of ownership, if applicable.
- (e) Aircraft built from parts to conform to an approved type design – built to conform to an approved type design statement with attached evidence of ownership for the major components.
- (f) Aircraft transferred from the USAF to the Civil Air Patrol, Inc. - "Certificate of Transfer of Ownership."
- (g) Military-owned, loaned to military flying club - copy of military message.
- (h) Government-owned (GSA) loaned by State Surplus Property offices to non-profit educational and welfare organizations - combat or non-combat type conditional transfer document.
- (i) Government-owned aircraft transferred to Federal agencies for use in agricultural, forestry, civil defense, etc. - Transfer Order, SF Form 122.
- (j) Aircraft never registered previously and applicant is unable to produce evidence of ownership - affidavit stating why evidence of ownership cannot be produced and attaching whatever the applicant had to prove the transaction.
- (k) Light-sport aircraft –Manufactured in accordance with light-sport rule (after September 31, 2004): Affidavit by manufacturer.
- (l) Unmanned Aircraft System – Affidavit by the owner along with attached evidence to prove the transaction took place (i.e., - sales receipt, purchase order, bill of sale), as appropriate.

"Consecutive transactions from the registered owner through each intervening owner to the applicant" is required in paragraph 47.35(a). If for good reason the

applicant cannot supply conveyances to represent the consecutive transactions, under paragraph 47.35(b), the applicant may submit an affidavit regarding the circumstances and attach whatever is available to prove the transactions. See Chapter 3 regarding affidavits.

- 6) **Name of Seller.** (14 CFR 47.5(b) & (d), 47.35, Processes paragraph 2.1.3.) The seller's name is compared against the evidence of ownership. The evidence of ownership is the controlling document for a chain of ownership. If it becomes known that the name is wrong on the evidence of ownership document, an amendment to that document may be submitted to correct the name. The name of the seller is to be the same as that of the last owner, or registered owner, within the differences outlined in paragraph 2.1.3. If the aircraft is a new aircraft other than an import, amateur-built, loaned, or built from spare parts, the seller must be a type certificated manufacturer. This information can be obtained from the Type Certificate Data Sheets.
- 7) **Signatures.** (14 CFR 47.13(a)(b)(c)(d)(e)(f) & (g), 49.13(a)(b)(c) & (d), 49.21, and 49.33(c)). Signatures on applications and conveyances must be in ink or meet the signature requirements as shown in 2.1.2g. If the original or duplicate original instrument of ownership cannot be obtained, the applicant may submit a photocopy of the evidence of ownership with an affidavit (14 CFR 47.33(b) or 47.35(b), stating why an ink-signed document cannot be produced. See Chapter 3 regarding affidavits. Rubber stamp signatures are acceptable as ink signatures.
- 8) **Title of the Signer.** Proper signature includes proper title in those cases where titles are applicable. Title for a person signing on behalf of a limited liability company must match documentation on file.
- 9) **Fees.** (14 CFR 47.17 & 49.15.) Fees must be remitted before recordation. Fees should be paid by check or money order payable to the Treasurer of the United States or the Federal Aviation Administration.

When requesting fees, the letter should be returned with the fee, or that the registration number of the aircraft be supplied, so that fees may be associated with the proper files.

- 10) **Filing of Applications and Conveyances.** Applications, conveyances, and related instruments are added to the permanent aircraft record.

- 2.2.8 **Report or Notice of Sale** (14 CFR 47.41(a)). When correspondence or an endorsed certificate of registration is received reporting the sale of an aircraft and there is nothing in the record concerning the change of ownership, an Aircraft Registration Rejection Letter is created, advising the reported owners of the requirements to register the aircraft.

If the last registered owner did not give the name and address of the purchaser, a letter is written to the last registered owner requesting this information.

- 2.2.9 **Effect of Loss of Citizenship by Aircraft Registrant.** 49 U.S.C. 44102(a)(1) provides that an aircraft is eligible for registration if it is owned by a citizen of the United States or

by an individual of a foreign country who has lawfully been admitted for permanent residence in the United States.

Section 47.41(a)(5) of the Federal Aviation Regulations (14C.F.R. 47.41(a)(5)) provides that each Certificate of Aircraft Registration issued by the FAA is effective, unless suspended or revoked, until the date upon which the holder of the certificate loses his U.S. citizenship.

In a situation where a corporation loses its U.S. citizenship, Title 49 does not provide for a grace period when the registrant loses its U.S. citizenship.

2.2.10 **Manufacturer Operating Under License Agreement.** No legal basis can be found for requiring a bill of sale from the manufacturer under a licensing agreement to the type certificate holder when the licensing agreement is shown on the type certificate. A bill of sale from a manufacturer under a licensing agreement will be treated the same as one from a type certificate holder. A bill of sale from the licensed manufacturer to the type certificate holder, submitted voluntarily, is recorded.

2.2.11 **Initial Registration of an Aircraft Without Engine(s).** 49 U.S.C. 40102(a)(6) states that -- 'aircraft' means any contrivance invented, used, or designed to navigate, or fly in, the air. The terms 'invented' and 'used' mean the aircraft is a complete thing in being, and the term 'designed' refers to the totality of its essential components, so that, when taken together, the definition of an aircraft means the complete entity: fuselage, wings, engine(s), empennage; all the essential elements of its design that make it an aircraft. If any essential element in the assembly or construction is missing, it is not at that point an aircraft for purposes of initial registration.

More specifically, 47.33(d) requires the owner to describe the aircraft and engine in the manner required by 47.33(c), and absent an exemption from this plain language requirement, the aircraft should not be registered.

2.2.12 **Registration of Public Aircraft.** The legal definition of “public aircraft” is that set forth in 49 U.S.C. 40102(a)(37), as amended. This has been upheld by a District Court and affirmed by a Circuit Court that stated:

“The definition of 'public aircraft' appearing in 49 U.S.C. 40102(a)(37) is simple, plain and unambiguous. It is an aircraft used exclusively in the service of any government, but not including any government-owned aircraft engaged in carrying persons or property for commercial purposes. Under the plain language, the aircraft used exclusively in the service of any government need not be a government-owned aircraft. If a privately owned aircraft is contracted to conduct flight for air transportation services for a government agency or a political subdivision thereof, the aircraft may be classed as a public aircraft during those flights. A government pilot need not exercise control over the aircraft and no minimum time need be specified. It may be one hour or one day, or it may extend to greater continuous periods.”

Public aircraft are not required to have airworthiness certificates; however, in some instances, government agencies operating public aircraft may choose to meet the airworthiness certificate requirements of 14 CFR Part 21.

Public aircraft must be registered in accordance with 14 CFR Part 47 and must display nationality and registration marks in accordance with 14 CFR Part 45. Any deviations from the aforementioned requirements should be processed in accordance with the procedures in 14 CFR Part 11 applicable to exemptions.

- 2.2.13 **Recording Books** - Redacted as historical information on a former internal process.
- 2.2.14 **Return of a Copy or Duplicate (Not a Certified True Copy) Bill of Sale Received with the Original.** If an applicant submits a copy or duplicate of a bill of sale which reflects an acceptable digital or ink signature of the seller is returned to the current purchaser. Those duplicates or copies which do not show a signature by the seller or is a photocopy are returned only if other documents or correspondence are being sent to the current purchaser. On cases that cannot be registered, the copy or duplicate bill of sale is returned with the first outgoing written communication.
- 2.2.15 **Mail Returned Marked "Deceased."** Correspondence, certificates, triennial forms, etc., which are returned marked "deceased" are associated with the appropriate aircraft record. A registration letter is addressed to the estate, giving the requirements for registration of the aircraft in the name of the executor, administrator, or heir-at-law.

SECTION 3. IMPORTED AIRCRAFT

- 2.3.1 **General.** Imported aircraft are those that are entered on the United States register from another country. The aircraft may or may not have been on the civil aircraft register of that country. The United States applicant may have purchased the aircraft new from the factory or from the foreign military service.

The Convention on International Civil Aviation (Chicago Convention), Article 18, provides that an aircraft cannot be validly registered in more than one State (Country), but its registration may be changed from one State to another.

Title 14 Code of Federal Regulations (14 CFR), Part 47, §47.37, requires submission of evidence satisfactory to the FAA that foreign registration has ended or is invalid.

Each country uses its own method and format to confirm deregistration or confirm that the aircraft was never entered on the civil register. When the Aircraft Registry requests that an applicant obtain a confirmation from the foreign civil aircraft register, it shall be advised to ask for a confirmation that the aircraft has never been registered, or that the registration has ended or is invalid. Confirmations may be transmitted to the Registry by mail, fax, Aeronautical Information System Replacement (AISR) formerly Aeronautical Fixed Telecommunications Network (AFTN) or by email with a PDF attachment. The Registry does not accept an email message containing the information, but will accept a PDF image of the actual message attached to an email to the Registry's email address. The Registry will only open and accept PDF attachments.

In 1996, Mexico requested that the Aircraft Registry accept only cancellation documents that include original signatures of any three of the four authorized Direccion General de Aeronautica Civil (DGAC) representatives. These original cancellation documents are sent to the Registry from Mexico by express mail the same day of their issuance. Fax copies or carbon copies are not acceptable for confirmations of cancellation or confirmations of deregistration. A confirmation of non-registration (never been entered or no record found) was accepted in the usual manner, requiring only one signature until July 2017, when Mexico advised that their confirmations of non-registration would require the signatures of the three authorized representatives.

A registration number is not assigned to an aircraft upon receipt of a confirmation unless the application for registration or ownership documents have been received or there is a request to assign a registration number.

It is important to remember two things while examining import cases: 1) The evidence of ownership is "satisfactory" and 2) the evidence of deregistration or non-registration is "satisfactory."

The regulations applying to imports are set out separately from those pertaining to aircraft that have never been registered or were previously registered in the United States.

- 2.3.2 **Examination Principles.** The aircraft cannot operate until registration is complete and an airworthiness certificate issued. The confirmation of deregistration, application for registration, and evidence of ownership shall be examined carefully. Examiner should review for manufacturer, model and serial number and make sure it is essentially the same on all documents: confirmation, bill of sale from foreign seller, application, etc.

If additional documentation is required to complete registration, the applicant may be advised to submit it by an overnight courier service with "Import" marked with large letters on the outside of the envelope.

2.3.3 **Requirements for Assignment of Registration Number.** (14 CFR 47.15(a)(3) and 47.37). A registration number may be assigned to an imported aircraft upon receipt of:

- a. Confirmation of deregistration or non-registration from the foreign country, and a written request for a registration number (may be a special number or a number of our choice.) If a special number is requested, a \$10 fee must accompany the request. OR,
- b. Confirmation of deregistration or non-registration from the foreign country and registration documents. OR,
- c. A notarized affidavit from the applicant showing that foreign registration has ended. If foreign registration has not ended, a notarized affidavit that the registration number will not be placed on the aircraft until foreign registration has ended. The affidavit must include the country of export. This information is necessary to establish the record in the AR database, and for statistical reporting to other offices. The affidavit must be accompanied by either a written request for registration number assignment or registration documents.

A registration number may be assigned upon receipt of an affidavit which complies with Paragraph 47.15(a)(3)(ii). The assignment of the registration number expires 90 days after it is issued unless the applicant submits an application for registration, evidence of ownership, registration fee, and confirmation of deregistration. A 90-day extension may be obtained from the Registry if the applicant shows the delay is caused by circumstances beyond his control.

If there is no confirmation of deregistration/non-registration or no appropriate affidavit by the applicant and no prior record exists, a temporary record is created when the document is indexed. This temporary record is associated with the particular aircraft until a registration number is assigned to it. If a prior record exists, the documents are associated with the prior record.

All documents relating to imported aircraft are handled on a priority basis; however, the certificate of registration is issued by computer process. The applicant may request a temporary certificate of registration by fax.

2.3.4 **Evidence of Termination of Foreign Registration or Evidence Aircraft Never Registered.** Aircraft brought into the United States from a foreign country and not previously registered anywhere may be registered provided evidence is submitted that the aircraft has never been registered in a foreign country. (14 CFR 47.15(a)(1) and 47.33(a)). The regulation does not specify that the "evidence" must be a confirmation of non-registration from the foreign country although this is usually what the Registry requests. The confirmation must be reviewed to determine its acceptability for registration by a Legal Instruments Examiner. The fact that the confirmation was "acceptable" to assign the N-Number does not make it "acceptable" to register the aircraft.

The examiner determines if the confirmation was issued by the correct foreign authority. The confirmation may be an original, photocopy or fax copy as long as the examiner can determine that it is from the appropriate authority.

New aircraft purchased direct from the foreign manufacturer do not present a problem in obtaining a confirmation because the manufacturer asks the civil aviation authority to notify the Registry. However, aircraft purchased from a foreign military service may present a problem. Military aircraft may be sold to a citizen of another foreign country and then be immediately resold to a United States citizen. The Registry has accepted confirmation of non-registration from the Civil Aviation Authority of the country of the military service, accompanied by an affidavit by the foreign seller to the effect the aircraft had never been entered on any civil aircraft register. The confirmation for a newly manufactured aircraft should be from the country where the aircraft was manufactured. The confirmation will most likely state the aircraft has never been entered or never been registered since the aircraft is “new.”

Evidence of termination of foreign registry is required for aircraft last previously registered in a foreign country. 14 CFR 47.37(a)(3) states that the deregistration be “evidence satisfactory to the Administrator.” This “evidence” may be provided in a number of ways. The evidence of termination may be:

- a. A Certificate of Cancellation, entitled such as: Certificado de Matricula Nacional, Attestation, Certificazione, Certificat de Radiation, etc. These certificates are not addressed to anyone. Some countries issue a certificate of cancellation.
- b. A letter addressed To Whom It May Concern or to the Registry from the foreign authority.
- c. A faxed export message addressed to the Registry.
- d. Confirmation message addressed to the Aircraft Registry via the Aeronautical Information System Replacement (AISR). A confirmation should describe the aircraft involved by the name of the manufacturer, model, and serial number.

A confirmation for a “used” aircraft will likely state that the aircraft has been cancelled, or removed from the foreign register. A confirmation stating “never been entered” or “never been registered” for a “used” aircraft may be acceptable if:

- a. The aircraft was deregistered here in error/prematurely/sale didn’t go through, as we require a confirmation from the country where we sent the confirmation of deregistration.
- b. If the aircraft is coming from an emerging country, with no prior registry system in place. (i.e., the countries that were formerly Russia did not have a separate registry system).
- c. If the aircraft was under the military registration of the foreign country. In this case, the owner should have also submitted a bill of sale from the military authority. If the owner submits a bill of sale from a foreign seller, a statement

will be needed to explain that it has been under military registration or submit a confirmation from the foreign military that the aircraft is no longer on the military register.

- d. If the aircraft was an ultralight, and the foreign country didn't require ultralights to register.

In general, these are not acceptable for "used" aircraft. Request a confirmation that the aircraft has been cancelled from the foreign country where it was last registered. **OR**, if the aircraft has never been registered in any foreign country since it was manufactured, a statement may be submitted explaining the circumstances.

Confirmation of deregistration must be furnished on aircraft, registered under the laws of a foreign country, which are confiscated by United States law enforcement agencies.

If more than 90 days have elapsed since the date of the confirmation of deregistration from the foreign civil aviation authority, the applicant will be asked to furnish a statement as to the status of ownership and registration of the aircraft for that period of time. The statement may be made by the applicant, the former owner, or the person most knowledgeable of the status/whereabouts of the aircraft. A photocopy or fax is acceptable. The purpose of the statement is to determine if the aircraft has been entered on another country's aircraft register since the date of deregistration.

14 CFR Section 47.37(b)(1) references the submission of satisfactory evidence of termination of the foreign registration describing the aircraft by make, model and serial number. The description of the aircraft is taken from the deregistration confirmation for assignment of the make/model series code. Except in the instance where the aircraft has a prior record, confirmations without a complete description are not acceptable. The examiner will send a message to the foreign registry requesting they reconfirm to include the manufacturer, model, and serial number of the aircraft.

NOTE: If the description on an acceptable confirmation is incorrect according to the owner, the records are corrected and a revised certificate of registration issued upon receipt in the Aircraft Registry of the Application for Airworthiness Certificate, FAA Form 8130-6, executed by an FAA inspector or designated airworthiness representative. We may also revise the aircraft description and issue a new certificate upon receipt of a memorandum from an FAA inspector stating the aircraft description must be corrected prior to issuing airworthiness; that they have looked at the aircraft and the correct aircraft description on the data plate is <mfr>, <model>, and <serial number>. The Aircraft Registry would prefer to have a legible copy of the data submitted with this statement.

NOTE: The Aircraft Registry decided in early 2012 to accept confirmations of deregistration from our foreign counterparts that contain an acceptable digital signature. The confirmation must include an electronic identifier number or authentication code to be acceptable.

NOTE: Several countries now transmit their confirmations to the Registry by email. The Aircraft Registry will accept an email from our foreign counterpart when there is a PDF attachment of their confirmation transmitted to our Branch email address. The attachment must be in a PDF format and be an image of their preferably signed confirmation. We do not accept or open other types of attachments. We do not accept

confirmation by email without the PDF attachment (i.e., confirmation message is contained within the email).

- 2.3.5 **Translations.** Telexes and messages received in a foreign language from our foreign counterparts are delivered to the Branch clerk. A copy marked “Sent for Translation” is added to the work packet according to registration number or temporary number. Copies of the confirmation are sent to the translation contractor. The incoming confirmation is maintained in the Branch area until the translation is received. Upon receipt of the translation, the translated telexes and messages are imaged and added to the work packet.

It has been determined that a copy of a translation certification provided under our translation contract is acceptable for processing imports and for addition to the aircraft record.

NOTE: Translations provided by applicants or Public Documents Room permittees must still be certified as a true and complete translation of the original with an ink or acceptable digital signature of the translator.

NOTE: Only documents that appear to be confirmations of deregistration or non-registration are sent by the Registry for translation. All other foreign language documents are returned to the applicant for resubmission with a certified translation.

- 2.3.6 **Evidence of Ownership.** (14 CFR 47.37(a)(2)).

- a. Evidence of ownership may be a bill of sale, signed in ink or contain an acceptable legible digital signature, from the foreign seller or “other evidence satisfactory to the administrator” that the applicant owns the aircraft. Many foreign companies and corporations do not use the corporate titles used in the United States. The head of a company or corporation may be called the Chairman, Director, Managing Director, Manager, Chief Executive, etc.

If the bill of sale from the foreign seller includes U.S. or USA in the name, it is likely assumed that the seller is a U.S. company or corporation. In this instance, a bill of sale from the foreign seller to the seller on the bill of sale in question should be requested. This also applies on bills of sale from known US companies such as Wilmington Trust Company and Wells Fargo Bank, etc. The Aircraft Registry may accept these types of bills of sale without additional information if it clearly states the seller is the “foreign seller” on used aircraft. The bill of sale should come from the foreign manufacturer if the aircraft is new.

If the confirmation of deregistration shows the last foreign registered owner, and the foreign bill of sale shows the same name as seller, the bill of sale may be accepted without “foreign seller” being shown. It is also not necessary to include “foreign seller” if the bill of sale shows a foreign registration number.

In cases where a bill of sale is received for multiple aircraft, the bill of sale can only be recorded once. For imported aircraft, registration may not be withheld for that particular aircraft pending recordation of the bill of sale. If it is determined that the aircraft being processed is the only one for which the bill of sale can be accepted, we may accept original bill of sale in lieu of a recordable document. The temporary

records will contain an image of the accepted bill of sale in history. This accepted bill of sale then creates the chain of ownership to the U.S. purchaser.

- b. An aircraft which has been placed under foreign registry in the name of a United States owner or leased by a United States owner to a foreign operator and placed under foreign registry may be re-entered on the United States register upon receipt of the following:
 - 1) A notarized affidavit from the owner/lessor to the effect that ownership of the aircraft has not been transferred since the date of purchase as shown on the applicant's evidence of ownership in the aircraft records. However, the affidavit would not be required when the confirmation from the foreign government states to the effect that the owner/lessor "was the owner of the aircraft while it was registered in their country." The Aircraft Registry verifies the affidavit and aircraft record to ensure that the owner/lessor was the last owner of record and there is no indication of a change of ownership.
 - 2) Acceptable evidence of cancellation of foreign registry.
 - 3) Registration fee of \$5 for each aircraft.
 - 4) A complete Aircraft Registration Application in the name of the owner/lessor.
 - 5) Special number fee, if a special number is requested.
- c. If an aircraft has previously been registered in the United States, the old records are acquired by an examiner assigned to process Support actions and incorporated with the new records established since its import.
- d. The owner of an aircraft last registered in the United States but deregistered prematurely should submit:
 - 1) A statement from the foreign registry that the aircraft was never entered on their register.
 - 2) Affidavit (notarized) by the last United States owner of record certifying continuous ownership. The bill of sale to the affiant must be in history to accept an affidavit of continuous ownership. Otherwise, the applicant must meet the requirements of Section 2.3.7.
 - 3) A complete Aircraft Registration Application.
 - 4) Registration fee of \$5.

2.3.7 **Aircraft Imported by U.S. Citizen who was the Foreign Registrant.** An aircraft being imported by the foreign registered owner (who is a United States citizen), may be registered in the name of that owner upon receipt of the following:

- a. Confirmation of deregistration.
- b. A complete Aircraft Registration Application.

- c. Registration fee.
- d. Evidence of ownership. If recordable evidence of ownership (such as the original bill of sale) is not available, the applicant may submit an affidavit stating the circumstances of the unavailability of recordable evidence of ownership. One of the following must be filed with the affidavit:
 - 1) A certified copy of the evidence of ownership.
 - 2) A copy of the foreign registration certificate reflecting the applicant as the foreign registrant.
 - 3) Verification of the last registered owner by the official having jurisdiction over the foreign aircraft register--either within the confirmation of deregistration or by a separate communication.

2.3.8 **Imported Aircraft Registered Under a Dealer's Certificate.** Imported aircraft may be registered under a dealer's certificate. A registration number may be assigned to the aircraft when the requirements of Paragraph 47.15(a)(1) or 47.15(a)(3) are met.

Registration to a dealer is in contradiction of paragraph 47.39, as that paragraph states that an aircraft is registered on the date the Registry determines that the submissions meet the requirements of this part. The effective date of registration is shown by a date stamp on the Aircraft Registration Application and as the date of issue on the Certificate of Aircraft Registration.

The owners of imported aircraft are required to show evidence of registration before an FAA inspector will inspect the aircraft for the purpose of issuing an airworthiness certificate. Since the dealer does not have a registration certificate, the inspector may call the Registry to verify the registration. If requested, a fax confirming registration under the dealer certificate may be issued. A temporary certificate **cannot** be issued for aircraft registered under a dealer certificate.

SECTION 4. REJECTED APPLICATIONS AND CONVEYANCES AND REQUESTS FOR ADDITIONAL DOCUMENTATION

- 2.4.1 **General.** A function of examination is to approve issuance of certificates of registration and record ownership conveyances pertaining to United States civil aircraft. This includes the applicant's eligibility and acceptability of the ownership conveyances as set out in the applicable regulations. Pertinent regulatory requirements are reviewed to determine if sufficient facts are present to permit acceptance.

The rejection of documents is sometimes unavoidable due to the absence of signatures, titles, too much discrepancy in the name on the application and evidence of ownership, or additional documentation is needed because of a break in the chain of ownership, name changes, mergers, or the appropriate fees are not paid.

- 2.4.2 **Removing Last Registered Owner from Database.** Upon receipt of an endorsed certificate of registration, an original or photocopy of a bill of sale, or signed correspondence from the last registered owner showing that the aircraft has been sold, and the Registry is unable to register in another name, the AR database is updated to place the aircraft in the "Sale Reported" status. Amendments to 14 CFR 47.15(4)(i), effective October 1, 2010, allow a total of six months in the "Sale Reported" status after first receipt of notice of aircraft sale or evidence of ownership from the last registered owner or successive owners, and an Aircraft Registration Application has not been received.

If evidence of ownership from the last registered owner and an application for registration in the new owner's name are received, but registration cannot be completed, the AR database should be updated to reflect "Registration Pending." If the seller on the bill of sale is not the last registered owner, then evidence of ownership from the last registered owner is also required before placing the aircraft record in "Registration Pending." Amendments to 14 CFR 47.15(4)(iii), effective October 1, 2010, allow a **total** of twelve months in the "Registration Pending" status after a new owner has submitted evidence of ownership and an Aircraft Registration Application under §47.31, and the applicant or a successive applicant has not met the requirements for registration.

When an aircraft is currently in a "Sale Reported" status and an application and evidence of ownership from the last registered owner are received but registration still cannot be completed, the status should be changed to "Registration Pending."

New aircraft such as imports, amateur built, new assignments, etc., are not be placed in Sale Reported or Registration Pending. **Exception:** Newly manufactured aircraft assigned (registered) under the manufacturer's dealer certificate. Because these aircraft have been "registered" under a dealer's certificate, when sold, the AR database should be updated to remove their name.

NOTE: The status of any aircraft identified in the AR database as "Sale Reported" or "Registration Pending" shows a certificate status of "In Question" when the last registered owner does not return the certificate of registration as required by 14 CFR §47.41(b). When the last registered owner returns the certificate of registration or a statement advising that the certificate is no longer available, then the new certificate status is "Certificate Terminated." **NOTE:** Due to restrictions on size, the AR screen will display the status as "Cert Terminated."

- 2.4.3 **Return of Application and/or Conveyance for Correction and/or Completion.** If the document is returned for correction, the indicator in the “Paper” column will be “no.” If the document is a copy, fax copy, or the signatures are other than original, the document will be stamped accordingly. An image of the document is suspended with an image of the letter. If the conveyance covers more than one aircraft, an image of the document and letter appear in the suspense record for each aircraft.
- 2.4.4 **Form Letters.** Redacted as internal guidance on exam processes.
- 2.4.5 **Return of Original Conveyances.**
- a. When a request is received for the return of an original conveyance after it has been recorded, it will be advised that a certified copy of the aircraft record may be furnished upon receipt of the appropriate fees.
 - b. If a certified copy of a conveyance is received alone, the certified copy is returned asking that it be resubmitted with the original in accordance with 14 CFR §49.21. If the submitter states the original is not available and cannot be obtained, the Registry may accept an affidavit in lieu of a recordable conveyance. The certified copy of the conveyance must be attached to the affidavit as evidence of the transaction. See Chapter 3, Affidavits, for additional information.
 - c. If an original conveyance is received with a copy having a certification which is not signed, both the original and the copy should be returned for completion of the certification.
- 2.4.6 **Return of Copies of Conveyances.** When copies of conveyances are received, the original ink or printed duplicate containing an acceptable digital signature, is requested. The copy is returned with the first outgoing correspondence.
- 2.4.7 **Corporate Purchaser Followed by Officer's Name.** Conveyances showing the purchaser as a corporation, followed by an officer's name and title may be accepted. When the aircraft is sold, the conveyance must show the corporate name as seller and be signed by a corporate officer or someone in a managerial position. Conveyances showing a corporate name and an individual's name as purchaser (but the application is by the corporation only), are returned to the applicant for clarification. If the individual is an officer in the corporation, the appropriate title must be shown beside the associated name in the purchaser's block.
- 2.4.8 **Bill of Sale and Retain Title Security Conveyance.** A bill of sale and a security conveyance in which the secured party retains title, such as a retail installment contract, are recorded when they are submitted together or if the contract is submitted later. The bill of sale signifies the transfer of ownership while the retain title contract is considered only as a lien instrument. A release of the retain title contract is not required in order to register the aircraft to a new owner.
- 2.4.9 **Bill of Sale Executed in Error or Sale not Consummated.** When a bill of sale or evidence of ownership was executed in error or a sale was not completed/consummated, the parties involved should submit an amendment to set aside the erroneous bill of sale. The amendment should be signed by both parties to correct the record. This type of

amendment is generally referred to as a “set-aside statement.” The set-aside statement should describe the bill of sale by its dates, the parties involved, and the aircraft by its name of manufacturer, model, serial number, and the registration number. It may state the sale was not consummated, describe why the sale was not consummated, or explain why the bill of sale was signed in error. A statement that the named purchaser has no right, title, or interest may or may not be included depending on the circumstances. This is a determination that must be made on a case-by-case basis. A recording fee of \$5 is required. The signature of the purchaser is required. The signature of the seller is required if the seller is disclaiming any right, title or interest in the aircraft as shown on the described bill of sale.

Some non-type-certificated aircraft qualify to register as an amateur-built aircraft or a light sport aircraft. One example of an aircraft that fits both categories is the Van’s RV-12. If the Registry receives a Non-Type Certificated Affidavit completed by the applicant and a Light Sport Affidavit completed by the light sport manufacturer then the incorrect affidavit needs to be set aside.

NOTE: If there are additional bills of sale in file where the named purchaser has interest in the aircraft, the set-aside statement should specifically state that the named purchaser has no right, title, or interest as to that particularly described bill of sale. A single bill of sale in the middle of the chain of ownership in an aircraft record cannot be set aside.

NOTE: If the record included a security instrument executed by the purchaser who is setting aside the evidence of ownership, a release of the security instrument must be accepted before the set-aside statement can be accepted. Security agreements are never set aside.

- 2.4.10 **Stray Bill of Sale (Seller Not in Chain of Ownership.)** When two sets of documents are received, one of which continues a chain of ownership and the other contains a stray bill of sale (seller has never been the owner of the aircraft), if acceptable, the documents continuing the chain of ownership are recorded, and registration is completed. The new registered owner is advised by letter: 1) that the aircraft has been registered, (or may be registered when requirements are met), but other ownership documents (fully described) have been received and 2) include details of what will be acceptable if the applicant/registrant wants to submit material to clear the stray bill of sale. Such material may be an amendment, a unilateral assertion by one of the parties, or a court order clearing the matter. See 2.4.9 concerning the processing of an amendment (set aside) to a stray bill of sale. See paragraph 2.4.11 for available options.

2.4.11 **Options Available to Explain Ownership Documents that are Incomplete, Incorrect or Form a Break in the Chain of Ownership.**

- a. An ownership document outside the chain of ownership (stray) may be explained by an amendment, unilateral assertion, or a declaratory judgment. An indemnity instrument may be made by the owner when selling the aircraft if one of the above documents cannot be obtained.
- b. A recorded ownership document which is incomplete or incorrect may be explained by an amendment or a unilateral assertion.

- c. When ownership documents create a break in the chain of ownership, a conveyance is requested to complete the chain of ownership.

Amendment - An amendment should:

1. State its purpose,
2. Describe the aircraft by manufacturer, model, serial number and registration number,
3. Describe the erroneous bill of sale by the date of the sale, its filing or recording date, and recording number or Doc ID number, and
4. Be signed in ink or be a printed duplicate of an electronic document that displays an acceptable legible digital signature by the purchaser and the seller named on the erroneous document.

Upon receipt of an amendment which does not contain both signatures, use discretion in determining whether one signature is sufficient or if both are needed. For example, if there is a minor error in the name of the seller or the seller's title was omitted, an amendment signed by the seller would be acceptable. Another example is the recorded bill of sale showed only the individual's trade name in the purchaser's block, and we have an application for registration executed by that individual showing the trade name, an amendment signed only by the purchaser would be acceptable. **If an amendment is filed to amend the date of the sale, the amendment must be signed by all parties. An amendment of this nature could affect the party that is responsible for paying taxes.**

Unilateral Assertion — The basic definition of a unilateral assertion is one party making a strong declaration or statement regarding their belief or fact. A unilateral assertion describing the aircraft and the bill of sale must be signed by either the buyer or seller named on the erroneous document. An assertion is different from a disclaimer in that it describes an unacceptable conveyance in the aircraft file. It should describe the purpose of the assertion.

Declaratory Judgment — Declaratory judgment is a binding adjudication that establishes the rights and other legal relations of the parties without providing for or ordering enforcement. The Registry may accept a court certified copy or a copy of a court certified copy of a declaratory judgment specifically describing the aircraft and the ownership document .

Indemnity - Under item (a) above, if the owner cannot obtain an amendment, unilateral assertion or judgment, the owner may prepare an indemnity instrument and attach it to the bill of sale when the aircraft is sold. See paragraph 4.1.7 for more description of an indemnity. An indemnity does not in any way extinguish any alleged outstanding interest in the aircraft, but rather acts as a warranty of title by the indemnitor. The stray bill of sale remains in the suspense portion of the aircraft record until an amendment, unilateral assertion or declaratory judgment is received.

- 2.4.12 **Bills of Sale from Same Seller to Different Purchasers.** If neither set of the documents have been processed, a letter shall be written to each applicant/purchaser relating what has been received. Each party is advised that registration may be completed upon receipt of 1) a bill of sale from one of the purchasers re-conveying the aircraft back to the seller or, 2) an amendment to set aside the bill of sale (set-aside statement), indicating that it was executed in error or the sale was not consummated, signed by the purchaser named

on the erroneous transaction. See paragraph 2.4.9 for additional requirements. If both parties claim to be the rightful owner, a letter is sent to each applicant/purchaser stating that the FAA does not enter into controversies over ownership of aircraft, and that if the parties cannot settle the issue among themselves, the FAA will accept a court certified true copy of the court decision determining ownership of the specifically described aircraft.

2.4.13 **Rejection of a Portion of Incoming Documents - Recording of Acceptable**

Conveyances. Examiners shall record releases, ownership conveyances, and lien conveyances through the last acceptable transaction. The last acceptable transaction is defined as a recordable release, a recordable change of ownership to a dealer, or a recordable change of ownership to an applicant submitted with an Aircraft Registration Application, and any related acceptable security document.

2.4.14 **Return of a Copy or Duplicate (Not Certified) Bill of Sale Received with the**

Original. A copy or duplicate of a bill of sale which reflects an ink or digital signature of the seller shall be returned to the current purchaser. Those duplicates or copies which do not show a signature by the seller, are returned only if other documents or correspondence are being sent to the current purchaser. On cases that cannot be registered, the copy or duplicate bill of sale shall be returned with the first outgoing communication unless its original bill of sale is being returned for correction, then the copy or duplicate copy shall remain in suspense until the original bill of sale is recorded.

2.4.15 **Writ of Execution, Attachment, or Garnishment.**

A writ of execution, writ of attachment, order of attachment, etc., received without the sheriff's return, is rejected. The document must be resubmitted along with the signed sheriff's return, certifying that the described property has been attached. A sheriff's return needs to reflect they attached the described aircraft. A return that only shows they served papers is not acceptable. For a writ of garnishment, the individual who affects service will provide proof of service by recording on the writ a description of the action taken in accordance with the instructions contained therein.

A writ without an acceptable sheriff's return is removed from index and not associated with the aircraft. The writ is returned with a letter stating the needed requirements. No reference to the writ is placed in an aircraft record until an acceptable sheriff's return is received with the writ.

Completed instruments with the signed sheriff's return, as well as any final disposition, are recorded and added to the permanent aircraft file. Subsequently filed conveyances are not acted upon until a disposition is made on the writ, unless those conveyances represent a disposition.

A document evidencing disposition is recorded, whether it be a conveyance executed by the sheriff, a court order of sale, or a dismissal or release of the writ by the court.

2.4.16 **Judgment for Monies.** Court judgments for monies only (money judgment) do not affect an interest in aircraft and are returned. The submitter is advised that if an order is obtained which affects an interest in a specifically described aircraft, it may be submitted for the aircraft record.

No reference to a money judgment is placed in an aircraft record.

2.4.17 **Restraining Order.** With regard to aircraft, a restraining order is usually issued by the court to preserve the status quo until a litigant's civil suit is heard or settled by the Court. It prohibits a party from taking an action that might be deemed as harmful. In most cases, the restraining order will state that one of the parties will not transfer title or encumber the aircraft. A temporary restraining order may be granted immediately, without notice to the opposing party, and without a hearing. It is intended to last only until a hearing can be held. An original or court certified true copy of a complete restraining order which identifies a specific aircraft is placed in the aircraft record; however, a careful review should be made of the restraining order as to dates and parties. If documents are filed with the restraining order or later received which involve an action restricted by the court, the submitter is notified that a disposition of the restraining order is required before any further action will be taken.

SECTION 5. RE-REGISTRATION AND RENEWAL

- 2.5.1 **General. 14 CFR 47.40.** The Re-registration and Renewal program was implemented on October 1, 2010. This was the result of a six year rulemaking effort with a goal to develop a process that would achieve a level of registration data reliability to meet the current and evolving needs of users of our system.

With the implementation of 14 CFR 47.40, aircraft owners who intended to maintain their registration were required to re-register their aircraft within a specified time period. As of October 1, 2010, all Certificates of Aircraft Registration issued, whether through re-registration or initial registration, include a specific expiration date. All certificates issued since that time expire three years from the date of issuance, but are renewable for successive three-year terms if there is no change in the ownership status of the aircraft.

Other areas of Part 47 were also amended to allow for the cancellation of registration for other categories. The re-registration and renewal program affects aircraft in several statuses:

- a. Those registered prior to October, 1, 2010.
- b. Those registered under an expired Dealer's Aircraft Registration Certificate.
- c. Aircraft in Sale Reported more than 6 months from the initial notification of a sale.
- d. Aircraft in Registration Pending more than 12 months from the initial notification of a sale.
- e. Those that are N-Number assignments only, where the aircraft was never registered.
- f. Revoked aircraft that have not been removed from the Register, and
- g. Aircraft operating with an expired Assignment of Special Registration Number authorization form.

Any owner that fails to comply with these requirements prior to the expiration of their current certificate has no authority to operate the aircraft until it has been properly re-registered. They are also at risk of having the assignment of the N-Number cancelled by FAA due to expiration. This could result in the loss of the N-Number, requiring the owner to obtain a new number and paint their aircraft.

Re-registration/Renewal schedule. The schedule provided in 14 CFR §47.40, was to advise aircraft owners with certificates without expiration dates of exactly when they should apply for re-registration. This scheduling was necessary to manage the Registry's workload during the re-registration period. The re-registration process concluded December 31, 2013. Since that date, aircraft are subject to the three-year renewal process.

To prompt the owner to renew within the time frames of the schedule and before cancellation of the assignment of the N-Number, the Aircraft Registry issues three automated notices advising owners of the requirement to renew. The first notice titled 'Notice: Expiration of Aircraft Registration' is mailed approximately 180 days prior to the expiration of the certificate. An image of this notice does not appear in the aircraft record. The certificate status in the AR database was 'Valid' at this point. This notice included an online re-registration code that enables the owner to renew online if there are no changes to the ownership, citizenship, address, or aircraft status. If there are changes

to any of these items, the corrections have to be made and the form printed and mailed to the Registry with the \$5 renewal fee. The code is not duplicated, provided over the telephone, or re-issued. Aircraft that are renewed online do not require any interaction with the examination staff as it is a total automated process. If the code is lost or not useable, the owner has to mail the Aircraft Renewal Application to the Registry with the \$5 renewal fee. The applications submitted to the Registry for processing are processed during the normal course of business with no priority given.

If the aircraft has not been renewed approximately 60 days prior to the expiration of the certificate, a second notice is issued. This notice titled 'Final Notice: Expiration of Aircraft Registration' reminded the owner of the requirement to renew the aircraft before the expiration date. The certificate status at this point remains 'Valid' up to the expiration date in the AR database.

If the aircraft has not been renewed and the certificate expires, the third notice titled 'Aircraft Registration has EXPIRED – N-Number pending cancellation' is issued approximately 30 days after the expiration of the certificate. The certificate status at this point is 'Expired' in the AR database.

If the registration status remains 'Expired' 60 days after the third notice is issued, a work packet is created to cancel assignment of the registration number. If no new documents or response to the previous notices had been received, the examiner issues the Expiration Cancel Notice to the last registered owner and cancels the assignment of the N-Number due to expiration if there is no returned Re-Registration mail. The cancellation notice is issued only if there is no returned re-registration mail.

When the assignment of the N-Number is cancelled by FAA due to expiration, it is unavailable for a period of five years. However, if an aircraft that has been cancelled with that N-number is being returned to the U.S. Civil Aircraft Register, to the Aircraft Registry may re-assign the N-Number, unless the owner requests a different one.

Any owner that failed to re-register their aircraft prior to cancellation of the assignment of the N-Number was required to submit the regular Aircraft Registration Application to return the registration to a valid status. The owner receives a new certificate issue date in this instance.

NOTE: If an aircraft registration application is received to renew an **expired** aircraft, and there is an outstanding Assignment of Special Registration Number (-64), in suspense, the examiner issues the Outstanding N-Number Change rejection letter to obtain the disposition of the outstanding number change. The AR database does not allow for the input of data for an aircraft registration application with an outstanding number change.

- 2.5.2 **Examination of the Aircraft Registration Renewal Application.** The Aircraft Registration Renewal Application, (renewal application) is only acceptable for renewal of an aircraft during its scheduled renewal period and before the expiration of their current certificate. Once the current certificate has expired, or the assignment of the N-Number has been cancelled, renewal is not an option. The owner would be required to complete an Aircraft Registration Application to return the aircraft to a valid status. **Exception:** If the owner has previously submitted an Aircraft Registration Renewal Application that has been rejected for completion or correction, the Registry may accept that

completed/corrected form after expiration as long as the owner had applied to renew prior to expiration and the assignment of the N-Number has not been cancelled. This would be the case even if the form resubmitted is not the same form that was originally filed.

The Aircraft Registration Renewal Application is not interchangeable with the regular Aircraft Registration Application. The renewal application has two parts. Part One (left side) is used to renew the registration certificate, and may also reflect a change of address. Part Two (right side) is used to notify FAA of the sale of an aircraft, that the aircraft is scrapped or destroyed, or the aircraft has been exported.

Because the renewal application is strictly for renewal purposes only, there may be minor deficiencies that are not acceptable for initial registration but may be acceptable for renewal. The renewal application may include strikethroughs, alterations, or whiteout. Renewal applications marked "CAR Alteration" should only be rejected if the examiner is unable to determine the information provided due to the alteration. Examine to accept renewal applications. If the aircraft is registered to co-owners and all co-owners sign the renewal application, the Registry may accept the title partner, owner or co-owner and vice versa. Because all owners have signed the renewal application and we are not changing the type of reservation or the name of the owners, we may accept the renewal application with the title deficiency. See 'e' below.

Renewal applications received with conflicting information (i.e., checked block to renew on the left side, and cancel, sold or reserve on right side, etc.), should be reviewed to determine if it is time for renewal. If it is time for renewal and the form marked renew and reserve is acceptable, renew the registration. If it is not time for renewal, we will advise the owner of the appropriate time for renewal and refund any fees paid.

The following items must be checked when examining the renewal application:

- a. **Identification.** First, verify the registration number on the application. If the numbers do not agree, check the description.
- b. **Description.** Compare the description of the aircraft by the manufacturer, model, manufacturer's serial number, and registration number shown on the documents.
- c. **Name of Applicant.** Compare the applicant's name against the owner's name in the history. The name(s) of the owner(s) must be substantially the same.
- d. **Address.** Check the mailing address and physical address for completeness and any changes. If a post office box or mail drop address is used for the mailing address of the owner, a physical location or physical address must also be shown on the renewal application.
- e. **Signature and Title.** See 2.1.2g. Compare the title against the type of registration. If the signature and title are contradictory for the type of registration held or conflicts with signature documents on file, the renewal application may need to be returned for correction. If the aircraft is registered to co-owners but they have shown their titles as partners and all parties have signed, we should not reject for the correct type of registration to be shown. This would be the same if registered as partners but the title of co-owner was shown. Discretion must be

used, as this may not apply to every case. The typed or printed name must also be shown on these applications.

One of the boxes under the section “To Renew Registration” must be checked. If the first block is checked indicating the information located above on the form is correct, but a different address is shown on the form, we may accept the renewal application and update the address in the AR database.

If the renewal application is not acceptable and must be corrected, if it is close to the expiration of the current certificate, we should include that fact in the letter. (i.e., your current certificate will expire on (date), and the Registry will be unable to issue an authorization for number change, record the security agreement, etc., until the aircraft is properly registered).

If the examiner realizes the aircraft is not scheduled for renewal but an address change is reflected, the document is processed as an address change. A revised certificate is issued. The examiner must write a letter advising the owner that the renewal application was submitted prematurely, but was processed as an address change. The letter should also include the scheduled time period for renewal of their aircraft certificate.

NOTE: There is no pink or duplicate copy operation authority when the Aircraft Registration Application is used to return the aircraft to a valid status after cancellation due to expiration.

- 2.5.3 **Processing Responses to Renewal Notices.** In many instances, the owner will respond to our notices by renewing the aircraft certificate or completing page 2 of the notice to indicate the aircraft has been sold, scrapped, exported, etc. If the aircraft has been sold, the examiner may be able to register the aircraft or place it in sale reported or registration pending status. If scrapped, destroyed, or exported, the examiner should follow procedures for cancellation if appropriate, or write a rejection letter if necessary.

Before placing the aircraft in Sale Reported or Registration Pending status, examiner must determine that the aircraft is eligible to be placed in one of these statuses. An aircraft may only remain in Sale Reported for six months after first receipt of a notice of aircraft sale or evidence of ownership from the last registered or successive owners, and an Aircraft Registration Application has not been received. [14 CFR §47.15(i)(4)(i)]. An aircraft may only remain in Registration Pending for twelve months after a new owner has submitted evidence of ownership and an Aircraft Registration Application under §47.31, and the applicant or a successive applicant has not met the requirements of this part. [14 CFR §47.15(i)(4)(iii)].

- 2.5.4 **Processing Aircraft in Sale Reported or Registration Pending.** At different intervals aircraft that have been in sale reported status for more than 6 months and those that have been in registration pending status for more than 1 year are identified.

Once identified, if registration documents are filed, we will process the documents in an attempt to register the aircraft. If unable to register the aircraft, we issue the appropriate letter and include the registration or recording deficiencies. When at least 60 days have passed and the status has not been changed for identified aircraft, the FAA will cancel the aircraft as expired. If there are any documents filed, the documents should be processed in an attempt to register the aircraft. If we are unable to register the aircraft,

the appropriate letter will be issued to the new owner and registration will be cancelled. Any registration deficiencies, etc., should be addressed in a separate letter to the new owner of the formerly registered aircraft.

- 2.5.5 **Cancelling Aircraft in Sale Reported Status.** If the Sale Reported party responds to the letter and requests cancellation, we must have recordable evidence of ownership to cancel at their request. If the evidence of ownership is **not** recordable, we will cancel the assignment of the N-Number due to expiration by the FAA.

If there is only a notice of sale in suspense (no evidence of ownership), the examiner should add the images of that notice of sale, the Sale Reported Pending Cancel Notice letter from suspense, the response received to that letter, and the -17 to history. It is not necessary to issue a Sale Reported Cancel Notice since the customer has asked us to cancel, even if we are unable to cancel at their request due to insufficient registration documents.

If the assignment of the N-Number is being cancelled in conjunction with the issuance of the Sale Reported Cancel Notice (Memo 2), the cancellation is due to expiration by the FAA. The examiner should add the Sale Reported Pending Cancel Notice letter from suspense, the -17, and the Sale Reported Cancel Notice to history. If there is a notice of sale without evidence of ownership in suspense, the notice should also be added to history. If, however, there is evidence of ownership in suspense, it and any notice of sale would remain there.

NOTE: The Sale Reported Cancel Notice should not be issued if there is re-registration returned mail.

- 2.5.6 **Cancelling Aircraft in Registration Pending Status.** If the Registration Pending party responds to the letter and requests cancellation, we must have recordable evidence of ownership to cancel at their request. If the evidence of ownership is **not** recordable, we will cancel the assignment of the N-Number due to expiration by the FAA.

- 2.5.7 **Processing Revoked Aircraft.** At different intervals, aircraft that are in a revoked status are identified. Most of these aircraft have been in a revoked status for several years either due to an enforcement action (Status E) or the failure to provide a response to an old program run by the Registry in the late 1970's (Status 9). If registration documents are also filed, we will process the documents in an attempt to register the aircraft. If unable to register, we will issue the appropriate letter and include the registration or recording deficiencies. The letter(s) advises that if the status of the aircraft does not change, the registration will be cancelled no sooner than 60 days from the date of the letter.

If a letter has already been written advising that the registration would be cancelled no sooner than 60 days from the date of the letter, then the registration should be cancelled immediately and notification sent if there is no returned mail.

When at least 60 days have passed and the status has not been changed, the FAA will cancel the aircraft as expired. Any new documents should be processed in an effort to register the aircraft before cancellation. The registration should be cancelled due to expiration by the FAA.

2.5.8 **Cancelling Aircraft in Revoked Status.** If the last registered owner responds to the letter and requests cancellation, we should be able to cancel at their request as the registered owner. If another party requests cancellation, we must have recordable evidence of ownership to cancel at their request. If evidence of ownership is submitted that is **not** recordable, we will cancel the assignment of the N-Number due to expiration by the FAA, all registration documents would remain in suspense.

2.5.9 **Processing Work Packets with Assignment Expiration Notice Memo 1.** Any aircraft identified as assigned but not registered within 90 days automatically reviewed for issuance of an Assignment Expiration Notice. If registration documents are filed, we will process the documents in an attempt to register the aircraft. If unable to register the aircraft, we will issue the Assignment Expiration Notice.

The applicant may submit a request for an extension of the assignment. The request must show the aircraft description, give the reason for the delay, include the approximate resolution date, and be appropriately signed. If the Aircraft Registry receives a good request for an extension, the request will be reviewed to determine if the extension of assignment will be granted. The assignment of the N-Number cannot be extended more than 180 days from the date of assignment.

When at least 60 days have passed and the status has not been changed the registration assignment will be cancelled as expired. Registration documents that are filed will be processed in an attempt to register the aircraft prior to cancellation. If we are unable to register, then we will issue the appropriate letter showing the former N-number.

2.5.10 **Cancelling Aircraft in an Assigned Status.** If the last owner of record responds to the notice and requests cancellation, we should be able to cancel at their request as the last owner of record. The request to cancel is added to history. If evidence of ownership is submitted and is not recordable, we will cancel the assignment of the N-Number due to expiration.

CHAPTER 3. AFFIDAVITS

3.1 General.

- a. **Definition.** An affidavit is a written declaration or statement of facts, made voluntarily, and sworn to or affirmed before some person legally authorized to administer an oath or affirmation. It is made without notice to any adverse party and without opportunity to cross-examine. Some states require the notary to have a seal that includes the notary's commission dates; however, some states consider the notary's signature to be their seal.
- b. **Uses.** Affidavits may be used as evidence of ownership for registration purposes by:
 - 1) heir-at-law (14 CFR 47.11(f)),
 - 2) owners of amateur-built and non-type certificated aircraft including light sport aircraft and unmanned aircraft (14 CFR 47.33 (c), and
 - 3) in lieu of recordable conveyances to start an aircraft record or to complete the chain of ownership of an aircraft (14 CFR 47.33(b) and 47.35(b)).

Affidavits are required to support eligibility for registration by trustees as applicants for registration (14 CFR 47.11(h) and 47.7(c)), and by voting trustees (14 CFR 47.8.) A registration number may be assigned to an aircraft imported from another country upon receipt of an affidavit that the registration number will not be placed on aircraft until foreign registration has ended (14 CFR 47.15(a)(3)(i) and (ii).)

- c. **Recordability.** An affidavit does not qualify as a conveyance and, therefore, is not recordable under the Federal Aviation Regulations.

The affidavits by the owners of amateur-built and non-type certificated aircraft, light sport aircraft, and unmanned aircraft systems are recorded as the initial evidence of ownership.

Disclaimers may be in the form of an affidavit. Disclaimers of interest are recorded, whether they are or are not in affidavit form.

The affidavits regarding the inability to obtain conveyances with attached evidence to prove a transaction occurred to start or continue a chain of ownership are accepted in lieu of recordable conveyances.

All other affidavits (heir-at-law, trustees, voting trustees, and applicants for registration numbers on import aircraft) upon acceptance are accepted.

- ### **3.2 Heir-at-Law.** (14 CFR 47.11(f) and paragraph 2.2.5.g(2)) The value of a deceased person's estate determines whether an executor, administrator, or personal representative is appointed. Small estates are distributed to the heirs according to the laws of the state where the property was held by the deceased.

Heir-at-law affidavits should show the legal name of the deceased. As an example, if the aircraft is registered to John Doe and an heir-at-law affidavit for Jack Doe is received, the difference in the name should be questioned.

The heir-at-law may register aircraft as the owner or sell aircraft as the owner after submitting to the Registry an affidavit to the effect that no executor or administrator has been, or is to be, appointed and that according to pertinent local law, he is the heir. No conveyance is executed on behalf of the deceased, to the heir.

Most states have provisions whereby a surviving spouse may sell aircraft in order to support minor children or to act on behalf of minor children. In such cases, an affidavit is not appropriate. Rather, the spouse may submit a court certified copy of the order signed by the judge in support of the authority to sell the aircraft or to register the aircraft.

Children may sign quit claims or other forms of intent to convey their interest in aircraft to a surviving parent. Any unusual settlements of estates are reviewed carefully.

- 3.3 **Affidavit in Lieu of Recordable Evidence of Ownership.** (14 CFR 47.33(b), 47.35(b) and paragraph 2.2.5.g(3)) Aircraft that have never been registered anywhere may be registered using an affidavit when the owner is unable to obtain a conveyance.

Military aircraft (United States and foreign) not meeting airworthiness standards may be sold by government disposal sales as scrap metal or as fuselages. Bills of sale are not issued on non-airworthy aircraft; therefore, the applicant may use an affidavit to explain the circumstances and attach whatever documentation he received from government disposal to prove the transaction. These aircraft are usually rebuilt from miscellaneous parts and shall carry the name of the rebuilder as the manufacturer's name on the certificate of registration as a non-type-certificated aircraft. Military aircraft sold as scrap metal cannot be registered with the original manufacturer name and serial number without additional approvals from all appropriate FAA organizations. The applicant needs to submit pictures which show the aircraft in its current condition—wing tip to wing tip and nose to tail.

When an applicant does not buy an aircraft from the last registered owner and is unable to obtain conveyances to show consecutive transactions from the last registered owner, he may submit an affidavit for consideration. The applicant shall attach to the affidavit whatever evidence they were able to obtain to prove the transaction took place between the parties for which there is no conveyance. Evidence to prove the transaction includes statements from witnesses, copies of cancelled checks, receipt, etc. To show their attempts to contact parties involved, the applicant may attach to the affidavit returned unopened, unclaimed, or undeliverable certified mail. The applicant may make inquiries by telephone, through the internet, and by personal contact; however, the returned mail and receipt may be the only actual proof of the attempts.

- 3.4 **Amateur-Built and Non-Type Certificated Aircraft.** [14 CFR 47.33(c) and paragraph 2.2.5.g(1)] The applicant for registration of an amateur-built or other non-type certificated aircraft is required to submit an affidavit of ownership and to furnish a description of the aircraft for coding purposes. The description shall include the name of the manufacturer/builder, model, serial number, class of the aircraft, number of seats, and whether the aircraft is for land or water operation. It must also describe the engine manufacturer, model, and number of engines. Most often, applicants will submit the Affidavit of Ownership for Amateur-Built and Other Non-Type Certificated Aircraft(-88). Blocks 1 and 2 on the form are used for amateur-built aircraft. If block 1 **or** block 2 is marked, an engine serial number is not required. An affidavit that does not show the engine serial number may be accepted if the complete make and model of the engine to

be installed is shown. However, if block 3 **or** block 4 is marked, an engine serial number must be shown as these are **complete** non-type certificated aircraft. If the description is furnished when the applicant asks for the assignment of a registration number, the complete description is NOT required again in his affidavit of ownership. The regulation merely requires the applicant to submit an affidavit stating: 1) the registration number, 2) the aircraft was built from parts, and 3) the applicant is the owner. Currently, if any part of the required description is not shown, the affidavit must be returned for completion before a registration number can be assigned. All items must be filled out even if it just shows N/A, None, etc. None of the blanks should be empty. The “Class” cannot be shown as aircraft since they are all essentially aircraft. It should be one of the items shown on the -88 (i.e. airplane, rotorcraft, etc.) or one of the newer classes of aircraft--hybrid lift including vertical take-off and landing (VTOL) and gyroplane.

Historically, an individual builder’s name was shown as last name first when issuing a make, model, series code (MMSC). Effective April 25, 2011, the MMSC are generally issued as it is shown on the affidavit.

An amendment to an affidavit must also be notarized and, dependent upon the situation, may require a statement that no airworthiness certificate has been applied for or issued.

An Affidavit of Ownership for Amateur-Built Aircraft cannot be accepted in lieu of a recordable conveyance. This form must meet recording requirements, which includes submission of a power of attorney if signed by an agent.

In response to a request by the National Transportation Safety Board, effective October 1, 1998, the builder of an aircraft built from a kit must also submit a bill of sale from the manufacturer of the kit. The serial number on the kit bill of sale can be different than the serial number listed on the -88 and the application. Signatures on the kit bill of sale do not need to be signed in ink or be a printed duplicate of an electronic document that displays an acceptable legible digital signature. Photocopies are acceptable since a kit bill of sale is not recordable.

- 3.5 **Aircraft Assembled to Conform to a Type Design.** (14 CFR 47.33(d) and paragraph 2.2.5.q(1).) Built to Conform statements are no longer accepted in the Registry without additional approvals. This process currently requires approval documents issued by the original aircraft manufacturer.
- 3.6 **Trustee as Applicant** (14 CFR 47.7(c)). An aircraft is eligible for registration if the trustee applicant meets all other requirements and submits an affidavit 1) that each beneficiary and each other person who may have a security interest in the trust is a United States citizen or a resident alien, or 2) that the trustee is not aware of any reason, situation, or relationship (involving beneficiaries or other persons who are not United States citizens or resident aliens) whereby those persons together would have more than 25% of the power to influence or limit the exercise of the trustee's authority.

If registering to a trustee and the affidavit on file is aircraft specific, an affidavit for the new aircraft or a general affidavit that does not specifically describe an aircraft will be needed.

- 3.7 **Voting Trustee.** (14 CFR 47.8.) If a corporation meets citizenship requirements except for the stockholders, it may use a voting trust to qualify as a United States citizen for

purposes of aircraft registration. An LLC may not create a voting trust to qualify for citizenship. A voting trust may, however, be created by a **member** of an LLC to qualify for citizenship.

The voting trust agreement must:

- a. Be binding upon each voting trustee, all noncitizen stockholders, the corporation or association, each other party to the transaction and all of the successors to each party, if any.
- b. Contain a provision for the immediate succession of a voting trustee in case the voting trustee cannot serve.
- c. Provide that the voting trustee will not consult with the noncitizen stockholders, their attorneys or agents.
- d. Not empower a voting trustee to act through a proxy.
- e. Identify each voting interest.

Upon succession, the replacement voting trustee must immediately execute and submit the required affidavit. See below for more information and requirements for a successor voting trustee.

Each voting trustee must execute an affidavit stating the four factors outlined in 47.8(a)(2)(i)(ii)(iii) and (iv). This affidavit must be signed in ink or be a printed duplicate of an electronic document that displays an acceptable legible digital signature.

If the voting trustee is a trust company, the affidavit of citizenship must state the company meets citizenship requirements, not the trustee of the trust.

The application for registration should be completed by the corporate applicant to identify the voting trustee on its face. The application form was revised so it would be obvious that the applicant qualifies as a United States citizen by a voting trust.

The voting trustee never signs an application or conveyance affecting the aircraft. The voting trustee merely takes the place of the foreign stockholders where their interest is affected in the ordinary business operation of the corporation.

All trusts and amendments are reviewed for acceptability. The following elements are examined when reviewing voting trusts:

1. That it complies with 14 CFR §47.8
2. That it provides for a successor trustee
3. That there is a 'no proxy' clause in the trust
4. That the voting interest is identified, and
5. That the trust instrument has the appropriate signatories, i.e., signed by a corporate or managerial officer.

Trusts involving non-citizens are reviewed in accordance with the 2013 Policy Clarification statement published in the Federal Register.

Successor Voting Trustee. If the original voting trust instrument has already been reviewed and accepted in the trust files, any new documents reflecting the appointment of a successor voting trustee may be reviewed by the examiner to determine if the new documents are acceptable. If, there are other issues with the documents, they should be reviewed further.

Successor voting trustee documents are processed using the following guidance:

- a. A death certificate is not required, if it is filed the Registry should accept it.
- b. Appointment document is reviewed to determine that a successor voting trustee has been appointed, and the document is signed by a corporate or managerial officer of the corporate registered owner. If the appointment document is signed by a stockholder only, return it for the ink signature of a corporate or managerial officer.
- c. New voting trustee must submit an original affidavit that meets the requirements of 14 CFR §47.8(a)(2). The affidavit executed by the voting trustee must represent:
 1. The voting trustee is a citizen of the United States within the meaning of 49 U.S.C. 40102(a)(15).
 2. That each voting trustee is not a past, present, or prospective director, officer, employee, attorney, or agent of any other party to the trust agreement;
 3. That each voting trustee is not a present or prospective beneficiary, creditor, debtor, supplier or contractor of any other party to the trust agreement;
 4. That each voting trustee is not aware of any reason, situation, or relationship under which any other party to the agreement might influence the exercise of the voting trustee's totally independent judgment under the voting trust agreement.
- d. A new Application for Aircraft Registration must be submitted to reflect the new voting trustee's name on the voting trustee line. The application must also be completed to meet the other requirements for an acceptable application, i.e., ink or digitally signed by a corporate or managerial officer, typed or printed name, physical address, no strikeouts, etc. **Remember, the voting trustee does not sign the application.** No fee is required, because there is no certificate issued.

3.8 **Affidavits Affecting Assignment of Registration Numbers.**

- a. **Foreign Registration not Ended** (14 CFR 47.15(a)(3)(ii)) An affidavit for imported aircraft may be accepted when the affiant asks for the assignment of a registration number and certifies that the registration number will not be placed on the aircraft until foreign registration has ended. The authority to use the number expires in 90 days unless an application for registration is received within the 90 days.

The affidavit is placed in the record established for the aircraft. We advise the affiant of the requirements for registration.

- b. **Foreign Registration Ended** (14 CFR 47.15(a)(3)(i)). A registration number may be assigned upon request and receipt of an affidavit from an owner showing that foreign registration has ended. The authority to use the number expires in 90 days unless an application for registration is received within that period of time.

If a confirmation of deregistration is not received from the foreign country, any affidavit certifying that the foreign registration has ended is reviewed for consideration. The affidavit should state the steps the affiant took to try and obtain the confirmation. Some foreign countries have not cooperated in regards to civil aviation. This is not a normal process.

- 3.9 **Light-Sport Aircraft.** [14 CFR 47.33(c) and paragraph 2.2.5.g(4)] The applicant for registration of a light-sport aircraft is required to submit an Affidavit of Ownership for Experimental or Special Light-Sport Aircraft (-88A) completed by the light sport manufacturer. The affidavit must furnish a description of the aircraft that includes the name of the manufacturer, model, serial number, class of the aircraft, number of seats, and whether the aircraft is for land or water operation. The affidavit must also describe the make, model, and serial number(s) of each engine. If any part of the required description is not shown, the affidavit must be returned for completion before a registration number can be assigned.

All light-sport aircraft registered after January 31, 2008, must meet consensus standards. The -88A was modified to change the criteria for the Second Option aircraft. The “First Option” aircraft are those complete aircraft built by the light sport manufacturer, and the “Second Option” aircraft are those “unassembled” aircraft built by a manufacturer. Although these are “unassembled”, they are considered ‘aircraft’. A bill of sale from the light-sport manufacturer marked “kit”, it should be returned to reflect it is an aircraft bill of sale. Regardless of which option is selected, the affidavit must be signed by the manufacturer. An amendment to an affidavit must also be notarized and, dependent upon the situation, may require a statement that no airworthiness certificate has been applied for or issued.

There are still some “old” light-sport aircraft that did not register by the January 31, 2008 deadline. These can be registered, but not as a light-sport aircraft. The owner will need to complete an Affidavit of Ownership for Amateur-Built and Other Non-Type Certificated Aircraft and use block option 4.

The Registry began issuing Aircraft Registration Assignment Cards, (-56 card), to eligible light sport aircraft manufacturers in early 2010. For a light sport manufacturer to make an assignment of an N-Number using a -56 card also requires submission of a completed -88A.

- 3.10 **Unmanned Aircraft System (UAS).** See 2.2.5g(5) and 14 CFR Part 48. FAA defines an unmanned aircraft as one that is operated without the possibility of direct human intervention from within or on the aircraft. In the past, these aircraft were sometimes called “unmanned aerial vehicles,” “remotely piloted vehicles,” or “unmanned aircraft.” FAA and the international community have adopted the term “unmanned aircraft system” to designate them as aircraft and to recognize that a UAS includes not only the airframe, but also the associated elements—the control station and communications links. The capabilities of UAS differ from manned aircraft in several ways. UAS vary widely in size, shape, and capabilities. Some UAS have a wingspan of 130 feet. Others, because

they do not need the power or physical size to carry a pilot, can be small and light enough to be launched by hand.

For small unmanned aircraft operated by the current owner for hobby or recreation prior to December 21, 2015, the owner was required to register under Part 47 or the interim final rule of Part 48 no later than February 19, 2016. Any small unmanned aircraft purchased for hobby or recreation beginning December 21, 2015, registration is required prior to operation of the aircraft.

Effective March 31, 2016, most small UAS operated as other than model aircraft were directed to register aircraft under Part 48. Registration under Part 48 is appropriate unless the UAS weighs 55 pounds or more, the small UAS is registered through a trust or voting trust, or if the applicant plans to operate internationally. In these instances, the applicant is required to register like manned aircraft under 14 CFR Part 47.

An applicant for registration of a UAS should submit an affidavit which includes the name of the manufacturer/builder, model, serial number, class of the aircraft, the type of engine, and number of engines. The affidavit must include wording to the effect that the undersigned certifies the information and statements provided herein are correct, the sUA/UA is not registered under the laws of any foreign country, and the undersigned is the rightful owner. The applicant should attach a bill of sale, purchase order, receipt, etc., from the UAS manufacturer, builder, or retail vendor. Suggested wording for the affidavit is located on our website at

http://www.faa.gov/licenses_certificates/aircraft_certification/aircraft_registry/media/sUA_Affidavit.pdf.

The applicant for registration of a UAS may submit the Affidavit of Ownership for Amateur-Built and Other Non-Type Certificated Aircraft(-88), with the pertinent information completed and indicate the aircraft is a UAS. One of the four blocks must be checked.

“Unmanned” systems may be built from radio controlled (RC) kits. RC kits are not considered amateur-built kits. RC kit bills of sale are not required; however, if submitted, they may be accepted to the record.

CHAPTER 4. AIRCRAFT SECURITY CONVEYANCES, LEASES, AND NOTICES OF LIEN

INTRODUCTION. Title 49 U.S.C. 44107 provides for the establishment and maintenance of a system for the recording of lien instruments which affect title to, or an interest in, aircraft.

The FAA Aircraft Registry may record security conveyances executed by the debtor (owner or obligor), statutory liens, and judgment liens. Statutory liens are liens provided by law, such as State tax liens, artisan's liens, storage liens, and liens for wages and child support. Judgment liens are liens ordered by a court. A notice of federal tax lien is not recordable with the FAA since no property is described in the notice. This Chapter contains six sections.

Section One identifies various types of security conveyances.

Section Two is reserved.

Section Three describes leases, including "truth-in-leasing" and foreign air carrier leases. (Leases which are considered as conditional sales contracts are described in Chapter Two.)

Section Four pertains to notices of tax liens.

Section Five concerns notices of liens (artisan, storage, etc.)

Section Six pertains to the rejection of lien instruments and requests for additional information and/or documents.

SECTION 1. AIRCRAFT SECURITY CONVEYANCES

4.1.1 **General.** This section pertains to various instruments executed for security purposes on aircraft. Regardless of the title of a document, close examination should be made to determine if it qualifies as a security conveyance.

4.1.1.a **Definitions.**

Collateral Note – Most notes entitled “collateral note” contain a security interest clause and are treated as a security conveyance.

Conveyance – A bill of sale, contract of conditional sale, mortgage, assignment of mortgage, or other instrument affecting title to, or interest in, property.

Debtor – Term used under the Uniform Commercial Code to designate a person who is obligated on chattel paper (conditional sales contract, chattel mortgage, trust receipt, equipment trust agreement, etc.). The person who owes payment or other performance of the obligation secured, whether that person owns the property or has rights in the property.

Secured Party – Term used to designate the lender, seller, or other person in whose favor there is a security interest, including the assignee to whom accounts, control rights, or chattel paper has been sold. Under an indenture of trust, equipment trust agreement or the like, represented by a trustee or other person, the representative is the secured party.

Uniform Commercial Code – One of several model uniform laws drafted by the National Conference of Commissioners on Uniform State Laws and the American Law Institute. The UCC governs commercial transactions including commercial paper, contracts, leases, and secured transactions. The UCC has been adopted in whole or substantially by all states.

4.1.1.b **Conventions and Treaties.**

Geneva Convention – The Convention on the International Recognition of Rights in Aircraft is referred to as the Mortgage Convention. This convention provided for the recording of conveyances against any registered aircraft, engines and propellers rated at or capable of absorbing 750 take-off horsepower or its equivalent, and spare parts maintained by or on behalf of a certified air carrier. It also requires that prior to the export of an aircraft from the U.S. Civil Aircraft Register all consensual liens and leases subject to the Geneva Convention be released, terminated, or consented to by the holder of the recorded right. When aircraft are exported from the U.S., our confirmation of deregistration message includes a statement regarding the outstanding Geneva liens and leases or the fact that there are no outstanding liens.

Cape Town Treaty – The Convention on International Interests in Mobile Equipment and the Protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Aircraft Equipment; are collectively referred to as the Cape Town Treaty.

The Treaty is a mortgage type convention similar to the Geneva Convention; however, it affects interests in certain types of aircraft objects, which include: **(1) Airframes** (other

than those used in military, customs or police services) that are type certified by the competent aviation authority to transport at least 8 persons, including crew; or goods in excess of 2750 kg; **(2) Helicopters** (other than those used in military, customs or police services) that are type certified by the competent aviation authority to transport at least 5 persons, including crew; or goods in excess of 450 kg; and **(3) Aircraft Engines** (other than those used in military, customs or police services) that in the case of jet propulsion aircraft engines, have at least 1750 lb of thrust or its equivalent; and in the case of turbine-powered or piston-powered aircraft engines, have at least 550 rated take-off shaft horsepower or its equivalent. **NOTE:** The Cape Town Treaty does not affect propellers.

The Cape Town Treaty affects security conveyances executed on or after March 1, 2006, therefore, if the collateral is subject to the Cape Town Treaty, the security conveyance must include the date of execution.

Refer to 4.6.2 for more information on rejected documents.

4.1.1.c **Unacceptable Financing Documents**

Disclosure statement-Among other things, it gives the finance charges expressed in dollars and the annual percentage rates stated in true percent. It originated under the Consumer Credit Protection Act sometimes called "Truth-in-lending." Those statements are returned to the secured party as they are not needed for FAA records. Return the statement to the submitter advising the submitter of how to file a security conveyance.

Financing statement-It is used to give "notice" of the security agreement at State and local levels. It does not create a security interest but rather provides notice that there is one. Financing statements are not kept in the aircraft records. Return the statement to the submitter advising the submitter of how to file a security conveyance.

Promissory note - A written promise to pay a stated sum of money at a future time to the person named or to the order of the bearer. A promissory note does not create or grant a security interest in collateral. An original promissory note is returned to the holder. Return the statement to the submitter advising the submitter of how to file a security conveyance.

4.1.2 **Types of Security Conveyances**. This section describes various types of security conveyances. It also describes signature requirements for each type. Refer to Section 4.1.8 for the eligibility requirements for recording.

While all security conveyances should be carefully reviewed, supplements and amendments that substitute collateral must also be reviewed to determine if the document is replacing collateral, or replacing **and** releasing collateral. If the collateral is being replaced but not released, then the document should be treated as a supplement. If however, the collateral is being replaced **and** released, then the document should be treated as a substitution agreement.

- a. **Accommodation Agreement (Hypothecation)**. It pledges as security the property of one person for the debt of another. It is signed by the aircraft owner while the security conveyance is signed by the debtor. If it is a separate document, the

hypothecation agreement must describe the original security agreement in sufficient detail. Each instrument must meet the signature requirements.

If a corporation pledges its aircraft for the personal debt of one of its corporate officers, it is accepted without a copy of the resolution by the board of directors.

The notice of recordation is completed to show the names of the debtor and the owner of the aircraft in the "name of the debtor" block. Each is identified as "debtor" or "owner."

- b. **Amendment.** §49.17(d)(4). An amendment modifies or alters the terms or provisions of a security conveyance. It affects all outstanding eligible collateral on the original security document and supplements. An amendment is signed by the debtor/owner and describes the original conveyance in enough detail to identify it. The collateral should be described in the amendment.

If the amendment adds, replaces and/or releases described collateral but does not modify or alter other terms of the original security agreement then the document should be treated as a supplement or substitution agreement.

Utilization of a copy of a previously recorded document to amend the original document is not acceptable.

NOTE: A one page amendment to a security conveyance in which the debtor and secured party have signed separate pages must include counterpart language. Since the amendment can only be recorded once, counterpart language is required to be considered one document.

Amended and Restated. If the document has language indicating that it is amended and restated "in its entirety" or the original instrument is "superseded," it should be treated as a new, stand-alone document. The same is true if the document indicates that it amends, replaces and supersedes that certain security conveyance. Most of these will include a description of an earlier conveyance, but it should be treated as informational only. An amended and restated security agreement is signed by the debtor/owner and should describe the original conveyance being restated. If it is filed on a Cape Town eligible aircraft, an IDERA could be acceptable.

If the document does not have language to the effect that it is amended and restated "in its entirety," or "replaces or supersedes the original," then it should be treated as an amendment to the earlier conveyance described. Even if the aircraft involved is now Cape Town eligible, an IDERA is not acceptable.

If the amended and restated document is considered a new, stand-alone document, and includes language that the document is being amended to include previously ineligible engines, engines that were not large enough to record against under the Geneva Convention may now be recorded against.

SEE ADDITIONAL NOTE AT END OF THIS SECTION.

- c. **Assignment.** §49.17(d)(3). It is a transfer of the right or interest in property by one person to another. An assignment may be attached to or be a part of the original

conveyance. If it is received after the lien conveyance is recorded, it must describe the lien by its date, parties, date of FAA recording, and the recorded conveyance number or in sufficient detail to identify it. It is signed by the person or entity assigning the interest. The collateral should be described in the amendment.

SEE ADDITIONAL NOTE AT END OF THIS SECTION.

- d. **Assumption Agreement.** §49.17(d)(3). It is an agreement whereby a person adopts a debt or obligation, primarily resting upon another, and becomes liable for its payment. It must be signed by the new obligor. A document considered to be an assignment and assumption agreement should be signed by the assignor and the new assignee/obligor. An assumption agreement may contain a clause that transfers ownership of the aircraft and, in such case, may serve as a transfer of interest and an assumption. See paragraph 4.1.2.n. An assumption agreement must describe the original conveyance by its date, parties, date of FAA recording, and the recorded conveyance number or in sufficient detail to identify it. The collateral should be described in the agreement.

The secured party may release the original debtor from any further obligation.

SEE ADDITIONAL NOTE AT END OF THIS SECTION.

- e. **Bill of Sale to Secure a Debt.** This document is used by some states as a security conveyance. It must be signed by the debtor/owner.
- f. **Chattel Mortgage.** It is a transfer of some legal or equitable right in property or the creation of a lien on the described property. It must be signed by the debtor/owner.
- g. **Conditional Sale.** A conditional sale instrument must be signed by all parties and may be:
 - (1) A contract of conditional sale under which possession is delivered to the buyer and the property is to vest in the buyer upon compliance with the terms of the contract;
 - (2) A lease with option to purchase if the option price at the end of the term is ten percent or less of the aircraft value at the time the lease is executed; or
 - (3) A bailment lease under which possession of the aircraft is delivered to the bailee, and the bailee is bound to pay a sum substantially equivalent to the aircraft value.
- h. **Deed of Trust.** It is fundamentally the same as a security agreement except the security interest is conveyed to a trustee not the creditor. A "Trust Indenture" may be used when there are numerous creditors. No appointment document is required for the trustee because the security interest is conveyed to the trustee. When the debt is satisfied, the trustee releases the lien. It must be signed by the debtor/owner.
- i. **Security Agreement.** It is an instrument used under the UCC to replace all former descriptive terms such as chattel mortgage, trust receipt, deed of trust, etc. It transfers an interest in property to serve as collateral for a debt. It must be signed by the debtor/owner. [See NOTE at section 4.1.8(f)].

- j. **Subordination Agreement.** It is an agreement to make one security conveyance subordinate to another (e.g. – lowers the priority of the lien to another). It must describe the original conveyance being subordinated by its date, parties, date of FAA recording, and the recorded conveyance number or in sufficient detail to identify it. It is signed by the holder of the subordinated conveyance. The collateral associated with the subordinated agreement should be described.

SEE ADDITIONAL NOTE AT END OF THIS SECTION.

- k. **Substitution Agreement.** A substitution agreement is the exchange of collateral for other collateral. It must describe the original conveyance by its date, parties, date of FAA recording, and the recorded conveyance number or in sufficient detail to identify it. It is signed by the debtor/owner and the secured party. A document which replaces and releases described collateral should be treated as a substitution.

If a substitution agreement is filed with a partial release releasing the collateral that is being substituted, and they have the same date, the substitution agreement should be recorded before the release to add the new collateral.

Examiner will complete a Cross-Reference-Recordation (-23), form to reflect the recording number and location of the original conveyance and the master location. The cross-reference should indicate what collateral is replaced and released.

- l. **Supplement.** §49.17(d)(4) A supplemental agreement adds collateral to a security conveyance. It must describe the original conveyance by its date, parties, date of FAA recording, the recorded conveyance number or in sufficient detail to identify it, and meet the signature requirements of the original conveyance (e.g. – signed by all owners/debtors to the original conveyance. A document where the collateral is being replaced but not released should be treated as a supplement adding only the new collateral.

There may also be instances where a supplement involves a master security conveyance that does not include any actual collateral. The ink or digitally signed supplement is usually submitted with a copy of the master security conveyance attached. The supplement may actually grant a security interest in the described collateral, but state that the interest is granted in accordance with the terms and conditions of the generic master security conveyance which is attached. In this instance, the supplement is recorded with the copy of the master agreement attached to it.

A supplement may be titled “Addendum.” If one is received and the security conveyance the addendum supplements was never filed, the addendum will be returned to be resubmitted along with the original ink or digitally signed security conveyance that it supplements. Since the addendum is supplementing the original security conveyance, they must be filed together and recorded as one document. There is only one recording fee required for each piece of collateral since the documents are recorded as one.

- m. **Three-party Security Agreements.** Three party security agreements name a debtor as the first party, a trustee as the second party, and a lender as the third party. An interest in the collateral is conveyed to the trustee. It must be signed by the debtor/owner.

The holder (bank) of the promissory note may appoint another person or succession of persons to act as trustee. The appointment of other trustees may be made by an officer of the bank, vice president, secretary or treasurer.

When the debt is satisfied, a release may be signed by the trustee or the holder of the note.

The Notice of Recordation – Aircraft Security Conveyance is prepared with the trustee's name and is addressed in care of the holder of the note.

- n. **Transfer of Interest Agreement.** A transfer of interest agreement (transfer of ownership subject to a recorded security conveyance) whereby the transferor (seller) conveys all of his right, title, and interest in an aircraft to the transferee (buyer) is eligible for recording as evidence of ownership. The instrument may contain an assumption clause pertaining to the recorded security agreement. If the transferee is assuming the obligation, then the transferee and the transferor must sign the agreement. It should describe the original lien conveyance by the collateral, date, parties, date of recording, and the conveyance number or in sufficient detail to identify it.

A recording fee, in addition to the registration fee, is required.

The holder may release the original debtor from any further obligation. If a release is received, it is recorded after the transfer of interest.

If a bill of sale is received with the transfer of interest, the bill of sale is considered the controlling ownership document.

- o. **Cross-collateralization.** One method of default protection used by lenders is “cross-collateralization.” A lender may advance several loans on different aircraft, each secured by a separate lien instrument. By means of “cross-collateralization,” the aircraft that serve as collateral for the individual loans are also pledged against each of the other loans; a default of one constitutes a default on another. To add some additional enforcement penalties to the cross-collateralization mechanism, the lender can use “cross-default,” whereby the lender can call every loan within the pool upon default of a single loan. This “pooling” mechanism reduces the risk of default. It must be signed by the debtor.

A cross-collateralization instrument may be recorded if all individual security instruments covered by it have been previously recorded with the FAA. The cross-collateralization instrument must describe each of the aircraft involved and its previously recorded security instrument. “Cross-collateralization” may also be incorporated into an original security instrument, as long as the instrument grants an interest in that specific aircraft and goes on to describe the other aircraft and liens that are to be cross-collateralized with it.

SEE ADDITIONAL NOTE AT END OF THIS SECTION.

- p. **Omnibus Agreement.** An omnibus agreement is generally **ONE assignment that covers several separate original security agreements.**

SEE ADDITIONAL NOTE AT END OF THIS SECTION.

- q. **Transfer Statements.** These statements are acceptable only in connection to a repossession of a security interest. In a default situation, the regulations provide for the recording of a certificate of repossession to address ownership of an aircraft. If, however, the repossessed aircraft was also subject to a lease, there was no apparent way for a repossessing party to document its interest in the lease.

The FAA Chief Counsel published an opinion in the Federal Register on November 17, 2006, regarding the acceptability of Transfer Statements. UCC Section 9-619 provides a mechanism by which a foreclosing secured party may cause the record to reflect its rights in leases. A transfer statement must describe the subject aircraft and outstanding lease(s) and include (at a minimum) the following:

- (1) That the debtor has defaulted in connection with an obligation secured by specified collateral.
- (2) That the secured party has exercised its post-default remedies with respect to the collateral.
- (3) That, by reason of the exercise, a transferee has acquired the rights of the debtor in the collateral.

Acceptable transfer statements are stand-alone documents. They evidence the secured party's accession to the rights of the registered owner (lessor) in an outstanding lease. It allows the secured party to execute an assignment of that interest to a new owner or to execute a release/termination of the lease. Transfer Statements must include appropriate signatures, titles, descriptions of collateral and pertinent documents, and recording fees.

NOTE: For an instrument that assigns or amends other previously recorded security instruments, the collateral should be described. The original conveyance(s) must be clearly described in enough detail to identify it.

- r. **Irrevocable Deregistration and Export Request Authorization (IDERA)** – A form provided for in Annex 2 of the Protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Aircraft Equipment. The IDERA allows the person in whose favor the authorization has been issued (the authorized party) or its certified designee to be the sole party entitled to exercise the default remedies allowed for under the Treaty. In accordance with those remedies, the authorized party or its certified designee is also the sole party entitled to request deregistration of the aircraft for the purposes of export. The owner(s) of the aircraft must sign the IDERA and include appropriate title(s), if applicable. An IDERA is only acceptable for security conveyances against aircraft-- this does not include straight leases. If the IDERA is attached to and made part of the security conveyance and lists engines only, the engines are considered surplusage and ignored. If however, the IDERA is filed separately and lists engines only, it is returned as not needed for FAA records.

The IDERA may be attached to and/or made part of the security conveyance, or may be filed as a separate document. If attached to or part of the security conveyance, the IDERA will be imaged with the security conveyance. Both the security conveyance

and the IDERA must be deemed acceptable before the security conveyance can be recorded. If either document is not acceptable, they must be rejected together for completion, correction, etc. Upon acceptance the IDERA does not receive any marking indicating its acceptability; the recording of the security conveyance would display its acceptability. If filed as a separate document, the IDERA must describe its related security instrument in sufficient detail to identify it, e.g., recording number or filing date. Filed separately, the security conveyance could be recorded, if acceptable, while the IDERA could be rejected for completion, correction, etc.

Security conveyances filed separately from the IDERA may be recorded even though the IDERA must be rejected. However, an IDERA may not be accepted unless or until the security conveyance is recorded. If the security conveyance is rejected, a separately filed IDERA must be suspended pending recording of the security conveyance. The IDERA is valid as long as its related security conveyance is outstanding, unless it has been extinguished by the parties.

NOTE: An IDERA is not acceptable on a straight lease. These may contain a collateral assignment for security purposes to the mortgagee/security trustee. In this case, you have a debtor and secured party, but the secured party only granted an interest in money, not the aircraft.

NOTE: We may accept an IDERA on a lease that qualifies as a conditional sales contract (CSC). In this case, the debtor is the owner for registration purposes and the secured party has been granted an interest in the aircraft.

Refer to 4.6.2 for information on rejected documents.

4.1.3 **Future Holders.** The state of Louisiana permits the use of security conveyances naming the holder as "future holder." The security conveyance usually names a representative for the future holders.

4.1.4 **Disclaimers.** An instrument disclaiming interest or a purported interest in a specific aircraft is eligible for recording. The disclaimer must meet the signature and title requirements for recording. A fee of \$5 is required for each piece of collateral.

A disclaimer does not release a recorded interest, such as a security agreement. It is appropriate for notations of liens made on the older editions of the suggested bill of sale form. If we receive a disclaimer for a recorded lien that has not been released, we will need to reject for a recordable release for the recorded interest.

When a disclaimer describes an unrecorded security conveyance and is accompanied by the recording fee, the disclaimer is recorded and the unrecorded security conveyance is appended to it.

A document with release and disclaimer language should be looked at carefully. This type of document is submitted for the purpose of being a release and a disclaimer of purported interest in an aircraft or other collateral. If the document refers to a recorded conveyance and is executed by the appropriate secured party, and, then it is treated as a release. No fee is required. However, if the document refers to an unrecorded or non-recordable conveyance and is executed by the appropriate party then it is treated as a disclaimer. The appropriate recording fee is required.

- 4.1.5 **Lis Pendens, Petitions or Complaints.** These documents are notices, not "conveyances" as defined in 49 U.S.C. 40102(a)(19), and are returned to the submitter without a copy of the rejection letter being placed in the aircraft file.

Notices previously placed in suspense. Any of these notices found during examination must be returned to the submitter without a copy of the rejection letter being placed in the aircraft file.

- 4.1.6 Intentionally left blank. (Original 4.1.5 and 4.1.6 combined into 4.1.5.)

- 4.1.7 **Letter of Indemnity.** An indemnity instrument, also referred to as a hold-harmless agreement, is made by one person for the purpose of securing another person against an anticipated loss or damage which may arise from the claim or demand of a third person. The first person agrees to make good any damages that may be suffered.

A letter of indemnity is not recordable, but may be made a part of an aircraft record if it is submitted as an attachment to an ownership conveyance.

If submitted separately, a letter of indemnity is returned to the submitter. No copy or correspondence pertaining to it is placed in the aircraft record.

The person signing the letter of indemnity may indemnify the present purchaser and subsequent purchasers from any loss or damage arising from a particular instrument in an aircraft record.

A letter of indemnity shall describe the aircraft and the instrument to which it pertains by the date, names of parties, conveyance number, and date of recording or, if the instrument has not been recorded, by the date of filing.

An indemnity instrument does not in any way serve as a release of a lien.

- 4.1.8 **Eligibility for Recording.** A security conveyance is eligible for recording when:

- a. **It affects aircraft registered** under 49 U.S.C. 44103. In order to record a security instrument, the aircraft must be in a valid registration status.
- b. **It describes the aircraft** by name of manufacturer, model, manufacturer's serial number, and U.S. registration number or in sufficient detail to identify it. Descriptions in parenthesis are generally considered the International Registry description and not recorded against.

NOTE: Security conveyances should show the aircraft description.

- c. **It shows legal name** of the debtor.
- d. **It is an original, a duplicate original, or a certified true copy.** A certified copy is acceptable if accompanied by the original conveyance or an affidavit stating why the original conveyance is not available (e.g., original filed in State, etc.). The certified copy must include a statement indicating that it has been "compared to the original" or "is a true copy of the original", or words to that effect. A statement indicating

“Certified Copy” appearing with a signature is not acceptable in accordance with 14 CFR 49.21.

- e. **It shows title of the signer**, if appropriate. (See 4.6.1c)
- f. **It is (1) executed** by the registered owner, (2) executed by the owner of record, (3) accompanied by the debtor's evidence of ownership, (4) accompanied by an accommodation agreement (hypothecation), or (5) signed by the lessee and the described lease agreement qualifies as a conditional sales contract and is either previously recorded or accompanies the security agreement, in which case the lease agreement is recorded first.

NOTE: Some security conveyances may show a debtor/borrower who is not the owner of the aircraft AND show the registered owner as the grantor. The document must be examined to ensure that the grant of security interest is made by the grantor (owner). The security conveyance must be signed by the grantor/owner. In this case, the grantor/owner's name, signature and title should be correct. Signatures, appropriate titles, and/or LLC documents are not required for debtors that are not the registered owner except in the case of a hypothecation agreement.

- g. **It (1) contains** sufficient words to convey a security interest in the aircraft or a security interest in the leasehold interest, (2) includes sales and title retention clause for a contract of conditional sale, or (3) contains a purchase option which qualifies a lease as a conditional sales contract or statement that the bailee becomes the owner upon compliance with the terms of a bailment lease.
- h. **It is accompanied** by the recording fee. It is the policy of the Registry to record conveyances made to Federal Agencies (e.g., - SBA, etc.) without recording fees.

4.1.9 **Certified Copy, Duplicate or Return of Original.**

- a. **Certified Copy Received with Original.** Unless a cover letter specifies the recording of the original conveyance, we record the certified copy and return the original with the recording data. The certified copy may contain duplicate ink, digital, or copy signatures with the certification statement. The certification must be signed in ink or contain an acceptable digital signature. The certification statement must meet the requirements of 4.1.8d. An original and certified copy of an IDERA should be handled the same way.
- b. **Security Conveyance Received in Duplicate.**
 - (1) **If a security conveyance is received** in duplicate (two originals), we will record one original and return the second original to the submitter without recording data. If fees are paid for each original received, both are recorded.
 - (2) **If the copy received with the original is not a certified copy** and there is no reason to withhold recordation, we will return the copy with the Notice of Recordation – Aircraft Security Conveyance marked "Returned For Your Records, Not Needed For FAA Files." The copy is returned without recording data.

- (3) **A security conveyance** submitted with the fee, if properly executed, may be recorded even though it appears to be a duplicate of a previously recorded lien. When released, a release instrument is required for each recorded lien.

c. **Request for Return of the Original Security Conveyance.**

- (1) **When an original conveyance is received with a request for its return**, we will send it back to the submitter outlining the requirements of 14 CFR 49.21.
- (2) **Request for Substitution of a Certified Copy for Original of Recorded Instrument**. If the conveyance has been recorded and has been imaged, the requester is sent a letter stating that the original recorded conveyance is not available and advising that a certified copy of the record may be provided upon receipt of a request and appropriate fees.

4.1.10 **Debtor/Ownership**. The name of the debtor must be substantially the same as that of the registered owner, the owner of record, or lessee on a lease which qualifies as a conditional sales contract. See paragraph 2.1.4 concerning differences in names.

Security conveyances which name other parties as debtors in addition to the registered owner(s) do not affect any ownership interest in property. A security conveyance (other than a hypothecation) may be recorded when it is signed by someone other than the registered owner signs with an unacceptable title or lack of LLC documentation for the other party provided the security conveyance meets the other recording requirements.

- a. **Aircraft Currently Registered to Debtor**. We will record an acceptable security conveyance regardless of its date. NOTE: A security conveyance should not be recorded against an aircraft whose registration has expired. This includes aircraft registered under a Dealer's Aircraft Registration Certificate. If registration or the dealer's certificate has expired, security conveyances including claims of lien cannot be recorded.
- b. **Security Conveyance Accompanied by Ownership Documents**. Provided the ownership documents for the debtor are acceptable, we will record the security conveyance regardless of its date.
- c. **Aircraft Previously Owned by the Debtor and Security Conveyance is Received**. We will record the security conveyance if the date of the lien falls within the time of the debtor's ownership. The security agreement is not recordable if the chain of ownership shows the debtor purchased the aircraft after the date of the security conveyance or sold it before executing the security conveyance.

If the security conveyance is not recordable, we will return it on a Return of Documents letter explaining why it is not acceptable for recording.

- d. **Debtor Never Becomes the Owner**. Security conveyances which have been placed in file awaiting evidence of ownership from the debtor are returned as not recordable when a change of ownership is received bypassing the debtor on the suspended lien. The Return of Documents letter shall explain why the security conveyance is not recordable and describe the instrument by its date, parties, date of filing, and Doc ID.

- e. **Lease Agreement Recorded or Accompanies the Security Agreement.** Security interests in leasehold interests, and assignments thereof, are recordable because the lessee has an interest in the aircraft, even though those interests may be limited by the terms of the lease to possession, use, profits from the use, etc. Any security interest in the aircraft lease is also an interest in the aircraft, since on default the secured party would have the right to assume the lessee's interests under the lease, e.g., operate the aircraft.

The security conveyance is executed by the lessee/debtor and must describe the lease agreement and the aircraft covered thereby. The lease agreement must be either previously recorded or submitted in recordable form with the security conveyance.

- f. **No Recorded Lease to Evidence Debtor's Leasehold Interest.** If no other collateral is identified, the security conveyance is returned as not recordable. If other collateral is identified, record the security conveyance excluding the leasehold interest.
- 4.1.11 **Mortgage by One Partner.** A member of a partnership may not mortgage only his interest in an aircraft. A partnership is one entity, and, therefore, the aircraft must be mortgaged by the same entity. However, a general partner may mortgage his interest with the consent of the general partners.
 - 4.1.12 **Mortgage by One Co-Owner.** A mortgage by one co-owner is recordable provided the conveyance specifically sets forth that the co-owner is mortgaging their interest only.
 - 4.1.13 **Ambiguous Instruments.** Instruments with ambiguous description or content are returned to the submitter for clarification.
 - 4.1.14 **Completeness and Legibility.** A conveyance must be legible and complete. If the instrument contains a reference to "additional terms and provisions on the reverse side," the reverse side must be included. However, if attachments are referenced, such as list of avionics equipment, the attachment is not needed because the security conveyance is complete in itself. Even though the conveyance refers to a promissory note, loan agreement, participation agreement, loan guarantee, etc., these documents are not needed to record the conveyance. The conveyance is acceptable when it meets the requirements set out in 4.1.8.
 - 4.1.15 **Unable to Record Security Conveyance due to Incomplete Registration Conveyances.** When the reject letter is addressed to the applicant, a courtesy copy is sent to the lien holder and vice versa. See 4.6.2 for information on rejected documents.
 - 4.1.16 **Submission of Security Conveyances after the Registration is Revoked or Cancelled.** Security conveyances may not be recorded on aircraft that are in an expired, unregistered or cancelled status. On a revoked aircraft, the procedure will vary on a case to case basis.

On a cancelled aircraft, the security conveyance is returned on a Return of Documents letter.
 - 4.1.17 **Law Governing Validity of Documents.** 49 U.S.C. 44107(c) provides for an acknowledgment, i.e., notary, etc., on conveyances and other instruments; however, 14 CFR 49.13(c) specifies that no conveyance or instrument need be acknowledged for

recording purposes. Persons must look to applicable local law to determine whether acknowledgment is required for an instrument to be valid (as opposed to recordable.)

4.1.18 **Acceptance of Certain Agreements as Evidence of Ownership.**

- a. **A conveyance entitled "security agreement"** which contains a title retention clause, accompanied by a bill of sale is recorded as a security conveyance.
- b. **When a security agreement retains title** in the secured party, or its assignee, and is **NOT** accompanied by a bill of sale, it is considered as a conditional sale contract. See Conditional Sales, Chapter 2.
- c. **Sales contracts which incorporate** words of transfer, when signed by both parties, will be recorded as evidence of ownership. A registration fee and recordation fee are required to register the aircraft and record the lien.
- d. **When a bill of sale accompanies any security conveyance** which might in itself be evidence of ownership, we treat the bill of sale as the controlling ownership document and the security conveyance as a chattel mortgage.

4.1.19 **Request for Recordation Fees.** Recordation fees are requested from the mortgagee/assignee.

4.1.20 **Security Conveyance covering Multiple Aircraft.** Our system is set up to automatically create a cross-reference sheet on security conveyances covering multiple aircraft.. A cross reference is prepared for each supplement or substitution agreement no matter how many pieces of collateral to note the master location and master agreement. A cross reference must also be prepared when the security conveyance includes eligible other collateral. For a security conveyance covering multi-documents/omnibus agreements see paragraph 4.1.2p.

For a security conveyance covering multiple collateral including engines, propellers, and/or spare part locations, refer to Chapter 7.

4.1.21 **Security Conveyances Affecting Registered, Expired, Cancelled and/or Unregistered Aircraft.** One of the requirements for recordation of security conveyances is that the aircraft be registered under Chapter 441 of Title 49 U.S.C. We verify that all aircraft listed on the security conveyance are currently registered. A security agreement would not be recordable against a cancelled or unregistered aircraft, or one for which the registration had expired.

Expired. Security conveyances should not be recorded against aircraft whose registration has expired even if the security conveyance was executed prior to expiration. If an otherwise correct security conveyance is received for an expired aircraft, the document should be suspended and the secured party advised of the registration requirements. The security conveyance may be recorded when the registration has been renewed.

Cancelled and/or Unregistered. A security conveyance (includes initial conveyances and amendments or assignments to previously recorded conveyances) affecting one or more registered aircraft and one or more cancelled or unregistered aircraft cannot be

recorded unless the submitter/holder requests partial recording. If requested, the security conveyance would be recorded as to the registered aircraft. If the instrument is not accompanied by a request for partial recording, the submitter/holder is notified of the registration deficiencies. If after notification, we are requested to record the eligible aircraft, the recordation is accomplished. The request for partial recording is deleted. Fees are paid for the eligible collateral only.

Once a cancelled or unregistered aircraft is re-registered, the security conveyance, assignment, or amendment may be resubmitted with the appropriate fee for recordation against that aircraft. The instrument may be an ink-signed copy, a certified true copy of the original, or a duplicate of an electronic document that displays acceptable, legible digital signatures. A certified true copy may not reflect the previous filing date and/or the previous recording data.

- 4.1.22 **Notification of Recordation.** When a security conveyance is recorded, a Notice of Recordation – Aircraft Security Conveyance is sent to the secured party. If there is no address for the secured party, claimant, etc., and the conveyance was submitted by a title search company or outside law firm, we will send it to the appropriate title search company or outside law firm. If the holder's address is not available on the document or envelope, no Notice of Recordation is prepared. When a "future holder" conveyance from Louisiana is recorded, the Notice of Recordation – Aircraft Security Conveyance is addressed to the party named as the representative of the future holders in the conveyance, using the address on the cover letter or envelope.

A notice of recordation is prepared for assignments, amendments, assumptions, substitutions, supplements, transfers of interest, etc. Only the collateral listed on a supplement is shown on the notice of recordation. We complete the form to reflect the description of the original security conveyance along with the description of the assignment, amendments, etc.

A notice of recordation pertaining to a security interest in a leasehold interest shall show "leasehold interest in:" above the description of the aircraft.

The notice of recordation shall include the recording data of the original conveyance together with that of the amendment, assignment, assumption, substitution, supplement, and transfer of interest. Our system has a total of four lines to describe the security conveyances. If there is additional recording information beyond the allotted space, the last entry will include "et al", to indicate there is additional recording data not shown on the form.

- 4.1.23 **Cross-Reference - Recordation for Substitution Agreements.** A Cross-Reference is completed to show the type of conveyance, date of execution, parties involved, recording number, date of recording, collateral covered and the description of the original conveyance and its location. If the substitution replaces collateral but does not release any collateral, only the new collateral should be indexed to the document. If it replaces **and** releases collateral, the new collateral **and** the released collateral must be indexed to the document. **If the agreement releases** the collateral originally covered, show that collateral as being released. This is the only instance that a release is shown on any Cross-Reference form.

- 4.1.24 **Cross-Reference - Recordation for Other Security Instruments.** This may include but is not limited to amendments, assignments and assumptions that cover multiple collateral, and supplements. A Cross-Reference is completed to show the type of conveyance, date of execution, parties involved, recording number, date of recording, collateral covered and the description of the original conveyance and its location. If the agreement replaces and but does not release the collateral originally covered, then we show that collateral as being added.
- 4.1.25 **Cross-Reference - Recordation for Lease Expiration.** A Cross-Reference for each security conveyance affecting a leasehold interest will be prepared. The collateral is identified as a leasehold interest and describes the lease to include its expiration date. This applies whether the security conveyance pertains to one or more aircraft. All other items on the form are completed as usual.

SECTION 4.2 RESERVED

SECTION 3. LEASES

- 4.3.1 **General.** Leases which are conditional sales are described in 49 U.S.C. 40102(a)(18)(B)(ii) as “a contract to bail or lease an aircraft....under which the bailee or lessee is to become, or has the option of becoming, the owner of the property on complying with the contract.” Paragraphs 47.5(d), 47.11(a), and 49.17(d) of 14 CFR refer to registration in the name of a bailee or lessee and to the recording requirements of such contracts. Leases not affecting ownership which are submitted for recording for security purposes are mentioned in paragraphs 49.31(a), 49.41(a), and 49.51(a).

Two other types of leases are filed with the Registry but are not be entered on the conveyances index or recorded. One type is the “truth-in-leasing” lease and the other is the lease or charter of foreign registered aircraft to a United States certificated air carrier. Both are further described below.

With the implementation of the Notice of Policy Clarification for the Registration of Aircraft to U.S. Citizen Trustees in Situations Involving of Non-Citizen Trustors and Beneficiaries, effective September 16, 2013, applicants are required to file a copy of each document which legally affects a relationship under the trust. Some of the documents are copies of operating lease agreements that affect the operations of the aircraft. These operating lease agreements are generally photocopies, have no recording fee posted, and are filed as a required by 14 CFR 47.7(c)(2)(i). A copy operating lease agreement should be associated with the pertinent trust agreement. This type of lease agreement should be indexed as a trust and should not be entered on the conveyances index nor recorded. If the operating lease agreement meets the recording requirements then it should be indexed as security conveyance and recorded.

- 4.3.2 **Truth-in-Leasing.** (14 CFR 91.23) Any lease entered into after January 2, 1973, involving aircraft 12,500 pounds or more shall contain a truth-in-leasing clause in the last paragraph of the instrument. It is to be in large print and appear immediately preceding the signature space. A copy of the lease should be mailed within 24 hours of its signing to the FAA Aircraft Registration Branch, ATTN: Technical Section, P.O. Box 25724, Oklahoma City, OK 73125.

These instruments are processed by the Technical Section. Any lease filed in this manner is privileged and confidential information and will not be made available by the FAA for public inspection or copying.

Any truth-in-leasing instruments filed to meet § 91.23 (not intended for recordation) should be delivered to the Technical Section. The instruments are recognized by the fact that (1) they are copies (no ink signatures), (2) there is no recording fee, (3) there is a truth-in-leasing clause, and (4) they are mailed to P.O. Box 25724.

NOTE: Some truth-in-leasing agreements are filed for recordation. A truth-in-leasing agreement which is signed in ink or is a duplicate of an electronic document that displays a legible digital signature should be treated as a lease agreement filed for recordation unless a cover letter states otherwise. Leases containing a truth-in-leasing clause which are filed for recordation with the Registry must meet all recording requirements and be accompanied by the recording fee. See paragraph 4.3.4 for other information.

- 4.3.3 **Foreign Registered Aircraft Leased to United States Air Carriers.** (14 CFR 127.71(b), 14 CFR 135.25(d), and 14 CFR 121.153(c).) An air carrier (holder of an operating certificate) may lease or charter an aircraft, without crew, registered under the laws of a country which is a contracting state of the International Civil Aviation Organization (ICAO). The lessee must file a copy of the lease or charter agreement with the Registry by mailing it to the FAA Aircraft Registration Branch, ATTN: Technical, P.O. Box 25724, Oklahoma City, OK, 73125. This type of lease is delivered to the Technical Section.
- 4.3.4 **Lease Agreement.**
- a. **A lease (not a conditional sale)** is a rental agreement between the lessor (owner) and lessee, whereby the lessee has possession of the aircraft and on the expiration date, the aircraft reverts to the lessor.
 - b. **A lease agreement may be recorded if:**
 - (1) It is the original, a duplicate original, or a certified copy submitted with the original, signed by the lessor and lessee showing titles of the signers, if appropriate. A certified copy alone is acceptable if accompanied by an affidavit stating why the original lease is not available (e.g., original cannot be located, etc.).
 - (2) The lessor, or his assignee, is the registered owner or owner as evidenced by conveyances on file in the Registry. **Note:** For leases of multiple aircraft affecting registered, cancelled, and/or unregistered aircraft, refer to paragraph 4.1.21.
 - (3) It contains sufficient language to reflect the lease is in effect (i.e., - lessor leases to lessee and lessee leases from lessor a specifically described aircraft).
 - (4) It describes the aircraft by manufacturer, model, serial number, and registration number or sufficient detail to identify it.
 - (5) It is accompanied by the recording fee for each item of collateral listed.
 - c. **A sublease may be recorded if:**
 - (1) The original lease is recorded with the Registry and the sublease is identified as such either within the heading or body of the instrument, such as the parties are identified as sub-lessor and sub-lessee or the registered owner is named within the sublease. A recorded sublease is filed in the same "Master" record as the original lease.
 - (2) It is the original, duplicate original, or a certified copy accompanied by the original, signed by the original lessee and the sub-lessee showing titles of the signers, if appropriate.
 - (3) It contains sufficient language to reflect the lease is in effect (i.e., - sub-lessor leases to sub-lessee and sub-lessee leases from sub-lessor a specifically described aircraft).

- (4) It describes the aircraft by manufacturer, model, serial number, and registration number or in sufficient detail to identify it.
- (5) It is accompanied by the recording fee for each item of collateral.
- d. **Assignment by the Lessor.** An assignment of the rental monies executed by the lessor to a secured party is acceptable for recording. The recording fee is required for each item of collateral listed in the lease agreement.
- e. **Notification of Recordation – Aircraft Lease.** Upon recording a lease agreement (not a conditional sale), Notification of Recordation – Aircraft Lease form is prepared and mailed to the lessor.
- f. **Early Termination.** A lease (not a conditional sale) expires by its own terms; however, if the lessor and lessee agree to an early termination of the lease agreement, all parties to the agreement must sign the lower portion of Notification of Recordation – Aircraft Lease which is a termination of lease.
- g. **Release of Lease.** A release of a lease agreement may be recorded if it is signed by one or more of the parties to the lease. Releases are usually filed on lease agreements which have expired.
- h. **Failure to Pay Lease Rentals.** A certificate of repossession may be recorded when executed by the lessor. It signifies that the owner took physical possession of his property before the lease expired.

NOTE: If a one page amendment to a lease agreement is submitted, and the lessor and lessee have each signed a different original, the document must include counterpart language. A lease agreement or amendment must be signed by both lessor and lessee to make it recordable.

NOTE: When an original or head lease (other than a CSC) expires on its own terms or is terminated, any sublease associated with the original lease would no longer be in effect. The lessee no longer has any interests which it may sublease.

- 4.3.5 **Lease with Valid Purchase Option.** Lease with a valid purchase option, discussed in paragraph 2.2.5.d, as evidence of ownership for registration purposes is treated as a conditional sales contract. We issue a Notice of Recordation – Aircraft Security Conveyance to notify the lessor, or his assignee, when the lease is recorded.
- 4.3.6 **Bailment Lease.** Paragraph 2.2.5.e. discusses bailment lease. The Notice of Recordation – Aircraft Security Conveyance is used to notify the lessor or his assignee of the recording of a bailment lease
- 4.3.7 **Delivery Receipt.** A lease which describes multiple aircraft and contains a clause stipulating that the lease goes into effect on the delivery date of each aircraft is not recordable unless an executed lease/delivery receipt for at least one aircraft is attached to it.

A delivery receipt is not an amendment or a supplement but is a completion of the lease; it is stated as a requirement of the lease, and the lease does not become operative as to the

aircraft and the parties unless and until it is delivered and accepted in accordance with the terms of the lease.

The lease agreement must be submitted for each subsequent delivery receipt. We may record an ink or digitally signed copy or a certified copy of the lease instrument. A Cross-Reference—Recordation is prepared to describe the aircraft that became eligible for recordation.

SECTION 4. TAX LIENS

- 4.4.1 **General.** A tax lien is a statutory lien (enacted by a legislature) existing in favor of the Federal, State, or municipal government. Taxes are normally incurred on personal property on the first day of each year.

NOTE: It must affect aircraft registered under 49 U.S.C. 44103.

- 4.4.2 **Federal Tax Liens.** Notice of Federal tax liens (levies) are not eligible for recording since they do not describe specific property. They are required to be filed elsewhere by the Internal Revenue Code. (26 U.S.C. 6321, 6323; 26 CFR 301.6321-1 and 301.6323-1.) (See 14 CFR 49.17(a).) Any notices received are returned to the District Director with a transmittal letter.

When an aircraft is sold to satisfy a Federal tax lien, the applicant for registration submits the bill of sale, signed by the IRS agent, as evidence of ownership. The bill of sale names the delinquent taxpayer, which we check against the ownership documents in the records.

- 4.4.3 **State and Local Tax Liens.** State and local notices of tax liens, describing an aircraft, are eligible for recording provided the aircraft is in a valid registration status. The name of the taxpayer must be shown, and they must have been the owner at some time during the period for which the tax was levied. Tax liens for California are eligible for recording when the name of the taxpayer was the owner of the aircraft during the tax period or on the assessment date. The aircraft should be described by manufacturer, model, serial number, and registration number, or in sufficient detail to identify it. The tax lien should be signed in ink, digitally signed, or may be a true copy certified by the office where the original tax lien was filed.

A recording fee is required for each item of property listed on the notices.

NOTE: Notices of tax liens are carefully reviewed. While most clearly indicate they are notices of tax liens, some are less clear.

- 4.4.4 **The Notice of Recordation – Aircraft Security Conveyance.** The form is prepared and mailed to the holder of the tax lien. The form is modified to show Name and Address of “Claimant” rather than “Secured Party” and “Tax Lien” rather than “Security Conveyance.”

The Notification Letter, (- 119), is sent to the current registered owner of the aircraft to notify the owner of the recording of the tax lien.

SECTION 5. CLAIMS OF LIEN

- 4.5.1 **General.** An artisan's lien (also referred to as notice of lien, mechanic's lien, or claim of lien) is a statutory lien created by law for the purpose of securing payment for work performed and/or materials furnished. By legislative enactment, as set forth in the State statutes, some States have provided for the recording of such liens. A State may provide for local filing of an artisan's lien, but not for the recording of the lien.

A table of the States having recording statutes for artisan's liens follows the last paragraph of this section. The table shows the applicable statute number. A claim of lien from the State of California is valid only for general aviation. An aircraft owned OR operated by an air carrier or air operator is not eligible for recording a claim of lien. When examining a claim of lien from California, the aircraft record should be carefully reviewed for any indication of a lessee/operator that is not general aviation.” If the owner/operator is an air carrier or air operator, then the lien cannot be recorded. The claim of lien is returned with a Return of Docs letter.

NOTE: It must affect aircraft registered under 49 U.S.C. 44103. If the aircraft has been cancelled for any reason, the lien is returned on a Return of Docs letter. If a claim of lien is submitted on an expired aircraft, a letter is written advising the submitter that the lien may be recorded when the aircraft is returned to a valid registration status.

Claims of lien that are not recordable are returned with a claim of lien rejection letter.

A claim of lien **cannot be filed** against engines, propellers, or spare parts locations. If a claim of lien includes aircraft and other collateral, the document may still be recorded against the aircraft provided it meets the other requirements. For a claim of lien against other collateral only, the document is returned to the submitter.

NOTE: If a release for the claim of lien is later submitted showing other collateral that's large enough to record against, it will be rejected to have the other collateral removed from the release. While other collateral is “ineligible” on **claims of lien** and may be removed from the index, however, that would not be true for a release. Other collateral **is** recordable when included on a release or termination, and if large enough, **cannot** be removed from the document index.

A claim of lien cannot be used in lieu of a security agreement for repossession purposes, and may be subject to specific procedures for foreclosure under the applicable State law. Repossession is not the correct process for these non-consensual liens. See paragraph 2.2.5.o(2) for more information.

- 4.5.2 **How to File.** Persons seeking advice on how to file an artisan's lien should fully comply with the State statutes regarding such claims in the State where the work is done. Some States have a prescribed form or format. If the State does not have a prescribed form, the claim of lien document should contain the information required by the local law.

- 4.5.3 **Required Content for FAA Purposes.** The artisan's lien must:

1. Specify the State the lien is being filed under. If your State is not included on the chart under 4.5.12, then you should cite the specific law the lien is being claimed under.

2. Describe the aircraft by manufacturer, model, serial number and registration number,
3. Give the amount of the claim,
4. Give the date on which the last labor, services, or materials were furnished on/to the aircraft,
5. Be signed by the claimant showing appropriate title of the signer, and
6. Be accompanied by the recording fee.

The claimant must also meet the State requirements. If possession of the aircraft by the claimant is a requirement, then the claim of lien must address this information. If relinquishment of the aircraft if required, then the claim of lien must provide this information. If the state law states the claimant cannot be in possession of the aircraft, then the claim of lien must address this information..

If local law requires the artisan's lien to be verified (acknowledged before a notary public), we will reject the claim if it is not verified.

The FAA records artisan's liens only for those States having recording statutes (See table following this section.)

If the claimant does not appear to be located or doing business in the state they are claiming the lien under and the aircraft is registered in different state, then the Aircraft Registry will question whether/what work was performed on an aircraft in the state claimed. We may request supporting documentation. This includes a claim of lien filed by a foreign entity. Unless we can see the connection with the state claimed, we should request the claim of lien be refiled with attached invoices, a clarification statement, or other documentation reflecting work was performed on the aircraft in the state claimed.

- 4.5.4 **Optional Content.** The claims may cite the specific law of the State, indicate whether law requires possession and if the claimant has possession of the property, give the date the work was authorized, indicate who authorized the work, and/or give the name of the property owner; however, unless specific State law requires it, documents shall not be rejected if this information is not shown. We may request additional information regarding the type of labor, services, or materials furnished on an aircraft to ensure the claim complies with the State statutes and that the work was performed on/to the aircraft.

In most States, it is generally immaterial to the recording of an artisan's lien whether possession is retained, such as when the claim is for ongoing storage, tie-downs, or hangar keeping. In that case, possession would show that the lien claim is for current charges and that the last work or service is current rather than fixed at some previous time.

- 4.5.5 **Consensual Lien.** A consensual lien is a contract completed by the consent of the parties whereby the party to be charged agrees to the encumbrance. Essentially, it is a two-party agreement with one of the parties obligated to perform acts in the future, such as repay a loan. The Registry may record consensual liens provided they meet the same recording requirements as a security conveyance, i.e., description of aircraft, name of debtor/owner, signatures, titles, if applicable, and a clause to grant an express mechanic's lien or a security interest.

- 4.5.6 **Recordation Fees.** A recordation fee is required for each aircraft listed.

- 4.5.7 **Notification of Recordation.** A Notice of Recordation – Aircraft Security Agreement is prepared and mailed to the claimant. The name of the debtor is not shown on the form. The form should be modified to show Name and Address of “Claimant” and “Claim of Lien” dated.

The Notification Letter (-119), is sent to the current registered owner of the aircraft to notify the owner of the recording of the claim.

- 4.5.8 **Recorded Locally.** If a document containing the required content for FAA purposes shows on its face (or reverse) that it has been recorded with an office of the State (such as the County Clerk, or Recorder of Deeds Office) within the applicable time frame allowed, the Registry may record. A copy of the artisan’s lien may be recorded if there is attached to it or stamped on it, a certificate of true copy, signed by the official of the State office where it was recorded. If a claim of lien was not recorded locally within the time frame allowed, then the claim of lien will be returned with a Return of Documents letter.

- 4.5.9 **Return Claims to States not having Recording Statutes.** Redacted - letter.

- 4.5.10 **Return Claims Filed After the Time Allowed.** Redacted – letter.

- 4.5.11 **Return Claims to State of California.** Redacted – letter.

- 4.5.12 **STATES WITH RECORDING STATUTES**

STATE	STATUTE
ALASKA	AL STAT. Art. 4, Sec. 34.35.185
ARIZONA	AZ Rev. Stat. Vol. II, Tit. 33, Sec. 33.1022
ARKANSAS	AR Code, Tit. 18, Chapt. 45, Sec. 18-45-206
CALIFORNIA	CA Bus. & Prof. Code Sec. 9798.2
COLORADO	CO Rev Stat. Title 38, Art. 20 Sec. 106; Art. 22 Sec. 101; 109
CONNECTICUT	CT Rev. Stat. Vol. 12, Ch. 847, Sec. 49-92g.
FLORIDA	FL STAT. TIT. 25, Sec. 329.01 , 329.51, 713.58
GEORGIA	Code of GA, Tit. 44, Sec. 44-14-320(8), 44-14-363 (see also 67-2003), 44-14-518
IDAHO	IC § 45-1102 & 45-1103
ILLINOIS	770 ILCS, 45/2 and Chapt. 82, Sec. 41
INDIANA	Burns IN Stats. Tit. 32, Sec. 32-8-31-3
IOWA	Iowa Code, Sec. 577.1 (1999)
KANSAS	K.S.A. Vol. 4, Chapt. 58, Sec. 58.201
KENTUCKY	Kentucky Rev. Statutes, Section 376.270
LOUISIANA	LA Rev. Stats., R.S. 9:4511 thru 4513.
MAINE	Maine Rev. Stats. Ann. Vol. 3A, Tit.10, Chapt. 625, Sec. 3802
MASSACHUSETTS	Mass. Gen.Laws, Chapt. 255, Sec. 31E
MICHIGAN	MI Comp. Laws, Vol. 31, Secs. 259.205, 570.301b
MINNESOTA	MN Stat. Ann., Vol. 30, Sec. 514.221
MISSOURI	MO Rev. Stats. Sec. 430.020
NEBRASKA	Neb. Code, Art. 2, Sec. 52-202
NEVADA	NV Rev. Stats. Ann. Vol. 14, Sec. 108.272

NEW JERSEY	NJ Stats. Ann., Art. 1, Sec. 2A:44-2
NEW MEXICO	NM Stats. Ann., Chapt. 48, Sec. 48-3-29
NORTH CAROLINA	NCGS, Sec. 1.1, Chapt. 44A, Art. 5
NORTH DAKOTA	ND Century Code, Vol. 7A, Chapt. 35-13, Sec. 35-13-02
OHIO	OH Rev. Stats., Chapt. 1311, Sec. 1311.73
OKLAHOMA	Tit. 42, OSA Sec. 98
OREGON	OR Rev. Stats., Chapt. 87, Sec. 87.242
RHODE ISLAND	R.I. Gen. Law § 34-47-3 (2001)
SOUTH CAROLINA	Code of Laws, Sec. 29-15-100
SOUTH DAKOTA	SD Codified Laws, Chapt. 44-11, Sec. 44-11-3
TENNESSEE	Tit. 66, T.C.A., Sec. 66-19-301
TEXAS	Vernon's T.C.A., Property Code, Sec. 70.303
UTAH	UT Stats. Sec 38-13-201
VIRGINIA	Code of VA, Vol. 6A, Secs. 43-34.1 and 43-42
WASHINGTON	Rev. Code of WA, Tit. 60, Chapt. 60, Sec. 60.08.020
WYOMING	WY Stats. Tit. 29, Sec. 29-7-102
VIRGIN ISLANDS	VI Code, Vol. 4A, Tit. 28, Chapt. 25, Sec. 587

SECTION 6. REJECTED LIEN CONVEYANCES AND REQUESTS FOR ADDITIONAL INFORMATION

- 4.6.1 **GENERAL.** A function of the examination sections is to record lien conveyances and notify the holder of the lien of such recording. A lien conveyance is not rejected for minor defects. Pertinent regulatory requirements are reviewed to determine if sufficient facts are present to permit acceptance.

These preliminary procedures should be followed to set the stage for effective examination:

We verify the manufacturer's name, model designation, serial number, and registration number on the documents against the aircraft description shown in our system.

We review the type of documents received.

The rejection of lien conveyances is sometimes unavoidable due to the absence of signatures, titles, too much discrepancy between the name on the lien conveyance and the evidence of ownership, or appropriate fees. When titles of the signers, on behalf of a corporation, LLC, or association, are not shown with the signatures, the lien conveyance may be recorded if the titles appear in the acknowledgment or, in the case of an accompanying application for registration, the signer's title is identified on the application. The lien conveyance may be recorded when the signer's title can be verified with an application received within the last 90 days **if registered** to the debtor. **If not yet registered** to the debtor, we return the lien conveyance for the signer's title.

NOTE: Refer to 2.1.2g and 2.2.7d(7) for detailed signature requirements.

- 4.6.2 **Rejected Documents.** The document should be suspended and correspondence prepared.

A copy of the rejection letter and documentation are placed in the suspense record of each aircraft indexed to the document.

If the acceptable lien conveyance received is obviously a different conveyance, the date, parties, amounts, etc., are compared to determine if it is intended as a document to replace the first. If it is determined to be essentially the same conveyance, we process accordingly. The suspended documents may then be deleted.

If the acceptable lien conveyance does not appear to be a replacement for the rejected document, then the original security conveyance remains in suspense. Since these documents are obviously different conveyances, the acceptable conveyance may be processed as usual; however, a release or disclaimer will be needed to clear a lien conveyance in suspense.

Cape Town Treaty Security Conveyances/IDERA. A security conveyance for collateral subject to the Cape Town Treaty may be filed with an Irrevocable De-Registration and Export Request Authorization (IDERA) attached, or one may be filed separately.

The IDERA may be attached to and/or made part of the security conveyance or may be filed as a separate document. If attached to or part of the security conveyance, both the security conveyance and the IDERA must be deemed acceptable before the security

conveyance can be recorded. If either document is not acceptable, they must be rejected together for completion, correction, etc.

If an executed IDERA is attached to a security conveyance, we verify whether the aircraft is IR eligible. If it is not, the security conveyance is rejected for the IDERA to be removed. It is acceptable to have a blank IDERA attached to a security conveyance whether the aircraft is IR eligible or not.

If the documents are filed separately and one or the other is deemed unacceptable, the unacceptable document may be rejected for completion, correction, etc.. If the IDERA is filed separately, the security conveyance could be recorded if acceptable, while the IDERA could be rejected for completion, correction, etc. However, an IDERA may not be accepted unless or until the security conveyance is recorded. If the security conveyance is rejected, a separately filed IDERA is suspended pending recording of the security conveyance.

NOTE: If the security conveyance has the language of the IDERA built into the actual conveyance, then we must verify that the aircraft is IR eligible **before** the conveyance can be recorded.

Refer to 6.11 for information regarding release/disclaimer of unrecorded security conveyances. Refer to Chapter 7 for additional information regarding conveyances affecting other collateral.

- 4.6.3 **Requests for Additional Documentation or Fees.** The lien conveyance is maintained in the aircraft suspense record pending receipt of fees and/or documents to establish ownership in the name of the debtor. If the lien conveyance covers more than one aircraft, the conveyance is suspended. A copy of the letter and the document are suspended in the record of each aircraft listed.
- 4.6.4 **Return of Original Conveyance.** The same rules apply as listed in paragraph 2.4.5.
- 4.6.5 **Form letters.** Form letters shall be clear, concise, legible, and responsive to the applicant's needs.
- 4.6.6 **Request for Recordation Fees.** Recordation fees are requested from the lienholder, lessor, claimant, or the submitter, if the submitter indicates responsibility for the recording of the document.
- 4.6.7 **Return of Rejected Documents.** Conveyances which must be returned for correction and/or completion are returned to the following parties:
- a. Security agreements, trust receipts, etc. - the lienholder or submitter (unless the submitter is the debtor). If the submitter is the debtor, we write to the debtor and request an address for the bank if it's not shown on the security agreement.
 - b. Conditional sale contracts - the submitter, conditional seller or an assignee.
 - c. Lease agreements - the submitter or lessor.
 - d. Tax liens - claimant.

e. Claims of lien - submitter or claimant.

If items “a” or “b” above are received together with registration documents, and the registration documents must be returned to the applicant for correction, send a copy of the rejection letter to the secured party.

CHAPTER 5. REPOSSESSION

- 5.1 **General.** The validity of any conveyance is governed by the laws of the State, territory, possession, Puerto Rico, or District of Columbia in which the document was executed unless otherwise stated in the conveyance. The rights of the parties, involved in the transaction, are enforceable under the laws of that place.

When a debtor is in default to the lender, the lender may take possession of the mortgaged property and/or foreclose the debtor's rights to the property.

For Registry purposes, the term foreclosure is a court action; repossession is the peaceful assumption of possession (actual or constructive) of the aircraft by the lender or his agent.

A reposessor does not acquire title to property solely by the act of repossession, but the reposessor acquires the power to transfer all of the debtor's rights in the property to a buyer or, the reposessor may propose to retain the collateral in satisfaction of the obligation.

A Certificate of Repossession is not a conveyance in and of itself; it does not affect a transfer, or evidence an interest in property. Essentially, a certificate evidences action taken as authorized by the underlying security agreement or lease, and is the exercise of rights given the secured party or lessor under the consensual instrument previously recorded (or submitted with the certificate as the case may be). It is not effective unless and until (in the case of a security agreement) the aircraft is disposed of by the reposessor, either by taking registration in its own name or selling the aircraft. At that time, it is recordable, since in connection with the security instrument it becomes part of a conveyance which the law and our regulations recognize. In the case of termination of leases, it may appear to be more like a release, for which no charge is made, but, again, it has no independent effect without the underlying recorded instrument.

When the reposessor applies for registration in its own name, the UCC Section 9-506 has certain requirements, such as a written notice to the debtor that it proposes to retain the collateral in satisfaction of the debt, and has received written approval from the debtor of this arrangement. The FAA does not require this documentation. The certification by the reposessor that it has complied in all respects with the State law satisfies these requirements. In accordance with FAA regulations, 14 CFR 47.11(b), the FAA registers to a reposessor in its own name upon receipt of an application from it, supported by the Certificate of Repossession, which is recorded when the aircraft is registered to the reposessor, and a \$5.00 registration fee.

If the reposessor holds a valid dealer certificate, a letter may be submitted requesting the aircraft be registered under their dealer certificate. There are no fees required for this recording.

If local law authorizes foreclosure resulting in sale of the mortgaged property, a bill of sale by the party who conducted the sale or auction is required, in addition to the Certificate of Repossession or court order of sale. The bill of sale shall contain an indication that the sale was conducted according to local law. [14 CFR 47.11(b) or (c)].

Foreclosure is a court method of terminating the debtor's rights in the property. The term is also loosely applied to any of the various methods, statutory or otherwise, known in different jurisdictions, of enforcing payment of a debt secured by a security instrument, by taking and selling the mortgaged property, cutting off the rights of the debtor in the property.

5.2 **Examination of a Certificate of Repossession.** The Certificate of Repossession is checked for the following:

- a. Description of the aircraft including manufacturer, model, serial number and registration number.
- b. Description of the security conveyance upon which the repossession is made by its date, names of parties; if recorded, the date of FAA recording, and conveyance number; comparing it with the recorded conveyance in the aircraft record. If the security conveyance on which the repossession is based is not recorded, an original or certified true copy of the conveyance must be filed with the Certificate of Repossession.
- c. Name of the reposessor, signature in a manner that is acceptable to the FAA, and appropriate title, if applicable.
- d. Date of repossession.
- e. Terminology to the effect that the aircraft was repossessed and foreclosed, and the certification that the reposessor has performed all obligations imposed upon him by the terms of the financing agreement and all local laws.

Repossession alone does not effect a change in or transfer of ownership of the aircraft for purposes of paragraph 47.41(a)(4) of the Regulations. A creditor or secured party who has merely repossessed an aircraft without effecting foreclosure is not the owner and is not eligible to make application for registration of the aircraft (see 49 U.S.C. 44103(a)). On the other hand, foreclosure for aircraft registration purposes effects a change of ownership. Fully divesting the debtor's rights in collateral requires both repossession and foreclosure, either by retention of the collateral or by sale to a third party, thereby resulting in a change of ownership under paragraph 47.41(a)(4) of the Regulations.

NOTE: The act of repossession and our Certificate of Repossession form are based upon rules under the Uniform Commercial Code (UCC). The UCC does not apply to lenders outside of the United States. A Certificate of Repossession showing it was repossessed and foreclosed under the laws of a foreign country should not be accepted. These cases are reviewed by Legal for guidance.

5.3 **State of Florida Foreclosure.** In lieu of a Certificate of Repossession, we may accept the Certificate of Title and the Certificate of Sale from a Florida court since repossessions may be made in this manner. The Certificate of Title is recorded with the Certificate of Sale appended to it. The documents should be an original or court certified true copy.

The documents should include the aircraft description in sufficient detail to identify it. At least one of the documents should describe the security conveyance.

- 5.4 **Effect of Repossession on the Export of Aircraft.** (See Chapter 10 Exports) A release or consent is requested for each outstanding recorded consensual lien. The UCC states that liens junior to the lien upon which repossession is made are discharged; however, these cases are referred to legal for review. **NOTE:** Releases or consents will be required from Puerto Rico and all foreign countries not having this provision in their law.

If the reposessor wishes to cancel the registration for export purposes, a request may be honored from the registered owner, from the reposessor when the request for cancellation is accompanied by an application for registration, or when a certified copy of a bill of sale or other transfer instrument accompanies the reposessor's request for cancellation.

- 5.5 **Repossession Submitted Subsequent to the Recordation of a Release.** The below described procedure may apply only when there has been no bill of sale, mortgage, or other conveyance filed by any of the parties prior to the submission of the repossession. In other words, if the debtor has sold the aircraft, executed another security conveyance, or there has been any change in the position of the parties, an examiner shall confer with the supervisor.
- a. **Release dated prior to Repossession.** If the release is dated prior to the date of repossession, an amendment to the release is required before the Certificate of Repossession may be recorded. The amendment shall be to the effect that the release was executed in error and that the repossession was made prior to execution of the release. A fee of \$5 is required to record the amendment.
 - b. **Release dated subsequent to Repossession.** If the date of the previously recorded release is subsequent to the date of repossession, the repossession (with disposition) may be recorded without any further action.
- 5.6 **Adding the Recorded Certificate of Repossession to the Records.**
- a. Redacted as internal guidance on process.
- 5.7 **Repossession of Engines, Propellers, and Spare Parts Locations (Other Collateral).** Certificates of Repossession may be recorded on security conveyances covering other collateral, the recording of which is provided in Subparts D and E, of Part 49 of the Federal Aviation Regulations.
- 5.8 **Recording Data Posted for Engine, Propeller, and Spare Parts Location (Other Collateral).** When a Certificate of Repossession is recorded against an engine, propeller, or spare parts location, the recorded conveyance number on the repossession is automatically posted online in the Other Collateral File for each engine, propeller, or spare parts location indexed to the Certificate of Repossession.
- 5.9 **Alterations to the Certificate of Repossession.** In 2000, the Certificate of Repossession was revised to include the required foreclosure language. Alterations to the Certificate of Repossession form are not acceptable.
- 5.10 **Registered Owner Requests Cancellation of Certificate of Registration after Repossession.** If the registered owner endorses his certificate of registration or sends a written request asking FAA to cancel registration in the registrant's name (after the

Certificate of Repossession is filed but prior to disposition), enter “Sale Reported” in the AR database, using the reposessor’s name and address. The reposessor should be advised by letter of any outstanding requirements for obtaining registration.

- 5.11 **Duplicate Certificate of Registration after Repossession.** A duplicate certificate of registration may be issued to the registrant upon request after a Certificate of Repossession has been filed but no disposition has been made on the aircraft. No duplicate certificate of registration is issued if the registrant has requested its cancellation; however, the former registrant must reapply for registration.
- 5.12 **Unrecorded Lien Documents.** An unrecorded lien document remains in the suspense portion of the record until the recording requirements are met. Upon meeting the requirements to record, the lien document is recorded even though it is junior to the lien upon which repossession was made and the reposessor has disposed of the aircraft.
- 5.13 **Purchaser at Sale.** The debtor or creditor may bid and purchase the aircraft at a sale conducted to dispose of the mortgaged property. The purchaser must submit the bill of sale for recordation, which bears a certification that the sale was made according to local law. The underlying security conveyance is discharged by the repossession and sale.
- 5.14 **Certificate of Repossession Without a Disposition.** A Certificate of Repossession is recorded only after a disposition is made. Disposition means the reposessor: (1) applies for registration, (2) submits a request to register under a valid dealer certificate, or, (3) sells the aircraft to another party.

Without a disposition:

- a. The aircraft remains registered to the last registered owner, i.e., it is not put in sale reported status.
 - b. Advise the reposessor that the aircraft may be registered either to the reposessor upon receipt of an application for registration and \$5 registration fee, or a written request to register under a valid dealer certificate, if applicable; or to a purchaser upon receipt of the purchaser’s evidence of ownership, application for registration, and \$5 registration fee.
- 5.15 **Sequence to Record Documents.** The documents are organized in sequence to examine beginning with releases (oldest lien first), unless a Certificate of Repossession is submitted on the oldest lien. The Certificate of Repossession is followed by the document(s) evidencing disposition of the aircraft, i.e., the application for registration by the reposessor or the bill of sale by the reposessor, sheriff, auctioneer, or the person who conducted the foreclosure sale. The release of lien upon which repossession has been made, is recorded after the documents evidencing the disposition.

CHAPTER 6. RELEASES AND TERMINATIONS

- 6.1 **General.** 49 U.S.C. 44107(a) provides for the establishment and maintenance of a system for the recording of conveyances, including leases and other instruments executed for security purposes pertaining to aircraft, aircraft engines, propellers, and spare parts locations. Section 44107(a)(3) provides for the recording of releases, cancelations, discharges, and satisfactions related to a conveyance, lease or other instrument recorded under this same system.

14 CFR 49.17 provides that immediately after a debt secured by a security conveyance has been satisfied, the holder shall execute a release on Notice of Recordation – Aircraft Security Conveyance or its equivalent. The release may be for all collateral affected by the security conveyance, a portion of the collateral affected by a multi-collateral conveyance, or even a fractional percentage for a fractionally owned aircraft. When a fractional owner is selling a portion of the aircraft to another party, the secured party may release that fractional portion of the aircraft from the security conveyance. For Exports, all of the percentage of the security conveyance must be released or consented to as appropriate.

Prior to August 18, 1964, conditional sales contracts were released on FAA Form 818 and chattel mortgages and other security conveyances were released on FAA Form 506. Security instruments recorded against engines, propellers, and spare parts locations were released on Form FAA-1991.

The FAA Form 818 contained wording to include transfer of all right, title, and interest in the aircraft. The FAA Form 506 contained wording to include a certification that the debt had been satisfied and that the aircraft was released from the terms of the security instrument.

The Notice of Recordation – Aircraft Security Conveyance combined the contents of the FAA Form 818, FAA Form 506, and Form FAA-1991. PART II-Release contains terminology to include a certification that the described collateral is released from the terms of the security conveyance and that any title retained in the collateral by the conveyance is sold, granted, transferred, and assigned. This is not a required form. Any form of release with a complete description of the collateral, the security conveyance, statement of release, and appropriate signature and title is acceptable for recording.

Other paragraphs in the Federal Aviation Regulations pertaining to the release, cancellation, discharge, or satisfaction of security conveyances are 49.31(b), 49.41(c), 49.45, 49.51(c), and 49.55.

The Notice of Recordation – Aircraft Lease form is not referenced in the Federal Aviation Regulations; however, it is acceptable for terminating leases that are not “conditional sales contracts.” This is not a required form. Any form of termination with a complete description of the collateral, the lease, certification of termination, and appropriate signatures and titles is acceptable for recording.

- 6.2 **Definitions.**

- a. A release is a discharge of a debt by act by the creditor.
- b. A termination of a lease (whether or not a conditional sale) is doing away with the existing agreement under agreed upon terms.

- 6.3 **Agreement of Names.** "Idem sonans" means sounding the same or alike. It is a term applied to names which are substantially the same, though slightly varied in spelling, such as: Peterson and Petersen, Stephens and Stevens, etc. The same rule applies to numbers whether they are a number, roman numeral or spelled, such as: First and 1st, second and 2nd, 5 Star and Five Star, Mark IV and Mark Four, etc. Conveyances having these kinds of variations shall be accepted. **THIS DOES NOT INCLUDE LLCs. There should be NO variation in the name from the LLC documentation provided except for the use of '&', 'and', and the use or non-use of punctuation within the name.**

The names of the parties should be substantially the same on the security conveyance and release or termination. When a corporation or national association is created, a name is given to it, and by that name alone do all legal acts, though a very minute variation therein is not material. For instance, the addition or deletion of the words "of", "at", "for", "the", etc., in a corporate or association name are considered minute and conveyances shall not be rejected for that kind of variation. The words "Company" or "Corporation", and "Incorporated" are commonly used as interchangeable terms. A conveyance shall not be rejected if these words are changed, dropped, or added to the corporate name. Neither shall a conveyance be rejected because "NT & SA", "NA", or "FSB" are dropped or added to a corporate name.

Abbreviations may be used in a corporate name as long as the abbreviations are clearly understood, such as: Natl, Bk, 1st, Fed, FSB, etc. Initials used in place of the secured party's name shall not be accepted. The addition or omission of the name of a city or state as part of the bank's name will not be cause for rejection of a release.

See paragraph 2.1.4 regarding variations in names and/or initials of individuals.

Releases signed by the FDIC as liquidator or attorney in fact are recordable or acceptable without an authorization document for national banks. Refer to 8.7(c) for additional information.

Occasionally, a release of a security conveyance or termination of a lease agreement is received, executed by a party other than one named on the recorded document on file with FAA. It is acceptable for the assignee to file the release or termination for recordation provided a properly executed assignment is attached. The inclusion of the assignment, whether it is incorporated into the release/termination itself or attached thereto, explains the authority of the "assignee" to execute the release or lease termination. It would be improper to seek a release or termination from the original party as they have assigned their interest and are without power to release or terminate. The release or termination are recorded with the assignment appended to the back. There is no charge to record the release or termination.

- 6.4 **Identity of Security Conveyance.** Releases/terminations must correctly identify the recorded security conveyance by at least one of the following (if any is incorrect, return for correction):

- a. Execution date of original security conveyance
- b. Date conveyance was filed with the FAA
- c. Date of recording
- d. Conveyance number

When the security conveyance is not recorded or is not recordable, the release/termination must identify items 'a' or 'b' above or the micro number/DOC ID and parties. Refer to 6.11 for additional information.

NOTE: A security agreement stamped "Paid in Full" is not acceptable as a release of lien.

NOTE: A release of an Irrevocable Deregistration and Export Request Authorization (IDERA) must be signed in ink, be a printed duplicate of an electronic document that displays an acceptable digital signature, or a manner acceptable to the FAA. Copies are not acceptable. If the submitter wants the original returned, they must submit the original along with a certified true copy.

- 6.5 **Return of Releases/Terminations.** When releases/terminations must be returned for correction and/or completion, they are returned to the submitter (the attorney, title search company, or as instructed by a transmittal letter). If the submitter cannot be determined, the release/termination is returned to the current owner of the aircraft. If a duplicate original of a previously recorded release/termination is submitted, the Registry may record it if the document is recordable. If the document needs correction, completion, etc., a memorandum to file will be created referring to the previously recorded release/termination, and the duplicate original will be returned as not needed for FAA records. If a copy is submitted, a determination will be made to see if the original has already been recorded. If so, a memorandum to file will be created referring to the previously recorded release/termination, and the copy will be returned as not needed for FAA records. If an original has not been filed, a letter will be prepared requesting that the copy be signed with an ink signature or a printed duplicate of an electronic document that displays an acceptable legible digital signature.
- 6.6 **Acknowledging the Recording of a Release or Termination.** When the submitter, lien holder, or aircraft owner asks for an acknowledgment of the recording of a certain release or termination, a Notice of Recordation, REGAR-119-1, should be completed.
- 6.7 **Release/Termination Not Dated.** A release/termination is not rejected when a date of release or termination is not shown.
- 6.8 **Form UCC-3.** The Form UCC-3 is not acceptable for recording as an equivalent to the Notice of Recordation – Aircraft Security Conveyance. The UCC-3 refers to "the collateral described in the financing statement" and does not contain terminology to show the collateral is released from the terms of the security conveyance. However, review the form carefully. If it states that it releases certain collateral from a specific security agreement, and is properly signed by the secured party, it may be recordable.
- 6.9 **Release/Termination of a Lease Agreement.** Documents titled FAA Agreements of Conveyance, Assignments, and Terminations should be indexed as REL. In these instances, the lessor sells the aircraft and terminates the lease agreement. A cross reference sheet would not be completed as these are processed as terminations.

Without an Option to Purchase: A termination of a lease is not required since a lease expires by its own terms. However, when a lease without an option to purchase is recorded by FAA, the Notice of Recordation – Lease Termination should be completed and mailed to the lessor. If a lease termination is received terminating the lease prior to the expiration date of the lease agreement, all parties to the lease, except when otherwise authorized by the lease terms, must sign it. However, if the lease has expired by its own terms, either the lessor or lessee may execute a

lease termination or release. A release is acceptable only after the lease has expired by its own terms or been terminated.

With an Option to Purchase: When a lease with an option to purchase (CSC Lease) is recorded by FAA, a Notice of Recordation – Aircraft Security Conveyance should be completed and mailed to the lessor. When the lease is fulfilled and the option is exercised, title to the aircraft is transferred to the lessee by the release as described in paragraph 2.2.5.b pertaining to contracts of conditional sale.

A lease (CSC) may be terminated early by mutual agreement of the parties involved. **Upon completion of a termination (not release), title reverts back to the lessor.** All parties to the lease must sign the termination agreement. The termination should be accompanied by the lessor's application for registration and registration fee or registration documents to a new purchaser.

NOTE: If a document that transfers and terminates a CSC is received, the document should be read carefully. If the document transfers ownership to the lessee first and releases/terminates the CSC second, then a new application from the lessee is not necessary because the transfer of ownership is completed before the CSC is terminated. If the document terminates the CSC first and transfers ownership second, then a new application **would** be necessary because title reverts back to the lessor before ownership transfers to the lessee or any other purchaser.

- 6.10 **Release/Termination Received when Pertinent Security Conveyance never Submitted.** A release/termination for which the security conveyance was never submitted for recording is returned to the submitter, using a Return of Documents letter. The submitter is advised that the release is not eligible for recording because the security conveyance it describes was not recorded with the FAA. The date of the described lien, names of parties, the filing date, and micro number/Doc ID of the release shall be noted in the letter returning the release/termination. The file copy of the letter is accepted and made a part of the permanent aircraft record.
- 6.11 **Release/Termination of a Non-recordable Security Conveyance.** A release/termination, pertaining to a non-recordable lien conveyance in file, is not eligible for recording. The release/termination is accepted for the record. The non-recordable lien instrument is appended to the accepted release/termination and made a part of the permanent aircraft record.

Documents labeled "disclaimer" which specifically identify an unrecorded conveyance by its date and/or filing date and/or parties (accompanied by the recording fee) are recorded. The non-recordable lien instrument is appended to the recorded disclaimer and made a part of the permanent record. Cross reference sheets are not made for disclaimers even if they affect other collateral, however, the other collateral should be posted in the AR database.

A Release/Disclaimer that has appropriate release language may be recorded as a release if the document it refers to is recorded and it is executed by the appropriate party. If it does not have the appropriate release language or is not executed by the appropriate party, a fee would be required to record it as a disclaimer. Discretion should be used as this may not apply to every case.

- 6.12 **Release/Termination of a Recorded Lien Conveyance Received after Aircraft Deregistered.** A release or a termination of a recorded security conveyance may be recorded after an aircraft is deregistered. This procedure is based on the fact that 49 U.S.C. 44107(a)(3) provides that the Administrator shall maintain a system for the recording of any release, cancellation, discharge, or satisfaction relating to any conveyance recorded under the system.

- 6.13 **Releases/Terminations of Collateral Covered by Security Conveyances that are Amended, Supplemented, and/or Assigned.** Releases/terminations of collateral should reference the originally recorded security conveyance together with the recording data of all amendments, supplements, and assignments that pertain to the collateral being released/terminated. The collateral may not have been listed on the original lien conveyance (added by a supplement); however, collateral must be released/terminated from the terms of the original conveyance. If not all of the pertinent conveyance numbers are listed, a release/termination may be recorded if the original conveyance is identified.
- 6.14 **Release Submitted in Error.** Upon request for the return of a release/termination (because it was executed in error), the requestor is notified that conveyances filed for recordation may not be returned. Incoming mail is not searched to stop the filing of a conveyance. The requestor may furnish the recording fee and a recordable conveyance in the form of an amendment to the release/termination. The amendment shall describe the collateral and the release/termination in enough detail to identify it. The amendment shall be signed by the party or entity executing the release/termination stating that the document was executed in error and that the terms of the security conveyance are in full force and effect. The case should be referred to the supervisor if, subsequent to the recording of the release/termination, the aircraft has been sold, mortgaged, or other change in the position of the parties.
- 6.15 **Lienholder Out of Business.** If the holder of a security agreement or a claim of lien has gone out of business by reason of voluntary dissolution or bankruptcy, the party trying to get a recordable release may:
- a. In the case of a corporate holder, check with the Secretary of State, State Banking Authority, FDIC, or other authority under which the defunct corporation or association was organized, to determine its disposition.
 - (1) If bankruptcy was involved, a receiver, liquidator, or trustee would have been appointed to settle the affairs. A release may be executed by such a party, or if the lien had not been paid off, the lien conveyance may have been assigned to another institution.
 - (2) If the corporation or association was voluntarily dissolved, one of the officers or stockholders may have been designated to wind up the affairs and may have knowledge of the lien involved. Any former officer or manager who has knowledge as to whether liens were satisfied prior to the dissolution may sign a release in their former capacity, when the release is dated prior to the dissolution.
 - b. In the case of an individual, partnership, or co-owner as lienholder, check the telephone directories and other addresses in the locale of the lienholder. The county courthouse records may reflect the appointment of an executor or administrator who may execute a release with evidence of the appointment.
 - c. If the lienholder is not available to execute a release, a certified copy of a court order stating that the pertinent lien is no longer valid or has been cancelled may be submitted for recording on any outstanding recorded liens. The court order should describe the aircraft and the security conveyance with sufficient detail to identify them.
- 6.16 **Release/Termination with a New Security Conveyance.** When a release/termination on a previously recorded security conveyance and a newly executed lien conveyance involving the

same parties are received, the release/termination shall be recorded first, if it is acceptable for recording.

- 6.17 **Release/Termination Received Subsequent to New Change of Ownership, etc.** A release/termination shall be recorded (if acceptable) prior to the recording of a new ownership conveyance, even if the ownership conveyance was filed first in time. When possible, old security interests should be released/terminated first.
- 6.18 **Release/Termination of Multi-collateral Conveyance.** (14 CFR 49.17(d)(5), 49.45(b) and 49.55(b)). A release/termination executed to release/terminate all of the collateral on a multi-collateral conveyance need not itemize the collateral; however, the description of the security conveyance shall include the date, names of parties, the date of FAA recording, and the conveyance number. **NOTE:** A release of a claim of lien that includes engines are returned to have the engines removed. While other collateral is “ineligible” on **claims of lien** and may be removed from the index, the same is not true for a release. Other collateral **is** recordable when included on a release or termination, and if large enough, **cannot** be removed from the document index.
- 6.19 **Partial Release/Termination of Multi-collateral Conveyance.** The recorded release/termination will be added to both the affected aircraft record and the “Master” aircraft record. An annotation will be made: “N#_____. See Recorded Conveyance Number_____, Doc ID#_____, Page#_____” with the appropriate recording and location information. **NOTE:** A release of a claim of lien that includes engines should be returned to have the engines removed.

In cases of releases/terminations pertaining to multi-collateral conveyances with multiple recordings involving supplements, amendments, and/or assignments, the recorded release/termination is filed in the “Master” record, and in the affected aircraft record(s).

6.20 **Annotating or Cross-Referencing Conveyances Affected by a Recorded Release/Termination.**

- a. **Single Collateral.** A release/termination of a security conveyance covering one aircraft is annotated “See Recorded Conveyance Number _____ Doc ID# _____ page# _____” if the security conveyance was processed under EDRS. If the security conveyance was processed under RMS, no page number is required. The release is cross-referenced to the security conveyance.

“**Doc-ID**” This is found in the “DOC ID” column in A/R on the Registration Images page or under AC History/PDF as a bookmark entry following the date and doc type (as either a 4-digit number or C+3-digit number in parenthesis.)

“**PAGE**” This is the Doc Page (DocPg) number, not the Record Page (RecPg) number, as seen in AC History/PDF. Also, it is not a page number shown on the document itself.

EDRS EXAMPLE:	SEE RECORDED CONVEYANCE
s/n BB-655	NUMBER <u>YY003856</u>
	DOC ID <u>C001</u> PAGE 9

RMS EXAMPLE:	SEE RECORDED CONVEYANCE
s/n 28-7125476	NUMBER <u>CS001457</u>
	DOC ID <u>8270</u>

- b. **Multiple Collateral.** A release/termination involving a multiple collateral security conveyance or a release/termination of single or multiple collateral conveyances with supplements, amendments, etc., is annotated “See Recorded Conveyance Number” (see example in Paragraph 6.20a). Only the conveyance number of the original security conveyance in the “master” record is annotated to the release/termination. The abbreviation “et al” is added after the conveyance number of the original security conveyance to indicate multiple recordings are involved.

The recorded release/termination shall be placed in all affected aircraft records, including the “Master” record, and an annotation made for each aircraft [i.e., N#_____, See Recorded Conveyance_____, Doc ID#_____, Page#_____ (if appropriate.)] The completed annotation page will show all N-numbers, with the location within each affected record.

- 6.21 **Trustee Named as the Secured Party.** Security conveyances which name a trustee as the secured party may be released by the trustee without any evidence of appointment as trustee. The conveyances are worded such that the security interest is granted to the trustee.

- 6.22 **Three-Party Security Conveyance.** Security conveyances drawn to show the debtor as grantor, party of the first part; a trustee, party of the second part; and a lending institution, party of the third part; may be released by either the trustee or the lender. They are normally worded to show the grantor (debtor) is indebted to the lender but conveys an interest in the aircraft to the trustee.

In the event the release is signed by a different trustee, evidence of the appointment of that trustee is requested from the lender, unless the appointment is already filed with the FAA. The appointment may be made by the lender. (See paragraph 4.1.2.m.)

- 6.23 **Release of a Deed of Trust.** A release of a deed of trust (two party instrument) is executed by the same trustee as shown on the deed of trust.

- 6.24 **Legal Opinions regarding Outstanding Liens - Secured Party or Claimant not Available.** A letter from a practicing attorney giving a legal analysis and citing statute of limitation regarding unreleased recorded liens is not a conveyance nor an instrument affecting title to or interest in aircraft. Accordingly, it is not recordable under Part 49 of the Federal Aviation Regulations. References to such a letter are not written on documents that are properly recorded.

- 6.25 **Lienholder Changed Due to Sale of Assets.** As receiver or liquidator, the Federal Deposit Insurance Corporation (FDIC) may sell the assets of insolvent banks. An instrument evidencing the sale is needed before recording a release of lien executed by the assuming bank.

Documents evidencing the sale are accepted and made a part of the name change/merger ancillary records.

Any one of the following is acceptable as evidence for an assuming bank to sign releases.

- a. Copy of the weekly bulletin issued by the Comptroller of the Currency. A copy of the complete bulletin is not necessary, only the portion which identifies the banks involved in the sale/purchase.
- b. Certified copy of the purchase and assumption agreement signed on behalf of FDIC. If it is a lengthy document, the pertinent portion with the signature page is acceptable.

- c. Court Certified copy of a court order, approving the sale of assets by the receiver, which names the insolvent and assuming banks.
- d. Certified copy of an instrument by whatever name, signed by FDIC, which evidences sale of assets.

6.26 **Counterpart releases.** Usually when two releases or terminations are received for the same document but the signers have signed on separate pages, each one is recorded separately. When a release or termination is received that is signed on separate pages that includes a statement to the effect that it is “executed in counterparts and together they constitute one document,” the FAA should record it as one document. Just the statement “executed in counterparts” is not sufficient to record as one document.

6.27 **Bankruptcy Orders and Seizure/Summary Forfeiture and Sale Documents.** Quite often, the Registry receives Bankruptcy court orders with titles such as “Order Approving Sale of Assets” or Order Confirming Sale of Assets”. These Orders usually indicate that specific aircraft shall be sold “free and clear” of liens and other encumbrances. They do not actually transfer the aircraft, but rather, give the appointed Bankruptcy Trustee authority to transfer the aircraft. If specific liens are described, the Order is recorded as a release of those liens. If no specific lien is shown, the Order is normally appended to the transfer document executed by the Bankruptcy Trustee. The Registry receives numerous inquiries from owners/purchasers as to why liens continue to show as outstanding in our records when the Court has ordered the sale “free and clear.”

Seizure/Summary Forfeiture and Sale documents are presented in the same manner, indicating sale “free and clear of all liens.” Although this document would always be recorded, it doesn’t specifically identify liens, and therefore, has not been treated as a release of any outstanding liens.

In discussions with Aeronautical Center Counsel, it is clear that the United States Bankruptcy Court has the authority to deem the aircraft sold or authorize sale “free and clear.” That authority is given in 11 USC 363(f) which states, in pertinent part, “the trustee may sell property under subsection (b) or (c) of this section free and clear of any interest in such property of an entity other than the estate....” The Court exercised that authority without having been required to list specific liens. In fact, not only was the Court not required to do so, but listing liens would hamper and delay the intended result which is to expeditiously generate funds from the sale of debtor’s assets.

For property which is seized by and forfeited to the Federal Government 19 USC 1609 applies. It states, in pertinent part, “Title shall be deemed to vest in the United States free and clear of any liens or encumbrances from the date of the act for which the forfeiture was incurred.”

A Bankruptcy court order or a forfeiture document with “free and clear” language, if recorded, is simply a matter of record. Upon searching title, interested parties may make their own determination about a specific aircraft and whether the aircraft is free and clear.

Pursuant to 14 CFR 47.47, holders of recorded rights must be satisfied or consent incident to cancelation of registration for export. Upon request for cancelation for export, if a recorded “free and clear” Bankruptcy order or Seizure/Summary Forfeiture and Sale document were in the aircraft file, cancelation by FAA would be appropriate with regard to **prior recorded liens.**

The following actions should be taken when processing/viewing Bankruptcy or Forfeiture documents:

Bankruptcy Order with “free and clear” language:

- a. If submitted documents also include a transfer from the Bankruptcy Trustee, the Bankruptcy order should be recorded first, the transfer document second, and application for registration in the name of the purchaser accepted last.
- b. If submitted alone, the Bankruptcy order should be placed in “suspense” along with any other pending documents and reject letters. Once complete documents are received, the Bankruptcy order should be recorded just prior to any transfer document.

NOTE: A Bankruptcy order that does NOT include “free and clear” language would not be recorded. It would be either appended to the transfer document or annotated onto the transfer, depending on the specific case.

- c. If processing a request for export on a record that contains a recorded “free and clear” Bankruptcy order, cancelation by FAA would be appropriate with regard to **prior recorded liens**.

Seizure/Summary Forfeiture and Sale document with “free and clear” language:

- a. This type of document is an actual transfer and will always be recorded.
- b. If processing a request for export on a record that contains a recorded “free and clear” Forfeiture document, cancelation by FAA would be appropriate with regard to **prior recorded liens**.

CHAPTER 7. SECURITY CONVEYANCES COVERING AIRCRAFT ENGINES, PROPELLERS, AND SPARE PARTS

- 7.1 **General.** 49 U.S.C.44107(a)(2) provides for the establishment of a system for the recording of leases and instruments executed for security purposes, including conditional sales contracts, assignments, and amendments, that affect an interest in: (a) any specifically identified aircraft engine having at least 550 rated takeoff horsepower or its equivalent in the case of turbine-powered or piston-powered aircraft engines; and at least 1750 lb. of thrust or its equivalent in the case of jet propulsion aircraft engines; (b) a specifically identified aircraft propeller capable of absorbing at least 750 rated takeoff shaft horsepower; (c) an aircraft engine, propeller, or appliance maintained for installation or use in an aircraft, aircraft engine, or propeller, by or for an air carrier holding a certificate issued under section 44705 of this title; and (d) spare parts maintained by or for an air carrier holding a certificate issued under section 44705 of this title. Prior to the implementation of the Cape Town Treaty on March 1, 2006, engines had to have at least 750 rated takeoff horsepower or 1875 lbs of thrust to be recorded against.

The Cape Town Treaty also provides for the acceptance of an Irrevocable Deregistration and Export Request Authorization (IDERA), which allows the authorized party or its certified designee to request deregistration and export an aircraft. If the IDERA is attached to and made part of the security conveyance and lists engines only, the engines are considered extraneous information, and ignored. If however, the IDERA is filed separately and lists engines only, it would be returned as not needed for FAA records.

An instrument, recorded against spare parts, is effective only to those parts which may be situated from time to time at the designated location(s) and only while situated at such location(s).

- 7.2 **Determination of Horsepower for Engines and Propellers.** A turbine-powered or piston-powered aircraft engine may be eligible for recording when it is rated 550 or more take-off horsepower or the equivalent of that horsepower. This information is shown as shaft horsepower (shp) on the type certificate data sheet ("TCDS"). A jet propulsion aircraft engine may be eligible for recording when it has at least 1750 lb. of thrust or its equivalent. A propeller is eligible for recording if it is capable of absorbing 750 or more rated shaft horsepower, or the equivalent of that horsepower; or capable of absorbing at least 1,875 pounds of thrust or its equivalent.

An engine is given a horsepower or pounds of thrust rating by the engine manufacturer based on its static tests and mathematical formulas. When an engine is installed on an aircraft, it does not necessarily lose the capacity to generate the rated power; however, it may be restricted to a lower power rating to be compatible with the airframe limitations. The engine controls are blocked or otherwise restricted to avoid exceeding the limitations on the airframe. The engine still has the power, but all of it is not used. To determine if an engine is recordable, the manufacturer's type certificate data sheet will be used to verify the horsepower or thrust of an engine. If the model is more specific than the base model listed on the TCDS, and the base model is large enough, then the model should be large enough to record against. The same is true on propellers.

Caution is used when a security agreement is received which states the horsepower of an engine is rated less than 550 shp. The horsepower of the engine is verified by checking

the TCDS. If the listed engine is eligible for recording then it is indexed to the security agreement. The security agreement should be returned to remove the engine if the submitter does not want to record against it or they may remove the reference to “less than 550 shp” and re-submit with the appropriate recording fee.

In contrast, if the security agreement reflects the engine is large enough and it is determined the engine is not eligible for recording then the document is re-indexed to have the engine removed. The FAA examiner adds an annotation to reflect the engine was removed from the indexed--not rated at 550 shp. The annotation must include the examiner’s ID and date along with the appropriate annotation for the refund, if applicable.

The performance of a propeller is linked to the power of the engine to which it is attached; however, the propeller may be capable of absorbing more power.

The maximum power rating shown on the engine manufacturer's TCDS is used to determine eligibility for recording security documents against the engine.

The maximum rating for a propeller is also determined from the propeller manufacturer's TCDS.

7.3 **Eligibility for Recording.** A security conveyance is eligible for recording when it:

- a. 1) Describes the engine by its complete and correct name of manufacturer, model, and manufacturer's serial number. A conveyance is returned for correction or completion if any designation shown is inconsistent with the type certificate data sheet (i.e., shows Pratt & Whitney instead of Pratt & Whitney Canada). An exception is a new amendment, assignment, release, etc., to a previously recorded security agreement may show the description of the collateral as it was shown on the original security conveyance. The description of the collateral on the new document should be consistent with the original description unless the document is amending the description of the collateral.
- 2) Describes the propeller assembly by its complete and correct name of manufacturer, model, and hub serial number. The serial numbers of propeller regulators and blades are not to be used for recording purposes. The serial numbers of propeller rotors, rotor boxes, and rotor blades are also not to be used for recording purposes. It has been concluded that rotors are not propellers, and therefore, not recordable under 14 CFR Part 49. A conveyance is returned for correction or completion if any designation shown is inconsistent with the TCDS. The Registry must determine whether the engine or propeller is eligible for recordation based on the TCDS.
- 3) Describes the spare parts location(s) to include the street address or name of hangar, airfield, city, and state. The conveyance must contain, or be accompanied by, a statement by the air carrier that it is a certificated air carrier under 49 U.S.C. 44705. If it is found that the party is not a certificated air carrier, it will be necessary to reject the document to have the certification and spare parts location removed.

NOTE: 14 CFR 49.53(a)(1) requires a conveyance to affect spare parts maintained by or on behalf of a certificated air carrier. The debtor/borrower does not have to be

an air carrier; they may merely be the owner of the spare parts being maintained by or on behalf of a named certificated air carrier.

NOTE: Descriptions in parenthesis for engines and propellers are generally considered the International Registry description and should not be indexed or recorded against.

NOTE: The TCDS generally establishes the base model for engines and propeller; however, the model can vary slightly with extra numbers and/or letters. Modifications can be made to engines and propellers that are not necessarily be identified in the TCDS. As long as it can be determined that the base model is correct then the document should not be rejected if there are extra numbers and/or letters.

- b. Shows legal name of debtor, lessor and lessee, conditional seller and conditional buyer, etc., as appropriate to the conveyance.
- c. Has ink/digital signature(s) or is a certified true copy received with the original. (Refer to 4.1.9a for additional information regarding certified copy, duplicate or return of original.)
- d. Shows title of the signer(s), if appropriate.
- e. Contains sufficient words to convey a security interest, lease, or sell and retain title, as appropriate to the conveyance involved.
- f. Is accompanied by the recording fee for each item of collateral involved.

NOTE: If the Registry is notified that a **recorded** security conveyance does not reflect the correct or complete name of the manufacturer, i.e., Pratt & Whitney instead of Pratt & Whitney Canada, the document must be amended. The conveyance was recorded based on the description given and cannot be changed by any other means. New security conveyances should reflect the correct name of manufacturer.

7.4 **Request for Recordation Fees.** Recordation fees are requested from the mortgagee, assignee, lessor, or conditional seller, as the case may be.

7.5 **Liens on Aircraft, Engines, Propellers, and Spare Parts Locations.** Redacted as system processes.

NOTE: A claim of lien cannot be filed against engines, propellers, or spare part locations.

Recording security conveyances suspended prior to RMS. Redacted as system processes.

7.6 **When a lien conveyance is rejected.** Redacted as system processes.

7.7 **Supplements, Amendments, and Substitutions.** Redacted as system processes.

NOTE: Amendments generally change the terms of the agreement and not the collateral, while supplements add collateral to existing instruments.

- 7.8 **Incorrect Entry in Other Collateral File.** Redacted as system processes.
- 7.9 **Notification of Recordation.** The Notice of Recordation – Aircraft Security Conveyance is prepared for recorded lien conveyances affecting engines, propellers, and spare parts locations. The Notice of Recordation - Aircraft Lease is prepared for a recorded lease.
- 7.10 **Cross-Reference - Recordation Sheets.** Cross-Reference-Recordation sheets are prepared for lien conveyances affecting aircraft, engines, propellers, and spare parts locations.

**CHAPTER 8. SIGNATURE AUTHORIZATIONS,
DECEASED ESTATES, CHANGES IN NAME, MERGERS AND CONSOLIDATIONS**

- 8.1 **General.** (14 CFR 47.13, 49.13, 47.11(e), (f), (g), and (h).) Prior to June 1, 1967, only the signatures of the president, vice president, secretary, or treasurer of a corporation were accepted without a resolution by the board of directors granting the authority for other persons to sign on behalf of the corporation. By regulation effective June 1, 1967, the signatures of corporate officers and persons in managerial positions are accepted.

14 CFR 47.13(g) states that a power of attorney or other signature authority is valid for FAA purposes for not more than three years after the date signed. The clause that an authority is valid “until superseded or revoked” is not a specific duration - any duration other than the three-year duration is honored only when a specific date is set by the authority.

The duration period applies to powers of attorney and signature authority granted by resolutions by the board of directors of corporations or associations. The duration period does not apply to the appointments of trustees, bankruptcy trustees, guardians, receivers, conservators, executors, and administrators.

There may be occasions when the party that granted a power of attorney has become incapacitated, and the power of attorney submitted is beyond the three-year limitation period. Paragraphs 47.13(g) and 49.13(d) do not allow a power of attorney to be extended except by the grantor. If the grantor is incapacitated, then the applicant must submit a court document appointing the guardian, conservator, etc.

If a person is given a court appointed authority (i.e., conservator, personal representative, etc.), that authority cannot be transferred to someone else by a power of attorney. The court would be the only authority with the power to authorize another party to sign instead of the appointed party.

Effective March 1, 2006, paragraph 47.13(d) was amended to provide for the acceptance of an Irrevocable Deregistration and Export Request Authorization (IDERA), without a resolution of the board of directors, in the case of a corporation. An IDERA is similar to a signature authority document executed by the owner(s) of the aircraft, granting the right to deregister an aircraft for export purposes to an authorized party or its certified designee. The IDERA is filed attached to or made part of a security conveyance, or may be filed separately referencing a specific security conveyance. There is no actual expiration date or time limit set on an IDERA, however, the Registry’s policy is to consider the IDERA valid as long as its related security conveyance is outstanding, unless it has been extinguished by the parties.

An IDERA may be signed by someone holding a power of attorney, if the power of attorney is general in nature or gives specific authority to sign an IDERA. However, if the power of attorney is specifically for registration documents, the appointed party could not sign an IDERA since it is not for registration purposes. The power of attorney should be reviewed carefully to determine the authority granted.

As long as the IDERA is valid, the owner may not deregister the aircraft for export purposes; however, they may deregister it for any other purpose. An IDERA should

be discharged or released in order for the owner to request deregistration for export.

- 8.2 **Conveyances Not Meeting Signature Requirements.** Documents received for recordation, not meeting signature requirements are checked against the power of attorney file. If a valid authorization instrument is not on file, a letter is prepared requesting evidence of the signature authority. If an unacceptable authorization instrument is received, a letter is prepared requesting correction or additional documentation. A copy of the letter is placed in the pertinent aircraft record.

- 8.3 **AR Database Entry Procedures.** Redacted as system requirements.

Trusts. An original or certified true copy of the complete trust document is required. If an affidavit is also required for registration, it must be signed in **ink or be a printed duplicate of an electronic document that displays an acceptable legible digital signature.** The affidavit may be a separate document or attached to the trust. An affidavit attached to a certified true copy of a trust should be signed in ink or be a printed duplicate of an electronic document that displays an acceptable legible digital signature. If the attached affidavit does not have an acceptable ink or digitally signed signature, then a letter will be prepared to request an acceptable affidavit. Successor trustees may submit certified copies of their appointment/acceptance documents. If succession is due to the death of a previous trustee, a certified copy of the death certificate must be filed. A copy or fax is acceptable if it is a “court certified” copy or shows a certification by a County Clerk, Recorder, or other State or County official.

Amended and restated trust agreements to the original trust may be submitted. If the parties are not changing, a new affidavit from the trustee **would not** be required. If the original trust was never filed with the FAA, then an affidavit from the trustee certifying citizenship of the beneficiaries **would be** required.

An affidavit of citizenship for a Statutory Trust must show the name of the Statutory Trust somewhere if the aircraft is registered under the Statutory Trust name. If the affidavit only identifies the name of the trustee, there is no way to determine which Statutory Trust it is to be associated.

- 8.4 **Processing Documents.** Redacted as system processes.

NOTE: Resolutions which actually appoint the attorney-in-fact expire three years from the date of the board meeting unless a specific expiration date is stated. Resolutions that only designate who can execute a power of attorney do not expire unless a specific expiration date is stated.

Powers of Attorney expire three years from the date signed unless a specific expiration date is stated (i.e., month/date/year).

If a person becomes incapacitated and the personal power of attorney has expired, it is no longer the Registry’s practice to accept a doctor’s statement to extend the expiration. 14 CFR 47.13g(2).

NOTE: Signature authorities may be extended for additional 3-year periods upon affirmation in writing by the grantor that the authorization is still in effect. Where the grantor is a corporation, the affirmation is signed by a corporate officer or someone in a managerial position. (14 CFR 47.13(g)(2)(ii) and 49.13(d)(2)(ii).)

- 8.5 **Requirements for Signature Authorization Documents.** All signature authorization documents are reviewed to determine the specific authority granted. Some designate or appoint specific officers or people, or allow for “any other person authorized” by the appointee to act on behalf of the grantor. In these instances, the Registry would require a document appointing “any other person authorized” to be issued by the appointee.

If the document states that it is for a specifically described aircraft, there must be a description of that aircraft, or the document would be rejected.

Signature authorities expire three years from the date granted unless a specific date is stated in the authority. The original or a certified copy of a signature authority is acceptable. A plain copy or fax is **not** acceptable.

The complete signature of the agent, attorney-in-fact, or other person must be on the conveyances executed on behalf of the grantor. The initials of the signer or the principal's name affixed by the agent are not acceptable.

- a. **Individual.** The power of attorney must be signed by the person granting the authority.
- b. **Partnership.** The name of the partnership must be shown on the power of attorney document and on conveyances executed for the partnership. A general partner may grant the power of attorney.
- c. **Co-owner.** An agent or attorney-in-fact may sign for one or more of the co-owners if the co-owner(s) sign the power of attorney. The co-owner(s) name(s) must be shown on the conveyances along with the signature of the agent or attorney-in-fact and the word "agent" or "attorney-in-fact.”
- d. **Corporation.** An agent or attorney-in-fact may sign for a corporation, provided the resolution by the board of directors either appoints the agent or attorney-in-fact or designates certain officer(s) to sign a power of attorney. In the latter case, the signed power of attorney must be submitted. An individual within a corporation that has authority to act on behalf of the corporation cannot give a power of attorney for another party to sign for them personally. The corporation is the only authority that can appoint someone to act on behalf of the corporation.
- e. **Resolution by Board of Directors for a Corporation.** The original or a copy of the resolution, certified as true by a corporate officer or someone in a managerial position, is acceptable. (A copy or a fax is not acceptable.) If the resolution gives certain persons or corporate positions the authority to grant powers of attorney to act for the corporation, the signed powers of attorney must be submitted. A resolution that actually appoints the attorney-in-fact expires three years from the date of the board meeting unless a specific expiration date is stated. Resolutions that only

designate who can execute a power of attorney do not expire unless a specific expiration date is stated.

NOTE: A Resolution by the Board of Directors is not required for a foreign corporation. It is, however, required for a non-citizen corporation lawfully organized and business in the United States.

The Resolution by Board of Directors must be certified as true by a corporate or managerial officer of the company. Title Search companies, etc., may certify a true copy when filed with the original corporate certified true copy resolution.

- f. **Associations.** A certified copy of the minutes of the meeting authorizing the agent, attorney-in-fact, or other person to sign on behalf of the association must be submitted.
- g. **Irrevocable Deregistration and Export Request Authorization (IDERA.)** All owners of the aircraft must sign an IDERA. If the owner is a corporation, a resolution of the board of directors is not required. The IDERA may be attached to and made part of the security conveyance or submitted separately referring to a specifically described security conveyance. The document is added to the aircraft record(s) referenced, and expires upon release of the security conveyance or extinguishment of the IDERA, whichever occurs first. Multiple IDERAs may be accepted by FAA.

NOTE: Aeronautical Center Counsel has determined that the assignment of a security agreement renders ineffective, for Registry purposes, any IDERA linked to that agreement. If an IDERA is desired by the assignee(s) of a security agreement, the registered owner of the aircraft should execute a new IDERA identifying the assignee as the authorized party.

- h. **Limited Liability Company.** A member, manager, or officer may appoint another party as agent or attorney-in-fact. As current regulations cover only corporations, a resolution of the board is not required for a limited liability company. A copy or fax of the representation statement, articles of organization, or operating agreement is acceptable.

NOTE: Signature authorities may be extended for additional 3-year periods upon re-affirmance in writing by the grantor that the authorization is still in effect. Where the grantor is a corporation, the reaffirmation is signed by a corporate officer or someone in a managerial position. (14 CFR 47.13(g)(2)(ii) and 49.13(d)(2)(ii).)

NOTE: If a party that has granted a power of attorney changes their name, the power of attorney given under the old name is still valid. If however, the grantor (corporation) is involved in a merger a new power of attorney would be required if we do not have a valid power of attorney on file for the resulting name. A power of attorney under the old name is no longer valid. This follows the requirements for a new application as shown in 2.1.6.

8.6 **Appointment of Guardian, Conservator, or Trustee.**

- a. **Guardian/Conservator** – The original or a court certified copy of the court order appointing the guardian/conservator is acceptable. A copy or fax of the appointment is acceptable if it is a “court certified” copy.
- b. **Trustee in Bankruptcy** - The original or a court certified copy of the court order appointing the trustee in bankruptcy, or other order naming the trustee in bankruptcy, signed by the referee in bankruptcy, is acceptable. A copy or fax of the appointment is acceptable if it is a “court certified” copy.
- c. **Trustee (as Aircraft Owner)** – The original or a certified copy of the complete trust instrument evidencing the appointment of the trustee is acceptable. If an affidavit is also required, it must be signed in **ink or be a printed duplicate of an electronic document that displays an acceptable digital signature**. Successor Trustees may submit certified copies of their appointment/acceptance documents. If succession is due to the death of the previous trustee, a certified copy of the death certificate must be filed. A copy or fax is acceptable if it is a “court certified” copy or shows a certification by a County Clerk, Recorder, or other State/County official.

If a “pass through” bill of sale executed by a different “trustee” is received, a certified true copy of the trust agreement and a certified copy of the death certificate, if applicable, are required, however, an affidavit of citizenship is not since the trustee is not registering the aircraft.

- d. **Trustee (as Secured Party)** - When a trustee, as a secured party, is replaced or succeeded, a certified copy of the evidence of appointment of the successor trustee is acceptable.

8.7 **Receiver/Liquidator/FDIC.**

- a. **Receiver** – The original or a court certified copy of the appointment by the court is acceptable.
- b. **Liquidator** – The original or a court certified copy of the appointment document is acceptable.
- c. **Federal Deposit Insurance Corporation** - Items a and b above do not apply to the appointment of FDIC as receiver/liquidator. Evidence of the appointment of FDIC is not required. Conveyances signed by the FDIC for a national bank are accepted without further evidence when signed as liquidator, assistant liquidator, or attorney-in-fact.
- d. **Liquidation of a Federal Credit Union** - A certified copy of the minutes of the meeting by the board of directors appointing the liquidating agent may be accepted.
- e. **Liquidation of a National Credit Union** – A purchase and assumption agreement by the National Credit Union Administration Board (NCUA) may be accepted. The NCUA is an agency of the Federal Government with the authority to regulate, charter and supervise credit unions. Aeronautical Center Counsel’s office has indicated that

the NCUA has the same authority, as does the FDIC in the area of liquidating insolvent credit unions.

NOTE: If the above appointments are made by order of the court, a copy or fax is acceptable if it is a “court certified” copy.

8.8 **Deceased Estates.** One of the following may be accepted.

- a. **Administrator** - An original, a court certified true copy, or a photocopy or fax of a “court certified” true copy of the Letters of Administration appointing the administrator or administratrix.
- b. **Executor** - An original, a court certified true copy, or a photocopy or fax of a “court certified” true copy of the Letters Testamentary appointing the executor or executrix. A document that reflects Letters Testamentary were issued and are still in full force and effect may be acceptable for the appointment of the executor if it contains the required content.

Some states use the term “personal representative” instead of executor or administrator.

In the event co-executors, co-administrators, or co-personal representative are appointed, conveyances should be signed by all of those parties appointed unless the Letters Testamentary specifically state the co-executors are independent. If they are independent co-executors then one person may sign for the estate when selling an aircraft or releasing a security interest.

8.9 **Heir-at-Law.** When no executor or administrator has been, or is to be, appointed, an affidavit by the heir(s)-at-law may be submitted. The affidavit should describe the aircraft involved and state that no application has been made for the appointment of an executor or administrator; that, insofar as the affiant can determine, no such application shall be made; and that he/she/they is/are the person(s) entitled under the laws of the state having jurisdiction to take possession of the aircraft or to dispose of it, as the case may be.

8.10 Redacted as system processes.

8.11 **Survivor/Joint Tenancy.** For Joint Tenancy two or more co-owners must take identical interests **simultaneously by the same instrument.** The submitted evidence of ownership must include the words “joint tenants” or the initials “JT,” “JT/WROS,” or “WROS.” Surviving tenant(s) in a joint tenancy with the right of survivorship may submit an affidavit stating that the aircraft was held in joint tenancy with right of survivorship, the names of the joint tenants, name of the deceased tenant, and a statement that under the laws of the applicable State, the applicant(s) (is)(are) owners of the aircraft.

NOTE: A bill of sale and/or application filed with the initials TOD (transfer on death) in the purchaser’s block, is not acceptable for FAA purposes. A letter would be prepared requesting the initials to be removed. At the time of death, the Registry will require a transfer of ownership and an estate document or affidavit of heir-at-law, as appropriate.

8.12 **Copies of Court Documents.** A photocopy or fax of a certified copy of a court document may be accepted if it:

- a. Shows the signature or /s/ (name) of the court official who issued the document, and
- b. Shows the signature of the court official, or one of the deputies, who certified the copy as a true copy.

NOTE: Although a “court certified” copy may be acceptable in some instances, any document that determines ownership of an aircraft or grants/gives an interest in an aircraft must be submitted in paper format, i.e., “filed.” Prior to November 2012, the Registry did not accept or associate faxed copies of documents granting or giving an interest in an aircraft.

- 8.13 **Changes in Name.** When a change of name occurs, the original, certified true copy, or a photocopy of the instrument approving or reflecting the change is acceptable. A photocopy of the certificate issued by the Comptroller of U.S. Currency, Secretary of State, State Banking Authority, Corporation Commission, etc. is acceptable when the official's name, title, and seal, if applicable, are shown. A photocopy or fax is also acceptable if it includes letterhead, seals, etc., showing that it was issued by the appropriate authority.

The aircraft owner may submit an application for registration in the new name or make the name change request in writing. However, if it is necessary to obtain further information from the owner, it is acceptable to suggest a new application be submitted for each aircraft involved or to request that the registered owner furnish a list of the aircraft involved.

There is no fee required to issue a revised certificate of registration due to a name change. Registered owners who submit changes of name are furnished revised certificates of registration or revised dealer's certificates.

- a. **Individual** - Name may be changed by a marriage certificate or court order. The California statutes permit individuals to change names through usage alone. To document the change for Registry purposes, the individual may submit an affidavit stating the change in name was through usage in accordance with California law. The affidavit should include the date when usage began. Other states may have similar statutes.
- b. **Trade name** - An individual, corporation, or co-owners may change a trade name by notification in writing, or by an application reflecting the new trade name.
- c. **Partnership** - The partnership name may be changed by
 - 1) the original or a certified copy of the minutes of the meeting approving the change in name,
 - 2) an agreement signed by the general partners, or
 - 3) an affidavit signed by a general partner.
- d. **Corporation and Association**
 - (1) **State Organized.**

- (a) May accept the original, a certified copy, or a photocopy of the instrument approving the change in name. The Secretary of State in some states does not issue certificates to reflect approval; therefore, the instrument of approval may be by the Secretary of State, State Corporation Commission, or may be a copy of the amended Articles of Incorporation showing the filing information by the appropriate state office. A photocopy of a certificate should show the authorized officer's name, title, and state seal, if appropriate.
 - (b) If a STATE BANK is involved, the original, certified copy, or photocopy of the certificate issued by the appropriate state banking authority is acceptable.
 - (c) If a STATE COLLEGE is involved, the name is changed by legislative action. A certified copy of the legislative act is acceptable.
- (2) **Nationally Organized.** The Garn-St. Germain Depository Institutions Act of 1982 effective October 15, 1982, deletes the previous requirement that the Comptroller of the Currency approve any change of a national bank's name. Under the new law the names of national banks must continue to include the word "National."

The law now provides that any existing national financial institution may change its name by providing a written notice.

Any one of the following is acceptable for a national bank, a federal credit union, or a federal savings bank to evidence a name change.

- (a) Certified copy of the resolution by the Board of Directors.
 - (b) Certified copy of the amendment to the articles of association.
 - (c) Copy of Banking Bulletin (national banks.)
 - (d) Certified copy of the name change filed locally.
 - (e) An affidavit by an officer of the national bank, federal savings and loan association, federal savings bank, or federal credit union, certifying the change. An affidavit is **not** acceptable for mergers, consolidations, or banks changing from a state charter to a national/federal charter or vice versa.
 - (f) A copy of the notice to the Comptroller of the Currency of the effective date of the change (national banks.)
- e. **Associations (other than National associations.)** A certified copy of the minutes whereby it was resolved to change the name of the association.

Limited Liability Companies (LLC). When a name change is filed for an LLC, there is no requirement to file new LLC documents. Each record will be updated to show the last registered owner's new name and a revised certificate issued.

- 8.14 **Merger/Consolidation.** If a merger or consolidation of corporations (i.e., the corporation is dissolved or extinguished) affects a registered owner of aircraft, the

surviving corporation must submit an application for registration and registration fee for each aircraft. The certificate of registration is issued with the current date. One of the following may be accepted as evidence of the merger.

- a. The original, certified true copy or photocopy of the document evidencing approval of the merger or consolidation. A fax is also acceptable if it includes letterhead, seals, etc., showing that it was issued by the appropriate authority.
- b. A copy of the merger or consolidation agreement, not approved, which is accompanied by an affidavit signed by both the surviving and dissolving corporations stating that the merger or consolidation has been approved, but a certificate has not been received from the approving authority.

NOTE: Refer to Section 2.1.6 for further information.

NOTE: An affidavit is **not** acceptable for mergers, consolidations, or banks changing from a state charter to a national charter or vice versa.

- 8.15 **Dissolution of a Corporation.** A corporation may dissolve voluntarily or be dissolved involuntarily because of non-payment of taxes. The original, certified true copy or a photocopy of the certificate issued by the Secretary of State or other approving authority, approving the dissolution may be accepted as a name change record if it also distributes assets. A fax is also acceptable if it includes letterhead, seals, etc., showing that it was issued by the appropriate authority. The recipient of distributed assets may apply for registration or sell the aircraft using their own name. A Cross-Reference Recordation is added to the aircraft record to indicate the receipt and acceptance of the corporate dissolution and distribution of assets. An application and fee are required to register the aircraft in the name of the recipient of the asset. If the dissolution certificate identifies the party responsible for **distributing** assets rather than making actual distribution, it is acceptable as a power of attorney.
- 8.15.1 **Deceased Sole Stockholder of a Corporation.** A corporation is unaffected by the death of the principal or sole stockholder. The signature of the executor or administrator for the estate of the deceased stockholder is not acceptable on behalf of the corporation. Any conveyance executed on behalf of the corporation should be signed by a corporate officer or someone in a managerial position. If the corporation is dissolved, the original, certified true copy, or photocopy of the dissolution along with the documented distribution of its assets are required. The approval instrument received by fax is also acceptable if it includes letterhead, seals, etc., showing that it was issued by the appropriate authority.
- 8.15.2 **Deceased Sole Member of a Limited Liability Company.** A limited liability company may be affected by the death of the sole member. A certified true copy of the operating agreement should be submitted. The operating agreement should specify what happens upon the death of the sole member. If it does not and it is dissolved, the original, certified true copy, or photocopy of the dissolution along with the documented distribution of its assets are required. The approval instrument received by fax is also acceptable if it includes letterhead, seals, etc., showing that it was issued by the appropriate authority.

CHAPTER 9. DEALER'S AIRCRAFT REGISTRATION

- 9.1 **General.** 49 U.S.C. 44104(2) provides for the issuance of dealer's aircraft registration certificates and for its use in connection with aircraft that are eligible for registration by persons engaged in the business of manufacturing, distributing, or selling aircraft. Subpart C, Part 47 of the Federal Aviation Regulations sets forth the eligibility requirements, application, limitations, and duration regarding dealer's certificates.

The applicant for a dealer's certificate must apply on the Dealer's Aircraft Registration Certificate Application.

Dealer's certificates are issued (1) to allow manufacturers to make any required flight tests of aircraft and (2) to allow dealers and manufacturers to operate, demonstrate, and merchandise aircraft.

In accordance with 14 CFR Part 47.71, a dealer's certificate expires one year after the date it is issued. The permanent dealer certificate number begins with the letter "D" followed by six numbers, i.e. D000001. The permanent certificate number facilitates linking all aircraft currently registered under that dealer's certificate to that dealer. The aircraft records will reflect the address shown on the Dealer's Aircraft Registration Certificate Application. The operation of an aircraft registered by a dealer's registration is restricted. The dealer's certificate is valid for use of an aircraft:

- a. By the holder of the dealer's certificate, the agent or employee, or a prospective buyer provided the prospective buyer operates the aircraft for demonstration purposes while under the direct supervision of the certificate holder, agent, or employee.
- b. After the dealer (not a manufacturer) has submitted evidence of ownership of the aircraft to the FAA Aircraft Registry.
- c. Within the United States.
- d. To deliver to a foreign purchaser an aircraft displaying a temporary number (Manufacturer Temp) and carrying an airworthiness certificate showing the temporary number.
- e. While the certificate is carried within the aircraft on flights that are required for flight testing, demonstrating for sale, or delivering to a foreign purchaser as listed in item d. above.

Aircraft registered under a dealer's certificate that has expired will be placed in an 'Expired Dealer' status. In accordance with 14 CFR 91.203(a)(2), a civil aircraft cannot be operated unless it has an effective U.S. registration certificate (in this case an effective dealer's certificate.) Any aircraft in an 'Expired Dealer' status may be re-registered by the submission of a new dealer application or an Aircraft Registration Application, and the appropriate fee. The dealer must submit a signed statement requesting registration under the renewed dealer certificate if registration of an aircraft has been cancelled due to an 'Expired Dealer' status.

NOTE: Security conveyances filed for any aircraft registered under an expired Dealer's Aircraft Registration Certificate are not recordable.

The dealer's certificate may be used for any aircraft the dealer owns at any of the dealer's locations in the United States as prescribed by regulation. It is not necessary for a dealer to apply for a dealer's certificate for each location at which the dealer is operating, whether within the

same state or in more than one state. All additional certificates bear the same certificate number as the original certificate. Dealers can only have one dealer number. If a dealer has multiple locations, each aircraft will be registered at the address shown on the dealer application.

A dealer cannot register an aircraft with any other co-owners using multiple dealer certificates. If multiple applicants want to register an aircraft under a dealer certificate, a new dealer certificate naming all co-owners must be obtained.

9.2 **Processing the Application.** Redacted as system processes.

a. **Initial Examination.** The applications are reviewed for:

1. name and mailing address,
2. physical location,
3. business in which the applicant is engaged,
4. type of ownership,
5. fee and number of certificates
6. signature and title, if appropriate, and
7. certification of citizenship. A determination is made whether the application is acceptable.

NOTE: It is acceptable for the applicant to show “same” in Block 2 “Address of Principal Place of Business”, but if left blank the examiner must reject. At least one of the blocks must be checked in Block 3, “Business the Applicant is Substantially Engaged In.”

b. **Check for File.** Redacted as system processes.

c. **Incomplete Application.** 14 C.F.R. 47.61(b) states, “A Dealer’s Aircraft Registration Certificate is an alternative for the Certificate of Aircraft Registration issued under Subpart B of this Part.” In other words, there may be differences in the initial examination process, but for registration purposes, the Dealer’s Application is the equivalent of the Aircraft Registration Application. The Dealer’s Application is to be examined and accepted or rejected in the same manner as the Aircraft Registration Application. This includes the typed or printed name along with the signature, type of ownership, titles, etc. One of the boxes under “Certification” must be checked.

d. **Issue Date of Certificate.** When the new application is received prior to the expiration of the previous certificate, the effective date of the new certificate is the day after the previous certificate expires. If the applicant has not held a dealer's certificate previously, the issue date of the certificate is the date it is actually issued. When the renewal application is received after the expiration of the previous certificate, the effective date of the new certificate is the date it is actually issued.

NOTE: Redacted as system processes.

e. **Acceptance of the Application for Certificate Issuance.** Redacted as system processes.

f. **Rejected Application for Signature or Correction.** A Dealer’s Aircraft Registration Certificate letter is prepared to return the application to the applicant for signature or correction.

9.3 **Certificate(s) Lost, Stolen, or Mutilated.** When a dealer's certificate(s) is/are lost, stolen, or mutilated, duplicate certificate(s) may be issued upon receipt of a request and \$2 for each duplicate. It is not

necessary for the dealer to complete an application form to obtain duplicate certificates. The dealer is asked to include the certificate number in the request. The duplicate certificate is issued using the original certificate number and the original expiration date.

- 9.4 **Change of Address.** A revised dealer's certificate is issued without a fee upon notification of a change of address. The certificate is issued with the new address, using the original certificate number and the expiration date of the original certificate.
- 9.5 **Change of Name.** Dealers are not required to complete a new application for a name change. Upon receipt of acceptable evidence that a dealer has had a change of name, a revised dealer's certificate is issued to reflect the new name. The revised certificate is issued with the permanent dealer's certificate number and the expiration date of the original certificate. No fee is required for the issuance of a revised certificate.
- 9.6 **Merger.** In the event a corporation who holds a dealer's certificate merges with another corporation, the dealer's certificate is no longer effective. The new legal entity must complete a new application for a dealer's certificate and pay the fees unless they already hold a dealer's certificate in the new entity's name. If it is a new entity name then a new dealer certificate number is issued with a new expiration date. The dealer number linked to each affected aircraft must be changed to reflect the new number for the new entity.
- Any aircraft registered by an Aircraft Registration Certificate is re-registered with an application for aircraft registration and fee of \$5. If new aircraft registration applications have not been submitted for all affected aircraft records, the examiner will write rejection letters for each aircraft outlining the requirements.
- 9.7 **Temporary Registration Numbers.** (14 CFR 47.16) This applies mainly to manufacturers. The holder of a dealer's certificate may apply for temporary registration numbers to be used on aircraft in connection with the dealer's certificate. The intent of the regulation is the dealer may obtain as many temporary numbers as dealer's certificates held. A temporary number may not be used for the importation of aircraft. However, a temporary number may be used in connection with a dealer's certificate to deliver aircraft outside the United States.
- A dealer (who is not a manufacturer) must submit evidence of ownership prior to using a dealer's certificate. If the aircraft does not have a registration number assigned (import or newly manufactured), the FAA assigns a registration number on an expedited basis. Therefore, temporary registration number are not generally applicable.
- 9.8 **Records Management of Dealer's Files.** Redacted for system processes.
- 9.9 **Change Registration to be under a Dealer's Certificate.** A registered owner who also holds a valid dealer's certificate may decide to change registration to be under their dealer certificate. In this case, the registered owner must send in the aircraft certificate of registration along with a signed request to register under their dealer certificate. The request should show their dealer number and describe the aircraft by name of manufacturer, model, serial number, and registration number. The certificate and request are added to the aircraft record.
- 9.10 **Reinstating a Cancelled Dealer Registration.** An aircraft record may be cancelled due to an expired dealer certificate. In order to reinstate the N-number and re-register an aircraft record under a dealer's certificate, an acceptable dealer application, the appropriate fee and a signed request must be submitted to the Registry. The request must describe each aircraft and state they wish to re-register the aircraft under their renewed dealer's certificate.

CHAPTER 10. DEREGISTRATION

- 10.1 **General.** (Convention on the International Recognition of Rights in Aircraft - June 19, 1948). (14 CFR 47.41 and 47.47). Aircraft may be removed from the U.S. register at the request of the owner when exported, destroyed, salvaged, dismantled or permanently retired from service.

(Convention on International Interests in Mobile Equipment and the Protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Aircraft Equipment (Cape Town Treaty) – effective March 1, 2006). (14 CFR 47.47). Aircraft may also be removed from the U.S. register for export purposes only, at the request of the holder of an irrevocable deregistration and export request authorization (IDERA), or their certified designee.

Aircraft being exported to another country may be removed from the U.S. register upon receipt of (1) a written request from the last registered owner, owner of record, or holder of an IDERA, (2) release or certificate of repossession (accompanied by evidence of disposition) for the recorded consensual liens or written consent to the export from the holder of all Geneva Convention liens, and/or (3) a lease termination (signed by the lessor and lessee), certificate of repossession, signed by the lessor, or written consent of the lessee for unexpired leases with an initial term of six months or more for all Geneva Convention leases. Liens and leases executed on or after March 1, 2006, against Cape Town eligible aircraft and helicopters do not have to be released prior to export of the aircraft. Although the Cape Town Treaty does not require any documentation of the release of these liens, the Registry requires submission of supporting evidence of consent to export or discharge (release) of Cape Town liens. Any lien or lease dated prior to March 1, 2006, is affected by the Geneva Convention and must be released or consented to prior to the export of the aircraft, even if that aircraft is now considered to be Cape Town eligible collateral.

(14 CFR 47.47). The Cape Town Treaty allows for the holder of an IDERA recognized under the Cape Town Treaty, or the owner of the aircraft (if a valid IDERA is not on file at FAA), to submit a written certification that all registered interests ranking in priority to that of the requestor have been discharged or that the holders of such interests have consented to the cancellation for export purposes. The written certification for the IDERA holder must match the requirements of 14 CFR 47.47, while the written certification made by the owner may be slightly varied. (The owner may not actually have a registered interest at the International Registry). FAA requires the party making this certification to submit supporting documentation regarding the outstanding liens.

An IDERA holder's written certification must be accompanied by: (1) a Search Certificate from the International Registry for the aircraft, and (2) copies of the consent(s) to export or discharges of liens from the holder(s) of any registered interest ranking in priority to that of the requestor; as evidenced by the Search Certificate. The written certification and request must be signed and show appropriate title. An ink signature on the written certification from the IDERA holder was required until May 1, 2017. As of May 1, 2017, the certification statement, request to export, search certificate, and consent to export may be sent by mail, fax, express courier, or filed by a title search company or law firm. Releases and evidence of ownership are not acceptable by fax. These documents must contain original signatures by either being signed in ink or be a printed

duplicate of an electronic document that displays an acceptable legible digital signature and be filed by a title search company or law firm, mailed, or sent by express courier.

An owner's written certification must be accompanied by supporting evidence (proof) of consent to export or discharge (release) of liens, for all outstanding consensual liens in the FAA aircraft record. The written certification and request to export must be signed and show appropriate title. As of May 1, 2017, an owner's written certification statement, request to export an International Registry eligible ("IR") aircraft, and consent to export may be submitted by fax. Releases and evidence of ownership are not acceptable by fax. These documents must contain original signature by either being signed in ink or be a printed duplicate of an electronic document that displays an acceptable legible digital signature and be filed by a title search company or law firm, mailed, or sent by express courier. **NOTE:** FAA cannot accept a request to export and written certification from the registered owner if there is an outstanding IDERA. The IDERA must be discharged or its associated security conveyance must be released before export based on the owner's request.

The supporting evidence of consent or discharge may be copies or faxes. The Convention on the International Recognition of Rights in Aircraft (Geneva) requires the recognition of recorded contractual or consensual rights. Some artisan's liens are asserted as consensual, with the signature of the owner or agent appearing on the work order, specifically granting the lien. In these cases, the recorded right must be considered contractually created, and a release or written consent is required before cancellation for export purposes.

- 10.2 **Request for Deregistration because of Export.** Requests to cancel the U.S. registration of aircraft because of export shall meet the signature requirements of Part 47.13 of the Federal Aviation Regulations (FARs). If the aircraft is co-owned, all co-owners must sign the request to cancel for export. For partnerships, one partner may sign a request to deregister if the complete partnership name is shown. The partnership name is either the name under which the partners do business or, if none, the names of all general partners. The request must name the country involved and describe the aircraft sufficiently to identify it. A copy or fax request may be accepted if it includes the signature of the signer and title, if appropriate. In the case of an IR aircraft, written certification received by fax became acceptable on May 1, 2017.

A returned certificate of registration is acceptable if it is signed by the last registered owner and marked at least for part "e" with the name of the country shown. In the case of an IR aircraft, the written certification will be required with the returned certificate requesting export. The written certification may be faxed.

A request for deregistration is acceptable from other than the holder of the certificate of registration or authorized party under an IDERA, when a recordable conveyance evidencing a chain of ownership is submitted showing the requester as owner of the aircraft. When recordable evidence of ownership is to a foreign purchaser, a deregistration request is acceptable either from the last U.S. owner of record or the foreign purchaser.

Each recordable bill of sale through all U.S. owners, with or without a fee will be recorded. Each recordable bill of sale to foreign purchasers will be recorded if the recording fee is received. Bills of sale without a fee or a copy of bills of sale to foreign

purchasers are accepted and added to the record before the request to export. Duplicate bills of sale (with ink signatures) are returned to the submitter. If it cannot be determined who submitted the document, it will be returned to the last owner of record. If documents are submitted by the foreign purchaser and must be rejected, an information copy of the reject letter will be sent to the last registered owner or last owner of record. A faxed copy of a bill of sale will not be added to the permanent aircraft record.

If an aircraft is in Sale Reported status based on a request to cancel for export but the FAA is unable to export due to an outstanding lien, and then later notified the aircraft was not exported (i.e., - deregistered prematurely, etc.), the examiner will request a written statement indicating the aircraft will not be exported. The statement should be accompanied by an aircraft registration application and \$5.00 registration fee. The statement may be faxed as long as it shows proper signatures and titles. Examiner should accept the request to export and the signed statement before re-registering the aircraft.

NOTE: A conditional sale instrument (includes conditional sales contract, bailment lease, and lease with purchase option) showing a U.S. seller and a foreign purchaser may be acceptable for recording. The contract is recorded only if we can simultaneously cancel the U.S. registration of the aircraft. Before recording the conveyance, check for a written request to deregister and a release, repossession, or consent to export for the outstanding liens, including the conditional sale instrument.

NOTE: If a confirmation of deregistration or non-registration is sent to the wrong country due to an error by the requestor, a confirmation of non-registration from that country is required before the Registry can send confirmation to the correct country. The confirmation should state that the aircraft was not entered or the country has no record of the aircraft on their register. After the confirmation is received, the Registry will send a message to the correct country confirming deregistration showing the date the aircraft was originally removed.

If a foreign country requests confirmation of deregistration, the Registry will notify them that we may confirm deregistration upon receipt of a request from the last registered owner, the last owner of record or U.S. manufacturer.

10.3 **Examination Process.** The following steps are taken in processing a request for deregistration:

- a. Description of aircraft, signature requirements, country of export, date deregistration required, other parties to be notified, etc.
- b. Redacted as system processes.

NOTE: Regarding outstanding N-number change (-64): If documents or the request reflects the “new” N-Number, we must receive either the completed -64 form (original, copy or fax acceptable) or a letter indicating the date the new N-Number was placed on the aircraft. A signature and title must also be shown.

- c. The permanent and suspense records will be searched for:

- (1) Outstanding recorded consensual liens and leases with an initial term of six months or more for aircraft subject to the Geneva Convention, and aircraft subject to the Cape Town Treaty, dated prior to March 1, 2006.
- (2) Unrecorded consensual liens and leases with an initial term of six months or more for aircraft subject to the Geneva Convention, and aircraft subject to the Cape Town Treaty, dated prior to March 1, 2006.

All recordable conveyances are recorded prior to cancellation of registration or writing a reject letter. Therefore, a release, certificate of repossession (accompanied with evidence of disposition), or consent is required for each outstanding lien subject to the Geneva Convention; and a termination, certificate of repossession, or consent is required for each unexpired lease that may be recorded prior to, or in conjunction with, the export for each lease subject to the Geneva Convention. The person requesting deregistration is advised to obtain:

- (a) A release or consent for each outstanding recorded/recordable consensual lien subject to the Geneva Convention, and
- (b) A termination or consent for each unexpired recorded/recordable lease of six months or more subject to the Geneva Convention.

NOTE: If the lease has not expired, a termination signed by both the lessor and lessee is required. If a consent for export is used, a consent signed by the lessee **only** is acceptable. If the lease has more than one co-owner (lessors), all must sign the termination unless (a) the lease expired by its own terms or (b) the co-owners who did not sign have assigned their interest to the other co-owner(s)/lessor(s).

- (3) Consensual liens and leases executed on or after March 1, 2006, for aircraft and helicopters subject to the Cape Town Treaty do not have to be released, however, supporting evidence is required. Aircraft subject to the Cape Town Treaty were subject to the Geneva Convention prior to March 1, 2006, and any consensual lien or lease executed prior to March 1, 2006, must be released or consented to prior to the export of the aircraft.

NOTE: Regarding Outstanding Liens or Leases. If there is an unrecorded security agreement in suspense with a reject letter that is less than 6 months old, a reject letter will be written to the secured party advising that on (the date of the reject letter) they were advised that their lien could be recorded upon receipt of (whatever the reject letter requested). If it is not (returned/received) within 30 days, the registration will be cancelled for export without further notice and the security agreement image remains in suspense.

Repossessions and tax liens do not require a release for export. Mechanic's liens also do not require a release for export, unless they are consensual.

Some leases are terminated by repossession. The repossession document for a lease does not have to say, "repossessed and foreclosed."

NOTE: Regarding Consents to Export. Consents may be received for outstanding liens or leases. Consents must be signed and show appropriate title, if necessary. A copy or fax is acceptable for consent. If the aircraft was previously exported with consent to export and the lien remains outstanding, a new consent to export or a release must be submitted before the aircraft can be exported.

NOTE: Regarding Bankruptcy Orders and Seizure/Summary Forfeiture and Sale documents. Under 14 CFR 47.47, holders of recorded rights must be satisfied or consent incident to cancellation of registration for export. Upon request for cancellation for export, if a recorded “free and clear” Bankruptcy order or Seizure/Summary Forfeiture and Sale document were in the aircraft record, cancellation by FAA would be appropriate with regard to **prior recorded liens**. For property which is seized by and forfeited to the Federal Government 19 USC 1609 applies. It states, in pertinent part, “Title shall be deemed to vest in the United States free and clear of any liens or encumbrances from the date of the act for which the forfeiture was incurred.” A Bankruptcy court order or a forfeiture document with “free and clear” language, if recorded, is simply a matter of record. Upon searching title, interested parties may make their own determination about a specific aircraft and whether the aircraft is free and clear. All liens executed after the issuance of one of these documents must be released, consented to, etc., as Geneva or Cape Town applies.

NOTE: Regarding partial releases of fractional percentages from security instruments. These releases are generally submitted when a fractional owner sells his interest in the aircraft to another and there is an outstanding security conveyance. The selling party will have their fractional interest released from the outstanding security conveyance. All of the percentage(s) of the aircraft must be released from security conveyances or consented to before the aircraft can be exported.

NOTE: Outstanding engines, propellers or spare parts on security conveyances do not have to be released or need consent to prior to exporting the aircraft. The regulation states the aircraft must be released or consented to the transfer.

- d. Check the date and time the request was filed.
- e. Redacted as system processes.

NOTE: If a termination is received, signed by the lessee only, it may be treated as consent to export. The importing country is advised of the "consented" but unexpired lease.

- f. Redacted as system processes.
- g. Redacted as system processes.
- h. **Export request received subsequent to cancellation for ‘scrapped/destroyed’ or ‘expiration’.** Historically, the Registry has issued confirmations of deregistration **only** for those aircraft that were cancelled for export purposes. The Registry would occasionally receive a request for export, or a request from a foreign country for confirmation of deregistration, for an aircraft that had previously been cancelled for

some other reason. The policy was to send a message to the effect that the registration, "...was cancelled on (date) at the request of the last registered owner indicating the aircraft was (destroyed, etc.)." The registration for these aircraft had been cancelled upon the written request of the owner.

With the implementation of Re-registration and Renewal on October 1, 2010, the Registry began receiving requests, from both last registered owners and foreign civil authorities, for confirmations of deregistration for export of aircraft that had expired. Prior to cancellation by FAA, an expired aircraft should be treated in the regular 'export' manner. If, however, the registration has been cancelled due to expiration, the situation must be handled in a different manner. Cancellation due to expiration is purely an "administrative" cancellation – not upon the written request of the owner.

A request to export an aircraft and correspondence that indicate the aircraft was damaged, scrapped or destroyed for a current registration may be handled in one of two ways.

- A. The owner of the aircraft may request the aircraft to be exported as scrapped/destroyed. The request to export must clearly state this on the request. The examiner would cancel the registration for a scrapped/destroyed aircraft.
- B. The owner of the aircraft may request the aircraft to be exported as normal. In this case, the examiner would need to send the REGAR-Destroy-1 letter. The owner would need to complete the back page and return with pictures of a complete aircraft. Upon receipt of the completed form and approval by Technical staff, the examiner would then complete the export process.

10.4 **Conveyance or Correspondence Received Subsequent to Deregistration.**

Conveyances received after deregistration of an aircraft may not be recorded unless the conveyance is a release of a recorded lien or a termination of a recorded lease. Security, lien, and lease instruments received pertaining to a deregistered aircraft are returned as non-recordable unless accompanied by registration documents or some indication that the aircraft will be returning to the U.S. Civil Aircraft Register. If there is no indication the aircraft is being re-registered, the security agreement, claim of lien or lease instrument will be returned on a return of documents letter. A copy of the letter will be added to aircraft history.

Occasionally, a release of a security conveyance or termination of a lease agreement is received, executed by a party other than one named on the recorded document on file with FAA. It is acceptable for the assignee to file the release or termination for recordation provided a properly executed assignment is attached. The inclusion of the assignment, whether it is incorporated into the release/termination itself or attached thereto, explains the authority of the "assignee" to execute the release or lease termination. It would be improper to seek a release or termination from the original party as they have assigned their interest and are without power to release or terminate. The release or termination would be recorded with the assignment appended to the back. There is no charge to record the release or termination.

10.5 **"Fly-away" Deregistration.** (14 CFR 47.16(d) and 47.69(b)). Manufacturers and dealers who hold a dealer's certificate may deliver to a foreign purchaser an aircraft displaying a temporary registration number, sometimes called a "fly-away" number.

Confirmations of deregistration and airworthiness documents for a specific temporary registration number are maintained in temporary records based upon the description of the aircraft.

Upon request by the manufacturer, a confirmation is sent to the importing country.

- 10.6 **Effect of Repossession on the Export of Aircraft.** Evidence of repossession in the form required by paragraph 47.11(b) of the Federal Aviation Regulations (FARs) is considered as sufficient to satisfy the requirements of 14 CFR 47.47(a)(2). Whether such repossession constitutes the satisfaction of the debt is a matter to be governed by State law and would have no bearing on the export of the aircraft following repossession.

For the effect of repossession on junior liens, refer to paragraph 5.4.

- 10.7 **General Information on Certificates of Airworthiness for Export.** The Registry receives a packet of three documents on each aircraft, engine, and propeller being exported. They are the Export Certificate Number Assignment Card, Application for Export Certificate of Airworthiness, and the Export Certificate of Airworthiness.

FAA inspectors may contact the Registry to order copies of the export certificate of airworthiness records to see if the aircraft had any exception added to the type design before it was shipped out of the country. They order the export files on engines and propellers because either the shipper or receiver has lost the Certificate of Airworthiness for export papers. The export certificate number assignment card does not show if there are any exceptions. A change has been made to AC Order 8130.2, Airworthiness Certification of Aircraft and Related Approvals. This change outlines the redesign of the export card to show a block to indicate whether the aircraft had any exceptions to the type design added before export. It will, however, be years before the new cards can be completely distributed and in use.

- 10.8 **Request for Confirmation of Non-registration.** When an aircraft manufacturer plans to export a new aircraft direct from the factory, they will send a request to the Aircraft Registration Branch asking that FAA confirms to the country to which the aircraft is to be exported, that the aircraft is not and has never been entered on the United States Register. The requestor must be a U.S. type-certificated aircraft manufacturer.

The Export Examiner:

- a. Checks the document index for any new documents pertaining to the aircraft. It will be necessary to check by manufacturer and serial number since no N-Number has been assigned.
- b. Examines the request from the U.S. manufacturer to verify that it gives a complete description of the aircraft, names the country of import and meets signature requirements. If the title of signer is incorrect, the request will be rejected.
- c. Accepts the request and completes the wire.

If an unacceptable request is received (i.e., from a party other than a U.S. manufacturer, incomplete description, etc.), the export examiner prepares a letter to the requester regarding the additional information required. If the request is from the foreign country,

we notify them that we may confirm upon receipt of a request from the U.S. manufacturer. If the aircraft is not a U.S. type-certificated aircraft, the request must come from the foreign country. In this case, we cannot confirm never been entered. We can only issue a message indicating that 'we find no record of...'

If a bill of sale is received on an aircraft that we have confirmed never been entered or deregistration on a fly-away number, the bill of sale may be accepted and added to history, **if** the purchaser's address is in the same country we confirmed to.

NOTE: If an aircraft is exported to the wrong country due to an error by the U.S. manufacturer, a confirmation of non-registration from the wrong country is required. The confirmation should state the aircraft was not entered on the foreign register or they have no record of the aircraft. After the confirmation is received, the Registry will send a message to the correct country confirming non registration showing the date the aircraft was originally confirmed.

- 10.9 **Deregistration due to Accident, Salvage, Dismantled, Permanently Retired from Service, Destroyed, or Owner's Request.** The current index listings are checked for conveyances that have been filed for recordation but not associated with the aircraft record. If any, they are obtained and examined with the record.

The last registered owner may request that registration be cancelled because the aircraft has been in an accident, salvaged, dismantled, permanently retired from service, or destroyed. This type of request may contain an ink, digital, faxed or photocopy signature. If the owner requests deregistration without giving a reason, the reason for cancellation shall be requested. When aircraft are destroyed, the registration may be cancelled upon receipt of such notification by the owner or by a responsible party (such as a member of a deceased owner's family, one co-owner, etc.) It is not necessary to have the appointment of the executor or administrator in order to honor their request to cancel the registration of an aircraft. The Deregistration of U.S. Civil Aircraft form is completed and made a permanent part of the aircraft file.

If the last registered owner states that the aircraft has been destroyed and sold to the insurance company, do not complete a Deregistration of U.S. Civil Aircraft form. Update the AR database to show the aircraft in Sale Reported status and write a letter with registration instructions to the insurance company.

A returned certificate marked scrapped/destroyed must also be marked requesting cancellation. If the block requesting cancellation is not marked, the examiner should suspend the returned certificate and request a good request to cancel.

NOTE: If an FAA Field Office submits notification to the Registry indicating an aircraft has been involved in an accident and destroyed, the examiner should suspend the notice and issue a cancellation rejection letter to the last registered owner requesting disposition of the aircraft. If documents are submitted to transfer ownership of the aircraft, the case should be routed to Technical to seek approval/coordination to register the aircraft. If documents are submitted to cancel the registration, process accordingly.

CHAPTER 11 RESERVED

CHAPTER 12. FEES AND REFUNDS

- 12.1 **General.** (14 CFR 47.17, 49.15). Mail addressed to the Registry is received by the Cashier Control Section. It is recommended the aviation public's remittances be paid in the form of checks or money orders, payable to the Federal Aviation Administration (FAA). Once the type of service is determined, the monies are posted on the appropriate documents or correspondence.
- 12.2 **Foreign Remittances.** Remittances from foreign countries must be made with a U. S. postal money order, international postal money order, draft on a United States bank, or United States currency. Drafts on banks in Puerto Rico and the United States Virgin Islands are acceptable.
- 12.3 **Fees.** Parts 47 and 49 of the Federal Aviation Regulations identify the fees for registration and recordation. It is the policy of the Registry to register government-owned aircraft and to record conveyances made to the Federal Agencies without the fees. This does not apply to state or local tax liens.
- 12.4 **Refunds.** When no service is performed, the entire fee is refunded. Refunds for overpayments are made; however, amounts of \$5 or less are refunded only at the request of the remitter.
- 12.5 **Requesting a Refund Online.** Redacted as internal system process.
- 12.6 **Notation of Refunds.** The amount and date of the authorization for the refund are annotated on the document by an FAA examiner. If a partial amount is refunded, the annotation indicates the portion refunded.