



## **MEMORANDUM**

The Amendments to Part 47 of the Federal Aviation Regulations relating to registration of aircraft, as set forth in the attachment, become effective October 1, 2010. Two major changes set forth in the Amendments include (i) the re-registration over a 2 ½ year period through December 31, 2013 of all aircraft registered prior to October 1, 2010 by the FAA Aircraft Registry and (ii) the continued renewal every 3 years of Certificates of Registration for all aircraft registered with the FAA.

Two notices will be sent by the FAA to the address currently reflected in the FAA records for the registered owner. Starting at 180 days prior to the expiration of registration, the first notice will be mailed to the registered owner and the second notice will be sent 60 days prior to expiration to those registered owners who have not yet submitted applications to re-register or renew registration, as applicable. The notices will contain instructions and identify the aircraft, the certificate of registration expiration date and the time-frame or "filing window" during which the application for re-registration or renewal should be submitted. Since the FAA will send the notices to the address on file for the registered owner it is critical that the FAA has the correct address.

The FAA has created two new forms in connection with these processes: AC Form 8050-1A for re-registrations and AC Form 8050-1B for renewals. While mentioned in the attachment to be accessible on the FAA website, the FAA has advised us that these forms will not be available to the public until October 1, 2010.

The notices which will be sent by the FAA to the registered owner will contain pre-populated registration information and a unique code which will allow the registered owner to apply for the re-registration or renewal online if all information concerning the registration shown therein is correct and unchanged. The registered owner will simply enter the unique code online, click the certification that all information shown in the pre-populated form is true and correct and pay the requisite fee in order to complete the re-registration or renewal application process. If any information has changed, the applicable form should be

completed with the correct information, signed and filed with the FAA, along with the filing fee. The FAA has advised that the paper re-registration or renewal forms submitted in cases when changes have occurred will be processed using the FAA Registry's usual vetting process applicable to AC 8050-1 Aircraft Registration Applications.

A calendar reflecting the expiration date for Certificates of Registration for all aircraft registered by the FAA prior to October 1, 2010, as well as the "filing window" is reflected on page 60 of the attachment. Owners should submit the proper application for re-registration or renewal within the filing window in order to ensure sufficient time for the FAA to process and issue the new Certificate of Registration.

Information is to be made available through the FAA's website to allow the public to monitor the re-registration and renewal process by a registered owner. No specific details of such information were available from the FAA at this time, other than it will show the date of expiration of a registration certificate and possibly the date an application for re-registration or renewal has been made, as well as the date a new Certificate of Registration has been issued.

Should the registered owner not submit a re-registration or renewal application in a timely manner prior to expiration of the Certificate of Registration, registered owners will follow the process set forth in Section 47.31 of the FARs by submitting a new AC Form 8050-1 Aircraft Registration Application to the FAA and the FAA will then issue a new Certificate of Registration.

A critical factor to be considered is that the "pink slip" of the Aircraft Registration Application cannot be used for operation of an aircraft under a new Aircraft Registration Application submitted to the FAA after expiration of a Certificate of Registration, nor in connection with the submission of an AC Form 8050-1A or 8050-1B. Further, the FAA has advised us that the Certificate of Airworthiness for operation of an aircraft will no longer be effective upon expiration of the Certificate of Registration. Accordingly, it is imperative that registered owners submit the proper re-registration or renewal application, as applicable, to the FAA within the designated time-frame in order to ensure the continue validity of registration of an aircraft.

Section 47.41(b)(3) of the FARs has been revised to provide that the holder of the Certificate of Aircraft Registration must destroy an expired certificate of aircraft registration, rather than returning it to the FAA Aircraft Registry as is required upon termination of registration in connection with a transfer of title or cancellation for export.

Certain comments to the NPRM are addressed in the attachment, including those discussing concerns that security interests filed against aircraft could be held invalid or subordinate in the event of an expired registration (reference page 26 of the attachment). The FAA's response to these concerns are to advise that they have determined that the re-registration/renewal amendment will have no impact on priorities established by recording of interests at the FAA Aircraft Registry. Further, they indicate that since the United States ratified the Cape Town Treaty the continued priority of an interest registered on the International Registry is not dependent upon the continued valid registration of an aircraft. In instances where an aircraft is not subject to the Cape Town Treaty, the FAA indicates that those security interests which were properly filed and recorded by the FAA are "arguably provided perpetual validity without further recording".

The Amendments further provide changes with respect to assignments and timing of cancellation of assignments of U.S. registration numbers and delete the triennial reporting requirement set forth in Section 47.51 of the Federal Aviation Regulations.

Please feel free to contact us with any questions you may have in connection with these new Amendments.