



The United States Federal Aviation Administration (“FAA”) has imposed new rules that will terminate, over a 3-year period, the registration of all aircraft (both private and commercial) registered before October 1, 2010, and will require the re-registration of each aircraft to retain U.S. civil aircraft status. These amendments also establish a system for a 3-year recurrent expiration and renewal of registration for all aircraft issued registration certificates on or after October 1, 2010.

The new registration rules are intended to remedy the inaccuracies of the current voluntary compliance-based system by requiring current information from all aircraft owners on the Registry and then providing a mechanism to verify this information every three years when registration is renewed. Registration is a prerequisite for obtaining an airworthiness certificate, and together a registration certificate and airworthiness certificate enable operation of an aircraft in U.S. and foreign airspace. Failure to comply with the new registration rules will result in the cancellation of registration for non-compliant aircraft.

Specifically, the rules implement the expiration and re-registration of all U.S. registered aircraft over a three year period, followed by expiration and renewal of aircraft registration at three year intervals. The rules establish the expiration of registration for all U.S. aircraft registered prior to October 1, 2010, and provide for the re-registration of all U.S. aircraft over a three year period in accordance with a published schedule:

<i>If the Registration Certificate was issued in:</i>	<i>The Owner Must Apply for Re-Registration between these dates to allow delivery of the new certificate before expiration:</i>	<i>The Certificate Expires on:</i>
March of any year	November 1, 2010 and January 31, 2011	March 31, 2011
April of any year	February 1, 2011 and April 30, 2011	June 30, 2011
May of any year	May 1, 2011 and July 31, 2011	September 30, 2011
June of any year	August 1, 2011 and October 31, 2011	December 31, 2011
July of any year	November 1, 2011 and January 31, 2012	March 31, 2012
August of any year	February 1, 2012 and April 30, 2012	June 30, 2012
September of any year	May 1, 2012 and July 31, 2012	September 30, 2012
October of any year	August 1, 2012 and October 31, 2012	December 31, 2012
November of any year	November 1, 2012 and January 31, 2013	March 31, 2013
December of any year	February 1, 2013 and April 30, 2013	June 30, 2013
January of any year	May 1, 2013 and July 31, 2013	September 30, 2013
February of any year	August 1, 2013 and October 31, 2013	December 31, 2013

Once re-registered, the FAA will issue a new registration certificate for the aircraft containing an expiration date that will expire three years from the last day of the month in which registration or renewal occurred. The FAA has developed a new form that will be used to register. There will be no temporary “pink copy” operation of an aircraft available for re-registration and renewal under the new rules since these events are not considered a transfer of ownership. Failure to re-register an aircraft within the applicable time period indicated above will prohibit lawful operation of the aircraft until such time as a new registration certificate is obtained.

The Registry will send owners two reminder notices to remind them of the need to renew their registration. The first reminder notice will be sent 180 days before a registration is scheduled to expire. The reminder will provide basic instructions and identify the aircraft, its expiration date and the 3-month filing window during which a registration or renewal application should be submitted. The second reminder notice will be sent at the end of the filing window to owners who have not yet re-registered or renewed their registration. The filing window will close two months prior to the scheduled expiration date to allow for processing the applications and mailing the new certificates. Applications sent after the filing window closes will still be processed, but there are no assurances that the registration process will be completed in time in this scenario and the aircraft may be without authorization to operate until the registration is complete.

The new rules permit online registration and renewal, but only to the extent that no changes will be made to the information already on file with the FAA. Re-registration and renewal applications that report updates to registration information or are filed after the filing window closes must be made using the paper application.

The FAA has stated that all applications submitted within their designated filing window will allow enough time for processing and mailing of the new registration certificate prior to the expiration of the old certificate. The rules, however, do not provide an express safe harbor in the event that an aircraft owner properly submits a registration or renewal application within the designated time period and the FAA nonetheless fails to provide a new certificate prior to the expiration of the old certificate.

In addition to the re-registration and renewal requirements described above, the new rules also provide (1) time limits for the cancellation of a registration number (i.e., the “N” number) for aircraft in “sale reported” or “registration pending” status for an extended period of time, and (2) cancellation of an N number within 90 days after the expiration of registration for any reason (including failure to re-register or renew). Once cancellation is complete, the N number will be unavailable for assignment for a period of five years.