



## IATS ADVISORY

### Re-Registration and Renewal: What You Need to Know

The Federal Aviation Administration ("FAA") has issued the Final Rule regarding the Re-registration and Renewal of Aircraft Registration, ("Final Rule"). The Final Rule detailing the new regulation was published in the Federal Register on July 20, 2010 and becomes effective on October 1, 2010.

The goal of the new regulation is to provide the FAA with accurate up-to-date registration information. The Final Rule requires all current U.S. registered aircraft to re-register and receive a new certificate of registration that will include an expiration date and only be valid for a period of three years.

#### Re-Registration and Renewal Summary

##### Re-Registration

- All current U.S. registered aircraft or those registered prior to October 1, 2010 have been assigned a date on which their certificates of registration will expire. The expiration date is based on the month in which the aircraft was registered to the current owner. All aircraft owners must re-register their aircraft pursuant to the schedule set forth in the Final Rule. The schedule provides for the re-registration of all U.S. registered aircraft over a period of three years.
- All certificates issued by the FAA after October 1, 2010 including those issued for re-registered aircraft will state an expiration date and will be valid for a period of three years.

##### Renewal

- All aircraft registrations issued after October 1, 2010 must be renewed prior to the expiration date stated on the certificate of registration. No registration will be valid for longer than 3 years.

### **Re-Registration Time Frames**

The schedule set forth in the Final Rule assigns an expiration date to all certificates issued prior to October 1, 2010 and the time frame for re-registration is based on the month the current owner's certificate of registration was issued. The schedule in the Final Rule is included below:

<i>If the Certificate was issued in:</i>	<i>The certificate expires on:</i>	<i>The owner must apply for re-registration between these dates, - to allow delivery of the new certificate before expiration.</i>
March of any year	March 31, 2011	November 1, 2010 and January 31, 2011
April of any year	June 30, 2011	February 1, 2011 and April 30, 2011
May of any year	September 30, 2011	May 1, 2011 and July 31, 2011
June of any year	December 31, 2011	August 1, 2011 and October 31, 2011
July of any year	March 31, 2012	November 1 2011 and January 31, 2012
August of any year	June 30, 2012	February 1, 2012 and April 30, 2012
September of any year	September 30, 2012	May 1, 2012 and July 31, 2012
October of any year	December 31, 2012	August 1, 2012 and October 31, 2012
November of any year	March 31 2013	November 1 2012 and January 31, 2013
December of any year	June 30, 2013	February 1, 2013 and April 30, 2013
January of any year	September 30, 2013	May 1, 2013 and July 31, 2013
February of any year	December 31, 2013	August 1, 2013 and October 31, 2013

The time frames (also known as filing windows) during which the owner has to complete re-registration are critical. Each aircraft owner must re-register during the filing window detailed in the Final Rule to avoid having the current certificate expire prior to the issuance of the new certificate.

- The FAA will make a good faith effort to complete the processing and issue the new certificate prior to the expiration of the old certificate. However, the FAA is not under any obligation to complete the process before the expiration date.
- The Final Rule does not require the FAA to issue an extension of time in the event the FAA is unable to process the re-registration application in a timely manner.
- If the aircraft owner misses the filing window they can and should still apply for re-registration. Applications to re-register filed after the filing window closes will be processed by the FAA, but the FAA is under no obligation to process the re-registration before the expiration date.

### **FAA Notices to Owners**

Notices will be sent by mail from the FAA direct to aircraft owners at 3 intervals prior to and after the expiration of the current certificate.

- Owners should make certain they notify the FAA of address changes immediately to ensure that all FAA notices are sent to the correct location.
- The first notice will be sent to the owner approximately 180 days prior to the expiration date of the current certificate. The notice will include basic instructions and outline the expiration date and filing window for re-registration. The first notice will also provide the pass code for online re-registration.
- The second notice will be sent to aircraft owners that failed to file the application for re-registration during the filing window. The second notice will be mailed approximately 60 days before the expiration date of the current registration. Aircraft owners that did not file during the filing window will not be able to file the application for re-registration online and must submit the 8050-1A paper form to the FAA. These owners run the risk of having their current certificate expire before the FAA has processed the re-registration and will have to ground the aircraft if this occurs.
- The final notice will be sent to owners after the expiration date of the current certificate. This notice will let aircraft owners know the aircraft must be grounded and provide instructions to apply for reinstatement. It will also advise owners of the ability to reserve the U.S. registration number in their name prior to the cancellation of the aircraft registration.

### **Applying for Re-Registration of Aircraft Registration**

Owners will have the option of re-registering online or by completing a paper application form and filing the form with the FAA Aircraft Registration Branch.

Online re-registration will be allowed for aircraft owners that do not need to make any changes to the current registration information. If the owner must update the address information they cannot use the online procedure and must file the appropriate paper form.

- Online applications will be completed on the FAA website using a unique pass code provided by the FAA in notices described above. The pass code will not be made a part of the aircraft record and available to the public. The pass code will not be issued more than once.
- Online applications can be made as soon as the owner receives the first notice and during the filing window indicated in the Final Rule. The pass code will not be valid after the filing window closes.

New paper application forms have been created by the FAA for re-registration and renewal. Upon activation by the FAA the forms and instructions can be located at <http://registry.faa.gov/renewregistration> . The Application for Aircraft Re-Registration AC Form 8050-1A will be used for re-registration only for all certificates issued prior to October 1, 2010. The Application for Registration Renewal AC Form 8050-1B will be used for renewal of aircraft certificates of registration issued after October 1, 2010.

- There will be no “pink copy” of the 8050-1A or 8050-1B. Aircraft owners must continue to operate their aircraft using the current valid certificate and will not have a temporary authorization to operate the aircraft if the current certificate expires before the re-registration is complete.
- The FAA will continue to require the use of the Application for Registration AC Form 8050-1 when an aircraft is bought or sold and the 8050-1 will not be accepted for re-registration or renewal.
- Expired certificates of registration do not need to be returned to the FAA and should be destroyed by the owner. However, if the certificate is valid and ownership of the aircraft has been transferred, the back of the certificate should be completed to show the purchaser name and address and the form must be returned to the FAA Aircraft Registration Branch.

### **Applying for Renewal of Aircraft Registration**

The Final Rule does not outline renewal procedures as in depth as re-registration but the principles will be the same.

- Renewal will only apply for aircraft certificates of registration issued after October 1, 2010 that state an expiration date. Once these certificates near their expiration date, the owner will need to renew.
- The FAA will follow procedures for renewals that are similar to those for re-registration. However no schedule has been set forth in the Final Rule so owners should renew **at least** 60 days prior to the expiration date to avoid having their certificate expire before a new certificate is issued.
- The Application for Registration Renewal AC Form 8050-1B will be the only form accepted for renewing aircraft registrations that are due for expiration. AC Form 8050-1B can be located at <http://registry.faa.gov/renewregistration>.
- Online renewal of registration will be allowed for aircraft owners that do not need to make any changes to the current registration information. If the owner must update the address information they cannot use the online procedure and must file the appropriate paper form.
- Notices will be sent by the FAA to owners, although these notices are not outlined in the Final Rule they should be similar to those issued for re-registration.

### **Failure to Comply**

Failure by aircraft owners to comply with Re-registration and Renewal of Aircraft Registration will result in cancellation of the aircraft registration and loss of the U.S. registration number.

- The FAA has indicated that the cancellation of the registration and US registration number will occur approximately 90 days after the expiration date. However, the

cancellation is not automatically completed in the FAA database. An FAA Examiner must initiate the cancellation of an aircraft registration so the actual cancellation date could be more than 90 days after expiration.

- An owner cannot operate an aircraft with a cancelled or expired registration. The aircraft must be grounded until the registration is reinstated.
- If the aircraft is financed or leased, the owner could be in default under the terms and conditions of the financing or lease agreements.
- Cancelled aircraft registration could impact insurance coverage for the owner/operator /lender.
- After cancellation of the registration has occurred, the owner will lose the U.S. registration number and this will cause significant costs and delays to reinstate the aircraft registration and obtain a new U. S. registration number.
- U.S. registration numbers that have been cancelled will be unavailable for assignment for a period of five years.

Re-registration and Renewal applies to current registered owners, dealers and aircraft that are in “Sale Reported” and “Registration Pending” status with the FAA Aircraft Registration Branch.

- Dealer’s certificate are only valid for a 1 year period so aircraft that are registered under a dealer’s certificate must be re-registered/renewed every year or the aircraft registration will be cancelled.
- “Sale Reported” status of an aircraft indicates that the FAA received a bill of sale or notice that the aircraft has been sold but the documentation needed to register the aircraft in the name of a new owner has not been submitted. Aircraft registrations in “Sale Reported” status will be cancelled after 180 days.
- “Registration Pending” status of an aircraft indicates the FAA requires additional documentation or information before the aircraft can be registered in the name of the new owner. Aircraft registrations in “Registration Pending” status will be cancelled after 1 year.

### **In Conclusion**

There are many issues that could arise as the FAA implements the Final Rule. The FAA’s position as it relates to the Final Rule is subject to change at any time as the rule is interpreted and implemented by the FAA.

Insured Aircraft Title Service is ready to assist owners and lenders with the re-registration and renewal process. Please contact your Insured Aircraft representative at 1-800-654-4882 or by the international toll free numbers available on our website [www.insuredaircraft.com](http://www.insuredaircraft.com) with any questions you may have.

Best Regards,

Insured Aircraft Title Service, Inc.