



The Facts and Benefits of Understanding the [International Registry](#)

for members of



By [Shelley A. Svoren](#)

In a time where cross board transactions are at an all-time high, it is easy to overlook a critical and nuanced activity that facilitates aircraft transactions and protects our clients' interests.

It is because of our focus on building our collective knowledge base that WIAS gathered [Emily Vogt](#), [Maria Gonzalez](#), and [Keri Dowling](#) to discuss the International Registry who contributed to this conversation and collection of notes.

In our 60 minutes, we myth-busted; shared lessons learned; and found ways to build our community's collective knowledge base in the process.

Additional Resources can be found regarding: [Key Issues for Practitioners](#); [Cape Town Transactions in the US](#); and [Aircraft Registries Throughout the World](#).



For Starters...

Myth Busting Assumptions about the International Registry

Myth # 1

“The International registry is only applicable to those who solely fly internationally.”

Reality

The International Registry is applicable in 84 countries that adopted the Cape Town Treaty, which is in fact, a law, regardless of where the aircraft is flown. It is a registry that is outcome of an internationally adopted legal treaty that standardizes key legal points across the countries who have ratified it.

Myth # 2

“I can opt out of the International Registry.”

Reality

If the International Registry is adopted by the country where your aircraft is or will be registered, and your aircraft (and engines) meet the size requirements, you should register the ownership and security interests. If you do not register the interests, then those interests are not properly perfected.

The damages that could occur to an individual who refuses to acknowledge the importance of this law could be catastrophic because another party could register an interest in your aircraft that is recognized by all the parties who participate in the International Registry. From a practical standpoint, if you were to sell your aircraft, a lien search could disrupt your ability to affect the sale or acquisition of an aircraft.

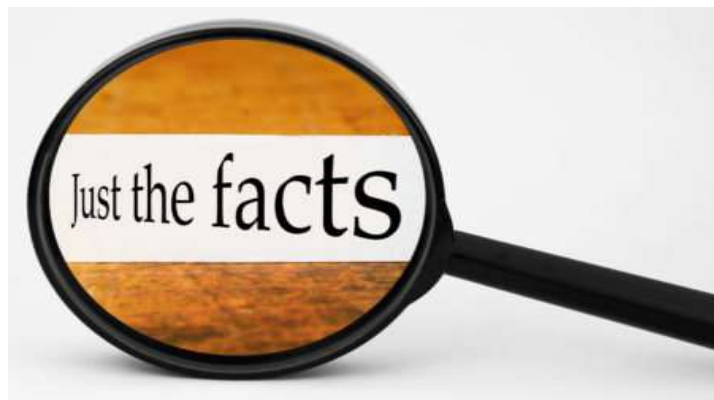
Myth # 3

“It is a registry that tracks ownership over time.”

Reality

The International Registry only records an “interest” in the asset categories (**see Qualifying Assets” on page 4**) that can be recorded. Most registries throughout the world do not track ownership over time and many simply record the name of the operator of the aircraft. The FAA is not unique, but it does track ownership over time.

Understanding the facts about the International Registry enables us to support our clients and move transactions forward quickly and effectively



Fact # 1

The origins of the Cape Town Treaty, which is an internationally adopted law

Business aircraft are mobile assets with purchase and sale transactions conducted in many countries around the world. Historically, laws regarding these issues were inconsistent.

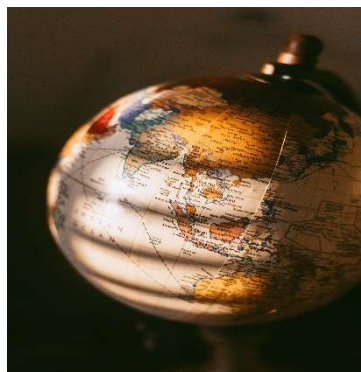
In 2001 and to make consistent sense of different nations' and territories' laws and regulations, representatives from many countries and international organizations met in Cape Town, South Africa, at the Convention on International Interests in Mobile Equipment, which has come to be known as the "Cape Town Treaty."

The resulting Treaty covers financial interests in aircraft, trains, and space assets.

Fact # 2

What Countries adopted the Cape Town Treaty?

According to the International Registry's Website, as of May 26, 2021, 84 countries and regional economic organizations ratified or acceded to it:



Afghanistan, Albania, Angola, Argentina, Australia, Bahrain, Bangladesh, Belarus, Bhutan, Brazil, Burkina Faso, Cameroon, Canada, Cape Verde, China, Colombia, Congo, Costa Rica, Cuba, Côte d'Ivoire, Democratic Republic of the Congo, Denmark, Egypt, Ethiopia, European Community, Fiji, Gabon, Ghana, Iceland, India, Indonesia, Ireland, Jordan, Kazakhstan, Kenya, Kuwait, the Kyrgyz Republic, Latvia, Luxembourg, Madagascar, Malawi, Malaysia, Malta, Mexico, Mongolia, Mozambique, Myanmar, Namibia, New Zealand, Nigeria, Norway, Oman, Pakistan, Panama, Paraguay, Qatar, the Republic of Moldova, Romania, the Republic of San Marino, Russian Federation, Rwanda, Saudi Arabia, Senegal, Seychelles, Sierra Leone, Singapore, South Africa, Spain, Sweden, Syrian Arab Republic, The Kingdom of Swaziland, The Kingdom of the Netherlands, Tajikistan, Togo, Turkey, Ukraine, United Republic of Tanzania, United States of America, United Arab Emirates, United Kingdom, Uzbekistan, the Socialist Republic of Viet Nam, Zambia, Zimbabwe.

Of these eighty-four, three have not ratified the **Aircraft Protocol**. These are Seychelles, Syrian Arab Republic and Zimbabwe.

Fact # 3

The Creation of the International Registry

The Cape Town Treaty also established the online International Registry of Mobile Assets (“IRMA,” but we simply refer to it as the “IR”) in Dublin, Ireland, where the specified documents are registered in a searchable database.

Use of the IR is necessary to perfect title if either seller OR debtor/lessee is domiciled in one of the states or economic units that ratified the Treaty AND the Aircraft Protocol.

The IR is required in the event the aircraft, fractional interest or engines are financed, and the lender intends to properly preserve its lender rights. The idea of the IR was to grow the financing of movable goods covered by the Treaty, including financial interests in aircraft, trains and space assets by alleviating lenders’ concerns about differing nations’ and territories’ laws and regulations. The Treaty is intended to create uniformity between IR-ratified countries for liens, default provisions and insolvency.

In legal terms, this registration “perfects,” or validates, an entity’s financial interest in a QUALIFYING ASSETS

Fact # 4

The eligible QUALIFYING ASSETS

The Aircraft Protocol defines if an object is eligible for registrations, with “Airframe” meaning airframes (other than those used in military, customs or police services) that, when appropriate aircraft engines are installed thereon, are type certified by the competent aviation authority to transport:

1. A fixed-wing aircraft with at least eight (8) seats (including crew),
2. A helicopter with at least five seats (including crew),
3. Turbine engines that produce at least 1,750 pounds of thrust and turboshaft or piston engines of at least 550 horsepower.

The Cape Town Treaty **excludes** the registration of an interest in propellers, avionics and other parts and accessories.

- ➔ **Best Practices:** Sometimes aircraft and engines are type-rated for more seats/a higher output than what is listed on the OEM’s website, so when in doubt, ask a member of the aviation community focused on the International Registry for confirmation of eligibility.
- ➔ **Future Events:** These definitions apply to next generation aviation technology, such as a drones and (v)VTOL, but it is possible that as this area evolves, so will the laws.



Fact # 5

The two main types of registration on the IR are:

1. **International Interests** - The international interest validates an entity's financial interest in a Qualifying Asset. Registering an international interest is mandatory when the aircraft, its engines, or fractional interests in an aircraft or engines are financed with an institutional lender.
2. **Contract of sales** - A contract of sale registers the sale of an aircraft or a fractional interest in an aircraft or its engine. The contract of sale on the IR and the filing of the Bill of Sale ("**BOS**") and Aircraft Registration Application ("**ARA**") with the Federal Aviation Administration ("**FAA**") allow the buyer to properly perfect title.

✈ Best Practices:

Not registering a transaction on the IR can be catastrophic to the owner, lender, lessor or lessee for one reason: the first party to have registered a searchable interest on the International Registry maintains first priority. Equally important, the Treaty standardizes the remedies for everything from liens, default, and insolvency.

Fact # 6

FAA Registry and International Registry Go Hand-in-Hand

When the Treaty was ratified in the US, the FAA registry system was not replaced by the IR. Instead, the treaty made the FAA registry an "**exclusive entry point.**"



Once the **Aircraft Registration Application ([FAA Form 8050-1](#))** and **Bill Of Sale ([FAA Form 8050-2](#))** are filed with the FAA registry; and those who own the aircraft have specified ownership, nationality and operational purposes with the FAA, those with a financial interest in the aircraft must file the pertinent documents, such as security agreements and leases, **with [FAA Form 8050-135](#).**

Following the filing of the documents and FAA Form 8050-135, the FAA will return the FAA Form 8050-135 with the Authorized Entry Point (AEP) code, which form describes the relevant parties, the collateral and international

interests claimed in the collateral. The AEP code is required in order to complete the registrations on the IR system.

This created a dual registry system, where parties must file their documents with the FAA AND register the interests on the IR in order to properly perfect any interests in aircraft, helicopters and engines.

Fact # 7

From a practical standpoint, how does one “sign up” for the IR and how do Banks place a lien on the aircraft and engines and keep it perfected, particularly when there is no paperwork?

Unlike the FAA where physical forms must be completed to affect transactions (ARA – Form 8050-1; BOS – Form 8050-2; mortgages, leases, etc.), the IR is entirely digital and no forms, absent the initial request to establish an account. Because of this, it is important to know how to obtain approval to create a lien.

In order to register on the IR, the buyer, seller, lessees and their respective lenders (as applicable) must all possess an active user license.

Typically, an IR account can be established by appointing an administrator, completing and submitting a user license application on the IR’s website, and by submitting the required backup documentation, which includes preparing the attached multi-page form to register and providing copies of the formation documents

A new user will facilitate this with the help of either aviation counsel, FAA & IR counsel, or a title company to create an IR account, which includes an identity verification process and means of payment.

Approved user licenses are good for a year, and IR administrators (individuals appointed by parties who use the registry or “**Transacting User Entities**” – or “**TUEs**”) receive a 30-day email renewal notification on each entity registered. It includes a link to the free digital renewal certification. According to the IR website, failure to download the new certificate is the most common cause of renewal problems.

✈ Best Practices:

If the client and the seller are not registered on the IR, they should establish an account as soon as possible and in any event - well in advance of closing - in order to ensure that the IR registration does not delay closing.

✈ Best Practices:

Ensure that **buyers AND sellers** are registered as users on the IR in order to effect the sale and purchase of the aircraft collateral. **You can review this by searching the International Registry website and it is an important practice to conduct this early in any transaction.**



Fact # 8

Professional User Entities are required to safeguard the integrity of IR eligible transactions



Most aircraft purchase and sale agreements require the transacting users to appoint a **Professional User Entity (or “PUE”)** to facilitate the registrations necessary with the IR. **PUEs** are typically escrow agents or FAA special counsel.

All parties are not required to appoint the same PUE and many times a financial institution will require that their counsel or another title company discharge or file their interest.

Prior to the PUE perfecting any filings on the IR, each party’s IR administrator will receive a PUE request which requires the each party’s IR administrator’s consent.

Fact # 9

The International Registry is searchable – please refer to the Addendum

IR Priority Searches can be conducted on qualified assets. These searches provide details of the registrations made against the aircraft and the order of their **priority**.

✈ Best Practices:

It is important that FAA and IR Searches be completed both prior to the conclusion of an aircraft sale transaction and immediately thereafter in order to provide parties to the transaction with a complete view of all outstanding liens and interests. Typically this is provided by FAA & IR counsel or the title company.

✈ Best Practices:

With these concerns in mind, aircraft owners and operators are strongly encouraged to seek the advice of qualified aviation legal counsel before attempting to initiate or modify a registration filing.

Fact # 10

The International Registry is entirely digital

Currently a digital certificate that authenticates the authorized user is downloaded onto a single computer that may be used for any transaction for that TUE. The digital certificate is not portable to any other computer and users may not sign onto any other device to access it.

✈ Best Practices:

Because time is of the essence in all deals, it is important to plan for time away from offices and closings. If a digital certificate resides on a desktop, it is important to ensure accessibility to it in order to complete transactions, with multiple team members trained on how to access the information. In many instances, digital certificates reside on a laptop that can be accessed while away from the office.

✈ **Future
events:**

With the use of technologies, such as blockchain, the IR will be moving to the cloud in the near future. Roll out for this major change that will provide the industry with greater flexibility is expected to occur within the forthcoming months. Specific user codes, rather than a digital certificate, will be used to authentic TUEs and PUEs.



Now that you understand the Facts about the International Registry

How do you use this information in the current environment?

What to do if you are buying from a country where the International Registry is not adopted.

**Operator vs
Owner Registry?**

It is important to remember that many non-US aircraft registries are operator registries, meaning that the registry simply records the information on the organization that operates, rather than owns, the aircraft.

**→ Best
Practices:**

Work with an aviation attorney who can track the title of the aircraft since its original delivery and/or deregistration from the FAA. This could mean obtaining the ownership records dating back to the birth of the aircraft to ensure title was transferred from the original owner to the current seller and may require hiring counsel in the country of origin.

The risk in not following this path is that the ownership may be legally clouded and the seller may not be in a position to legally sell the aircraft to you.

**Does the
Registry permit
Liens?**

Many countries do not enable a lender or financier to file on the aircraft in the manner that the FAA does. Instead, other forms of financing may exist in that country.

**→ Best
Practices:**

Work with an FAA focused aviation attorney who maintains contacts in the foreign country where the aircraft is currently registered. Obtain an opinion of counsel regarding any leases or encumbrances that could be on the aircraft and understand the form and substance of the lien found in the search.

When
Prospective Filings
on the
International Registry
make sense



**Federal Holidays
and planned
Government
Closures**

During the past 12 months, the Federal Government closed many of its offices early in anticipation of a holiday. Notably, the FAA closed early for one of the busiest days of the year – New Year’s Eve.

Additionally, when the government shuts down due to Congressional budget disputes, the FAA is typically closed.

**Potential
inclement
weather**

The FAA is often closed due to weather related road closures. In February 2022, the FAA was closed for three consecutive days.

These FAA closures keep transactions with fully funded escrow accounts from closing as the Bill of Sale and Aircraft Registration Application cannot be filed with the FAA and the corresponding AEP code cannot be obtained.

However, it is possible that Prospective Filings can be made under certain circumstances.

✈️ **Best
Practices:**

Keep apprised of all federal holidays and the weather in OKC and discuss with your deal team.

✈️ **Best
Practices:**

Include language in the aircraft purchase agreement that address potential FAA closures that permit prospective filings.

✈️ **Best
Practices:**

Prepare a side letter where all parties agree to direct the title company to discharge the filings if the Bill of Sale and Aircraft Registration Application does not occur within X number of days.

✈️ **Specific Items
that are needed:**

Obtain the AEP code by preparing an FAA Form 8050-135 for “Prospective Interests,” which is then submitted to the FAA. The FAA will review the form for completeness and issue the AEP code for the Prospective Interests.

The Prospective interests will automatically vest once the transaction has closed. The parties **MUST** also file the documents with the FAA within 60 days of obtaining the AEP code for the Prospective Interests.



What should you do if the name of a company that owns the aircraft legally changed?

Each TUE is tied to a unique Legal entity

A TUE does not automatically follow the legal changes associated with acquisitions, mergers, assignments, and corporation closures.

If a company is no longer in existence due to any of these activities, yet another entity now owns the aircraft, the successor company that “owns” the aircraft due to rights of corporate survivorship must register its interest in order to affect any transaction via the IR.

This also applies to financial institutions, as bank acquisitions and consolidations that typically create new legal entities.

The risk in not following this path is that the aircraft ownership may be clouded and the seller may not be in a position to legally sell the aircraft as the seller and/or lien holder no longer legally exist.

→ Best Practices:

Upon executing the Aircraft Purchase Agreement, obtain an IR search to determine which entity is on record as maintaining an interest in and/or lien on the aircraft.

→ Best Practices:

Conduct a search on the IR website to see if the entity remains an active user.

Pay particularly close attention to the actual name of the entities on record. If any deviation from the formation documentation is provided, contact FAA counsel to facilitate the necessary transfers of ownership amongst TUEs with both the FAA and IR as applicable.

**To file
or not to file
a lease
with the
International Registry**



**Combined
Aircraft
Management
and Lease
Agreements**

Lenders may require aircraft leases be filed with the IR so that the lender can file an interest in the lease income stream.

Often times for FAA Part 135 compliance, management companies incorporate lease language in an aircraft management agreement.

The challenge with this: In order to be filed with the IR, the management agreement and lease document must be filed with the FAA where the document becomes a public record for all to view. Additionally, the aircraft manager must become a TUE to consent to the lease serving as collateral on the IR.

**✈ Best
Practices:**

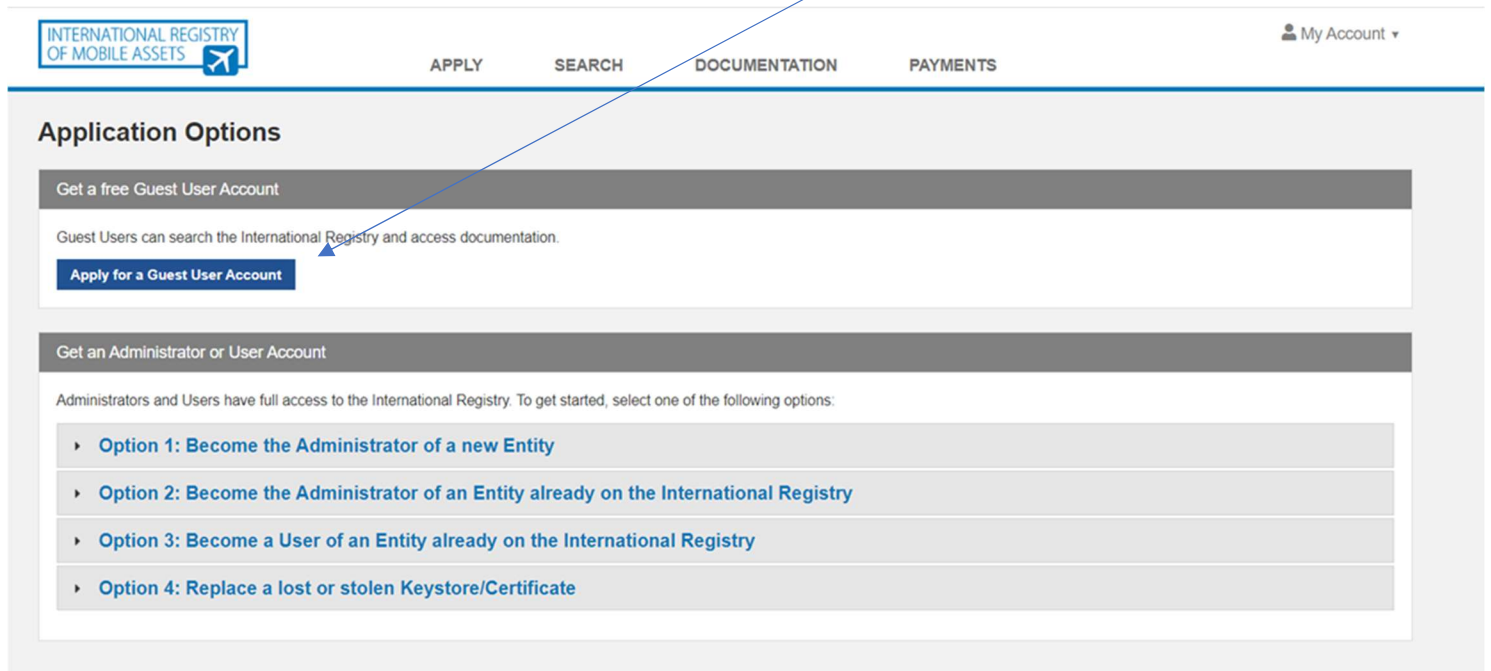
Communicate with the financial institution regarding the intent in the management agreement language. Oftentimes the terms of these agreements are confidential and most parties do not want the contents to become available to the public.

If it is required, one should ensure that the documentation redacts all pertinent information from filing with the FAA.

Alternatively, a confidential triparty agreement between the lender, aircraft management company, and the borrower/aircraft owner preserves the rights and remedies of all parties and obviates the need to file with the FAA and the IR.

International Registry Guest Searches – The Addendum

Step 1 - Create a log in option at the International Registry's website (www.internationalregistry.aero). If you do not need to become a TUE or PUE, you can always apply for a **Guest User Account**:



INTERNATIONAL REGISTRY OF MOBILE ASSETS

APPLY SEARCH DOCUMENTATION PAYMENTS

My Account

Application Options

Get a free Guest User Account

Guest Users can search the International Registry and access documentation.

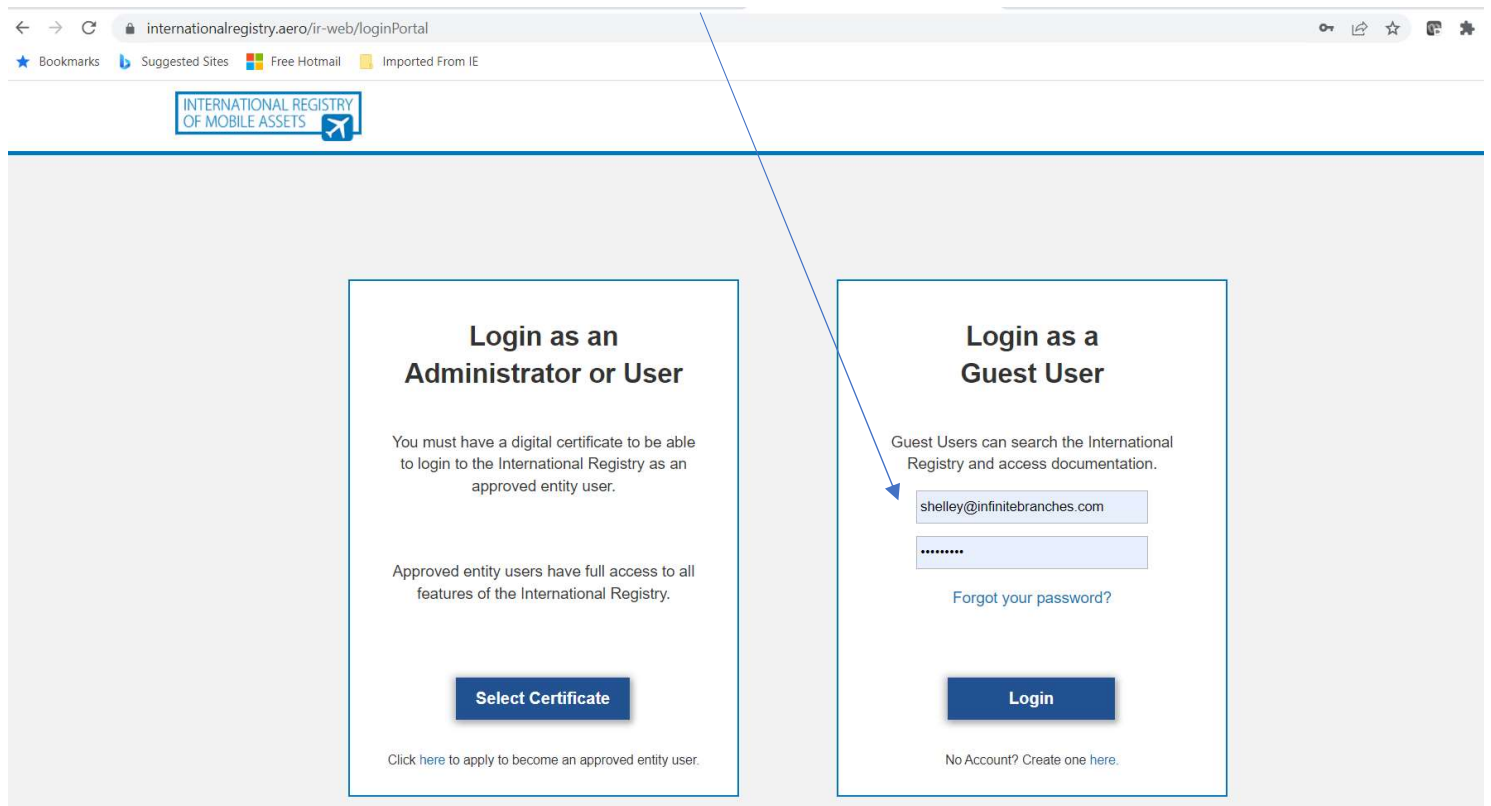
[Apply for a Guest User Account](#)

Get an Administrator or User Account

Administrators and Users have full access to the International Registry. To get started, select one of the following options:

- Option 1: Become the Administrator of a new Entity
- Option 2: Become the Administrator of an Entity already on the International Registry
- Option 3: Become a User of an Entity already on the International Registry
- Option 4: Replace a lost or stolen Keystore/Certificate

Step 2 – Once you establish your account, log into it:



internationalregistry.aero/ir-web/loginPortal

INTERNATIONAL REGISTRY OF MOBILE ASSETS

Login as an Administrator or User

You must have a digital certificate to be able to login to the International Registry as an approved entity user.

Approved entity users have full access to all features of the International Registry.

[Select Certificate](#)

[Click here to apply to become an approved entity user.](#)

Login as a Guest User

Guest Users can search the International Registry and access documentation.


[Forgot your password?](#)

[Login](#)

[No Account? Create one here.](#)

Step 3 – Once you reach the next screen, you can commence your searches. This is what is shown as a “Guest User.”

INTERNATIONAL REGISTRY
OF MOBILE ASSETS



APPLYSEARCHDOCUMENTATIONPAYMENTS

My Account

Welcome to the International Registry

What is the International Registry?

The International Registry is an electronic registry which operates under the legal framework of the Cape Town Convention and Aircraft Protocol adopted on the 16th of November 2001. It provides for the electronic registration and the protection of 'international interests' which are recognised by all ratifying states, with priority being determined on a "first-to-file" basis.

Registration of interest in an aircraft asset serves as a notification and is considered to be best practice for owners, creditors, debtors, lessors, lessees, agents and others in protecting their financial interest in such an asset. For a full description of the legal protections provided by the Convention and the Protocol, and the risks of not registering, please refer to the text of the Cape Town Convention and the Aircraft Protocol. The Official Commentary by Professor Sir Roy Goode (Revised Edition 2013) on the Cape Town Convention and the Aircraft Protocol is available from the International Institute for the Unification of Private Law (unidroit.org).

As the registrations merely provide notice of the interests in aircraft assets, the facts underlying any such registration shall determine whether the interest falls within the scope of the Convention and the Protocol. Without limiting the foregoing, while there is no technical impediment to the registration of pre-existing rights and interests, such registrations shall have no legal effect under the Convention and the Protocol, except where, by virtue of a declaration under Article 60 (3) of the Convention, registration thereof is required.

How do I use the International Registry?

The two main functions available on the International Registry are 1) registering an interest in an aircraft asset and 2) searching against an aircraft asset to determine what registrations have been made and their relative priority. You may apply for an account on the International Registry and, once approved, you may register interests in airframes, aircraft engines and helicopters. Searching is available to account holders who are approved users and also to guests who do not hold an account.


How do I get started?

Organisations and individuals (entities) seeking to register interests in aircraft assets on the International Registry must first apply on this web site to become an Approved Administrator by selecting 'Apply' below, by completing the required application web pages and by supplying any additional information which the Registry Officials need to complete the approval process. Upon applying, you will receive an email setting out the additional documentation you must provide. Each entity will need one Administrator. All applications for Approved Administrator accounts are reviewed by the Registry Officials. Upon approval, the Administrator may register interests in aircraft assets on the International Registry. Approved Administrators may also approve additional users (Users) within their respective entities who have applied by selecting 'Apply' below.

Apply

Step 4 – Determine what you want to search. Note: You can search for an entity AND an aircraft AND engine:

INTERNATIONAL REGISTRY
OF MOBILE ASSETS



APPLYSEARCHDOCUMENTATIONPAYMENTS

My Account

Entity

Search for an Entity

Registrations

Search Registrations

Search History

Contracting States

Search Contracting States

Step 5 – Searching an Entity.

The screenshot shows the 'Search for an Entity' page. At the top, there's a navigation bar with 'INTERNATIONAL REGISTRY OF MOBILE ASSETS' logo and a 'My Account' dropdown. Below the navigation bar are tabs: 'APPLY', 'SEARCH', 'DOCUMENTATION', and 'PAYMENTS'. The main heading is 'Search for an Entity'. There's a search input field with 'mm air' entered and a 'Search' button. Below the search bar is a table with 4 columns: 'Entity Name', 'Entity Type', 'Administrator Name', and 'Administrator Status'. The table shows 5 results. A blue arrow points from the 'SUSPENDED' status of the first row to the 'Best Practice' text block.

Entity Name	Entity Type	Administrator Name	Administrator Status
JMM AIR, LLC	Transacting User Entity	Joan Roberts	SUSPENDED
MM Air Inc	Transacting User Entity	Brenda Cobb	DISABLED
MM Air, Inc.	Transacting User Entity	Joan Roberts	DISABLED
MM Air, Inc. (MS)	Transacting User Entity	Brenda Cobb	DISABLED
Zumm Air Holdings Inc.	Transacting User Entity	Kirk Woford	DISABLED

Showing 1 to 5 of 5 results

✈ **Best Practice:** When you complete your search, you need to check the Administrator Status to determine if it is active. **If it is not, you will need to connect with your Administrator as soon as possible to obtain reinstatement.**

Step 5 – Searching an airframe or engine, go to **Search**:

The screenshot shows the 'Search Registrations' page. At the top, there's a navigation bar with 'INTERNATIONAL REGISTRY OF MOBILE ASSETS' logo and a 'My Account' dropdown. Below the navigation bar are tabs: 'APPLY', 'SEARCH', 'DOCUMENTATION', and 'PAYMENTS'. The main heading is 'Search Registrations'. Below the heading is a progress bar with 5 steps: 1. Informational Search, 2. Priority Search Details, 3. Verify, 4. Payment, and 5. Priority Search. A blue arrow points from the '1' in the progress bar to the 'Enter MSN' input field. Below the progress bar is an 'Information' box with a question mark icon. The box contains text about performing an Informational Search and links to FAQs, Supplemental Object Identification Materials, and Manufacturers' Disclaimer. Below the information box is an 'Enter MSN' input field with a search button.

1 Informational Search 2 Priority Search Details 3 Verify 4 Payment 5 Priority Search

Information

To perform an Informational Search on an object, please search by entering your MSN below.

The mechanism used by the International Registry to search for an object based on the serial number you enter (the Search Algorithm) is described in the FAQs.

In line with Section 5.2 of the International Registry Regulations, the use of **provided object identification information** (whether in making registrations or searches) or the [Supplemental Object Identification Materials](#) relating thereto, each provided by the manufacturers, is subject to the [Manufacturers' Disclaimer](#).

Enter MSN

You can type in the MSN to see what results come from it. This reflects how the aircraft or engine are reflected in the nomenclature of the International Registry, which is often times different from the FAA.

Search Registrations

1

Informational Search

2

Priority Search Details

3

Verify

4

Payment

5

Priority Search

Information

680A-0203



CAN'T FIND OBJECT?

FILTER RESULTS	MSN	MANUFACTURER	MODEL	MATCHES CURRENT MANUFACTURERS' LIST	REGISTRATION EXISTS	SELECTED OBJECTS
MANUFACTURER <small>Reset</small>	680A0203	TEXTRON AVIATION INC.	680A	Yes	Yes	0
<input type="checkbox"/> TEXTRON AVIATION INC. (1)						

✈ **Best Practice:** If an aircraft or engine are not listed because they are new, it is important to work with the OEM to ensure that they work with the International Registry to create the formal and finalized version of what the item will be identified.

One can “free text” and add to the International Registry, but this could make it difficult for future transactions to properly identify that item. This occurred with the introduction of the Bell 505 helicopter where I worked with FAA counsel and the OEM to establish the name that would be standardized for the International Registry.