A picture containing diagram

Description automatically generated

**Short form model legislation –**

**Implementing and giving effect to the Convention on International Interests in Mobile Equipment and Protocol on Matters Specific to Aircraft Equipment**

This improved short form model legislation implementing and giving effect to the Convention on International Interests in Mobile Equipment and the Protocol thereto on Matters specific to Aircraft Equipment has been prepared by the Aviation Working Group for consideration and technical use by countries and others involved in the ratification of, or accession to, these instruments (with the declations made thereunder, the Cape Town Convention, in short,‘***CTC***’).

The Aviation Working Group continues advising states on the effective implementation of the CTC, including its primacy over conflicting domestic laws and its practical application.

The document below consists of a model Act to Implement the CTC, with these models as annexes thereto:

* Declarations under the Cape Town Convention
* Regulations relating to the deregistration and export under an IDERA
* Court Rules relating to judicial procedures applying CTC
* Procedures for exercising possessory related non-judicial remedies under the CTC
* Rules relating to insolvency proceedings applying CTC

**AN ACT TO IMPLEMENT AND GIVE EFFECT TO THE CONVENTION ON INTERNATIONAL INTERESTS IN MOBILE EQUIPMENT AND THE PROTOCOL THERETO ON MATTERS SPECIFIC TO AIRCRAFT EQUIPMENT**

**WHEREAS** the Convention on International Interests in Mobile Equipment (‘***the Convention***’) and the Protocol thereto on Matters Specific to Aircraft Equipment (‘***the Protocol***’) were opened for signature at Cape Town 16 November 2001;

**WHEREAS** The [Country] (‘**[Country]**’) considering these instruments in the interest of the country, as an element of the further development of its air transport sector, deposited its instruments of accession with UNIDROIT in accordance with Article 49 of the Convention and Article XXVIII of the Protocol on \_\_\_\_\_\_\_ 2026;

**NOW, THEREFORE,** IT IS ENACTED by [Country] as follows:

**SHORT TITLE**

This Act may be cited as the International Interests in Mobile Equipment (aircraft equipment) Act of 2026 (‘***this Act***’).

**PURPOSE**

The purpose of this Act is to implement and give effect to –

(1) the provisions of the Convention, attached as **annex I**,

(2) the Protocol, attached as **annex II –**

in each case as modified by the declarations deposited with UNIDROIT in connection therewith, attached as **annex III (*the ‘Declarations***’**)**,

(3) the regulations of the Civil Aviation Authority of [Country] attached as **annex** **IV**, in respect of Articles IX(1) and (5) and XIII of the Protocol and declaration under Article XXX(1) of the Protocol relating thereto (***the ‘Regulations***’),

(4) the court rules implementing key procedural items required by the Convention and Protocol, attached as **annex V** (the ‘***Court Rules***’), and

(5) the procedures for exercising remedies under Article 8(a) and 10(a) without court action and without leave of the court, attached as **annex VI** (the ***‘Non-judicial Procedural Remedies’****)*

(6) the rules implementing key requirements under the Convention and Protocol in insolvency proceedings, attached as **annex VII** (the ‘***Special Insolvency Rules***’)

(the Convention and the Protocol, as modified by the Declarations, and the Regulations, Court Rules, Non-Judicial Remedies Procedures, and Special Insolvency Rules, collectively, ***the Cape Town Treaty and its Implementing Provisions***’),

**FORCE OF LAW**

The Cape Town Treaty and its Implementing Provisions shall have the force of law in [Country].

**PREVAILING LAW**

To the extent of any conflict or inconsistency between the Cape Town Treaty and its Implementing Provisions and any other law of [Country], the Cape Town Treaty and its Implementing Provisions prevail over such other law, and, to that extent, such other law is hereby modified or superseded.

**INTERPRETATION**

In interpreting the Convention and Protocol, a court or interpreter shall have recourse to the Official Commentary by Professor Sir Roy Goode that was prepared in response to and authorised by Resolution No. 5 of the Cape Town Conference (Revised 5th edition, 2024).

**ENTRY INTO FORCE**

This Act shall enter into force [insert].

**END**

**Annex I** – to short form legislation implementing and giving effect to the Convention on International Interests in Mobile Equipment and the Protocol on Matters Specific to Aircraft Equipment

Convention on International Interests in Mobile Equipment

(attach)

\_\_\_\_\_\_\_\_\_\_\_\_\_

**Annex II** – to short form legislation implementing and giving effect to the Convention on International Interests in Mobile Equipment and the Protocol on Matters Specific to Aircraft Equipment

Protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Aircraft Equipment

(attach)

\_\_\_\_\_\_\_\_\_\_\_\_\_

**Annex III** – to short form legislation implementing and giving effect to the Convention on International Interests in Mobile Equipment and the Protocol on Matters Specific to Aircraft Equipment

Declarations under the Convention on International Interests in Mobile Equipment and the Protocol thereto on Matters Specific to Aircraft Equipment – as deposited with UNIDROIT

(attached)

\_\_\_\_\_\_\_\_\_\_\_\_\_

**Annex IV** – to short form legislation implementing and giving effect to the Convention on International Interests in Mobile Equipment and the Protocol on Matters Specific to Aircraft Equipment

Regulations of the Civil Aviation Authority

(attached)

\_\_\_\_\_\_\_\_\_\_\_\_\_

**Annex V** – to short form legislation implementing and giving effect to the Convention on International Interests in Mobile Equipment and the Protocol on Matters Specific to Aircraft Equipment

Court rules implementing key procedural items required by the Convention and the Protocol

(attached)

\_\_\_\_\_\_\_\_\_\_\_\_\_

**Annex VI** – to short form legislation implementing and giving effect to the Convention on International Interests in Mobile Equipment and the Protocol on Matters Specific to Aircraft Equipment

Procedures for exercising remedies under Article 8(a) and 10(a) of the Convention without court action and without leave of the court

(attached)

**Annex VII** - – to short form legislation implementing and giving effect to the Convention on International Interests in Mobile Equipment and the Protocol on Matters Specific to Aircraft Equipment

Rules implementing key requirements under the Convention and Protocol in insolvency proceedings

(attached)

**Annex III** – to short form legislation implementing and giving effect to the Convention on International Interests in Mobile Equipment and the Protocol on Matters Specific to Aircraft Equipment

**Convention on International Interests in Mobile Equipment**

1. [Country] declares, in accordance with Article 39(1)(a) of the Convention, that the following categories of non-consensual right or interest:

a) liens in favour of the government relating to taxes and unpaid charges directly attributable to the use of an aircraft object arising after a declared default under a contract to lease of finance that aircraft object; and

b) liens in favour of repairers of an aircraft object in its possession to the extent of services performed on and value added to that aircraft object –

have priority over an interest in an object equivalent to that of the holder of a registered international interest and shall have priority to the same extent over such registered international interest, whether in or outside insolvency proceedings.

2. [Country] declares, in accordance with Article 40 of the Convention, that the following categories of non–consensual right or interest:  
  
a) right of a person obtaining a court order permitting attachment of an aircraft object in partial or full satisfaction of a legal judgment; and  
  
b) liens in favour of the government relating to taxes and unpaid charges directly attributable to the use of an aircraft object arising before a declared default under a contract to lease of finance that aircraft object ---  
  
shall be registrable under the Convention as regards aircraft objects as if the right or interest were an international interest and shall be regulated accordingly.  
  
  
3. [Country] declares, in accordance with Article 54(2) of the Convention, that all remedies available to the creditor under the Convention and the Protocol which are not expressed under the relevant provision thereof to require application to the court may be exercised without court action and without leave of the court.

**Protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Aircraft Equipment**

1. [Country] declares, in accordance with Article XXX of the Protocol, that it will apply Article VIII of the Protocol.   
  
2. [Country] declares, in accordance with Article XXX of the Protocol, that it will apply Article XI, Alternative A of the Protocol in its entirety to all types of insolvency proceedings and all insolvency-related events and that the waiting period of the purposes of Article XI(3), Alternative A shall be sixty (60) calendar days.  
  
3. [Country] declares, in accordance with Article XXX of the Protocol, that it will apply Article XII of the Protocol.   
  
4. [Country] declares, in accordance with Article XXX of the Protocol, that it will apply Article XIII of the Protocol.

5. [Country] declares, in accordance with Article XXX(2), that it will apply  Article X of the Protocol, and for purposes thereof, ‘speedy’ shall mean the number working days (i) for the remedies specified in Articles 13(1)(a), (b), and (c) of the Convention, equal to not more than (10) calendar days, and (ii) for the remedies specified in Articles 13(1)(d) and (e) of the Convention, equal to not more than thirty (30) calendar days.

**Annex IV** – to short form legislation implementing and giving effect to the Convention on International Interests in Mobile Equipment and Protocol on Matters Specific to Aircraft Equipment

**Regulations of the Civil Aviation Authority of [Country] (IDERA)**

1. **Purpose and Effect**: The purpose of this regulation is to provide procedures for (a) recording and cancelling an IDERA, and (b) De-Registering Aircraft and Exporting Aircraft Objects under an IDERA. This regulation applies to Aircraft registered in [Country] and, for purposes of any Export remedies, Aircraft Objects located in the [Country], and is effective on entry into force [ *date* ] of the Treaty, provided that Sections 4, 5, and 7 apply to an IDERA recorded by the Registry Authority prior to that date. This regulation prevails over conflicting law.

2. **Background:** [Country] is a Contracting State to the Treaty and made a declaration under Article XXX(1) of the Protocol providing for the recording and enforcement of IDERAs.

3. **IDERA Recordation:** The Registry Authority will accept and record an IDERA if it: (a) is submitted in writing to the Registry Authority substantially in the form set forth in the Protocol; (b) identifies an Aircraft registered or to be registered in the [Country] Aircraft Register; and (c) is signed by an Applicant. The Registry Authority will record an IDERA within five working days of receipt, and will promptly confirm to the Applicant, the Authorised Party and any Certified Designee (if applicable) that recordation is complete. No IDERA may be recorded for an Aircraft if a prior IDERA has been recorded by the Registry Authority for that Aircraft which has not been revoked in accordance with Section 5. Without limiting the Registry Authority’s authority to De-Register aircraft under applicable law, once an IDERA has been recorded in respect of an Aircraft, the Applicant may not request that the Aircraft be De-Registered, unless the IDERA has been revoked in accordance with Section 5.

4. **Certified Designee:** The Registry Authority will accept and record a Designation, whereby an Authorised Party appoints a Certified Designee, if: (a) it is submitted in writing to the Registry Authority; (b) it identifies the Certified Designee appointed by the Authorised Party and the IDERA to which it applies; (c) no other Designation is recorded for the relevant IDERA; and (d) it is signed by the Authorised Party. The Registry Authority will record a Designation within five working days of receipt, and will promptly confirm to the Authorised Party and the Certified Designee that recordation is complete. An Applicant shall have no power to issue a revocation in respect to a Designation.

5. **Revocation of an IDERA:** An IDERA may be revoked and shall be of no further effect if a revocation: (a) is submitted in writing to the Registry Authority, (b) identifies the IDERA to which it applies; and (c) is signed by the Authorised Party. The Registry Authority will record a revocation within five working days of receipt, and will promptly confirm to the Applicant, the Authorised Party and any Certified Designee (if applicable) that recordation is complete. An Applicant shall have no power to issue a revocation in respect of an IDERA. Once a revocation has been recorded, the revoked IDERA shall have no further force and effect and the Registry Authority will take no action in respect of it. The validity of an IDERA shall not be affected by the revocation of a related Designation.

6. **IDERA Remedies**: If an IDERA is recorded, an Authorised Party, or, if a Designation is also recorded, its Certified Designee shall be the sole person authorised to deliver a request and exercise the remedies specified in this regulation and in Article IX(1) of the Protocol pursuant to such IDERA.

7. **Exercise of Remedies**: A request to exercise IDERA remedies will be accepted by the Registry Authority if it: (a) is submitted in writing, identifying the applicable rights and remedies that are to be exercised; (b) identifies an IDERA recorded in the [Country] Aircraft Register; (c) in line with Article IX(5) of the Protocol, the Authorized Party certifies that there are no registered interests in the Treaty’s international registry ranking in priority to that of the Authorised Party, or, if there are, that they been discharged or the holders thereof have consented to the exercise of such IDERA remedies, and (d) is signed by the Authorised Party (or Certified Designee, if applicable). The Registry Authority will honour each request submitted in accordance with this Section, to the extent so requested, by effecting the De-registration of the Aircraft, and taking all action within its power to effect or facilitate the Export of the Aircraft and any Related Engines in an expeditious manner, and, in any event, within five working days of receipt of the request. The Registry Authority will promptly provide a certificate to the Authorised Party (or Certified Designee, if applicable) evidencing De-Registration. No additional consent, approval, court or other order or decision, additional requirements, condition or any other action shall be required in order for the Registry Authority to comply with any request made under this Section. The exercise of any Export remedy shall be subject to applicable Export-Related Safety Laws.

8. **Engines**: A request with respect to an Aircraft will be honoured under Section 7 without regard to the identity of the engines and other equipment then installed on that Aircraft. Export remedies under Section 7 will be made available for any Related Engines which are not then installed on the Aircraft.

9. **Further Actions**: The Authorised Party (or Certified Designee, if applicable) will, to the extent within its reasonable control, but not as a condition to the De-registration and Export of the Aircraft, remove or cover the Registry’s nationality marks on the Aircraft, return to the Registry Authority the original certificate of registration and certificate of airworthiness for the Aircraft, and change the Aircraft’s transponder code so that it no longer indicates that such Aircraft is registered in [Country].

10. **Document Execution**: Any document delivered hereunder by an Applicant, Authorised Party or Certified Designee, as the case may be, may, if any of the foregoing is not a natural person, be executed by an Officer of any of the foregoing, or under any other document legally authorizing execution on the foregoing’s behalf.

**IDERA regulations   
Defined Terms**

Terms used without definition in this regulation have the meanings given in the Treaty.

***Applicant:*** an entity or person that has applied or is applying for the registration of an Aircraft in the Registry.

***Certified Designee:*** an entity or person named in a Designation as the certified designee under an IDERA.

***Designation***: the appointment of a Certified Designee by an Authorised Party in respect of an IDERA.

***De-Registration:*** removal of the registration of an Aircraft from the Aircraft Register and promptly providing a certificate evidencing De-Registration to the Authorised Party or Certified Designee, as applicable.

***Export:*** export and physical transfer of an Aircraft from the territory of [Country].

***Export-Related Safety Laws***: applicable laws and regulations of [Country] which permit the operation in its airspace of an aircraft under a ferry or other special flight permit issued by the applicable aviation authorities but excluding any requirement (i) for the issuance of an export certificate of airworthiness, or (ii) for any documents in the possession of, or any action by, an operator of an aircraft.

***IDERA:*** an irrevocable de-registration and export request authorization, the form of which is appended to the Protocol.

***Officer:*** of an entity is (i) a member of its board of directors, (ii) its chief executive, operating, financial or legal officer, (iii) a vice president, (iv) its secretary or an assistant secretary, (v) its treasurer or assistant treasurer, (vi) a member or general partner, (vii) a trustee or (v) any other person or entity whose signing authority is acceptable to the Registry Authority.

***Registry Authority***: Civil Aviation Authority of [Country]

***Related Engine***: an engine to which the Treaty applies and the Authorised Party (or Certified Designee, if applicable) certifies to the Registry Authority is an engine to which the underlying documentation signed by the Applicant, and giving rise to the IDERA, applies.

***Treaty:*** the Convention on International Interests in Mobile Equipment, 2001 (the ***Convention***), as modified by the Protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Aircraft Equipment, 2001 (the ***Protocol***), and including the declarations lodged by [Country] in connection with its accession to the Convention and Protocol.

**Annex V** – to short form legislation implementing and giving effect to the Convention on International Interests in Mobile Equipment and Protocol on Matters Specific to Aircraft Equipment

**Court rules implementing key procedural items required by the Convention and Protocol**

These court rules (the ‘*CTC court rules*’) have authoritative effect in cases where the Convention on International Interests in Mobile Equipment, 2001 (the ‘***Convention’***), as modified by the Protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Aircraft Equipment, 2001 (the ‘***Protocol***’), including the declarations lodged by [Country] in connection with its accession to the Convention and Protocol (collectively, hereinafter, ‘***CTC’***). The CTC court rules prevail over conflicting court rules where and to the extent inconsistent:

1. The provisions of CTC prevail over conflicting laws where and to the extent inconsistent pursuant to [insert basis of treaty primacy].
2. Courts and tribunals shall take judicial notice of the provisions of CTC. In interpreting CTC and resolving questions that are not expressly settled by its provisions, courts and tribunals shall comply with Article 5 of the Convention, which requires interpretation in conformity with the general principles and purposes of CTC, as set forth in the Convention preamble. Such interpretation shall take into account the Official Commentary by Professor Sir Roy Goode (5th Ed., as revised) as contemplated by Resolution No. 5 of the Diplomatic Conference.
3. Remedies under CTC are *sui generis* and shall not be interpreted as any non-CTC, national law remedies that may have similar characteristics. National law conditions to exercising non-CTC national law remedies may not be extended to CTC remedies, which are subject solely to requirements or conditions, if any, under CTC.

4. Subject to Article 54(2) of the Convention, any remedy provided by CTC shall be exercised in conformity with procedures prescribed by national law provided that those procedures do not subvert, delay, or otherwise negatively impact the exercise of a creditor’s remedies under CTC.

5. Courts and tribunals having jurisdiction under CTC shall exercise such jurisdiction and adhere strictly to the timetables prescribed by CTC:[[1]](#footnote-1)

* + 1. The remedies in Article 13(1)(a) of the Convention (preservation of the object and its value); Article 13(1)(b) of the Convention (possession, control or custody of the object (e.g., repossession)); and Article 13(1)(c) of the Convention (immobilisation of the object (e.g. grounding of an aircraft)) shall be granted to and obtained by the requesting creditor within 10 calendar days of the request. The remedies in Article 13(1)(d) of the Convention (lease or management of the object and the income therefrom) and Article 13(1)(e) of the Convention (sale and application of proceeds therefrom, if agreed between debtor and creditor at any time) shall be granted to and obtained by the requesting creditor within 30 calendar days of the request.
    2. Article XI of the Protocol, Alternative A (‘***Alternative A***’): in any insolvency proceeding, CTC creditors may not be prevented from enforcing remedies for a period longer than the waiting period declared by [Country] (being 60 calendar days). After the lapse of such 60-day waiting period, remedies must be made available to CTC creditors. No cure or work-out periods that extend beyond such timetables may be imposed.

6. Courts and tribunals shall give full effect to Alternative A in all insolvency proceedings with affected CTC creditors. In addition to the waiting period noted in paragraph 4(ii) above, Alternative A (i) imposes an obligation on the insolvent debtor to maintain aircraft objects in its possession in accordance with the underlying lease or financing agreement, and (ii) prohibits the modification of the terms of any debtor obligations without the consent of the affected CTC creditor, including the binding application of any work-out or restructuring plan to non-consenting CTC creditors.

7. Courts and tribunals shall recognize and give effect to the jurisdiction provisions under Chapter XII of the Convention. Courts may not assume jurisdiction, other than pursuant to Article 42 and 43 to grant CTC remedies, where the exclusive jurisdiction and forum choice provided for by the agreement are not the courts of [Country].

8. Court and tribunals shall recognize and give effect to the rights and duties adjudicated by a foreign court where such foreign courts have jurisdiction under CTC and, in the case of recognition, such adjudicated rights have operative legal effect, and, in the case of giving effect, such adjudicated rights are enforceable, under the laws applicable to such foreign court. The time period for the foregoing shall be within 10 calendar days of the foreign court order setting out the adjudicated rights being lodged with the relevant court or tribunal.

9. Protective orders or procedural requirements that conflict with CTC may not be imposed. Procedural requirements that do not directly conflict with CTC are permitted but may not undermine or delay CTC remedies.

**Annex VI** – to short form legislation implementing and giving effect to the Convention on International Interests in Mobile Equipment and the Protocol on Matters Specific to Aircraft Equipment

**Procedure for remedies under Articles 8(a) or 10(a) of the Convention without Court Action or without Leave of the Court implementing key procedural items required by the Convention and Protocol**

The terms ‘creditor’, ‘debtor’, ‘aircraft object’ take their respective meanings from the Convention. The term ‘Registry Authority’ means the Civil Aviation Authority of [Country].

1. In the event a creditor elects to exercise the remedies under Articles 8(a) or 10(a) of the Convention to take possession or control of an aircraft object without court action or leave of the court as permitted by the declaration of [Country] made under Article 54(2) of the Convention and as set out in [insert cite to Country legislation on CTC], the following procedures shall apply.

2. Where an aircraft object is physically located at an airport in [Country]:

a) a creditor shall provide a certified copy of the notice of default (the ‘***Certified Default Notice***’) issued to the debtor (a copy of which shall be transmitted for information to the Registry Authority) to the office designated by that airport, or, absent such a designation, the chief executive officer of that airport, for purposes of this procedure (the ‘***Airport Authority***’),

b) the Airport Authority shall secure to the exclusion of a debtor and, subject to Section (5) of this procedure, transfer to that creditor physical possession and control of the aircraft object set out in the Certified Default Notice, subject of sub-section of (2)(c) this procedure and provided that such creditor has made arrangement and covered the cost of such possession and control, and

c) a creditor receiving such transfer of possession and control may not remove that aircraft object from the airport without providing evidence to the Aircraft Authority that all amounts owing to the Government of [country] as contemplated by Article 39(1)(b) of the Convention for services directly related to that aircraft object, or by Article 39(1)(a) of the Convention, have been paid in full.

3. Where an aircraft object is physically located at a Maintenance, Repair and Overhaul organization located in [Country] (an ‘***MRO****’*):

a) a creditor shall provide a certified copy of the Certified Default Notice (a copy of which shall be transmitted for information to the Registry Authority) to that MRO,

b) the MRO shall secure the exclusion of a debtor and, subject to Section (5) of this Rule 6, transfer to that creditor physical possession and control of the aircraft object set out in such Notice, subject of sub-section of (3)(c) this procedure and provided that such creditor has made arrangement and covered the cost of such possession and control, and

c) A creditor shall pay the MRO amounts owing for work performed on an aircraft object to the extent it enhances the value of that object as contemplated by Article 39(1)(a) and make necessary arrangements with the MRO relating to its transfer of possession and control to that creditor, and

4. In accordance with Article XVI(2) of the Protocol, this procedure does not limit any liability at law of a creditor which has taken such action in breach of its agreement with a debtor.

5. In accordance with the declaration of [Country] under Article 39(1)(b) of the Convention, nothing in this procedure limits the rights of the entities set out in that declaration to arrest or detain an aircraft object, subject to the release from any such arrest and detention when all amounts owing to the Government of [Country] for services directly related to that aircraft object have been paid in full\*. [[2]](#footnote-2)

6. The Registry Authority shall facilitate and provide assistance as necessary and applied for by a creditor to give effect to procedure, including

a) within one working day of being requested by a creditor, appointing an official to oversee the actions in sub-section (b) of Section 2 and sub-section (b) of Section 3 under this procedure in respect of an aircraft object and technical and maintenance records relating thereto, and

b) requesting and securing necessary action by police officials, including to secure technical and maintenance records located in other facilities and transfer possession of such records to that creditor.

**Annex VII** – to short form legislation implementing and giving effect to the Convention on International Interests in Mobile Equipment and the Protocol on Matters Specific to Aircraft Equipment

**Rules implementing key requirements under the Convention and Protocol in insolvency proceedings**

These special insolvency rules (the **special insolvency rules**) shall apply in all proceedings relating to bankruptcy, liquidation or other collective judicial or administrative proceedings, including interim proceedings (as further defined in the Convention, **insolvency proceedings**) where the Convention on International Interests in Mobile Equipment, 2001 (the **Convention**), as modified by the Protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Aircraft Equipment, 2001 (the **Protocol)**, including the declarations lodged by the [Country] in connection with its [ratification][accession] to the Convention and Protocol (collectively, hereinafter, **CTC**), is applicable:

1. The provisions of CTC prevail over conflicting laws where and to the extent inconsistent pursuant to [insert basis of treaty primacy], including, without restriction, [insert title of main bankruptcy laws].

2. No later than 60 calendar days after the commencement of insolvency proceedings, the insolvency administrator or debtor, as applicable, shall give possession of an aircraft object to a creditor, subject to Article XI(7) of the Protocol (the **waiting period**)\*\*. [[3]](#footnote-3) The foregoing shall not be affected by any moratorium, stay, or suspension of claims under the bankruptcy law noted in paragraph (1) above.

3. During the waiting period, the insolvency administrator or debtor, as applicable, shall:

a) preserve the aircraft object and maintain its value in accordance with the underlying contract between a creditor and a debtor, and

b) provide a creditor with access to the aircraft object, and all technical and maintain records relating to, and information on the physical security of, that aircraft object -

in each case, as a priority expense to be paid by the bankruptcy estate.

4. At the end of the waiting period, unless a debtor has cured all defaults other than a default constituted by the opening of insolvency proceedings and has agreed and agreed to perform all future obligations under its contract with a creditor:

a) a creditor shall immediately be given possession of the aircraft object and all technical and maintenance records relating to that object, in each case facilitated by the [Civil Aviation Authority].

b) unless and to the extent otherwise requested by a creditor the registration of an aircraft shall, as promptly as possible and in no event later than five (5) days following application, be cancelled by the [Civil Aviation Authority] without seeking or obtaining consent or any other document from the operator of the aircraft or any other person, and

c) the [Civil Aviation Authority] shall permit and facilitate the export of an aircraft object from [Country] in accordance with this Rule, subject to export-related safety laws (as defined in Annex III).

5. No obligation of a debtor under the agreement with a creditor may be modified without the consent of that creditor. That includes any otherwise applicable settlement, plan, or cram-down mechanism.

6. This Rule shall not impact rights and obligations under Article XI of the Protocol, which are incorporated by reference herein.

7. The [Civil Aviation Authority] shall facilitate and provide assistance as necessary and applied for by a creditor to give effect to this Rule, and no action related thereto shall be impacted or delayed by the a suspension of claims or moratorium.

1. [↑](#footnote-ref-1)
2. \*This assumes that, if a declaration has been made in respect of Article 39(1)(b), such is limited to amounts owing for services directly related to a specific aircraft object. CTC may not be used to create a fleet lien where none existed under prior law. [↑](#footnote-ref-2)
3. \*\*Unless a creditor is entitled to possession on an earlier date under national law. In that case, the waiting period ends on such earlier date. See Article XI(2)(b) of the Protocol [↑](#footnote-ref-3)