

[ATO MEMORANDUM CIRCULAR, July 11, 1996]

AIRCRAFT LEASING REQUIREMENTS

In the interest of safety and clarification of reasonable aircraft leasing policy requirements the following is in effect starting 1 August 1996. Certificate holders currently negotiating lease agreements should meet the requirements as near as is practical.

"ATO POLICY -LEASING OF AIRCRAFT"

Introduction: AO Sec. 121.6 provides for certificate holders leasing aircraft to other operators. Sec. 121. 153(c) addresses certificate holders leasing of foreign registered aircraft without crew. AO 121 does not provide for the leasing of foreign registered aircraft with crew i.e. "wet lease".

ATO Policy: Until published in the Official Gazette as AO 121 regulations the following policy will be in effect as of 1 August 1996.

A. **Leasing Foreign Registered Aircraft with Flight Crew** — The requirements of Sec. 121.6 (a) (b) (c) shall also apply to certificate holders prior to conducting operations with leased foreign registered aircraft provided with on pilot flight crew member or more.

B. The Assistant Secretary will determine the acceptability of the foreign operator and its national regulatory authority to meet safety standards of the International Civil Aviation Organization and responsibilities between the Air Transportation Office and the foreign regulatory authority for continuous surveillance and monitoring of operation of the foreign registered aircraft.

C. Certificate holders intending to lease aircraft in accordance with AO 121.6, 121.153 (c) or this policy should notify the Air Transportation Office in writing as soon as possible of their plans and further submit the necessary information no later than thirty (30) days before the start of intended operations.

All orders and/or memos that may be in conflict herewith are hereby rescinded.

For meeting the requirements of this policy.

Adopted: 11 July 1996

(SGD.) M. GEN. CARLOS F. TAÑEGA (RET.)
Assistant Secretary