

CAYMAN ISLANDS



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**A BILL FOR A LAW TO AMEND THE CIVIL AVIATION AUTHORITY
LAW (2005 REVISION) TO MAKE FURTHER PROVISION IN
RESPECT OF THE REGISTRATION OF AIRCRAFT MORTGAGES;
AND TO MAKE PROVISION FOR INCIDENTAL AND CONNECTED
MATTERS**

THE CIVIL AVIATION AUTHORITY (AMENDMENT) BILL, 2015

MEMORANDUM OF OBJECTS AND REASONS

This Bill amends the Civil Aviation Authority Law (2005 Revision) for the purpose of making further provision in respect of the registration of aircraft mortgages.

The subject of the registration of aircraft mortgages was originally made under the Mortgaging of Aircraft Regulations 1979 under the purview of the United Kingdom at a period when such subject was included in the area of civil aviation strictly reserved to the United Kingdom; however, following consultation with the United Kingdom, this is no longer the prevailing view. Accordingly, the Cayman Islands may, similar to other British Overseas Territories, enact legislation in respect of the registration of aircraft mortgages.

Clause 1 of the Bill provides the short title and commencement of the legislation.

Clause 2 amends section 2 of the principal Law to define the term “mortgage register” to mean the Register of Aircraft Mortgages created and maintained by the Civil Aviation Authority under the legislation.

Clause 3 amends section 5 of the principal Law to confer on the Authority the function of creating and maintaining the mortgage register.

Clause 4 of the Bill amends section 39 of the principal Law to empower the Cabinet to make regulations relating to the registration of mortgages of aircraft and prescribing fees in respect of matters relating to the mortgage register.

Clause 5 therefore validates acts carried out by persons, prior to the date of commencement of the legislation, in exercise of matters contemplated by the Mortgaging of Aircraft Regulations 1979, in order to preserve such acts up to the date of commencement of the legislation.

THE CIVIL AVIATION AUTHORITY (AMENDMENT) BILL, 2015

ARRANGEMENT OF CLAUSES

1. Short title and commencement
2. Amendment of section 2 of the Civil Aviation Authority Law (2005 Revision) - definitions
3. Amendment of section 5 - functions of Authority
4. Amendment of section 39 - regulations
5. Validation

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ENACTED by the Legislature of the Cayman Islands.

1. (1) This Law may be cited as the Civil Aviation Authority (Amendment) Law, 2015.

Short title and commencement

(2) This Law shall come into force on such date as may be appointed by Order made by the Cabinet..

2. The Civil Aviation Authority Law (2005 Revision), in this Law referred to as the “principal Law”, is amended in section 2 by inserting, in the appropriate alphabetical sequence, the following definitions -

Amendment of section 2 of the Civil Aviation Authority Law (2005 Revision) - definitions

“mortgages of aircraft” includes a mortgage which extends to any store of spare parts for the aircraft but does not otherwise include a mortgage created as a floating charge;

“mortgage register” means the Register of Aircraft Mortgages created and maintained by the Authority under section 5(1)(da);”.

Amendment of section 5
- functions of Authority

3. The principal Law is amended in section 5(1) by inserting after paragraph (d) the following paragraph -

“(da) the creation and maintenance of a mortgage register (to be known as the “Register of Aircraft Mortgages”) for the registration of mortgages of aircraft;”.

Amendment of section 39 - regulations

4. The principal Law is amended in section 39 as follows -

(a) by inserting after the words “control and supervision of civil aviation” the words “, for the registration of aircraft mortgages”; and

(b) by inserting after paragraph (b) the following paragraphs -

“(ba) prescribing the form and content of the mortgage register and providing for any matter relating to the registration of mortgages of aircraft;

(bb) prescribing fees and regulating the payment and collection of fees, in relation to the mortgage register, including fees for -

(i) the registration of mortgages of aircraft;

(ii) the amendment of entries in the mortgage register;

(iii) the rectification of the mortgage register;

(iv) the inspection of the mortgage register;

(v) the supply of copies of entries appearing in the mortgage register; and

(vi) the supply of information relating to entries in, or the omission of entries from, the mortgage register;”.

Validation

5. (1) Any function, duty or act performed, exercised or carried out by -

(a) any person who before 15th June, 2004 was the holder of the office of Director of Civil Aviation;

(b) the Director-General of Civil Aviation;

(c) the Civil Aviation Authority;

(d) any member of the board of directors of the Authority;

(f) any officer, employee or agent of the Authority; or

(g) any other person,

prior to the date of commencement of this Law, in exercise of the matters contemplated by the Mortgaging of Aircraft Regulations 1979, is validated and is to be taken to have been lawfully performed, exercised and carried out.

(2) This Law does not affect any order or determination made by a court prior to the date of commencement of this Law.

(3) If any legal proceeding has been commenced prior to the date of commencement of this Law but is not finally determined before that date, the

proceeding shall be dealt with and determined as if this Law had not been enacted.

Passed by the Legislative Assembly the day of , 2015.

Speaker.

Clerk of the Legislative Assembly.