

Title 14—AERONAUTICS AND SPACE

Chapter I—Federal Aviation Administration, Department of Transportation

[Docket No. 11464, Amdt. 91-108]

PART 91—GENERAL OPERATING AND FLIGHT RULES

Aircraft Lease Agreements: Requirements for "Truth in Leasing" Clause

This amendment to Part 91 of the Federal Aviation Regulations further clarifies the applicability of § 91.54, which prescribes requirements for including a "truth in leasing" clause in certain leases and contracts of conditional sales involving United States registered large civil aircraft.

Section 91.54 was issued by the FAA on September 27, 1972, as Amendment 91-104, to become effective on January 3, 1973 (37 FR 20934). Section 91.54 is intended to apply to only leases and contracts of conditional sale entered into after January 2, 1973. This amendment revises paragraph (a) of § 91.54 to make the intent of the rule expressly clear.

In addition, to make the definition of a lease in paragraph (e) conform to the intent of the rule, this amendment revises the definition to make it clear that the term lease does not include an agreement for the sale of an aircraft, or a contract of conditional sale under section 101 of the Federal Aviation Act of 1958.

Since this amendment is clarifying in nature and imposes no additional burden on any person, I find that notice and public procedure are unnecessary and that good cause exists for making this amendment effective in less than 30 days.

In consideration of the foregoing, Part 91 of the Federal Aviation Regulations, as amended by Amendment 91-104, is further amended by amending § 91.54, effective January 3, 1973, as follows:

1. By amending the introductory sentence of paragraph (a) and by amending paragraph (e) to read as follows:

§ 91.54 Truth in leasing clause requirement in leases and conditional sales contracts.

(a) Except as provided in paragraph (b) of this section, the parties to a lease or contract of conditional sale involving a United States registered large civil aircraft and entered into after January 2, 1973, shall execute a written lease or contract and include therein a written truth in leasing clause as a concluding paragraph in large print, immediately preceding the space for the signature of the parties, which contains the following with respect to each such aircraft:

(e) For the purpose of this section, a lease means any agreement by a person to furnish an aircraft to another person for compensation or hire, whether with or without flight crewmembers, other than an agreement for the sale of an aircraft and a contract of conditional sale under section 101 of the Federal Aviation Act of 1958. The person furnishing the aircraft is referred to as the lessor and the person to whom it is furnished the lessee.

(Secs. 313(a), 601, Federal Aviation Act of 1958, 49 U.S.C. 1354(a), 1421; sec. 6(c), Department of Transportation Act, 49 U.S.C. 1655(c))

Issued in Washington, D.C., on December 22, 1972.

J. H. SHAFFER,
Administrator.

(As published in the Federal Register 37 F.R. 852/ on January 5, 1973)

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