Subsidiary Legislation made under s. 32(1).

Civil Aviation (Aircraft Mortgages) Regulations 2026

LN.2026/334

Commencement **9.9.2026**

ARRANGEMENT OF REGULATIONS

Regulation

In exercise of the powers conferred on him by section 32(1) of the Civil Aviation Act 2024 and of all other enabling powers, the Minister has made the following Regulations–

Title.

1. These Regulations may be cited as the Civil Aviation (Aircraft Mortgages) Regulations 2026.

Commencement.

2. These Regulations come into operation on the day of publication.

Interpretation.

3.(1) In these Regulations-

"Act" means the Civil Aviation Act 2024;

"aircraft mortgage" means a legal or equitable interest (excluding a lien and a floating charge), creating security over title to, a fixed charge over, or an assignment by way of security of a registered aircraft under which the agreement creating the interest secures payment or the performance of an obligation (whether or not title in the registered aircraft is transferred to the mortgagee);

"aircraft records" means all technical records, maintenance records, manuals, logbooks, and data relating to an aircraft and its engines;

"Authority" means the Gibraltar Civil Aviation Authority established under the Civil Aviation Authority Act 2024;

"Cape Town Regulations" means the International Interests in Aircraft Equipment (Cape Town Convention) Regulations 2015;

"Civil Aviation Authority Act" means the Civil Aviation Authority Act 2024;

"Electronic Commerce Act" means the Electronic Commerce Act 2001;

"IDERA" means an irrevocable de-registration and export request authorisation substantially in the form prescribed by the Cape Town Regulations;

"mortgagor" means a person who causes or permits an aircraft mortgage to be created in a registered aircraft in which the mortgagor has an interest and includes the person's successors, personal representatives, transferees and permitted assigns;

"mortgagee" means a person who holds a mortgage in respect of a registered aircraft, including the person's successors, personal representatives, transferees and permitted assigns, as well as any person holding a mortgage as security trustee or agent for one or more secured parties;

"Register of Aircraft Mortgages" means the register required to be kept by the Authority under section 10(1)(f) of the Civil Aviation Authority Act 2024;

"registered aircraft" means any aircraft registered in Gibraltar, and includes (a) the airframe, (b) any aircraft engine (whether or not installed on the airframe), (c) any propeller, rotor, appliance, spare part, accessory, and aircraft records, intended for use on any aircraft registered in Gibraltar;

"registered owner" means the person specified as being the owner of the aircraft on the certificate of registration issued by the Authority under Section 9 of the Act;

"working day" means any day other than a Saturday, a Sunday or a public holiday in Gibraltar.

(2) Any reference to any Act or regulations shall be construed as a reference to that Act or those regulations as amended, re-enacted or replaced.

Register of Aircraft Mortgages.

4.(1) The Authority is responsible for maintaining a Register of Aircraft Mortgages and shall record information in the register in a legible or a non-legible form so long as the record is capable of being reproduced in a legible form, subject to and in accordance with the Electronic Commerce Act.

(2) Registration of an aircraft mortgage in the Register of Aircraft Mortgages in accordance with these Regulations constitutes formal recording by the Authority of the relevant instrument for the purposes of the Civil Aviation Authority Act and satisfies the recording obligation in that Act.

Relationship with the Cape Town Regulations.

5. A registered international interest (as defined in the Cape Town Regulations) shall have priority over any aircraft mortgage registered under these Regulations.

Mortgage of Aircraft.

6.(1) A registered aircraft may be made security for a loan or other valuable consideration.

(2) A single mortgage instrument may cover a fleet of registered aircraft, with provision for substitution and release of individual registered aircraft.

(3) An aircraft mortgage created over an aircraft that is the subject of a pending application for registration shall not be entered in the Register of Aircraft Mortgages until that aircraft has been registered by the Authority.

(4) An aircraft engine of a registered aircraft shall not be treated as having merged with or acceded to the airframe by reason only of its installation on the airframe, whether or not such engine is the subject of any separate security interest.

(5) The legal identity of an aircraft engine, and any security interest created over it, shall not be affected by its installation on or removal from a registered aircraft.

Registration of Aircraft Mortgages.

7.(1) An application for the registration of an aircraft mortgage shall be made by or on behalf of the mortgagee in a format acceptable to the Authority and shall include or be accompanied by such information and evidence relating to the aircraft mortgage as the Authority may require.

(2) Where the same registered aircraft is the subject of two or more mortgages, separate applications shall be made in respect of each mortgage. Where a single mortgage instrument covers two or more registered aircraft pursuant to regulation 6(2), the Authority may accept a single application accompanied by a schedule identifying each registered aircraft, provided that a separate entry in the Register of Aircraft Mortgages shall be made for each registered aircraft, as the case may be.

(3) The Authority shall register the mortgage if it is satisfied that the application complies with these Regulations and on receipt of the prescribed fee.

(4) Applications shall be entered in the Register of Aircraft Mortgages in order of their receipt by the Authority.

(5) The Authority shall notify the applicant of the date and time of the entry of the aircraft mortgage in the Register of Aircraft Mortgages and of the register number of the entry and shall send a copy of the notification to the mortgagor and the registered owner.

(6) Where a mortgage is in a language other than English, the application to enter that mortgage in the Register of Aircraft Mortgages shall be accompanied by a translation of the mortgage, which the applicant shall certify as being, to the best of the applicant's knowledge and belief, a true translation.

Search of the Register of Aircraft Mortgages and Mortgage Certificates.

8.(1) The Authority shall, upon written application and on receipt of the prescribed fee, issue and make available to the applicant a certificate confirming -

(a) whether a mortgage in respect of a registered aircraft is entered in the Register of Aircraft Mortgages;

(b) the registration of such mortgage;

(c) the registration date of the mortgage registered against the registered aircraft;

(d) the details of the mortgagor; and

(e) such other matters as the Authority considers appropriate.

(2) A certificate issued under sub-regulation (1) shall be evidence of the matters stated in it and may be relied upon accordingly.

Register of Aircraft Mortgages as notice of facts appearing in it.

9. All persons shall at all times be taken to have express notice of all facts appearing in the Register of Aircraft Mortgages, but the registration of an aircraft mortgage shall not be evidence of its validity.

Continuation of Registration of Aircraft Mortgages.

10. Where an aircraft mortgage is registered in the Register of Aircraft Mortgages, that registration remains effective until -

(a) the Register is rectified by the Authority in accordance with regulation 14 (Rectification of the Register of Aircraft Mortgages by the Authority);

(b) the mortgage is discharged by the mortgagee in accordance with regulation 15 (Discharge of Aircraft Mortgage);

(c) the mortgage is de-registered in accordance with regulation 16 (De-registration of Aircraft Mortgage);

(d) the aircraft is de-registered with mortgagee consent in accordance with regulation 17 (De-registration of registered aircraft with mortgagee consent); or

(e) an order of the Supreme Court is made to that effect.

Change to the Register of Aircraft Mortgages.

11.(1) Any change to the information supplied under regulation 7 (Registration of aircraft mortgages); regulation 12 (Transfer or Assignment of Aircraft Mortgage), and regulation 13 (Security trustee arrangements) respectively shall be notified to the Authority by, or on behalf of, the mortgagee as soon as practicable and in any event no later than 10 (ten) working days after the change occurs in a format acceptable to the Authority and shall include or be accompanied by such information and evidence as the Authority may require.

(2) Upon receiving the notification under sub-regulation (1) and on receipt of the prescribed fee, the Authority shall, whenever satisfied that it is necessary or appropriate, amend the Register of Aircraft Mortgages, notify the applicant, and send a copy of the notification to the mortgagor and the registered owner.

(3) A failure by a mortgagee to notify a change within the period prescribed by sub-regulation (1) does not, of itself, affect the validity of the registered mortgage. However, if the Authority becomes aware that a change has not been notified in accordance with sub-regulation (1), the Authority may rectify the Register of Aircraft Mortgages under regulation 14 (Rectification of the Register of Aircraft Mortgages) to reflect the change.

Transfer or Assignment of an Aircraft Mortgage.

12.(1) Where the interest of a mortgagee under a registered aircraft mortgage is transferred or assigned (whether by way of novation, assignment, operation of law or otherwise), the transferee or assignee (or a person acting on their behalf) shall notify the Authority of the transfer or assignment in accordance with and within the period prescribed by regulation 11(1).

(2) Upon receiving the notification under sub-regulation (1) and on receipt of the prescribed fee, the Authority shall amend the Register of Aircraft Mortgages to record the transferee or assignee as the mortgagee and shall notify the transferee or assignee and send a copy of the notification to the mortgagor and the registered owner.

(3) A transfer or assignment recorded under this regulation, including the replacement of a security trustee in accordance with regulation 13 (Security trustee arrangements), does not -

(a) affect the aircraft mortgage within the Register of Aircraft Mortgages as originally registered save only in respect of the details regarding the identity of the mortgagee; and

(b) constitute the creation of a new aircraft mortgage for the purposes of these Regulations, and no new application for registration under regulation 7 shall be required.

Security Trustee Arrangements.

13.(1) An aircraft mortgage may be registered in the name of a person acting in the capacity of security trustee or security agent who acts for one or more secured parties and the Register of Aircraft Mortgages shall record that the mortgagee holds the mortgage in the capacity of security trustee or security agent, as applicable.

(2) If a security trustee registered as mortgagee under sub-regulation (1) is replaced by a successor security trustee (whether by retirement, removal, or operation of law), the successor security trustee (or a person acting on its behalf) shall notify the Authority of the same in accordance with and within the period prescribed by regulation 11(1).

(3) Upon receiving the notification under sub-regulation (2) and on receipt of the prescribed fee, the Authority shall amend the Register of Aircraft Mortgages to record the successor security trustee as mortgagee in place of the outgoing security trustee.

(4) The Authority is not required to enquire into the terms of any trust or agency arrangement under which a security trustee holds a registered aircraft mortgage, or into the identity of the secured parties for whom the security trustee acts.

(5) The Authority shall not be liable for any loss arising from the registration of a mortgage in the name of a security trustee.

Rectification of the Register of Aircraft Mortgages by the Authority.

14.(1) The Authority may propose to the mortgagee, or a person acting on their behalf, such amendments to the Register of Aircraft Mortgages as may appear to be necessary or expedient, including the amendment or removal of an entry, together with the reasons for it, and shall send a copy of the proposal to the mortgagor and the registered owner.

(2) The mortgagee, or a person acting on their behalf, may, within 15 (fifteen) working days after the date of service of that proposal, serve on the Authority a request that the Authority consider their written representations with respect to the proposal.

(3) In the absence of any representations made under sub-regulation (2), the Authority must-

(a) rectify the Register of Aircraft Mortgages and mark relevant entries as ‘rectified by the Authority’; and

(b) notify the mortgagee, or a person acting on their behalf, and send a copy of the notification to the mortgagor and the registered owner.

(4) Where the mortgagee, or a person acting on their behalf, makes a request under sub-regulation (2), the Authority must, before making a decision, consider any written representations made.

(5) Where the Authority makes a decision pursuant to sub-regulation (4), the Authority must serve a statement of its reasons for the decision on the mortgagee, and send a copy to the mortgagor and the registered owner.

(6) Where the decision pursuant to sub-regulation (5) upholds the Authority's proposal the Authority must, after the expiry of 5 (five) working days after the date of service of that decision and provided it has not been notified of proceedings challenging that decision -

(a) rectify the Register of Aircraft Mortgages and mark relevant entries as 'rectified by the Authority'; and

(b) notify the mortgagee or a person acting on their behalf and send a copy of the notification to the mortgagor and the registered owner.

(7) A person who commences proceedings challenging a decision of the Authority under sub-regulation (5) shall immediately provide the Authority with evidence that such proceedings have been commenced. The commencement of proceedings suspends the effect of the decision pending their final determination or withdrawal.

Discharge of Aircraft Mortgage.

15.(1) The mortgagee, or a person acting on their behalf, shall notify the Authority of the discharge of the aircraft mortgage in a format acceptable to the Authority accompanied by such information and evidence relating to the aircraft mortgage as the Authority may require.

(2) Upon receiving the notification under sub-regulation (1) and on receipt of the prescribed fee, the Authority shall, where satisfied that the aircraft mortgage has been discharged, mark the relevant entry in the Register of Aircraft Mortgages as "discharged and de-registered", notify the applicant, and send a copy of the notification to the mortgagor and the registered owner.

De-registration of Aircraft Mortgage.

16.(1) An application for the de-registration of an aircraft mortgage that has not otherwise been discharged under regulation 15 (Discharge of Aircraft Mortgage), shall be made by or on behalf of the mortgagee in a format acceptable to the Authority and shall include or be accompanied by such information and evidence relating to the aircraft mortgage as the Authority may require.

(2) Upon receiving the application under sub-regulation (1) and on receipt of the prescribed fee, the Authority shall, where satisfied that it is necessary or appropriate, mark the relevant entry in the Register of Aircraft Mortgages as "de-registered", notify the applicant, and send a copy of the notification to the mortgagor and the registered owner.

De-registration of registered aircraft with Mortgagee Consent.

17.(1) Subject to sub-regulation (2), where the Authority de-registers a registered aircraft which is the subject of an undischarged mortgage entered in the Register of Aircraft Mortgages with the prior consent of all persons shown in the Register of Aircraft Mortgages as mortgagees of that aircraft, the Authority shall, upon payment of the prescribed fee, mark the relevant entry in the Register of Aircraft Mortgages as "de-registered".

(2) Where an IDERA has been registered in respect of a registered aircraft which is the subject of an undischarged mortgage entered in the Register of Aircraft Mortgages, the Authority shall not de-register the aircraft pursuant to sub-regulation (1) unless the application for de-registration is made in the prescribed form by the person who is recorded as the authorised party under the IDERA, and the Authority has received payment of the prescribed fee.

Effect of Removal of Aircraft from Gibraltar's Register of Civil Aircraft.

18. The removal from Gibraltar's register of civil aircraft of an aircraft that was, immediately before its removal, a registered aircraft, shall not affect the rights of any mortgagee under any registered aircraft mortgage and entries shall continue to be made in the Register of Aircraft Mortgages in relation to the aircraft mortgage as if the aircraft had not been removed from Gibraltar's register of civil aircraft.

False Statement.

19.(1) A person commits an offence if, in connection with any matter arising under these Regulations, that person within intent to deceive -

(a) uses any document issued or required under these Regulations which has been altered, revoked or suspended or to which they are not entitled; or

(b) makes any false statement for the purpose of procuring the grant, issue, renewal or variation of any document under these Regulations.

(2) A person who commits an offence under sub-regulation (1) shall be liable on summary conviction to a fine at level 4 on the standard scale.

Electronic Communications.

20.(1) The Authority may accept applications, notifications and other documents submitted under these Regulations by electronic means, and any certificate, notification or other document issued by the Authority under these Regulations may be issued electronically.

(2) Any document accepted or issued pursuant to sub-regulation (1) shall, subject to and in accordance with the Electronic Commerce Act 2001, have the same legal effect as if submitted or issued in hard copy form.