



INTERNATIONAL FERRY & FLIGHT TEST GROUP

ADMINISTRATIVE OFFICES

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CUSTOMER NEWSLETTER - 3rd Qtr 2004

To Our Valued Customers:

Customer Newsletters are offered to provide information about topics of frequent inquiry from customers, and to inform customers about changes in regulations or procedures that affect the conduct of ferry and flight-test operations. Customers may ask to be included on the distribution list, and receive Customer Newsletters via e-mail as issued, or view them at www.iffmg.aero. Feedback, questions, and suggestions for topics to be covered in future Customer Newsletters, are always eagerly solicited from our customers.

Customs and Immigration Issues

Interaction with governments both in the United States and abroad has become far more complicated, and nowhere is that more apparent than in the area of customs and immigration. For every international flight, a General Declaration is required to identify the crew, a passenger manifest required to identify occupants who are not part of the flight crew, and a cargo manifest required to identify everything carried that is neither the personal hand luggage for the occupants, nor installed equipment on the airplane itself. These documents are prepared by IFFMG for each flight, and it will inquire about passport copies and information for occupants that the customer intends to be aboard for each flight.

The regulations become more complicated when an airplane is being exported or imported. The federal agencies interested often include not merely the Customs Service and Department of Immigration and Naturalization, but also the Department of Commerce, Department of Transportation, Department of Agriculture, Federal Communications Commission, and a host of others. One interesting feature is that - where import and export is involved - the US Customs Service is usually charged with the inspection and data collection responsibilities on behalf of other federal agencies.

Because of the many agencies that are potentially involved, and often overlapping nature of regulations that apply, IFFMG recommends to its customers that the services of a bonded customs broker be sought to ensure that all required declarations, disclosures and other filings are properly prepared and submitted in association with the export or import of airplanes, and cargo aboard airplanes. In addition, it is often wise to obtain the advice of legal counsel specializing in customs issues to ensure compliance where the issues are complicated, and the potential fines or other penalties for non-compliance significant.

Departure, Overflight and Landing Permits

The obtainment of permits authorizing departure, overflight and landing is very important to the legal conduct of ferry flights, and failure to obtain them can result in airplanes being impounded while enroute, being intercepted by military planes of the country being overflown, or the imposition of significant fines. As part of the "Single Contact" service that IFFMG provides to its customers, all required permits are obtained before every flight event. Not all countries require such permits, but an increasing number do.

Recent years have seen an explosion in amounts charged by countries for these fees - in some cases, increasing from the range of \$1,000 USD to more than \$8,000 USD for a single permit. Indeed, IFFMG is often billed after the fact for a permit fee that significantly exceeds what was quoted by the issuing authority only a week or two earlier. There is no recourse to these billings except to pay them - a failure to do so can result in a cloud on airplane title when a country from which no permit was obtained files a claim with the Airplane Ownership Registry, and against the airplane at issue.