

#### CAYMAN ISLANDS AIRCRAFT REGISTRY

The Civil Aviation Authority of the Cayman Islands (CAACI) is the regulatory authority with responsibility for the Cayman Islands aviation industry. The CAACI operates in accordance with a statutory instrument that is predicated on UK legislation. These legislative requirements are found in the Air Navigation (Overseas Territories) Order 2013," AN(OT)O (and subsequent amendments) which contains regulations governing the operational and airworthiness requirements of Cayman Islands registered aircraft. Also relative is the guidance contained in the Overseas Territories Aviation Requirements (OTARS) as published for all UK Overseas territories.

Criteria for registering and operating an aircraft include the following:

- Submission of application for registration by respective individuals or company
- Persons wishing to register an aircraft must prove eligibility and meet due diligence requirements
- Compliance with stipulated CAACI Continuing Airworthiness Requirements
- Compliance with CAACI Flight Operational Requirements
- Appropriate licensing of Aircrew
- Maintenance Organisation Approval
- Radio License Application via the Information & Communications Technology Authority of the Cayman Islands (ICTA) http://www.icta.ky/Aircraft-radio
- Physical Survey of Aircraft for grant of annual Certificate of Airworthiness
- Payment of associated fees

Once an aircraft is accepted to be placed on the Cayman Islands' aircraft register, a registration mark prefixed with VP-C plus two other letters will be assigned. Applicants are cautioned not to initiate the deregistration process from the existing State of Registry until such time as the application has been formally accepted by the CAACI. The entire registration process normally takes between four and six weeks.

There is a schedule of fees, which may be obtained from the CAACI or can be downloaded from the CAACI website <a href="www.caacayman.com">www.caacayman.com</a> which is dependent upon the type of aircraft and its attributes, such as weight, etc.

Information pertaining to registration and operation of aircraft on the Cayman Islands Aircraft Registry can be obtained from the CAACI website at <a href="https://www.caacayman.com">www.caacayman.com</a>. Also, access to the electronic data management portal is via <a href="https://www.vp-conline.com">www.vp-conline.com</a>. AN(OT)O and OTAR information may be accessed on the following website under "Legislation" <a href="https://www.airsafety.aero">www.airsafety.aero</a>

The following CAACI personnel may be contacted for initial registration or compliance information:

Joni Wood joni.wood@caacayman.com

Director of Finance & Compliance

Mark Dixon <u>mark.dixon@caacayman.com</u>

Director of Air Safety Regulations

# ABC'S OF REGISTERING AN AIRCRAFT IN THE CAYMAN ISLANDS

The Civil Aviation Authority of the Cayman Islands (CAACI) is the statutory authority responsible for aviation safety regulatory oversight throughout the Cayman Islands and for aircraft registered in the Cayman Islands wherever they operate.

The Cayman Islands Aircraft Register is globally recognised as a reputable registry of choice for many aircraft owners, financiers, management companies, attorneys and other discerning decision makers in the competitive aviation industry. Stringent standards and a mandate for absolute safety compliance have guided our oversight of Cayman Islands registered aircraft since the inception of the Registry over 50 years ago.

The CAACI is headquartered on Grand Cayman, Cayman Islands with a team of qualified surveyors located strategically around the world to accommodate easy access to the aircraft for annual surveys. Registration staff are familiar with Cayman Islands industry experts in the legal, financial and company registration sectors and work to ensure secure and timely transactions in the initial registration phase. Our technical team in the Air Safety Regulation (ASR) Division are highly qualified and experienced in safety regulatory oversight and in working with aircraft management and maintenance organisations to ensure that each aircraft meets the necessary requirements to maximise its safety.

Beginning with your initial enquiry, the CAACI team ensures that attention to detail and efficient client service is present in all aspects of the aircraft registration experience.

# A) Basic process of registering an aircraft on the Cayman Islands register:

- Submission of Registration Application & Due Diligence Documentation via the VP-C Online data management portal
- Notice of acceptance to registry to applicant (within 3 business days of submission)
- Payment of 50% deposit on initial application for Certificate of Airworthiness
- For Transition Aircraft, a fee arrangement associated with a Service Letter Agreement
- Phase 2 of registration process online submission of aircraft survey request, aircraft documentation, technical approval requests
- Airworthiness Survey of Aircraft
- Deregistration from Existing State of Registry (If Applicable) Issue of Cayman Islands Certificate of Registration

## B) Eligibility:

- The Crown in right of His Majesty's Government in the United Kingdom or in right of the Government of the
- Territory (Cayman Islands);
- United Kingdom nationals;
- Commonwealth citizens (which includes citizens of the Cayman Islands); Nationals of any European Economic Area State or of the Swiss Confederation;
- Bodies incorporated in any part of the Commonwealth and which have their registered office or principal place of business in any part of the Commonwealth; or
- Undertakings formed in accordance with the law of a European Economic Area State or of the Swiss Confederation and which have their registered office, central administration or principal

place of business within the European Economic Area or the Swiss Confederation.

# C) Schedule of Fees:

- One-time registration fees,
- Annual fees for various aircraft and flight operation approvals
- Annual Certificate of Airworthiness fee based on the weight (MTOW) of the aircraft For a quote on fees to register an aircraft and annual fees send, an email to registrationenquiries@caacayman.com

# D) Aircraft Mortgage Register:

- When an aircraft is financed and there is an attached mortgage, the mortgage can be registered on the Cayman Islands Register of Aircraft Mortgages. Mortgage registration fee is on a graduated scale to a maximum of CI\$5,000 or US\$6,097.56 for a mortgage principal over US\$24 million.
- The following are applicable forms and documents required for filing a mortgage
  - Priority notice application
  - o Mortgage Registration Application
  - o Related Mortgage Deed and Loan Agreement

All email enquiries on aircraft or mortgage registration can be made to registrationenquiries@caacayman.com

**Vision:** A safe and highly credible aviation industry for the Cayman Islands.

**Mission statement:** To enhance aviation industry performance through effective safety & economic regulatory oversight.

**Contact Information:** 205 Owen Roberts Dr

P. O. Box 10277

Grand Cayman, KY1-1003

**CAYMAN ISLANDS** 

Phone: 345-949-7811; Fax: 345-949-0761 Email: civil.aviation@caacayman.com

Copies of all relevant forms, the fee schedule and other pertinent information is available on the CAACI website at: www.caacayman.com

The Civil Aviation Authority of the Cayman Islands (CAACI) is the statutory organization responsible for the safety/ technical and economic regulatory oversight of the aviation industry throughout the Cayman Islands.

The CAACI is currently comprised of the following regulatory divisions:

- Air Safety Regulations
- Air Navigation Services Regulation
- Economic Regulation & Administration
- Finance & Compliance

The CAACI strategic focus has been defined as follows:

VISION & PURPOSE: A safe and highly credible aviation industry for the Cayman Islands.

MISSION STATEMENT: To enhance aviation industry performance through effective safety & regulatory oversight.

Building on key principles identified as being central to our organization:

- Partnership
- Sustainability
- Safety of the travelling public/airports/property
- Obligations to maintain international standards
- Procedures
- Human resource competence/proficiency

Corporate values identified and agreed upon include the following:

- Safety first: we never forget our organization's primary reason for being
- **People at the centre:** we develop our people to the highest standards and level of expertise in technical and non-technical areas
- Leadership: we build and promote a shared commitment to regulatory and aviation excellence regionally and globally
- Regulatory objectivity: we conduct our regulatory responsibility with impartiality
- **Integrity:** we ensure that the highest moral and ethical standards are maintained in the discharge of our responsibilities
- Active collaboration: we work with others to engage their knowledge and expert
- Accountability: we account for our actions, accept individual and team responsibilities and transparently disclose results
- Innovation: we continuously pursue new and creative methods to advance our effectiveness

Governance: the CAACI operates in a unique fashion in that the powers for regulation of the aviation industry are directly handed down from the UK Secretary of State to the Governor of the Cayman Islands and carried out by the Director-General (CAACI). As such, the CAACI reports directly to the Governor of the territory on technical/safety issues. There is also an appointed board of directors for the CAACI whose responsibility it is to oversee administrative matters for the Authority. The CAACI's primary responsibility is to ensure the safety of the aviation industry with focus on technical/safety oversight and economic regulatory responsibilities.

# FOREIGN OPERATOR PERMISSIONS INTO THE CAYMAN ISLANDS

## **Air Transport Licensing**

Pursuant to Article 135 of the Air Navigation (Overseas Territory) Order [AN(OT)O] 2013, all foreign registered aircraft operating into the territory for valuable consideration (given or promised) or for the purpose of conducting aerial photography, aerial survey or any other form of aerial work must be licensed to do so by the UK Secretary of State. This authorization has been delegated to the Governor and thereby to the Director General of the Civil Aviation Authority of the Cayman Islands.

This licensing is granted though a Scheduled or Non-scheduled Operating permit. There are specific requirements and associated fees for the processing of such permits.

# **Regulations and Guidance**

The Economic Regulation & Administration division at the Civil Aviation Authority is responsible for providing an effective economic regulatory framework and policies for registered carriers operating into the Cayman Islands. This division reviews, processes all applications for both Scheduled and Non-scheduled air services from foreign carriers. Approved applications are granted operating permits.

Additional policy guidance can be found on our website: caacayman.com/operating-permits/

### **Blanket Permit/Verification Letter**

Companies that supply more than one off ad-hoc charters or who provide air ambulance services can be issued with either a blanket permit or verification letter. The blanket permit is a pre-paid method of obtaining an operating permit to fly into the Cayman Islands and can be issued for a 6-month period. It allows unlimited entries to the territory by the aircraft listed on the blanket permit, for the duration of the permit. A verification letter is good for a 6-month period and all flights are billed in arrears based on reconciliation with airports statistics.

Additional information on blanket permits and verification letters can be found on our website: www.caacayman.com/operating-permits/obtaining-an-operating-permit/

The following CAACI personnel may be contacted for operating permit information:

Nicoela McCoy nikki.mccoy@caacayman.com

Deputy Director-General

Elaine Whorms elaine.whorms@caacayman.com

Supervisor Economic Regulation/ Air Carrier Licensing Officer In an effort to maintain exceptional service to clients, the Civil Aviation Authority of the Cayman Islands (CAACI) has developed an electronic data management system that provides a secure way to manage documentation online. This includes electronic registry applications, certificates and authorizations. The new electronic system makes it easier for CAACI clients to apply for the various approvals that are required for both initial aircraft registration and for continuing airworthiness.

#### Benefits of VP-C Online Services:

- Review Your Documents: As the owner/operator of an aircraft that is registered with the CAACI you will have access to the registration documentation online, including certificates and survey information. You can access it at your convenience from anywhere in the world using a secure internet connection with your assigned credentials.
- **Check the Status:** Once the application(s) has been submitted by your Technical Coordinator, you have complete access to view the status all the way through the approval process.
- **Stay Informed:** You can receive customized notifications by logging into your account profile and updating your personal information in the 'Manage Vault'. You will be able to receive email notifications to advise you when new documents are issued and alert you on upcoming anniversary dates of certificate renewals.
- **Print Copies:** If you need another copy of any of your filed application(s) or certificate(s), you can easily print an unofficial copy yourself. Temporary certificates can be printed while you wait to receive the original copy in the mail.

With Phase IIB of VP-C Online electronic data management portal firmly launched, the CAACI is pleased with the capabilities of the current version which has increased functionality in the following areas: Availability and Reservation of Registration Marks, submission of the Initial Registration Application, submission of the Finance and Legal Due Diligence/Owner Compliance documentation (requirements of the first phase of the initial application process of an aircraft to the Cayman Register), submission of the initial and renewal applications for Airworthiness, Flight Operations certificates and Pilot License Validations.

The CAACI has embarked on the development of the latest phase of VP-C Online with focus on the Organisations section. This will encompass the submission of applications and supporting documentation from Approved Maintenance Organisations (AMOs) and Continued Airworthiness Management Organisations (CAMOs) as well. A separate announcement will follow once the new Phase of VP-C Online has been launched.

VP-C Online has been developed in conjunction with Brac Informatics Centre (BIC), a premiere international provider of technology and cloud-based solutions. BIC provides secure self-service portals to assist public and private sector organizations meet their clients' demands for 24.7.365 access to information.

If you have questions in regards to accessing VP-C Online or need assistance using the system please do not hesitate to contact a member of the Air Safety Regulation (ASR) team: <a href="mailto:vp-conline@caacayman.com">vp-conline@caacayman.com</a>.

#### FINANCIERS AND LESSORS INFORMATION

#### **CAACI and LESSORs**

- The CAACI recognises the importance of aircraft Lessors. Many of our clients in aircraft ownership and operation depend on Lessors. This valuable relationship we wish to foster through an insight and collaborative understanding to the dependencies of the industry.
- The CAACI strives to be a leader and be innovative in its approach to aviation safety regulation. We have introduced material processes, online portals, bespoke products all specifically designed to support the interests of Lessors.
- The CAACI is keen to establish long term relationships with Lessors that will provide ready solutions where aircraft registration support is required with emphasis beyond the registration process.
- The CAACI is not offering a parking register, these are readily available, we are offering a Transition Register supported by highly experienced full-time personnel in view of equipment being offered to new lessees in multiple jurisdictions.

#### **ICAO Article 83bis**

- What is 83bis, when ratified (in law) between two ICAO State Aviation Authorities, provides a
  vehicle for the State of Register to transfer responsibilities of regulatory oversight to the State of
  Operator in support of an aircraft that is geographically located in operation in another State.
- The Cayman Islands has a long-standing ICAO Article 83bis Agreement with Saudi Arabia. Operating under this Agreement are three commercial Operators utilising A320 and B737 aircraft.
- The CAACI GACA 83bis Agreement is a modern model wholly ICAO compliant, offering the registered owner confidence through the CAACI activities in Aircraft Certification and Continuing Airworthiness for which the CAACI retains functional regulatory oversight of.
- The CAACI with extensive experience in working at high levels in other State Aviation Authorities, offers Operators and Lessors of aircraft registered in the Cayman Islands operating under 83bis significant security in our administration of the Agreement, through regular face to face meetings with the State of Operator NAA.

#### NAA MoU's

- The CAACI is very keen on formal collaborative working arrangements with other National Aviation Authorities (NAAs). It is of importance to us in securing reliable and supportive outcomes to a wide variety of issues that the CAACI is able to readily turn to significant NAA's such as US FAA and EASA.
- For mutual benefit, the CAACI established several MoU's with the US FAA in agreement for the operation of Cayman Islands registered aircraft to operate commercially under US FAA AOCs. Indeed, in working with the FAA we were the first Register to secure a foreign registered aircraft in Operation FAR 135 < 9 seats. This required the upmost support by the FAA where policy was made.</li>
- To date we have had several MoUs with EASA and the US FAA.
- In spirit of supporting the industry, we will offer and explore solutions in operation leaning on our strong relationships with the three major NAAs we work with.
- MoUs are often an efficient solution to meeting the needs of an urgent operational matter.

#### **Off Shore AOC**

- The CAACI has though the Cayman Islands Government secured a robust legal infrastructure enabling the CAACI to issue an AOC where the operational control is located off shore.
- The enabling mechanism is an economic free zone managed by Cayman Enterprise City who administers the Entity incorporation providing the legal basis for the CAACI to work in Aviation Regulation for the issuance of an AOC.
- This robust platform withstanding international scrutiny is an ideal solution for an Operator to take advantage of the CAACI service provision and commitment to ensuring there is a safety partnership.
- We see opportunities for ACMI type operations where equipment can be readily introduced in operation. We are committed to partnership in solution driven outcomes where convention may not.

# **Transition Register**

- We have for some time taken a particular interest in the demands and challenges of Lessors. We have managed several projects returning aircraft to service from difficult circumstance, to arranging rapid transfer of registration.
- We believe we can offer Lessors far more than a place to park an aircraft, our focus is not the registration, but the deregistration activity. We from the outset focus on the objective for returning the aircraft to a new lessee in whatever jurisdiction that requires sanctions permitting.
- From the outset of aircraft registration, we shall work on an oversight programme specifically designed to ensure all are fully cognisant of required activities to gain the C of A (Export) as required. We will not let aircraft remain parked without effective management causing much costly activity repairing the consequential damage.
- Our highly experienced in-house team work in a coordinated manner, it will not be the case where a new Inspector starts all over again. We work closely with industry partners CAMOs, AMOs and Operators required to support this exercise.
- Our advanced IT record management system enables us to programme cost effective oversight that is proportional to the activity. We grant Approval privileges to CAMOs in support of generating required airworthiness status reports for aircraft in storage and those coming from jurisdictions where an export document is difficult.
- We pride ourselves in being able to offer Export C of A's in multiple Certification environments where to date we have not received any importing difficulties. Indeed, we will offer continued support post Export where the importing Authority requires such. Relationships matter.
- In current climate of returning aircraft, we have been successfully relocating many aircraft from various jurisdictions. Our approach in working with Approved Ferry Flight and Airworthiness Management Organisations has been crucial in achieving these positive outcomes.
- We record Transition Aircraft in a Service Level Agreement established with the Lessor. This clearly defines our commitment in delivery of our service provision with clarity to fees that are largely fixed basis.
- We are constantly adjusting our approach in managing Transition Aircraft, being initiative, proactive and solution driven is not only rewarding, provides constructive outcomes to adverse circumstances.

# BIOGRAPHY: RICHARD SMITH, MBE FRAES DIRECTOR-GENERAL OF CIVIL AVIATION

Paul Henry 'Richard' Smith has over 45 years in the aviation industry, with experience in both the private and public sectors of the industry; he is a venerable veteran who is well known through the Caribbean region and internationally. His career has been spent working with Civil Aviation Authority (CAACI) of the Cayman Islands with attachments and secondments to international training organizations and a stint with the national flag carrier - Cayman Airways, Ltd., as a pilot.

The following is a history of his training and qualifications to date:

- Joined the Cayman Islands Civil Aviation Department July 1976 as trainee Air Traffic Controller.
   Attended the Air Traffic Control Training Centre in Curacao, Netherlands Antilles and qualified as an Air Traffic Controller in 1977.
- Appointed as Operations Officer in February 1982.
- Attended FAA Academy, Oklahoma, USA in February 1983 and received certification in Airport Systems and Airport Master Planning.
- Obtained FAA Private Pilot License, July 1983 from Sowell Aviation, Panama City, Florida.
- Attended Cranfield College of Aeronautics in 1987 and received certification in Aircraft Accident Investigation Course.
- Obtained FAA Commercial Pilot License, July 1988 from Flight Safety International, Vero Beach, Florida
- Attended Transport Canada Training Institute in 1989 and received certification in Aviation Inspector and Enforcement.
- Attended the International Aviation Management Training Institute, Montreal, Canada in 1990 and received certification in Advanced Airport Management.
- Qualified as First Officer on the B737-200 aircraft in 1993 and flew with Cayman Airways until 1996.
- Appointed Director of Civil Aviation in October 1995.
- February 2003 appointed to the Board of Directors of Air Safety Support International (subsidiary of the UK CAA).
- December 14, 2004 inducted to the Royal Aeronautical Society as 'Fellow' with the designation FRAeS.
- January 2005, he received the Queens Certificate and Badge of Honour for his tireless efforts during and after Hurricane Ivan.
- June 2008 he was named as a recipient of the Member of the British Empire (MBE) award by His Excellency the Governor, Mr. Stuart Jack at the Queen's Birthday celebrations.

He actively participates and is involved in board meetings. In addition, he was nominated to the Board of Directors of the Air Safety Support Inc. (ASSI) in February 2003 and served until 2009. ASSI is a subsidiary company created by the UK Civil Aviation Authority (UK CAA) to facilitate the UK Government's obligations to the International Civil Aviation Organization (ICAO) regarding the safety oversight of civil aviation in the UK's Overseas Territories (OT's).

Mr. Smith is the country's foremost aviation official with authority delegated by Her Excellency the Governor.

Nicoela McCoy, Cert., Hon. MBA <a href="mailto:nikki.mccoy@caacayman.com">nikki.mccoy@caacayman.com</a>

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