

The authorization must state the purpose for which the aircraft will be employed and the place where it will perform its operations.

*Article 208.* Notwithstanding that they are personal property, civil aircraft shall be susceptible to mortgage. In the absence of provisions in this law, such contract shall be governed by the applicable provisions of the Commercial Code and, in their absence, of the Civil Code.

*Article 209.* A mortgage shall be preferred over any other debt except in the following cases:

- a) Court costs and expenses for the preservation of the aircraft during a law suit;
- b) Compensation for rescue or salvage operations occurring during the existence of the mortgage;
- c) Debts to the State for taxes and fees with respect to the use of airports or the auxiliary services of air navigation for a period of not more than 60 days;
- d) Expenditures made by the commander of the aircraft in exercise of his authority which were indispensable for the continuation of the last trip; and,
- e) Salaries earned by other members of the crew and employees on board the aircraft during the last trip.

*Article 210.* If an aircraft is destroyed or expropriated, the mortgage creditor may assert his preference rights on the insurance and on any compensation that is owed to the proprietor.

*Article 211.* Mortgaged aircraft in this country may not temporarily or permanently be transferred abroad without the express consent of the creditor, who must grant authorization in the form of a public document.

*Article 212.* The fuselage or the engines of an aircraft may not be changed without the express consent of the mortgage creditor.

*Article 213.* A mortgage shall be deemed terminated for the following causes:

- a) Loss or total destruction of the aircraft, without thereby affecting the provisions of Article 210.; and,
- b) Public judicial sale, provided the creditor is given judicial notice in conformity with the general laws.

*Article 214.* Aircraft, engines, propellers and other spare parts for an aircraft may be pledged without being removed; such act shall be governed by the provisions of this law, and in their absence, by the Commercial Code.

*Article 215.* A contract of pledge must be in the form of a public document and shall be recorded in the Register of Aeronautical Property; while the registration continues in force, no transfer or right granted in the object pledged shall affect the contract.

*Article 216.* In addition to the requirements of the applicable laws, mortgage or pledge contracts shall contain a description of the mortgaged or pledged aircraft and equipment and other data that identify them with certainty without thereby affecting the provisions of the Commercial Code concerning mortgages on an enterprise.

*Article 217.* In case of seizure or any other judicial attachment of aircraft, engines and other spare parts used in a public air transportation service, the judicial authority imposing such measure shall provide the necessary equipment so that the service will not be interrupted, and shall notify the Ministry of Development of its action.