

THE IMPACT OF MISSING, LOST OR STOLEN AIRCRAFT LOGBOOKS

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I. INTRODUCTION

Captain Chesley “Sully” Sullenberger’s final task before exiting the US Airways Airbus minutes after ditching into the Hudson River was to collect the aircraft’s maintenance logbooks.² Indeed this experienced airline captain knew there would be an accident investigation as to its cause, in spite of the fact that a flock of Canadian geese clearly caused the double engine failure.³ He did not doubt the FAA and NTSB investigators would still want to review the aircraft’s maintenance logbooks to aid in their accident investigation. These records would show how the aircraft had been maintained, compliance with airworthiness directives, number of airframe and engine hours, damage history--if any, among many other factors. Being able to verify this historical information was important not only in the cases of US Airways Flight 447 and other accidents, but in most cases it is extremely important and valuable to aircraft owners and operators.⁴

This article discusses the impact on aircraft owners, operators and finance companies when aircraft logbooks are lost, destroyed, stolen, held in lieu of payment or otherwise unavailable. It also discusses what to do when an owner or operator is unable

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² Sullenberger, Chesley. Interview with Katie Couric. “Miracle on the Hudson.” Sixty Minutes. CBS. WCBS, New York, 8 February 2009.

³ *Id.*

⁴ For the purposes of this article aircraft logbooks include the aircraft’s engine, propeller, airframe, accessory and any other logbook required to be maintained pursuant to federal code and is applicable to both fixed wing and rotorcraft. The cases cited in this article will focus on issues related to aircraft logbooks.

to regain possession of his/her aircraft logbooks and how unavailable logbooks can affect the value of aircraft. It is important however to keep in mind that the impact of missing aircraft logbooks will differ from case to case.

II. FEDERAL AVIATION REGULATIONS

Registered aircraft owners and operators are required to maintain maintenance records in accordance with 14 C.F.R. § 91.417. Although the FAA has strict regulations as to the type and length of time maintenance records must be maintained, generally, they do not mandate the actual format or forms that are to be used.

“While keeping such records in the actual maintenance logbook of the aircraft might facilitate their being kept and readily available ... the regulations do not require it. The aircraft owner may determine what is used as a maintenance record for his or her aircraft.” Office of the Chief Counsel, Request for Interpretation of 14 C.F.R. §§ 43.11 and 91.417, dated (8.15.2008).

The records themselves do not need to, and arguably should not be, stored on the aircraft, but must be produced for inspection in a *reasonable amount of time* when requested by the FAA, NTSB or law enforcement.⁵ See 14 C.F.R. § 91.417:

“(c) The owner or operator shall make all maintenance records required to be kept by this section available for inspection by the Administrator or any authorized representative of the National Transportation Safety Board (NTSB). In addition, the owner or operator shall present Form 337 described in paragraph (d) of this section for inspection upon request of any law enforcement officer.” (Emphasis added).

When an aircraft owner or operator fails to produce his/her aircraft logbooks in a reasonable amount of time pursuant to 14 C.F.R. § 91.417, the FAA can initiate an

⁵ See FAA Advisory Circular Number 43-9C, (AC No. 43-9C) Maintenance Records; published on June 8, 1998.

enforcement action, as was the case in *United States v. Intercon Leasing, Inc.*⁶ In *Intercon Leasing, Inc.*, the FAA suspended the airworthiness certificate of a Douglas DCA aircraft.⁷ Intercon was the registered owner of the aircraft and Jerry Harvey was the president of Intercon.⁸ After the FAA suspended the airworthiness certificate, the FAA demanded, *inter alia*, the aircraft maintenance records.⁹ Intercon never surrendered the records and later sold the aircraft.¹⁰ The FAA initiated an enforcement action against both Intercon and Harvey for a number of FAR violations, including their failure to provide the FAA with the aircraft maintenance records pursuant to 14 C.F.R. § 91.417,¹¹ and assessed a civil penalty of \$1,000 a day from the time the FAA demanded the records until the aircraft was sold, totaling \$1,950,000.¹² Intercon and Harvey appealed to the United States District Court, Southern District of Florida, which upheld the penalties and ordered them to pay close to two million dollars.¹³

In another case, *Administrator v. Robbins*,¹⁴ Robbins was the owner/pilot of a Piper aircraft who received a six month suspension of his airman's certificate for operating his aircraft without aircraft logbooks and without a current annual inspection.¹⁵ The FAA initially sought a 365-day suspension and Robbins appealed the suspension to the NTSB.¹⁶ At his hearing Robbins testified that his aircraft logbooks had been stolen

⁶ *United States v. Intercon Leasing, Inc.*, 617 F. Supp. 323, 328-329 (S.D. Fla. 1985).

⁷ *Id.* at 325.

⁸ *Id.* at 324.

⁹ *Id.*

¹⁰ *Id.* at 329.

¹¹ The violation cited in the decision was 14 C.F.R. § 91.173 which has since been re-codified as 14 C.F.R. 91.417. *Hinson v. Ira Donald Farrington*, NTSB Order No. EA-4171, 1994 WL 239001 * 7 (May 12, 1994).

¹² *Id.* at 329.

¹³ *Id.* at 330.

¹⁴ *Administrator v. Robbins*, 4 N.T.S.B. 807 (1983).

¹⁵ *Id.* at 810.

¹⁶ *Id.* at 807.

and when he took the aircraft to Pelican Aviation, a repair/inspection facility, for its hundred hour inspection, he also requested they reconstruct the aircraft logbooks and perform an annual inspection; he also testified that when he picked-up the aircraft, he was told the aircraft was “legal to fly.”¹⁷

During the hearing, the FAA called a representative from Pelican to testify who ultimately denied Robbins ever requested Pelican perform an annual inspection or to reconstruct the aircraft logbooks.¹⁸ He further testified that an annual inspection could not be performed without the aircraft’s logbooks.¹⁹ Judge Capps, the NTSB administrative law judge, did not find Robbins’ testimony credible and held he violated a number of FARs including 14 C.F.R. § 91.417, but he reduced the suspension to six months.²⁰ Robbins appealed to the full NTSB board which upheld the six month suspension and in their decision wrote, “...the fact remains that respondent operated the plane for months without any logbooks.”²¹

III. THE FAA DOES NOT HAVE AUTHORITY TO COMPEL A PARTY TO DELIVER AIRCRAFT LOGBOOKS TO AN AIRCRAFT OWNER, BUT CAN IMPOSE SANCTIONS IN LIMITED CIRCUMSTANCES

Although the FAA requires detailed maintenance records be maintained for each aircraft and the FAA and the NTSB have the authority to request these records be produced in a reasonable amount of time for inspection, the FAA does not have the authority to compel one party to deliver such records to another party--this is a matter of

¹⁷ *Id.* at 808.

¹⁸ *Id.* at 809.

¹⁹ *Id.*

²⁰ *Id.* at 810.

²¹ *Id.* This six month suspension also included a violation of 14. C.F.R. § 91.169(a).

state law, which will be discussed later in this article. However, the FAA can impose sanctions in limited situations, such as when a seller of a U.S. registered aircraft refuses or fails to deliver maintenance records to an aircraft purchaser, at the time of sale. See 14 C.F.R. § 91.419:

“Transfer of maintenance records.
Any owner or operator who sells a U.S.-registered aircraft shall transfer to the purchaser, at the time of sale, ... records of that aircraft ...”

A case that illustrates this point of law is *Administrator v. Seaquest Expeditions, Inc.*,²² where the FAA sought a \$65,000 civil penalty against a seller of a Hughes 269A helicopter for violating 14 C.F.R. § 91.419.²³ In *Seaquest Expeditions*, after the sales transaction was complete, the seller, Seaquest Expeditions, repeatedly promised to deliver the aircraft logbooks to the buyer; after five months of failing to do so, the buyer complained to the FAA who initiated this enforcement action and sought a \$65,000 civil penalty.²⁴ The FAA assessed a separate § 91.419 violation for each day Seaquest Expeditions failed to deliver the aircraft logbooks to the buyer.²⁵ Seaquest Expeditions appealed to the Department of Transportation which upheld the violations but reduced the sanction to \$25,000. In his decision, Judge Goodwin wrote:

“...the record of an aircraft’s maintenance history is as integral to its safe, responsible, and legal use as any component ... Lacking such records, conversely, an aircraft’s airworthiness can not be established ... [a] helicopter without the records, is effectively useless ... It can not be operated.”²⁶

²² *Administrator v. Seaquest Expeditions, Inc.*, Docket No. CP04NM0006, 2006 WL728859, (D.O.T).

²³ *Id.* at * 1.

²⁴ *Id.* at *1 and * 3.

²⁵ *Id.* at * 4.

²⁶ *Id.* at * 4.

In the end, although Seaquest Expeditions received a substantial civil penalty, the FAA lacked the power and authority to compel Seaquest Expeditions to actually deliver the aircraft logbooks to the aircraft purchaser.

When a party in possession of the aircraft logbooks refuses to turn them over to the aircraft owner, the owner has two legal remedies: 1) file a lawsuit and sue the party in possession for specific performance. If the lawsuit is successful, a court may order the party holding the logbooks to turn them over to the aircraft owner or; 2) file a lawsuit for money damages which could include, but not be limited to, the diminished value of the aircraft, the cost to recreate the logbooks or both. Diminution of value and the cost to recreate aircraft logbooks are discussed later in this article. Neither remedy is ideal if you take into account the costs associated with lawsuits, in terms of money, time, and the emotional impact litigation has on parties.

IV. MISSING AIRCRAFT LOGBOOKS CAN AFFECT THE FUTURE SALE OR VALUE OF THE AIRCRAFT

The case of *United States of America v. Strum*²⁷ is an interesting criminal case where Strum, the owner of an Aero Commander aircraft was convicted of extortion for refusing to surrender the aircraft's logbooks to the bank after the bank foreclosed on the aircraft.²⁸ Strum, had fallen behind on the aircraft's loan payments--the loan was secured by other collateral including the aircraft logbooks.²⁹ Strum did eventually catch up on the late payments, but, when the bank learned that another bank was considering placing a lien on Strum's Aero Commander because Strum was in default with that bank on a

²⁷ *United States v. Strum*, 870 F.2d 769 (1ST Cir.1989).

²⁸ *Id.* at 769-770.

²⁹ *Id.* at 770.

different aircraft, the bank repossessed the Aero Commander. For reasons not explained, the bank did not take possession of the aircraft logbooks.³⁰

The bank tried to auction the aircraft but the auction did not produce what the bank considered to be fair market value, thus the bank took possession of the aircraft.³¹ The bank later learned that “the low valuation was directly related to the unavailability of the plane’s logbooks.”³² When the bank attempted to get the aircraft logbooks from Strum, the United States government alleged Strum tried to extort money from the bank in exchange for the logbooks.³³ Strum told the bank, “I don’t know where the books are right now, but I can get them for you for a price.”³⁴ He made other such comments and was subsequently prosecuted and convicted under the Hobbs Act for extortion.³⁵ The Court in *Strum* discussed how the missing logbook affected the value of the aircraft.

Strum’s conviction was later overturned and, unfortunately for the bank, so long as Strum withheld the logbooks, it was unable to sell the aircraft despite the time, effort and financial resources the bank incurred trying to get what lawfully belonged to it.³⁶

In *Corporate Wings, Inc. v. King*,³⁷ the aircraft owner (bank)³⁸ and its aircraft broker (King) were original plaintiffs in the underlying lawsuit where they sued

³⁰ *Id.*

³¹ *Id.*

³² *Id.*

³³ *Id.*

³⁴ *Id.*

³⁵ *Id.*

³⁶ Another interesting case is *Gasho v. United State of America* where Customs and Border Agents seized a DC3 for not having the proper registration number. The aircraft was being sold to a Canadian buyer and the FAA had authorized removal of the serial number and a onetime flight to the US/Canadian border. Border agents were unable to contact the FAA official that authorized this flight, became suspicious and seized the aircraft. The owners were later arrested for refusing to deliver the aircraft logbooks to the agents, but these charges were ultimately dropped. The Gashos subsequently filed a Federal Tort Claims Act lawsuit against the agents for false arrest, *inter alia*. See *Gasho v. United States of America*, 39 F.3d 1420 (9th Cir. 1994).

³⁷ *Corporate Wings, Inc. v. King*, 767 S.W.2d 485 (Tex. Civ. App. 1989).

³⁸ While this appeal was pending the owner settled with Corporate Wing and was dismissed.

Corporate Wings for wrongfully withholding their aircraft logbooks.³⁹ Corporate Wings performed aviation related services for the subject aircraft and submitted a bill to the bank for \$35,047.84 for some inspection and demonstrating services Corporate Wings performed.⁴⁰ The bank disputed and refused to pay the bill and in-turn, Corporate Wings refused to return the aircraft to the bank.⁴¹ The parties eventually reached an agreement: Corporate Wings reduced its bill and returned the aircraft to the bank, but for three months did not return the aircraft logbooks.⁴² During this time the bank and its broker made repeated requests for the return of the logbooks, but a Corporate Wings manager, still upset about not being paid in-full, maintained he did not know where the logbooks were, but for \$15,000 he would look for them.⁴³ Also, during this three month dispute, the owner/broker lost the sale of this aircraft to a potential Canadian purchaser because the bank did not have possession of the aircraft logbooks.⁴⁴

The bank filed a lawsuit alleging the missing logbooks affected the sale of the aircraft; the court agreed and in its decision wrote, “[b]ecause log books contain records of federally-required maintenance, they are critical to the sale of an aircraft.”⁴⁵ And for Corporate Wings’ misconduct, the court awarded the bank \$53,545 in actual damages and \$50,000 in exemplary damages,⁴⁶ and for the broker \$1,057 in actual damages and \$15,000 in exemplary damages.⁴⁷

³⁹ *Id.* at 486-487.

⁴⁰ *Id.*

⁴¹ *Id.*

⁴² *Id.* at 487.

⁴³ *Id.*

⁴⁴ *Id.*

⁴⁵ *Id.*

⁴⁶ “Exemplary damages serve to punish the wrongdoer and to provide an example to other potential wrongdoers.” *Id.* at 488 (citations omitted).

⁴⁷ *Id.* at 489.

Corporate Wings appealed arguing the exemplary damages were excessive, however the appellate court upheld the trial court's decision holding Corporate Wings' actions were intentional, malicious and wanton because 1) they knew the importance of the logbooks; 2) they knew the sale was pending; 3) they sent a proposal to the owner and broker stating they would be willing to look for the books for \$15,000; 4) the owner requested the logbooks be returned several times, and 5) the logbooks were found in a Corporate Wings manager's office.⁴⁸ See also, *Raytheon Aircraft Credit Corporation v. Starship Enterprises, Inc. and Aircraft Crew Management, Inc.*,⁴⁹ where the court ordered Aircraft Crew Management, Inc. to return the aircraft logbooks to Raytheon after Starship Enterprises, Inc defaulted on loan payments.

V. AN AIRCRAFT PURCHASER NEEDS THE AIRCRAFT LOGBOOKS TO ASCERTAIN OR CONFIRM THE MAINTENANCE STATUS OF THE AIRCRAFT

When aircraft logbooks are properly maintained they will show 1) the aircraft's maintenance history; 2) the total airframe, engine and propeller time; 3) compliance with airworthiness directives, and 4) the aircraft's damage history, if any. A savvy aircraft purchaser or finance company will want to verify these facts before entering into any sales transaction because the best way, and (in most cases) the only way to do so is to review the aircraft logbooks.

a. Maintenance History

In *Filmer Aviation, Inc. v. Nashville Jet Sales, Inc. v. ST Equipment Company, et al.*,⁵⁰ ST Equipment was finding it difficult to sell its MU-2 twin turbo-prop aircraft

⁴⁸ *Id.* at 487.

⁴⁹ *Starship Enterprises, Inc. and Aircraft Crew Management, Inc.*, 1998 WL 166582, (D.Kan. 1998).

⁵⁰ *Filmer Aviation, Inc. v. Nashville Jet Sales, Inc. v. ST Equipment Company, et al.*, 1992 WL 368671 (Tenn.Ct.App.1992).

because they had lost the aircraft logbooks.⁵¹ Nashville Jet Sales was willing to purchase the aircraft without the logbooks as soon as they found a buyer--Nashville Jet Sales was planning to do a back-to-back transaction, meaning they would purchase the aircraft and then immediately sell it.⁵² Filmer Aviation, Inc, agreed to purchase the aircraft without the aircraft logbooks from Nashville Jet Sales, so long as it was provided some assurances or warranty as to the condition of the aircraft such as compliance with airworthiness directives (ADs).⁵³

Nashville Jet Sales communicated this to ST Equipment and in order to save the sale, ST Equipment drafted and signed a statement assuring that the aircraft complied with all ADs at the time of sale. With these assurances, Filmer purchased the aircraft.⁵⁴ However, just two months later, the FAA inspected the aircraft and found that the available maintenance records were insufficient to enable the FAA to certify that the engines were in compliance with the ADs.⁵⁵ Filmer sued Nashville Jet Sales for the costs it incurred to bring the aircraft in compliance with the ADs. Nashville Jet Sales filed a third-party claim against St Equipment for indemnification and attorneys fees.

The trial court found that Nashville Jet Sales breached its warranty to Filmer but held that Nashville Jet Sales was entitled to indemnity and recovery of attorney's fees from ST Equipment.⁵⁶ On appeal the court upheld the breach of warranty claims in favor of Filmer, but reversed the trial court's decision to award indemnity and attorney's fees to Nashville Jet Sales.⁵⁷ The court also noted that had the aircraft logbooks been available,

⁵¹ *Id.* at * 1.

⁵² *Id.*

⁵³ *Id.*

⁵⁴ *Id.* at * 2.

⁵⁵ *Id.*

⁵⁶ *Id.*

⁵⁷ *Id.* at * 7.

the aircraft would have been worth \$230,000, but since they were missing, the best price ST Equipment could get was \$130,000.⁵⁸

It is important to note that nothing in this case suggested that either Nashville Jet Sales or ST Equipment knew there was a problem with the ADs, they simply wanted to sell the aircraft and did not have the aircraft logbooks to verify its maintenance status. Had the aircraft logbooks been available to Nashville Jet Sales, then to Filmer, the parties would have been able to determine whether or not the ADs had been complied with prior to the sale of the aircraft and a lawsuit would have been unnecessary.

b. Damage History

Another reason aircraft logbooks are important is that they should provide the aircraft's damage history. Knowing whether an aircraft has sustained damage in the past, in many cases, can affect the value of an aircraft as determined on a case-by-case basis. For example, missing aircraft logbooks for a five year old business jet that in fact has no damage history will have far greater implications than missing aircraft logbooks for a thirty year old, two seater-single engine aircraft. But in either case, missing logbooks can and will affect the aircraft's overall value. This next case illustrates that even if you get a signed document stating the aircraft has had no known damage, you may not be able to rely on such a statement, absent some proof such as the aircraft logbooks.

When you get to the heart of *Corporate Air, et al., v. Edwards Jet Center, et al.*,⁵⁹ you can see this is really a breach of contract case even though the parties allege just about every possible legal theory against one another. For the purposes of this article, this case illustrates the importance of the aircraft logbooks and what can happen if an

⁵⁸ *Id.* at FN 1.

⁵⁹ *Corporate Air, et al., v. Edwards Jet Center, et al.*, 345 Mont. 336, 190 P.3d 1111 (2008).

aircraft purchaser does not receive and inspect the logbooks prior to signing a purchase agreement.⁶⁰

Edwards Jet Center, the buyer of two Beechcraft King Air 200 aircraft, signed an agreement to purchase the two aircraft from Corporate Air.⁶¹ Edwards Jet Center alleged that they had not been provided the aircraft logbooks until after they signed the purchase agreement; prior to that they were only provided specification sheets which indicated there was “No Known Damage History” but the spec sheets also indicated they were “subject to verification upon inspection.”⁶² Not long after signing the purchase agreement Edwards Jet Center inspected the aircraft logbooks which indicated that one of the aircraft did in fact have damage history and after translating the logbook for the other aircraft from French and Hebrew to English, Edwards Jet Center learned that a five year period was missing. Not surprisingly, upon discovering the damage history Edwards Jet Center was no longer interested in purchasing either aircraft and it formally rejected the sale. Thereafter, Edwards Jet Center sued for breach of contract and a litany of other claims.⁶³

The court granted summary judgment in favor of Corporate Air and awarded damages, costs and attorney’s fees.⁶⁴ Both parties appealed up to the Montana Supreme Court who reversed and remanded the case back to the trial court finding summary

⁶⁰ The following passage is directly from this Montana Supreme Court opinion:

“The parties' extensive and often petty wrangling, both before and after the instant action was commenced, has resulted in a factual and procedural history that, at this point, can fairly be characterized as labyrinthine. ... It seems that every conceivable claim and counterclaim has been alleged...” *Corporate Air v. Edwards Jet Ctr.*, 2008 MT 283, 345 Mont. 336, 339, 190 P.3d 1111, 1115.

⁶¹ *Id.* at 342.

⁶² *Id.*

⁶³ *Id.* at 344.

⁶⁴ *Id.* at 345.

judgment was improper.⁶⁵ However, for the purposes of this article only, it is not really important which party prevailed because in the end, one should consider the time, energy and financial resources both parties expended simply because the seller did not provide the buyer with the logbooks before the purchase agreement and the buyer did not insist on their inspection before signing the purchase agreement.

VI. LOST, STOLEN OR DESTROYED LOGBOOKS MAY BE COVERD UNDER THE AIRCRAFT'S INSURANCE POLICY.

Lost or destroyed logbooks may be covered under the aircraft's insurance policy. However, whether or not coverage exists will depend on the language of the policy and, if the logbooks are not *specifically* covered under the policy, an insurer can deny coverage and a court may have to decide whether coverage exists. The court will review/interpret the policy and make a determination under the laws of the applicable jurisdiction as to whether or not coverage exists.

In *Union Planters National Bank v. American Home Assurance Company*,⁶⁶ an aircraft was seized by the federal government in Puerto Rico as an instrument of drug trafficking.⁶⁷ Inexplicably, when the aircraft was returned, the seats and the logbooks were missing.⁶⁸ The bank that financed the aircraft made a claim under an all risk policy but the insurer denied the claim; thereafter the bank filed its lawsuit against the insurer.⁶⁹

The court found the missing logbooks (and seats) were covered under the all risks policy because the fact they were missing was an unexplained event, not specifically

⁶⁵ *Id.* at 358.

⁶⁶ *Union Planters National Bank v. American Home Assurance Company*, 2002 WL 1308344 (Tenn. Ct. App. 2002).

⁶⁷ *Id.* at * 2.

⁶⁸ *Id.*

⁶⁹ *Id.* at * 3.

excluded under the policy and further, because there was no wrongdoing by the insured.⁷⁰ Conversely in *Eagle Aviation, Inc. v. General Insurance Company of America*,⁷¹ the Court agreed with an insurer that denied coverage in a claim for stolen logbooks because the definition of “aircraft” as defined in the policy did not include its logbooks.⁷²

So, whether or not logbooks are covered under an aircraft insurance policy will depend on the language of the policy and if it’s not clear if the logbooks are covered, then it can be up to a court to decide. An aircraft owner should discuss this with his/her insurance agent or broker and specifically request the aircraft logbooks be covered under the policy.

VII. WHAT AN AIRCRAFT OWNER CAN DO IF HIS/HER AIRCRAFT LOGBOOKS ARE GONE FOREVER

Aircraft owners and operators can protect their aircraft logbooks by maintaining the original copy in a safe place away from the aircraft. If however, the owner needs to recreate his/her logbooks, there are vendors that specialize in this service. If the owner plans to recreate the logbook he/she should review Advisory Circular 43-9C---FAA June 8, 1998, titled, Lost or Destroyed Records. AC 43-9C provides guidance on how to reconstruct aircraft records.

But whether the owner recreates the logbooks on his/her own or if he/she hires a company that specializes in this service, to recoup these expenses from a third-party, there must be accurate records of these costs and expenses. The final case in this article

⁷⁰ *Id.* at * 8.

⁷¹ *Eagle Aviation, Inc. v. General Insurance Company of America*, 679 So.2d 1069 (Ala. Civ. App. 1996).

⁷² “Aircraft ’ means the airplane or rotorcraft described herein and shall include the engines, propellers, rotor blades, tools and repair equipment therein which are standard for the make and type of the aircraft, and operating and navigation instruments and radio equipment usually attached to the *aircraft*, including parts temporarily detached and not replaced by other similar parts.” *Id.* at 1070.

took place in California state court, *Ford & Vlahos v. ITT Commercial Finance Corp.*⁷³ In this case the aircraft finance company, ITT Commercial Finance, repossessed a C-130 aircraft from the aircraft owner, Ford. ITT alleged that after repossessing the aircraft, they had to clean and paint the aircraft and reconstruct the aircraft logbooks.⁷⁴ ITT alleged the cost to perform these tasks was approximately \$400,000—but Ford’s expert testified that many of ITT’s documents offered to prove this claim were suspect and that some were even forged.⁷⁵ The court believed Ford’s expert and awarded ITT only \$83,000 of the \$400,000 requested.⁷⁶

VIII. CONCLUSION

Aircraft logbooks are valuable assets that must be safeguarded to protect the value of the aircraft and to avoid FAA enforcement actions. Civil remedies are available if a party refuses to give an aircraft owner his/her logbooks or if a party misrepresents the condition of the aircraft to a buyer, but these remedies are expensive and time consuming. An aircraft purchaser should never sign a purchase agreement unless he/she has a contingency to allow termination of the contact in the event the purchaser cannot obtain and review the logbooks or until he/she has received them and has had an opportunity to have a qualified aircraft mechanic review them for the aircraft's maintenance status and damage history. Aircraft owners should also review their insurance coverage and discuss with their agents whether specific language can be added to the aircraft’s insurance policy to cover the loss of aircraft logbooks.

⁷³ *Ford & Vlahos v. ITT Commercial Fin. Corp.*, 18 Cal. App. 4th 1107, 23 Cal. Rptr. 2d 175, 179 (Cal. Ct. App. 1993) review granted and opinion superseded sub nom. *Ford & Vlahos v. ITT Commercial Credit Corp.*, 864 P.2d 1036 (Cal. 1993) and rev'd, 8 Cal. 4th 1220, 885 P.2d 877 (1994). The reviewing court did not specifically discuss the expense of recreating the logbooks.

⁷⁴ *Id.* at 184-185.

⁷⁵ *Id.*

⁷⁶ *Id.*