

March 31, 2016

Subject: FAA Acceptance of Documents with Legible Digital Signatures

To: Customers of Aero-Space Reports, Inc.

The FAA Registry's recent announcement to now accept printed duplicates of electronic documents that display legible digital signatures is certainly a groundbreaking decision that will change the way aircraft transactions are now handled. The second major change is that the Aircraft Registration Application (AC Form 8050-1) will now be available in a downloadable form and will be accepted by the FAA Registry with a legible digital signature.

According to the FAA, a legible and acceptable digital signature will have, at minimum, the following components:

- Shows the name of the signer and is applied in a manner to execute or validate the document;
- Includes the typed or printed name of the signer below or adjacent to the signature when the signature uses a digitized or scanned version of the signer's hand scribed signature or the name is in a cursive font;
- Shows the signer's corporate, managerial, or partnership title as part of or adjacent to the digital signature when the signer is signing on behalf of an organization or legal entity;
- Shows evidence of authentication of the signer's identity such as the text "digitally signed by" along with the software provider's seal/watermark, date and time of execution; or, have an authentication code or key identifying the software provider; and
- Has a font, size and color density that is clearly legible and reproducible when reviewed, copied and scanned into a black on white format.

The current paper application with the duplicate pink copy will continue to be accepted but will become immediately obsolete once the current paper applications are no longer in circulation. Also important to note is that a copy of the digitally signed Aircraft Registration Application must be retained and placed in the aircraft as temporary authority to operate the aircraft within the U.S. pending registration with the FAA.

It is Aero-Space Reports' duty to deliver documents on behalf of our customers to the FAA in recordable form. Therefore, effective April 1, 2016, we will begin accepting and filing registration documents that contain digital signatures. Our position will not be one that encourages or discourages the filing of documents with digital signatures. However, we will now make all parties to an aircraft transaction aware of the new FAA regulations and allow each party to make the decision as to how they would like their documents to be filed with the FAA.

Any digitally signed document received into escrow by Aero-Space Reports will be immediately examined to ensure that it meets all current requirements for recordation. Documents will continue to be stamped as “Documents being held in escrow” and shared with the pertinent parties to an aircraft transaction. Escrow transactions require the coordination and final approval of many parties. Aero-Space Reports will continue to maintain its neutral position as escrow agent in an effort to ensure that each party is equally protected and comfortable with the documents being held in escrow.

If any customer chooses to sign documents with a digital signature, Aero-Space Reports would like to take the lead in preparing and distributing the documents to the appropriate parties for signature. We believe that not only will this allow us to correctly prepare the documents, but it will allow us to make sure the documents are sent to the appropriate party for signature.

After researching the market, Aero-Space Reports has decided to prepare and send out documents for digital signature through [DocuSign](#). We believe it will best provide our customers with the most user-friendly and efficient experience possible.

We have always made it a top priority to understand the individual wants and needs of our customers. We understand that each customer will have a varying degree of comfort with digital signatures, and we also understand that each customer will have internal policies and procedures that may or may not allow for them to provide documents with digital signatures. Our priority will be to continue to provide excellent customer service and to conduct business in a way that is most conducive to you.

We clearly welcome any feedback you may have, and we are here to help answer any questions or concerns you may have. We appreciate your business and look forward to assisting you with your aircraft title and escrow needs.

Sincerely,

Bennett Snowden
Director of Operations
Aero-Space Reports, Inc.