



Eighty-Fifth Congress, Session I
Public Law 85-295 — 71 Stat. 617 (H. R. 7671)
September 4, 1957

*AN ACT To amend section 116 of chapter X of the Federal Bankruptcy Act, to make certain
equipment trust provisions applicable to aircraft and aircraft equipment of air carriers.*

*Be it enacted by the Senate and House of Representatives of the United States of America in
Congress assembled,* That section 116 of the Act of July 1, 1898, chapter 541, as amended
(11 U.S.C. 516; 52 Stat. 885), be amended by adding at the end thereof the following
new subsection:

“(5) Notwithstanding any other provisions of chapter X, the title of any owner,
whether as trustee or otherwise, to aircraft, aircraft engines, propellers, appliances, and
spare parts (as any of such are defined in the Civil Aeronautics Act of 1938, as now in
effect or hereafter amended) leased, subleased, or conditionally sold to any air carrier
which is operating pursuant to a certificate of convenience and necessity issued by the
Civil Aeronautics Board, and any right of such owner or of any other lessor to such
air carrier to take possession of such property in compliance with the provisions of
any such lease or conditional sale contract shall not be affected by the provisions of
chapter X if the terms of such lease or conditional sale so provide.”

APPROVED September 4, 1957.