



INTERNATIONAL INSTITUTE FOR THE UNIFICATION OF PRIVATE LAW
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UNIDROIT COMMITTEE OF GOVERNMENTAL EXPERTS FOR THE PREPARATION OF A
DRAFT PROTOCOL TO THE CONVENTION ON INTERNATIONAL INTERESTS IN
MOBILE EQUIPMENT ON MATTERS SPECIFIC TO SPACE ASSETS

First session (Rome, 15 - 19 December 2003)

PROPOSAL

(by the Space Working Group at the request of the Chairman of the Committee)

1. The question has been raised by the German delegation of a conflict of registered interests not over the same asset (that is dealt with by priority rules laid out in Article 29 of the Convention) but over two different assets one of which is a “separately identifiable” asset or “component” of the other one defined in Article I(2)(f) of the preliminary draft Space Protocol.
2. The answer to the question is a priority issue: since, *ex hypothesis*, both assets qualify as “space assets” under the preliminary draft Space Protocol, both registered interests are to be considered as valid.

Suggested wording to be added to Article IX of the preliminary draft Space Protocol:

“4. When two space assets, one of which is a separately identifiable component of the other within the meaning of Article I(2)(f), are subject to two separate registered interests, both registered interests shall be valid and have priority as determined under Article 29 of the Convention unless otherwise agreed between the holders of such registered interests.”.

Note: This proposed new paragraph needs further consideration by the Committee as to whether the protection provided is sufficient or needs extending, especially in order to protect a user of components who is neither in default nor insolvent.