



**DIPLOMATIC CONFERENCE TO ADOPT A MOBILE EQUIPMENT
CONVENTION AND AN AIRCRAFT PROTOCOL**

(Cape Town, 29 October to 16 November 2001)

COMMENTS ON ARTICLE 7(2) OF THE DRAFT CONVENTION

(Presented by Australia)

Replace Article 7(2) with the following article:

“Any remedy given by sub-paragraph (a), (b) or (c) of the preceding paragraph or by Article 12 must be exercised either:

- (a) in a commercially reasonable manner; or
- (b) in conformity with any provision of the security agreement that is not manifestly unreasonable.”

(An alternate drafting configuration of the Australian proposal, which differs only in that it does not employ sub-paragraphs, could be used as follows:

“Any remedy given by sub-paragraph (a), (b) or (c) of the preceding paragraph must be exercised either in a commercially reasonable manner, or in conformity with any provision of the security agreement that is not manifestly unreasonable.”)

— END —