**Section 1457.960 Possession and Control of Leased Equipment**

a) General requirement. The lessee of equipment used under authority of a license issued by the Commission shall have exclusive possession and control of the equipment while it is so used. Failure to exercise supervision and control of the equipment constitutes an illegal transfer of authority as set forth in Section 18c-4307 of the Law, making both the lessor and lessee subject to sanctions provided by Section 18c-1704 of the Law.

b) Exceptions. The requirement of exclusive possession and control does not apply to a lessee that, in turn, subleases the equipment to another carrier, since the latter carrier has the obligation to supervise and control the equipment. The requirement does, however, apply to the sublessee.