

DAY ONE - 19 March 2019

Richard Furey, Partner, Holland & Knight LLP
Marian Pistik, Head of Asset Management, International Airfinance Corporation

- 08.00 **Tea/Coffee and Registration**
- 08.45 **Welcome/Introduction**
 - Seminar Background, Content and Purpose
 - Aircraft Operating Leasing
 - Main Characteristics
 - Pricing Factors
 - Major Considerations
 - Common Structures
- 10.30 **Case Study: Introduction and Organisation (15 mins)**
- 10.45 **Refreshment Break (15 mins)**
- Heads of Agreement/Term Sheet Structure**
 - Principal Components & Legal Effect
- Pre-Delivery Planning/Legal Issues**
 - Choice of Registry & Law
 - Cape Town Convention
 - Local Law Issues
 - Tax Considerations
- 13.00 **Luncheon**
- 14.00 **Aircraft Definition at Delivery**
 - Specification & Condition at Delivery
 - Pre-delivery Maintenance
 - Definition of Component & Modification Status
 - Records & Manuals Inventory
 - Pre-delivery Flight Test
 - Certification Issues
 - Aircraft Condition Disclaimers
- Delivery**
 - Delivery Timing & Location
 - Acceptance Procedures & Ferry Flight

15.30

Lease Term

- Lease Duration and the Value Cycle
- Early Termination & Purchase Options

Refreshment Break (15 mins)

Rental

- Rent Alternatives
- Rental/Lease Term Balance
- Payments & Remittances
- Net Lease Concept/Unconditional Payment Obligation
- Currency Risk

General Tax Indemnity

- Basic Obligations of the Lessee
- Exceptions and Offsets to Lessor Indemnification
- Coverage of Lessor Tax Benefits

Security

- Amount & Form
- Cash/Letter of Credit/Bank Guarantee/Surety Bond
- Additional Credit Support
- Return of Deposit
- Lessee Considerations

Conditions Precedent

Representations

General Covenants

Indemnities

Case Study: Meetings

Day 1 concludes

16.45

18.00

DAY TWO - 20 March 2019

Richard Furey, Partner, Holland & Knight LLP
Marian Pistik, Head of Asset Management, International Airfinance Corporation

- 08.00 **Tea/Coffee**
 - 08.45 **Welcome**
 - Operation & Use**
 - Quiet Enjoyment
 - Compliance with Laws & Insurance
 - Additional Restrictions on Use
 - Liens & Security Interests
 - Subleases (Wet & Dry)
 - Default of Sub-lessee
 - Engines Off-Wing
 - Assignments
 - Loss, Damage and Requisition**
 - Total Loss
 - Repairable Damage
 - Government Requisition
 - 10.45 **Refreshment Break (15 mins)**
- INSURANCE ISSUES**
Robert Normand, Client Executive—Aviation Insurance, AON Aviation
- 11.00
 - General Considerations
 - Practical Considerations
 - Categories of Insurance and Amounts
 - Key Contract Provisions
 - Certificate of Insurance & Broker's Letter of Undertaking
 - 12.15 **Group Study Meetings**
 - 12.45 **Luncheon**

TECHNICAL LEASE LANGUAGE

Jack Bos, Technical Director,
Mass Lease

- 13.45 **Maintenance Covenants**
- Applicable Maintenance Programmes & Regulatory Baseline
 - Maintenance Contractor & Technical Support Arrangements
 - Asset Monitoring & Reporting during Lease
 - Airworthiness Directive & Service Bulletin Compliance
 - AD Cost Sharing
 - Records
 - Manufacturer & Vendor Warranties
- Maintenance Reserves**
- Basis of Calculation
 - Hour/Cycle and Utilisation Impact
 - Reserve Rate Escalation and Accrued Interest
 - Reimbursement Procedure
 - Lessor Contribution to Maintenance
 - Security or Additional Rent?
- Return Conditions**
- Matching with Delivery Conditions
 - Re-delivery Maintenance
 - Residual Life – Life Limited Parts
 - Regulatory Compliance
 - Re-delivery Inspection & Records Audit
 - Non-Compliance Adjustments
 - De-registration & Export C of A
 - Return Acceptance Certificate
- 15.30 **Refreshment Break** (15 mins)
- 15.45 **AIRLINE'S PERSPECTIVE**
Fabiola Jaymond, Manager Aircraft Asset Management, Lufthansa Group.
- Why an Airline Choses an Operating Lease
 - Discussion on PMA Parts
- 16.25 **Group Presentations** (15 mins each)
- 18.00 **Networking & Drinks**

DAY THREE - 21 March 2019

Richard Furey, Partner, Holland & Knight LLP
Ronan Stewart, Chief Executive—Commercial, Santos Dumont

08.00 **Tea/Coffee**

Routine Lease Management Activity

08.45 **Introduction: Why you need to know what you are doing as well as how to do it!**

Risk Management

Filtering Business Risk

- Aircraft Asset Risk
- Lessee Credit Risk
- Jurisdiction Risk
- Transaction Risk Management
- Fitting Transaction Design to Risk

10.30 **Refreshment Break** (15 mins)

Lease Enforcement

Default and Remedies

- Events of Default
- Lessor's Rights
- Liability for Damages
- Lessor Default
- Lessor Remedies – The Practical View

Lease Enforcement

- "Voluntary" Payment Defaults
- Involuntary Payment Defaults
- Resolution within Structure of the Lease
- Lease Restructurings
- Aircraft Repossessions: Consensual and Hostile
- US Bankruptcy
- Cape Town
- Post Recovery Issues

13.00 **Luncheon**

FINANCING AN OPERATING LEASE

Siggi Kristinsson, CEO, Volito Aviation

- 13.45 **Financing for Operating Leases**
- Sources of Financing for Operating Leases
 - Deal Structures
 - Negotiating Term Sheets
 - Risk & Reward from the Banks Perspective
- 15.30 **Refreshment Break** (20mins)
- Analysing Default Risk
 - Airline Credits
 - Asset risk—Aircraft Values
 - The Cycle
 - General Discussion on Export Finance, Islamic Structures, JOLs, Securitisation etc
- 17.15 **Conclusion**